Revisiting Civil Service Retirement in Nepal

By
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MPPG 4th Batch

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Dhaka, Bangladesh
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Dedicated to my
late FATHER
who
left this virtual world earlier
but
whose words of inspiration
still stimulates me to get hold of
my ambition!!
Acknowledgement

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Abstract

This study conducts an assessment on current status of retired civil servant officers of Nepal and makes revisit in civil service retirement policies. The study is principally based on the empirical research done through the analysis of responses generated from semi-structured questionnaire survey and case studies. Nevertheless, secondary data have also been used during the time of analysis. Descriptive, comparative and analytical techniques are major techniques adopted for interpreting the qualitative and quantitative data and information in order to achieve the set objectives of the study.

Before conducting the field work among the retired civil servant officials in the Kathmandu Valley from August to September, 2015, the researcher had a survey of relevant literatures on the history and system of retirement in public service of Nepal. The Acts, Regulations and By Laws related to the field were also studied in line with the study. It was followed by the search of appropriate theoretical links for the purpose of giving validity to the study by linking it with established norms. With the help of survey of literatures both from Nepal and abroad and study of appropriate theories and models, an analytical framework was developed. In the analytical framework, revisiting retirement in civil service is the dependent variable, while post- retirement state and involvement, retirement adjustment issues and statutory retirement policies are the independent variables. The independent variables are further clarified with the development of issues and indicators for each of them. All the independent variables in the framework are seen in relation with satisfaction of the retirees to analyze the civil service retirement, the dependent variable.

Unlike the prior expectation of the researcher, the life of the retirees is found fairly satisfied. However, the satisfaction level among the retirees has also differed to some extent in accordance to the level from which they are retired from. Higher the retirement level more satisfied the retirees are.

In terms of retirement transition issues, majority of the respondents reported that they did not have difficulties in transition from service life to retired life. They were psychologically prepared for the retirement and continuous involvements in activities during retired life through bridge employment (full time or part time) and other activities...
have helped to maintain for satisfaction level in retired life. It is mention worthy that most of the respondents said that they did not get any training and counseling as part of retirement management before and after retirement. In this context, they have strongly advocated for necessity of such programs for future retiring and retired officials as they think such programs help in retirement management.

The study is very significant on the revisit of civil service retirement policies based on the perception of the retirees. The study has revealed that most of the respondents are dissatisfied with the present retirement age of 58. They also raised question for not having uniform age of retirement in 3 different Acts- Civil Service Act, 2049 (1993), Health Services Act 2053(1997) and Act Relating to Legislature Parliament 2064 (2007) though officials under all these Acts are civil servants in Nepal.

Though lateral entry provision in Gazatted I and II class was not considered to have strong relation with retirement, the study has revealed that this provision has significant role in retirement of secretaries. Many respondents raised question over the relevancy of this entry provision. They claim that such provision will lead to the early retirement of competent secretaries (in accordance to 5 year tenure provision) as there is large chance for the officials entering through lateral entry to be promoted for secretary in young age. All 3 cases of retired secretaries presented in the study have further validated this concern. The particular case of Dipendra Bikram Thapa, who retired from post of secretary in the age of 49 (9 years before reaching the retirement age) is mention worthy in this context. The other major policy based issues raised by the respondents in the study are related to post-retirement health policy, post retirement use of human capital of the retirees and pre and post retirement programs for retirement management.

This study confirms that though the majority of retirees have fewer complaints over their personal life in post-retirement stage, these retirees have seen some gaps in retirement policies that can be addressed through appropriate revisions in the prevalent policies and provisions. The study also proves that retirement as a whole is not affected only by the retirement policies only but is also shaped by other policies like- entry and promotion.
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<tr>
<td>CGHS</td>
<td>Central Government Health Scheme <em>(India)</em></td>
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<tr>
<td>DB</td>
<td>Defined Benefit</td>
<td></td>
</tr>
<tr>
<td>DC</td>
<td>Defined Contribution</td>
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<td></td>
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<td>DPR</td>
<td>Department of Pension Management</td>
<td></td>
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<tr>
<td>GoN</td>
<td>Government of Nepal</td>
<td></td>
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<tr>
<td>HRM</td>
<td>Human Resource Management</td>
<td></td>
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<tr>
<td>IIDS</td>
<td>Institute for Integrated Development Studies (IIDS)</td>
<td></td>
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<tr>
<td>MoF</td>
<td>Ministry of Finance</td>
<td></td>
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<tr>
<td>MoGA</td>
<td>Ministry of General Administration</td>
<td></td>
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<tr>
<td>NASC</td>
<td>Nepal Administrative Staff College</td>
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<tr>
<td>NGO</td>
<td>Non-Government Organization</td>
<td></td>
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<tr>
<td>SANEI</td>
<td>South Asian Network of Economic Institutes</td>
<td></td>
</tr>
<tr>
<td>SEDP-</td>
<td>Senior Executive Development Program <em>(conducted by NASC for joint-Secretaries of the Government of Nepal)</em></td>
<td></td>
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<tr>
<td>TNA</td>
<td>Training Need Assessment</td>
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Chapter 1
Introduction

1.1. Background and Context
Growth in a human life is a natural phenomenon and it is same growth that transfers human being’s life from childhood to youth, adulthood and finally to ageing stage. The physical energy, enthusiasm, capability and creativeness are different at different stage of life. These aspects are at the apex level during the youth stage. On the other hand, it is also true that the maturity is reached at the adult stage with growing experiences of success and failure. However, it is also undisputed that physical and other strengths of a human go on declining with ageing. Therefore, the necessity in exit of ageing people from work stations and entry of new human resources seems valid. For the same, the concept of retirement has been introduced throughout the world. The retirement concept is applied both in public and private service though the system is more strict in public sector. As the retirement process leads to the formal end of professional career, it is an important point of deviation in the life of service holders. It is also one of the highly discussed issues of human resource management in public administration.

There is widespread perception that job in public service is a lucrative one as it has prestige, power, good facilities and incentives during and after the service period. There are ample opportunities for career enhancement after entering the public service. There is good social image of public officials though they are sometimes criticized publicly for involvement in unethical practices such as corruption. Therefore, the track records show that there is high rate of job continuation by the public officials. Once they enter the service, they continue the service until they reach to the compulsory retirement age with exceptional case of some officials who resign earlier or go for voluntary retirement. Nevertheless, though not common in developing countries, early retirement number is widely practiced in European countries. Important determinants of early retirement in these countries are financial incentives to retire early, national policies, ill health, and poor working conditions (Wahrendorf et al. 2013).

Retirement is an age long practice in both the private and public service (Osuala 1985). It is a major stage in adult development and it essentially marks the split from middle years to old age. Similarly, Atchley (1977) defines retirement as an act of retiring or the state of
being retired. That is an act of withdrawing or detaching oneself from active service. Thus, the process of retirement involves the transition of people’s experience, when they move from a job role performed for pay to the role of retired person (Olatunde & Onyinye 2012).

The government of each country has set a certain years of continuous service or particular age of officials for retiring from public service. The age varies from country to country. The variations in retirement age of different countries are because of different socio-economic status, life expectancy of the citizens and other aspects. Sometime, the retirement age is also determined by the type and nature of service.

Table 1: Statutory age of retirement for civil servants in some countries

<table>
<thead>
<tr>
<th>Regions and Countries</th>
<th>Retirement Age</th>
<th>Reference Year</th>
<th>Life Expectancy at Birth (years) (2013) Source: World Bank 1</th>
<th>Man</th>
<th>Woman</th>
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<tr>
<td></td>
<td>Man</td>
<td>Woman</td>
<td></td>
<td>Man</td>
<td>Woman</td>
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<td>South Asia</td>
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<tr>
<td>Bangladesh</td>
<td>59</td>
<td>59</td>
<td>2014</td>
<td>70</td>
<td>71</td>
</tr>
<tr>
<td>India</td>
<td>58</td>
<td>58</td>
<td>2014</td>
<td>65</td>
<td>68</td>
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<tr>
<td>Maldives</td>
<td>55-65</td>
<td>55-65</td>
<td>20142</td>
<td>77</td>
<td>79</td>
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<td>Nepal</td>
<td>58</td>
<td>58</td>
<td>2014</td>
<td>67</td>
<td>70</td>
</tr>
<tr>
<td>Pakistan</td>
<td>60</td>
<td>60</td>
<td>2014</td>
<td>66</td>
<td>68</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>60</td>
<td>60</td>
<td>2013</td>
<td>71</td>
<td>77</td>
</tr>
<tr>
<td>Average</td>
<td>69.33</td>
<td>72.16</td>
<td></td>
<td>70.7</td>
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<td>South East Asia</td>
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<td>60</td>
<td>2014</td>
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<td>60</td>
<td>60</td>
<td>2014</td>
<td>65</td>
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<td>62-65</td>
<td>62-65</td>
<td>2014</td>
<td>80</td>
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<td>Thailand</td>
<td>60</td>
<td>60</td>
<td>2008</td>
<td>71</td>
<td>78</td>
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<td>Vietnam</td>
<td>60</td>
<td>55</td>
<td>2014</td>
<td>71</td>
<td>80</td>
</tr>
<tr>
<td>Average</td>
<td>70.29</td>
<td>76</td>
<td>73.14</td>
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</table>

N.B. - The retirement age mentioned in this table is the generally accepted age in civil service of the respective countries. However, there may be different provisions accordance to service types like in Nepal (as mentioned in Table 3).

1 http://data.worldbank.org/indicators/SP.DYN.LEOO.MA.IN  (for Male)
http://data.worldbank.org/indicators/SP.DYN.LEOO.FE.IN  (for Female)
http://data.worldbank.org/indicators/SP.DYN.LEOO.IN  (for Mean)

2 As stipulated in subsection 50 (b) of The Maldivian Civil Service Act, the Commission has the discretion to retire employees upon reaching 55 years. The employees shall be retired upon reaching 65 years. (http://en.csc.gov.mv/)
There are two forms of common retirement processes: Early retirement and Phased retirement. Early retirement allows employees to retire earlier than the 'normal' retiring age. Some organizations encourage this practice to reduce staff numbers, clear succession or promotion blockages. Phased retirement on the other hand, is more widely used approach where the employer makes preparation for the employee to phase in the retirement to avoid the abrupt change in circumstances, by reducing their workload over a period of time agreed, so that they withdraw gradually from the organization and full time paid employment (HRIN nd).

Like in other countries, forms of retirement practiced in public services of Nepal are also similar. By further splitting early retirement into two categories, it is practiced under three different forms. They are voluntary retirement, forced retirement and mandatory retirement. Voluntary or self-retirement occurs when the individual decides to quit active service for personal reason(s) irrespective of age, experience, length of service or retirement policies. This type of retirement depends more on the employee than the employer. Compulsory or forced retirement is a situation in which the individual is forced or compelled to retire against the individual’s expectation and when he is ill-prepared for it. It is usually viewed negatively in that it is unplanned. Inefficiency, ill-health, indiscipline etc are reasons for this sort of retirement. This retirement is in the interest of the organization not the service holder. Mandatory or statutory retirement (as mentioned in above table) is the normal or expected form in the sense that the person involved has reached the statutory age of retirement as specified in the Act or Rule of particular service. Sometimes, the age can be different within the same country too according to type and nature of service.

Whatever the form of retirement is, if a retired life that begins after a long service in public service is not planned and managed well, there is possibility that life of retirees may become difficult and cumbersome. The activities these retirees involve or engage in the retired stage may also affect in their life situation and satisfaction level.

1.2. Statement of Problem
Retirement means to stop or withdraw from working simply because one has reached a particular age; either by chronological age or by virtue of years spent in service (Inaja & Rose 2013:37). It signifies a period of major change in the life of service holders.
Whether one likes it or not, the certainty of one leaving work in either of the aforementioned ways cannot be ruled out (ibid). The assumption behind setting of a provision for retirement is that a person after reaching towards the age of aging can’t exhibit the same performance because of ageing, health and other factors. However, such assumption may not be always valid. Also in the countries where the growth of private sector is limited and the government is the main source of employment for its people, early retirement age might be set in public services in order to provide employment for new generations as public sector is one of the main sources of employment in developing countries like Nepal as a result of limited growth of private sector.

As per the data from Civil Service Record Department and other public agencies in Nepal, hundreds of public officials retire each year (see literature review for data). Most of them retire under mandatory retirement scheme. Very few of them choose voluntary retirement scheme.

Retirement age for public officials in Nepal is not similar. It differs according to the nature of services they are involved in. The retirement age of civil servants is 58 years except in health and legislature parliament service where it is 60. But the Special Class (Secretary Level) has the maximum tenure of 5 years only unless appointed as the Chief-Secretary, and s/he may retire from service before s/he reaches the mandatory retirement age set by the government. Considering the retirement age of autonomous government bodies, it is 60 or more in most of the agencies and enterprises. In case of police, there is years of service provision for retirement. In addition, the retirement age in army is different according to position they are holding. There are different rules for retirement for university teachers and judges of the court. Whatever the age bar for retirement is, there are two options of facilities that can be chosen by the public officials in Nepal during the time of retirement. As the first option, they may choose to go on pension if they have served 20 years of permanent service till the time of retirement. Similarly, as per the second option, they are given a bulk amount of money as gratuity at once taking in account the number of years they have served. The formula to calculate the pension and gratuity amount is mentioned in Civil Service Act (2049 B.S.) for civil servants, and autonomous government bodies have their own rules which are almost similar with the provision of civil service. The officials having the record of working for more than 20 years can opt for any of the above mentioned facilities, while gratuity is the only option if
they have not served for at least 20 years. The pension for retirees after getting the record from Department of Civil Personnel Records (DCPR) is managed by Ministry of Finance (MoF), Department of Pension Management (DPR), Tripureshwor, Kathmandu through various banks.

The retiring civil servants of Nepal are given a total monetary sum for reserved leaves, medicine allowances and other facilities at the time of retirement. However, except providing monetary facility, there are no other post career management programs for the officials. Pre-retirement and post-retirement training and counseling programs are rarely conducted. Similarly, there are no any formal channels or mechanisms for the retirees to for getting engaged in post-retirement period. Exception can be taken as the recently formed high level panel of the retired secretaries of the GoN by the Ministry of General Administration.

There are few instances in which the officials retiring from high positions are offered posting to the high level administrative bodies through the direct appointment of the government. Officials retiring in lower levels rarely get this sort of opportunities. In most of the cases, the retired secretaries are preferred for these government appointments. As a recent initiative to keep the retired civil servants active, Nepal government on Feb 20, 2015 has formed a high level panel of retired senior bureaucrats under the Chairman of Former Chief Secretary Damodar Prasad Gautam for involving them in policy related activities. The panel includes the retired secretaries of Nepal government as its members. The panel has nine different clusters (administration, economic, foreign affairs, law and justice, defense and others) headed by former secretaries (Ghimire, 2015). The panel is stipulated to provide platform to discuss on various issues of government administration and policy related aspects and provide necessary suggestions to the government. Like in the case of appointments, there are very slim chances for officials retiring in lower and middle level for getting chance to engage in professional activities like this.

Retirement or termination of work signifies a period of major change in the life of public servants. In such a context, the transition is usually devastating and traumatic in the life of the retiree, especially when the person concerned do not prepare for this phase of life (Inja & Rose 2013:37). The adverse psychological and socio-economic disposition are identified to characterize retired civil servants due to functional discontinuation of their
regular financial source of livelihood and its corresponding decline in social status cannot be overstated (Inaja & Rose 2013:37). Such challenges include financial insufficiency, poor feeding, dysfunctional family matters as well as psychological or behavior disorders like depression, hypertension, identity crisis, alcoholism, loneliness, fast ageing and ill health occasioned at times by lots of good accommodation among others (Denga, 1986; Tokurboh 1998 as cited Inaja & Rose, 2013: 38).

However, it is not always fair to tell that retired stage of life is troublesome only. Some even agree that retirement has been able to bring more happiness and satisfaction in the life of the retirees as there will be no official work stress after detachment from service and they can enjoy more leisure time. They get sufficient time to involve in family life, engage in the services/jobs as per their wishes and enable themselves to involve in activities as per their personal hobbies.

In the above mentioned scenery, Government needs to rethink about the retirees and post retirement policies. Human Resource Management (HRM) is not only for existing one or those who are involving in service at present but need to see those who spent their energetic period for the service in public sector. There is necessity of appropriate policy for utilizing their experiences and knowledge they gained from their service. In addition, there might be some policies that are affecting the civil service retirement in Nepal. Such issues might have been related not only with the retirement rules but also with recruitment and promotion. These sorts of issues need systematic revisit so that the genuine issues can be identified and brought into notice. Proper and systematic works can only come up with such findings, and the retirees with long experience of service tenure can be the good means for analyzing the positive aspects and recognizing policy weaknesses and loopholes.

Though there is sufficient ground for carrying out the research works in the field of retirement, the field is often neglected. The scenario of South Asia is also the same till the date. Therefore, it is justifiable to look at the issue of retirement, an important issue both for the retirees and government.
1.3. Research Objectives
The general aim of this study is to revisit the civil service retirement of Nepal. To achieve the main objectives, the study has following specific objectives:

a. To explore and examine the present state of retired civil servants of Nepal.
b. To analyze the perception and satisfaction the retirees have about the existing statutory provisions (policies) that have direct and indirect relations with civil service retirement in Nepal.

1.4. Research Questions
To attain the above stated objectives of the study, the following three research questions have been set:

a. What is the present state of retired civil servants of Nepal?
b. What perceptions the retirees have about the existing civil service retirement policies in Nepal?

1.5. Significance of the Study
If we look at the current research trend, most of the research works in the field of public administration till the date have focused more on the reform initiatives of public sector and performance management of in-service officials. It is because the institutional arrangements and service providers’ capacities are considered the integral factors in improving the level of public service in the eyes of reformers. As a result, they have given very less priority in research of post-retirement and retirement policies and provisions.

There is an administrative culture that is mention worthy here. There is a tradition of organizing farewell programs for the retiring officials by the offices they work at the time of retirement. Some instances have also been found where the retiring officials do not want to participate in such program because they don’t like the concept of farewell at all. They think that farewell program make them psychologically feeble to handle the retirement. The psychological readiness of the retirees can be checked through this research as some researcher like Van Solinge & Henkens (2007) fear that retirement is one of the main life course transitions in late adult life and how retirees experience this transition has strong implications for adaptation to retirement and well-being in retirement.
Retired public officials are the valuable assets of a nation with abundance of knowledge, experiences and skills. Since they reach the age of ageing with retirement, they may face numerous difficulties that need to be addressed properly. Generally, it is said and seen that their difficulties are rarely addressed. It is also true that in order to address the problems, first the concerned authority needs to know about the post retirement situation. But, researchers till the date have not given sufficient attention to the issues on how public officials perceive retirement, their attitudes towards the retired life and how they have been spending the time. What we perceive at present about post retirement situation might not be the reality. Therefore, there is sufficient room of study in the area of retirement and post retirement.

The significance of the study can be justified from another policy point of view too. There is official age of retirement (mentioned earlier) as fixed by the government of Nepal. It has not been revised for recent years. There are some arguments being made on the necessity of extending the retirement age in the context the ageing population of present days in comparison to past are more active, healthier and have longer life span after retirement. In this context, the research can intake the view of retired officials on the appropriateness of present retirement age. The findings of this aspect can have some policy implication for the government on revising the current retirement age, issue of debate for recent years.

In addition, these retirees may have some potential contributions and inputs that government and other sectors may use. It is because they gain a lot of knowledge and skills from their long service experience. Such learning can be used as human capital for good uses. They may be interested to do it both on paid or voluntary basis. It can be in different areas such as social mobilization, leadership and campaigning, NGO activities, policy inputs, research, teaching etc. These aspects can be uncovered from the research. As a result, government may also think to frame some appropriate policies to intake the contributions of the retirees both through paid and voluntary basis.

Furthermore, the conduction of retirement planning programs and trainings in Nepal is very less. For instance, Nepal Administrative Staff College (NASC), the apex training institute with mandate to provide training for the public officials of Nepal government
conducts a training named “Late Career Management” related to retirement management targeting the retiring officers. It is rather counseling and orientation than training. The duration of training is short. It is only a five working days and generally officers of II and III class who are going to retire very soon are the participants. Only about 25 officials participate in this program. The number is very insignificant in comparison to the officers who retire each year. In addition, no post-retirement training is conducted by any government training institutes of Nepal. In this context, the study can give space in knowing if the respondents feel necessity of pre and post retirement counseling and training programs like in some western countries. If they feel such programs essential for making the post retired life of public officials meaningful, the study may have policy implication for the government and training institutes for designing and conducting such training programs. In this case, the research will work like a mini Training Need Assessment (TNA) for training institutes like NASC.

In the above mentioned backdrop, it would be sensible to seek into the post retirement situation of retired public officials and find out their engagement in activities, difficulties they face and potential contributions they can endow. The research may come out with some significant findings that can be incorporated in future policy making for addressing the problems of retirees and providing platforms for utilizing their skills, knowledge and other aspects for national and social development.

All in all, the study will add a brick in the area of civil service retirement in Nepal and most probably will arouse interest in the future researchers too for investigating into various other issues related to retirement, very less researched topic in public administration of Nepal.

1.6. Conceptual Framework

The study intends to seek into two major issues. Firstly, it looks into the post-retirement status of the retirees through their involvements in paid and unpaid activities. It also observes on the issues of transition, the retirees have to face once they are given the tag of retirees. Secondly, it revisits and analyses the retirement policies and other related laws and rules that have direct and indirect relation with the retirement policies and practices in civil service on the basis of the perceptions of the retirees. For the purpose of
accomplishing these purposes, the study has taken some established theories and concepts that can be put under the scope of Human Resource Management (HRM) as retirement management is also a part of HRM. As per (Payrollecpressinc, nd), there are seven key areas of HRM as- Recruiting & Employment, Health & Safety, Compensation Benefits (Retirement Plan Administration, Life & Disability Insurance, Accident, and Sickness & Cancer Insurance), Employee / Employer Relations, Record Keeping and Strategic Planning. Since the study is on policy issues too, the policy designing approach is also used in theoretical approach. While dealing with the variables mentioned earlier, satisfaction of the retirees is put at the center of the study. Further discussion on theoretical and analytical framework is done in Chapter III.

1.7. Operational Definitions

Civil service: Civil Service in this study refers to the service under Civil Service Act, 2049 though Health Services Act 2053(1997) and Act Relating to Legislature Parliament, 2064 (2007).

Retirement: Retirement refers to the retirement of officials of civil servants of Nepal under Civil Service Acts in Nepal mentioned previously.

Post-retirement involvements: Post retirement involvements refer to the engagements of retired officials in post-retirement period. These engagements in activities are of three types:

- **Individual level**: The activities the retired officials engage in through the use of the skills, experience and knowledge an individual has. It also includes the involvement in bridge employment (paid works after an individual retires), other voluntary involvements through the use of intuitive personal capabilities like literary writing, and other creative means.

- **Family level**: The activities related with family affairs and issues in which the retired officials engage in.

- **Societal level**: The activities that are directly associated with the aspects and issues of the society. It includes all unpaid and voluntary activities related to the development of the society.
**Bridge employment:** Bridge employment refers to the full-time or part-time paid works the retirees engage in after retirement.

**Retirement adjustment issues:** It includes the problems faced by the retirees along with retirement. The retirement preparation (pre and post retirement trainings and counseling) done by the government for retirement management in order to manage these difficulties are also included under retirement adjustment issues.

**Statutory retirement provisions:** It denotes to the prevalent statutory provisions set by the government of Nepal for the regulation of retirement and post retirement management of the retirees.

**Human capital:** Human capital refers to the set of knowledge, skills, experiences etc. gained by the civil service retirees from civil service.

**Satisfaction:** Satisfaction refers to the satisfaction of the retirees achieved on the basis of involvement in activities and through continuity of pre-retirement lifestyle, role performed, use of human capital after retirement and perception towards civil service retirement policies.

**1.8. Limitations of the Study**

The research done in the area of retirement management in Nepal is deficient. Hence, much of the theoretical background information of the study concerning the retirement is based upon findings in the United States, Europe and Australia. Similarly, the study is limited only to the civil service retirees who have retired in the gazetted (officer) level at least 6 months before July 2015. Regarding the study area, only the retirees living in Kathmandu Valley, the capital city of Nepal in their post-retirement state are taken in the study because of time constraint and the proximity of the researcher. Therefore, the findings of the research may not represent the voice of all the retirees in Nepal.

Moreover, only the retirees of civil service are in the domain of the study though there are about five times more officials in Nepal who take salary from the State fund. For example, School and university teachers, police, army and officials of other government autonomous bodies are not included in civil service of Nepal. Therefore, the findings of the study are related only to the officer level retired civil servants of Nepal.
1.9. Organization of the Study

The study consists of six chapters. **Chapter One, “Introduction”** comprises the purpose of the study, statement of the problem, research questions and objectives of the study. It also includes significance of the study, limitation of the study, conceptual framework and finally the organization of the study. **Chapter Two, “Literature Review”**, presents a short concept of retirement and practices and history of retirement in Nepal along with main features of civil service retirement acts and rules. It also briefly explains the outcomes of prior retirement management research works carried out in the different parts of the world. **Chapter Three** is about the theoretical background for the study which uses Human Resource Management as the broad concept. Under this theory, there is use of Continuity Theory, Role Theory and Human Capital Theory, the popular theory of retirement management. It also presents a diagrammatic analytical framework being based on the theories mentioned earlier. **The Fourth Chapter** discusses about the Research Methodology in the study. It outlines the data collection methods, sampling, data analysis methods and others. **Chapter Five** presents the analysis and interpretation of the data and information (both qualitative and quantitative) that were collected by the researcher through questionnaire, interviews and case studies. This chapter also includes the content analysis of related provisions in the neighboring countries. Finally, **Chapter Six** is the concluding chapter. It presents a summary of the entire work, the concluding remarks of the researcher and scope for the future research.
Chapter 2
Review of Literature

Retirement is a compulsory transition stage for service holders. It may bring both positive and negative effects in the life of retired officials. It has been postulated by Elezua (1998) that the moment retirement comes knocking on the door (of an employee) it enters with challenges and expectations. This chapter attempts to do a short literature review of civil service retirement both in Nepal and abroad.

2.1. Concept of Retirement

Atchley (1971) views that retirement is the act of retiring or the state of being retired. That is to withdraw oneself from business, public life or and to remove from active service. In other words, daily routine changes from official to domestic one in most of the cases unless he/she is involved in other jobs. In similar way, Buckley (1974) views retirement as an inevitable stage of ageing where the individual gradually disengages from the main stream of active work, social work and is eventually replaced with younger ones. Also, Cole (1997) sees retirement as the time an employee reaches the end of his working life.

Retirement is an aged long practice in both the private and public service (Shea 1991 & Maisamari 2005 as cited in Maji 2014). The age of retirement may vary from country to country and on basis of gender too. Life expectancy of people, socio-economic conditions, job opportunities, availability of young human forces for replacement etc are main reasons for having different age-bar. There are some valid reasons behind the provision of retirement. The Government sets the working age of public civil servants to prevent an ageing labour force by allowing entrants of young- able bodied labour for increasing efficiency and productivity (Maji 2014:110). Instead, as a reward for their significant and contribution to the country, government in both developed and developing countries provide retirees access to formal system of retirement income support (ibid).
2.2. Civil Service Retirement and Related Statutory Provisions in Nepal

There are very few documents and papers that illustrate the history of retirement of government officials in Nepal. However, some documents give us the hints that youngsters were recruited in state force to make the state capable of combating the aggressions from other states. Once they were not capable of performing their tasks with high capacity, they were replaced by the newer generations. The first published source related to this case is “Rules on Military and Civil Service 1879 (B.S.)” issued by Ujir Singh Thapa. Number 4 under Second rule of this Act states: “Recruit a youth of Fifteen to Thirty years of age in the Army (Paltan). Hold their job up to the age of Fifty to Fifty Five years.” The document has envisioned only the army as the state officials and there was no fixed retirement age as the document mentions 50-55 as the maximum limit. Similarly, the document is silent about post-retirement benefits to the retirees.

The systematic development of civil service can be traced only after the establishment of Public Service Commission in Ashad 01, 2008 (June 15, 1951) and the enforcement of Civil Service Act in 2013 B.S. (1956 A.D.). The Act was revised for 14 times before being replaced by new Civil Service Act of 2049 B.S. (1993). The retirement age was 60 before being reduced to 58 in 1993. One of the major reasons behind the reducing the age was downsizing the government in accordance to new state restructuring program and downsizing of the government. Some even claim that the political reason was responsible behind this. The prime political reason was to replace the old Panchayat bureaucrats with new ones in the changed political context. Those who had reached 58 were given pension by adding two years’ service while for counting pension amount. Even the 30 years of maximum service tenure was also introduced but the provision could not last long as government was forced to take back the decision soon after implementation of tenure system.

As per the record of Department of Civil Personnel Records (DCPR) under Ministry of General Administration (MoGA) there are around 80,000 civil servants at present in Nepal. Among them, hundreds of civil servants retire from civil service every year and almost same numbers of new officials are recruited. Same DCPR keeps the records of retiring and retired officials and prepares pension document for the retirees for those who go on pension. But, the payment of pension is done by another agency named Office of
Pension Management (former Kaushi Toshakhana Karyalaya) which is under Ministry of Finance. The following table shows the comparative number of retirees from civil service for the last 5 financial years.

Table 2: Retirement trend in civil service of Nepal for the last 5 financial years

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>Gazatted Officer Level (Including Special Class)</td>
<td>387</td>
<td>575</td>
<td>673</td>
<td>742</td>
<td>736</td>
</tr>
<tr>
<td>Non Gazatted Level</td>
<td>667</td>
<td>847</td>
<td>963</td>
<td>955</td>
<td>914</td>
</tr>
<tr>
<td>Class Less (Support Staff)</td>
<td>378</td>
<td>554</td>
<td>580</td>
<td>510</td>
<td>577</td>
</tr>
<tr>
<td>Total</td>
<td>1432</td>
<td>1976</td>
<td>2216</td>
<td>2207</td>
<td>2227</td>
</tr>
</tbody>
</table>

*As per the data published by PRD for prospective retiring officials

Source: Derived from different data base of DCPR, Hariharbhawan

Three different Acts are in implementation in civil service at present. They are Civil Service Act, 2049 (1993), Nepal Health Service Act, 2053 (1997) and Act Relating to Legislature-Parliament, 2064 (2007). The officials recruited and working under these three Acts are named civil servants in Nepal. These three Acts have some differences in some provisions of retirement though most of the provisions are similar. The primary difference at present is in the retirement age. The principal retirement provisions of these Acts are presented in the table 3.
Table 3: Comparison of different civil service Acts currently enacted in Nepal

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Compulsory retirement age</td>
<td>58 years as per No. 33(1)</td>
<td>60 years as per No.45 (1)</td>
<td>60 years as per No.45 (1)</td>
</tr>
<tr>
<td>Tenure for special class</td>
<td>5 years from the date of appointment</td>
<td>5 years from the date of appointment</td>
<td>5 years from the date of appointment</td>
</tr>
<tr>
<td>Pension</td>
<td>After 20 years of service</td>
<td>After 20 years of service</td>
<td>After 20 years of service</td>
</tr>
<tr>
<td>Gratuity</td>
<td>Completion of 5 years of service but not qualified for pension</td>
<td>Completion of 5 years of service but not qualified for pension</td>
<td>Completion of 5 years of service but not qualified for pension</td>
</tr>
<tr>
<td>Voluntary retirement</td>
<td>After 50 years of age and 20 years of service</td>
<td>After 50 years of age and 20 years of service</td>
<td>After 50 years of age and 20 years of service</td>
</tr>
<tr>
<td>Extension of tenure after retirement</td>
<td>No provision</td>
<td>Can be extended for maximum of three years if the Government of Nepal needs the expert service (as per No.45-1)</td>
<td>No provision</td>
</tr>
</tbody>
</table>

Source: Extracted from the Acts available at Nepal Law Commission (www.nepallawcommission.org)

2.3. Use of Post Retirement Human Capital in Nepal

Though there is very limited legal provision to use the expertise of the retired civil servants in government, the government often uses the expertise of the retirees (especially the retired secretaries) for various purposes. There is legal provision in the constitution that only the retired judge of the Supreme Court can be the Chairman of the National Human Commission. Similarly, though not mentioned mandatory in constitution, most of the chairman and members of the other constitutional members are also the retired senior officials of civil service and other autonomous government institutions.

The most prominent use of retired civil servants in Nepal was in the formation of Council of Ministries in 2013. When the major political parties elected from the first Constitution Assembly (CA) could not draft the constitution and trust each other for the leadership of the government, they had entrusted the leadership of the government to the contemporaneous Chief Justice with the mandate to conduct the fair election of second CA. All the ministries of that non-political government were the retired secretaries of
Nepal government. The government successfully conducted the second CA Election and handed over the executive power to the new elected government.

Recently, the government has formed a high level panel of retired senior bureaucrats under the Chairman of Former Chief Secretary Damodar Prasad Gautam for involving them in policy related activities. The panel has nine different clusters- administration, foreign, economic and infrastructure, law and justice, defense, agriculture and forest, social service, communication, and constitutional service. The panel is stipulated to provide platform to discuss on various policy aspects of the government and provide necessary suggestions to the government. These retirees will not be paid any regular salary by the government, but Ministry of General Administration (MOGA) will arrange necessary staffs and provide logistical support. Ministry will also set up a separate office building inside Singha Durbar (the central administrative centre of Nepal government) for the panel. In spite of this attempt, there are no formal mechanisms and policies enacted to use the capacities of the retirees.

2.4. Some Global Literatures and Studies on Retirement

Omoresemi (1987) as cited in Olatunde & Onyinye (2012) stated that retirement is a real transition, transition in the sense that it is the passage from one place, stage of development to another. He was also of the opinion that the transition could mean passage from the former business career of active services to another, a second stage of life development.

The relationship between retirement and satisfaction is under question by many researchers. The findings are not similar. Calasanti (1996) has reported improved wellbeing in retirement. On contrary, Richardson & Kilty (1991) have reported that retirement has a detrimental effect on wellbeing. Similarly, some researchers like Gall et. al (1997) have reported that there is no any effect of retirement in subjective wellbeing. As per Bolarin (1998 cited in Olatunde & Onyinye 2012) retirement to some people is like a bitter pill. To many people, a mention of the word retirement is associated with negative feelings. Only a few view it positively, and look forward to it with zeal and enthusiasm (Grangard, 2000). Some studies have also proved that it is perception that makes the difference among the satisfaction of retirees. Implying the same tone, Van Solinge & Henkens (2007) state, “Retirement is one of the main life course transitions in
late adult life. How retirees experience this transition (as voluntary vs forced) has strong implications for adaptation to retirement and well-being in retirement”. It purports the opinion that older workers who perceive retirement as forced tend to have more adjustment problems.

The feeling of losing some essential characteristics associated with personality after retirement also makes the retirees dissatisfied with their life in post-retirement period. This may be seen highly in the case of civil servants with high post in the time of retirement. Inaja & Rose (2013: 38) opine that some also experience loss of self-esteem due to lower status in which they find themselves on retirement from a highly exalted position they had occupied as public servants.

Similarly, in the words of Grangard (2000), to many people, a mention of the word retirement is associated with negative feelings. Only a few view it positively, and look forward to it with zeal and enthusiasm. Same sort of worry was one of the findings of the study carried out by Kerkoff (1996). He reported that 5 years before retirement almost half of the 1000 subjects he studied were worried about forced retirement because of their inability to surmount the ensuing adjustment needs for food and shelter.

The study carried out by Olatunde & Awosusi (2011) from 400 samples on the socio-economic implications of retirement on retired public servants in Ekiti State, Nigeria showed that retirees in the study area had socio-economic problems resulting from poor pay, delay in payment of gratuity and pension, and hyperinflation on their meager income. Further study by Olatunde and Onyinye over the same Ekiti State came with the finding that factors such as the nature of retirement, size of family, level of income and level of education are significant indices that determines the level of adjustment among the retired Civil Servants and the best predictor of adjustment in retirement among Civil Servants in Ekiti State is social factor (Olatunde & Onyinye 2012).

Somehow same ideas like that of Olatunde and Onyinye have been presented by SIOP (2012). It states that past 20 years of retirement research shows that people’s fiscal, physical and psychological well-being in retirement are influenced directly and in interactive ways by five factors: individual attributes, pre-retirement job-related factors, family-related factors, retirement transition-related factors, and post-retirement activities.
Some studies have revealed that lack of proper post-career life management planning make the life of retired public servants cumbersome. Same idea is stated by Inaja & Rose (2013). The result of their study came up with the finding that civil servants’ perception of retirement is significantly influenced by pre-retirement counseling with respect to income and expenditure management, health related issues, management of loneliness and change in physical environment.

Research data consistently show that many people are woefully unprepared for retirement, and this is especially true in the area of financial preparation (Munnell, Webb & Golub-Sass, 2009; Purcell, 2009). The similar sort of findings was of Orhungur (2005), who indicated that a good number of potential retirees say they had not been adequately prepared for retirement.

Anyah (2000 as cited in Olatunde & Awosusi 2011) observed teachers in Ghana feared retirement and were refusing to go on retirement because of the boredom and loss of the sense of self-worth and security that they observed among retirees. He also observed traces of idleness in some retired public servants, who have openly complained about not having enough to do after retirement. The view of Maji (2014:112) that many people especially those who never thought of retirement as a necessity often looked dejected, frustrated and depressed when suddenly they found themselves retired is hence appropriate to be mentioned here.

Health factor could be a major problem in retirement. A retiree facing health problem might not likely enjoy retirement and find adjustment after retirement difficult. In some cases, withdrawal from job could also boost the health of retirees and on the contrary idleness could also lead to deteriorating health conditions (Olatunde & Awosusi 2011). Some researchers have considered bridge employment as an important factor that influences the health of the retirees. “Among post-retirement activities, research has unequivocally shown that retirees who engage in bridge employment and voluntary work have fewer major diseases and functional limitations than retirees who choose full retirement” (Zhan et. al 2009; Griffin & Hesketh 2008).

One of the systematic studies related to civil servant retirement was carried on by British researchers by analyzing huge data that has been achieved from long follow up. The focus
was just in the health issues of the retirees. The study carried out by these British researchers over British civil servants through longitudinal study of civil servants aged 54 to 59 years at baseline, comparing changes in health functioning in retired and working participants at follow up came up with the findings that retirement at age 60 had no effects on physical health functioning and, if anything, was associated with an improvement in mental health, particularly among high socio economic status groups (Mein et. al. 2003).

Also analyzing the data from two waves of the British Whitehall II study by assessing the relative grade, psychological and general health during working life, and retirement patterns or pathways on activities, attitudes to health and income in retirement, Hyde et al (2004) found that pre-retirement circumstances generally had a greater effect on later life than the retirement route or pathway. The results show that the majority of the sample reported good health, financial security and overall satisfaction with life, but with observable inequalities. It was concluded that the main causes of inequalities in retirement are work-based rather than in retirement itself.

Another very recent research in the field carried out by Heybroek et. al (2015) was about the changes in life satisfaction across the retirement transition in Australian society by identifying variations in life satisfaction following retirement and the individual characteristics associated with these variations. Latent growth mixture models were used to analyze data from the first 11 waves of the Household, Income and Labour Dynamics in Australia from survey of 724 people who made a single transition into retirement. The research came with the findings that retirees maintained high life satisfaction across the retirement transition (40%), others experienced declining levels of life satisfaction from a high level prior to retirement (28%), some experienced increasing life satisfaction from a low level prior to retirement (14%), while another group reported a declining low level of life satisfaction (18%). These results indicate considerable diversity in life satisfaction that is masked by analyses that focus on overall averages. As per the findings, individuals who experience significant declines in life satisfaction tend to have worse health and lower access to a range of social and economic resources compared to other groups. The researchers concluded that retirement is not a uniform experience and that changes in life satisfaction over the retirement transition are associated with both pre- and postretirement experiences.
In case of Nepal, one somehow related study was carried out by Institute for Integrated Development Studies (IIDS), a member research institute under South Asian Network of Economic Institutes (SANEI) which comprises the research institutes of five South Asian nations- Bangladesh, India, Nepal, Pakistan and Sri Lanka. The study was done in 2003 under the title “Social Security and Pension for the Elderly in Nepal” by taking samples of 1146 elderly people from different parts of the country. Among the respondents, 660 were the pension holders and 65 gratuity takers after retirement from public service. However, the research was broad in nature and attempted to review the policies and programs for the elderly, review the role of the government financing in and running of old age homes, assess views of the recipients of pension and social assistance and its impact and finally suggest modalities for a comprehensive social security scheme for the elderly (IIDS 2003). The study of retired public officials came up with the findings that they use their pension mainly for their daily living followed by for their treatment and medicine and most of the amount received at the time of retirement went for the household requirements for daily need including that for the social functions like spending on festivals and for the marriage of the children. In case of gratuity seekers, money from the gratuity was used mostly for the marriage of children followed by house construction, in debt repaying, medical treatment, land purchase, and for religious work. The interesting finding was that about 77% gratuity recipients think that pension system is better than gratuity (IIDS 2003). The spending of money in health related issues suggest their poor health in post-retirement period. Despite their age, elderly were found engaged in some household chores. Also gender disparity in the regularity of the household chore was found. Regular involvement of elderly is found highest in shopping followed by cleaning and in cooking and childcare at least. By sex, regular involvement of female was found very high in cooking and high in cleaning whereas regular involvement of male was found high in shopping and childcare. By ecological region hill elderly and by development region elderly of the central region were found more active in most of the regular household chores (IIDS 2003).

In many countries, the rate of early retirement has also increased. Gruber & Wise (1999:35) has the same findings. They state that age at which people retire is decreasing and this, coupled with the increase in life expectancy, has expanded the length of time people spend in retirement.” The findings are mixed while analyzing the advantages and disadvantages of early retirement. Though some researchers are claiming that there are
many advantages of early retirement, Calvo et. al (2013), studying the effects of the timing of retirement on subjective physical and emotional health came up with the finding that early retirements—those occurring prior to traditional and legal retirement age—dampen health.

Life expectancy is in global increasing trend. It has made the pension period longer. While there is no doubt that certain groups of older people suffer from poor health and poor financial status or both, it is not true that all older people are poor and sick. The people who are retiring today do not have the same characteristics as those who retired 20 or 30 years ago (Hyde et. al 2004). Currently, those retiring at the age of 60 may anticipate about two decades in retirement (Hedstrom & Ringen 1987; CSO 1996 cited in Mein et al. 2003). Peter Laslett, in A Fresh Map of Life argued that older age should no longer be seen as a residual stage of the life course whose members are preoccupied with decrepitude and death. Instead, he argued that because people are living longer and healthier lives with more disposable retirement income, older age should be seen as the ‘crown of life ’ in which people are free to develop themselves and their interests (Laslett 1996). Instead of being a time to withdraw from social life, retirement can often be an opportunity to engage in various leisure and personal activities (Evenson et al. 2002).

Retirement pension is typically one of the largest social security components of public interventions for the retired public civil servants (Kolawole & Mallum 2004). Each country in South Asia has inherited a noncontributory, defined benefit, tax-funded pension scheme for government and public sector employees (Kim & Bhardwaj 2011:3). The growing fiscal burden and the high social cost of civil service retirement benefits have prompted most countries in the region to implement or contemplate important parametric and systemic reforms to civil service pension programs, such as the paring of some benefits, or increasing the retirement age and (in some cases) replacing the traditional civil service pension scheme with a contributory, fully funded pension arrangement for new employees (Kim & Bhardwaj 2011:3). Nepal is also having long discussion over this issue.
2.5. Chapter Summary

This chapter presented short review on literatures on retirement in Nepal and abroad. The first section discussed about concept of retirement followed by history of retirement and provisions of retirement in public service of Nepal. Analyzing the studies of prior literature in retirement, it is revealed that many of the researchers were found to have focused in the study of pension scheme. They had discussed about pension and its sustainability. However, even these researches were commission based and less academic. Regarding the post retirement state of the retirees, there are very few literatures available. In case of Nepal, retirement is found to be one of the relegated fields of study. The few research works carried out in western countries were focused mainly in the issues of post-retirement health. The longitudinal study done in Britain is an example of this. In spite of all these limitations, the African country Nigeria is also found somehow ahead in the study of retirement of public servants. Most of these research works carried out done in Nigeria showed less satisfaction and happiness in retired officials. The retirees were found reluctant for the prior planning of retired life and have linked poor management of retired life with lack of such counseling. Therefore, these works highlighted on the importance of pre-retirement counseling and training other retirement management programs for the retirees. In context of Nepal, no concrete full flexed research has been done yet on the status of retirees and their perception on the retirement policies of Nepal.

In this scenery, carrying out the research work by incorporating the opinions of the retirees in regards to their state and their perception on retirement policies may give us some interesting findings that may add some knowledge in the field of public service retirement. This attempt will provide the background for future researchers who want to carry out research in the field of retirement as some prospective research topics for future can also be identified. The output might also give some policy inputs to the government while revising existing policies.
Chapter 3
Use of Theories and Analytical Framework

Identification and use of appropriate theoretical base is an important aspect of research work because the established theories give us the direction and guidelines to carry out any particular research. It helps us to make our study systematic. However, identification of appropriate set of theories may not be always easy. The short discussion of some theories that seem appropriate for the proposed study is done in this section. Then after, the theories are linked up with the objectives of the study, on the basis of which analytical framework for the study is set.

3.1. Retirement and Human Resource Management

Human Resource is the most important aspects for organization of any nature, whether it is public or private. Therefore, Human Resource Management (HRM) is one of the major functions of the organizations. HRM in general stands for “a process concerned with the management of human energies and competencies for achieving organizational objectives through acquisition, development, motivation and maintenance functions” (Agrawal 2012: 2). Similarly, Dessler (2008) puts HHM as “the policies and practices involved in carrying the people or human resource aspects of a management position, including recruiting, screening, training, rewarding and appraising”. From these definitions, we can assert that appropriate HRM strategy is needed to mobilize HR on the way to achieve the set objectives of the organizations.

Though HRM strategy seems to be limited to the recruitment, development and retention of its human resource, it is equally important to carry out the analysis of retiring and retired officials. as it is said that HRM is concerned from R to R (i.e. Recruitment to Retirement). In this context, Rau & Adams (2013: 119) opines, “a significant component of HR strategy is a clear understanding of the organization’s workforce transitions: entry into the organization, movement through the organization, and exiting the organization.” Here exit refers to all resignation, firing out or retirement in accordance to the rule of the service of organization. Therefore, we can assert that retirement is also an important component of HRM. Retirement is taken as a tool to expand or shrink the size of human resource in the organization as per the demand of time. For example, an organization that...
is looking to cut costs may be interested in encouraging retirement among its highly paid employees, while one that is looking to compete on the basis of quality may be unwilling to part prematurely with the greater knowledge and skills of its older workers (Rau and Adams 2013:118). Similarly, an organization looking to compete on the basis of innovative product design may benefit from a certain degree of churn or turnover among its employees, while one focused on customer service quality may wish to reduce high turnover rates that interface with establishing long-term customer relations. (ibid: 118).

The organizations might have set different retirement provisions for different staffs. Employees with firm-specific knowledge (i.e. knowledge-based employees who are considered both valuable and unique to the organization) will have different needs than job-based employees (i.e., those who are important to the organization but comparatively easy to replace). Thus, the particular treatment of retirement within an organization depends on the organization’s business strategy, its particular environmental constraints and contingencies, and the types of jobs or employment arrangements within the organization (Rau and Adams 2013:118-119). To address the problems in such conditions, not only the private organizations but also the public service has put the provision of adding service tenure to the needed one even after reaching the statutory retirement age. The special provision of extending the tenure by maximum of three years for specialist service after reaching the age of retirement as per No. 45 (1) in Nepal Health Service Act 2053 (1997) can be taken as the illustration of this provision.

Introduction of different R² (Recruitment and Retirement) schemes is based upon HR planning of the organization. HR is designed to project the nature and type of jobs that will be needed in the organization, as well as the knowledge, skills, and abilities that will be needed to meet the organization’s needs in future (Rau and Adams 2013:119). There are two primary methods of forecasting labor supply within the organization: skills inventory analysis and Markov analysis (Rau and Adams 2013: 120). Skills inventory analysis involves tracking the various skills of individuals within the organization, while Markov analysis focuses on forecasting movements between jobs within the organizations. It uses the organizations past history of job movement (promotion, demotion, lateral moves and exits) to estimate the probability of various movements between jobs (ibid). These probabilities are then applied to the existing workforce and used to predict labor supply in various positions. Among other things, Markov analysis is
useful for anticipating the time employees spend at various positions and levels within an organization (Heneman & Sandver 1997) and hence can be used to predict both career “slowdown” as one nears retirement and organizational exists due to retirements. Putting the forecasted demand and forecasted internal supply together, the organization will determine whether there is a predicted shortage or surplus of labor for the coming years (Rau & Adams 2013:120). Once, these needs are determined, an action plan can be developed. Analyzing, all the above afore mentioned processes, it can be concluded that the retirement is also an important aspect of HRM.

The implications for retirement are not similar in each condition. Shortages in HR will tend to encourage the organization to tend to encourage the organization to find ways to retain qualified employers longer (i.e., focus on retention) (Rau & Adams 2013:120). An organization might, for example offer older workers an incentive to stay beyond an anticipated retirement age. They may offer flexible work schedule, temporary assignments, consulting contracts, or part-time options such as job-sharing to make working more attractive to older employees (SHRM 2008). They might also develop bridge employment options. Finally, they might refocus recruitment efforts to bring former retired employees back to the organization or conduct targeted recruitment aimed at attracting retirees back into the workforce (Rau & Adams 2013:120). On the other hand, organizations in retrenchment often focus on employees close to retirement as way to downsize the organization moves ahead to downsize by offering early retirement incentives to encourage voluntary turnover among older workers. Thus, in either the case of shortage or surplus, employees nearing retirement plays a key role in strategic staffing management (ibid).

**Issues of Retirement Related with Human Resource Management**

As mentioned earlier, retirement process has strategic importance for HRM. For making the effective policies and future plans and directions of the organization, the issues raised in the upcoming diagram are also considered with, and it is evident that these issues have direct relation with the retirement.
Succession Planning is used to project staffing changes for an individual position. Succession planning is both an HR planning tool that allows an organization to maintain smooth transitions and a career planning tool that allows it to identify potential talent and provide the training and experience employees need to progress within the organization (Rau & Adams 2013:122). Like succession planning, Workforce Management (HR Planning) is also influenced by retirement.

Knowledge Transfer is another issue of significant importance in HRM that come under the domain of retirement. One area of particular concern for organization is the loss of accumulated knowledge that can occur when employees retire (Delonge 2004 as cited in pg 125). Employee takes with him hidden knowledge and abilities which high level results from experience. It is also worth mentioning that even a small number of retirements can cause negative results in the whole organization due to loss of knowledge and decline of durability of organizational values (Mendryk & Dylon 2013). In one recent survey, 71% of employers reported being concerned about the loss of knowledge resulting from the retirement of older employees (MetLife, 2009 as cited in page 125).
Knowledge itself can be described along a number of dimensions lost from retirement. It can range from explicit, relatively easily expressed knowledge to tacit knowledge that is known by an individual but difficult to express (Polanyi, 1966).

In order to retain the accumulated knowledge of its retiring employees, organizations need a knowledge management process that is able to identify and transfer valuable knowledge so that it can be used by others to achieve organizational objectives (Argote & Ingram 2000; Nonaka & Takeuchi 1995; Slagter 2007; Wang & Noe 2010 as cited in page 125). In this context, the role of PR Managers is to identify and find knowledge which is to be kept and to strengthen the process of knowledge transfer from employees preparing for retirement to younger employees. Support of such a knowledge transfer direction can be ensured by: (1) appreciating the knowledge of employees approaching retirement age, (2) building climate of mutual respect and trust among the parties of the process and (3) creating organizational conditions to learn and develop (Slagter, 2007).

*Motivation and Performance Management* is next crucial area of HRM, and it has also some link with retirement. It is significant challenge for managing workforce close to retirement in maintaining motivation and work performance. While there is little empirical evidence to suggest that motivation (Forteza & Prieto 1994; McEvoy & Cascio 1989; Rhodes 1983 as cited in Rau and Adams 2013: 126) and performance necessarily decline with age (e.g., McEvoy & Cascio 1989; Ng & Feldman 2010; Waldman & Avolio 1986 as cited in Rau and Adams 2013: 126), there is growing evidence that there is something unique about motivating older workers. Techniques that work on younger workers may not be effective on older workers nearing retirement (Rau and Adams 2013: 126). To match motivation strategy with the organization’s strategy, the HR manager must first understand the source of low motivation among older workers. It could be due to declining physical or cognitive abilities, changing preferences for work-related outcomes, negative social signals, existing organizational policies and practices, life stage pressures, and interactions between the job and the individual (Ray & Adams 2013: 128).

Key question in HRM strategy is whether the organization wishes to encourage older workers to retire or wishes to extend older worker’s value in the workplace. A company concerned about cost containment may wish to encourage retirement of older, more expensive workers. They may want to offer early retirement, create benefits for retired employees, or designate an age for phased retirement eligibility. On the other hand, an
organization that is focused on quality of service, product, or processes may wish to extend the work life of older, knowledgeable workers for as long as possible (ibid).

There are, however, many proofs that the techniques and motivational tools which are effective for young employees are not good for motivating employees approaching retirement. Managers seem not to notice that the needs, values and expectations of elder employees change with time and are not the same as their younger colleagues. Therefore it is necessary to develop new tools which will be appropriate to current features of employees (Mendryk & Dylon 2013).

From an individual standpoint, retirement is a process that begins long before, and continues well after; one retires (Rau & Adams 2013:122). The key task in the years leading up to the point when a worker officially retires is retirement preparation. Retirement Preparation involves planning and taking those actions needed before retirement to help ensure that one has a satisfying lifestyle after retirement (ibid). It can be done through both means: psychological preparation to the employees, and other tangible employee retirement benefit schemes. Retirement Benefits are those benefits that are made available to the employees after their retirement from the organization. The purpose of providing retirement benefit is to enable the employees to maintain a decent and independent life after their retirement (Durai 2010: 368). The retirement benefits may include gratuity and pension benefits. For example, in India, the Employee Provident Fund and Gratuity are compulsory schemes while supplementary superannuation is a voluntary scheme for the organizations in India. However, hardly 10 percent of the labor force in India works in the organized sector and is covered under any of the retirement schemes (ibid: 368). The practice in Nepal is also the same.

In addition to retirement income, an organization can offer many other benefits aimed at protecting employees after they retire. These include retiree health benefits, health savings accounts, and long term care insurance (Rau & Adams 2013: 124). Employee benefits are expensive for employers. Indeed, employers in the United States spend more than 30% (31.5 for civilian workers, 30.5 for private industries and 36.2 for State and local government) of their total compensation budgets on employee benefits. Among this “Insurance (mostly health) covers the maximum (8.9 for civilian workers, 8.2 for private industries and 11.9 for state and government local government) proportion (BLS, 2015
June). Retirement and saving (Defined Benefit and Defined Contribution) under the heading covers 5.1%, 4.0%, 10.2% for civilian workers, private industries and state and local government respectively (ibid). Proportion of such cost in Nepal is fostered to be more than that in the United States. However, such facilities are merely available for private companies in Nepal and most of the amount of public organizations under compensation budget goes for retirement related provisions. Although organizations do offer benefits to meet goals for corporate social responsibility, they also offer benefits to attract and retain workers, increase productivity, and foster positive work-related attitudes among employees (Rau & Adams 2013:122). As such, employee benefits (here retirement benefits) are an important part of HR architecture.

Retirement income benefits programs are broadly categorized into two categories: 1. Defined benefit (DB) plans and 2. Defined contribution (DC) plans. At one time DB plans were the more common of the two types of plans. However, over the past twenty years, there has been a considerable shift from DB to DC plans. Research suggests that this shift has been derived by several factors, including (1) regulatory changes that make defined benefit plans more difficult and costly to administer; (2) the shift from traditional manufacturing, ununionized industries to service industries, and with the disappearance of union contracts; and (3) the changing nature of workforce itself, which has made for an increasingly mobile workforce that needs retirement plans that can “move” with them (e.g. Aaronson & Coronado, 2005; Broadbent, Palumbo, & Woodman, 2006 as cited in Rau & Adams 2013: 123).

Finally, another issue related to retirement affecting in HRM is the organizational interactions with retirees. Under this, there comes retirement work, retention and re-recruitment of the retired officials. Indeed, people now engage in a wide range of post-retirement work arrangements (Giandrea, Cahill, & Quinn 2009; Gobeski & Beehr 2009; Purcell 2009b as cited in Rau & Adams 2013:128) Post-retirement work can be of various forms. It may be a full or part-time, with one’s pre-retirement employer or some other (including self-employment). It may be continuous or include alternating between periods of work and non-work ((Rau & Adams 2013:128). Such work can involve the same or different types of work than one did during one’s earlier career. Similarly, retention efforts can be aimed at retaining workers in the organization on a full-time basis (delaying retirement altogether) or part-time basis (Rau & Adams 2013:129). Like other
components, re-recruitment of the retirees can also be practiced for sometimes for achieving the organizational objectives.

As discussed earlier, retirement is linked with HRM of any organization or service. Proper addressing of retirement leads in the systematic HRM through the satisfaction of the retirees and performance of the working officials. It is because the appropriate retirement plans and policies encourage and motivate the working officials for good performance as they develop the feelings of security and protection after retirement.

All the theories selected here for the study are related to the satisfaction of the retirees, those too can be linked up with HRM. HRM in connection with those theories will give us headway to analyze the post-retired situation of the retired civil servants of Nepal and related public policy issues. The theories used in the study are explained in short in the upcoming section.

3.1.1. Continuity Theory
Continuity theory is one of the popular theories to deal with the life situation after retirement. The prime idea of the theory is that a person after retirement too maintains the same preretirement lifestyle for successful retirement. The continuity theory was formerly proposed in 1971 by Robert Atchley in his article "Retirement and Leisure Participation: Continuity or Crisis?" in the journal The Gerontologist. Later, in 1989, he published another article entitled "A Continuity Theory of Normal Aging, in The Gerontologist in which he substantially developed the theory. The publication of this article gave more light to this theory. In 1999, Richard Atchley continued to strengthen his theory in his book Continuity and Adaptation in Aging: Creating Positive Experiences (Schulz et. al 2006). Explaining the main crust of the theory Bonsdorff & Ilmarinen (2013) opines:

Continuity theory provides a framework for understanding how adults employ their past concepts, constructs, and experiences to adapt and adjust to the changes brought about by normal aging. The theory assumes that middle-aged and older individuals attempt to preserve existing internal and external continuity when making adaptive choices in their lives. Continuity theory has been used in understanding adjustment to retirement.
As suggested by continuity theory, many individuals can be expected to maintain aspects of their preretirement lifestyle and levels of activity and self-esteem across the retirement transition (Atchley 1989; Richardson & Kilty 1991; Quick & Moen 1998).

The theory emphasizes in the continuity of pre-retirement patterns and behaviors for satisfied and successful retirement. Continuity contributes to satisfactory retirement adjustment and maintenance of life satisfaction across the retirement transition. On contrary, discontinuation contributes to decrease in satisfaction. For example, some may feel that they have lost a central role (employment) and find it hard to replace this with new activities. Consequently, life satisfaction may decrease (Heybroek et al. 2015: 168). A negative change in life satisfaction at retirement may reflect either temporary disturbances or permanent shifts (Schulenberg et al. 2003). Involvement in “bridge employment” (can be part-time) and other related activities (even voluntary) increases the satisfaction level of the retirees (Zhan et al. 2009). ‘Bridge employment’ refers to any paid work after an individual retires or starts receiving a pension (Ruhm 1990). Bridge employment can provide extra income for those who do not have enough pension income or savings in their later years. It can also help retired public officials balance work and leisure time while being engaged in economically and socially productive activities.

In short, this theory posits importance in adaptation of activities that resemble with the activities a person used to perform in service period. More the continuation of preretirement patterns and behaviors more satisfied the post retirement life is. The theory fits in the study as one of the variables tries to find out the involvement of the retirees in post-retirement stage of life and see the link in the involvement with the prior experiences that they achieved from their service career.

3.1.2. Role Theory

Role theory emphasizes on the feeling of negative changes the individuals have as a result of loss of role (employment) after retirement that leads to less life satisfaction in retired life. The theory asserts that loss of role (employment) can’t be replaced with other activities (Heybroek et al. 2015). One explanation for declines in life satisfaction
following retirement is that individuals who have invested heavily in their work life will experience a loss of identity with retirement (ibid).

The loss of roles can lead to social isolationism due to decreased amount of social interaction and research show that perceived social isolation is associated with a variety of altered physiological functions, such as blood pressure regulation… and immune reactions (Berntson & Cacioppo 2000: 9). Researchers also theorize the loss of roles as leading to loss of feelings of control and depressive symptoms, which are both components of overall well-being (Krause et. al. 1992). Rook and Sorkin (2003) posit a reason why role loss has negative consequences on older adults. They state:

For many older adults…dual ‘receiving and giving’ functions are readily available in their close relationships with other people…. For others, however, opportunities to express one or both functions may be missing. Widowhood, retirement, and other social role losses that affect the elderly may limit opportunities for maintaining and developing close relationships that involve reciprocal exchanges of support (p. 314).

The proponents of role theory view roles as tied to reciprocal relationships and so without those roles they do not have others from which to benefit. This theory too can be used in this research to investigate whether the retired officials after detachment from service and loss of role have faced the problems of social isolation along with altered physiological functions and other difficulties or not.

3.1.3. Human Capital Theory

Principally, Human Capital Theory, the modern extensive form of Adam Smith's explanation of wage is about the differentials created by the so-called net (dis)advantages between different employments. The costs of learning the job are a very important component of net advantage and have led to claim that, other things being equal, personal incomes vary according to the amount of investment in human capital; that is, the education and training undertaken by individuals or groups of workers (Marshall 1998). In general understanding term, human capital is a collection of resources—all the knowledge, talents, skills, abilities, experience, intelligence, training,
judgment, and wisdom possessed by individuals individually and collectively. These resources are the total capacity of the people that represents a form of wealth. This theory considers human beings as capital by considering them as the valuable assets. In the economic perspective, the capital refers to ‘factors of production used to create goods or services that are not themselves significantly consumed in the production process’ (Boldizzoni, 2008). Along with the meaning of capital in the economic perspective, the human is the subject to take charge of all economic activities such as production, consumption, and transaction. On the establishment of these concepts, it can be recognized that human capital means one of production elements which can generate added-values through inputting it (Kwon 2009).

Kwon (2009) has mentioned two methods to create the human capital. The first is to utilize ‘human as labor force’ in the classical economic perspective. This meaning depicts that economic added-value is generated by the input of labor force as other production factors such as financial capital, land, machinery, and labor hours. The other is based on the assumption that the investment of physical capital may show the same effectiveness with that of human capital on education and training (Little, 2003). Considering that the assumption accepts as a premise, the human capital expansively includes the meaning of ‘human as creator’ who frames knowledge, skills, competency, and experience originated by continuously connecting between ‘self’ and ‘environment’ (Kwon 2009).

Becker (1962 as cited in Bae & Patterson 2014) introduced the basic notion of human capital. He states that the theory of human capital can be defined as skills acquisition, and that skills acquisition can be achieved through education and training. Education is the most important way to obtain human capital, and training is another important method to invest in human capital. There is positive correlation between education level and income as per this theory. It specifies a particular mechanism by which education increases skills; in turn, acquired skill increase productivity, resulting in higher productivity being rewarded through higher earnings (Becker 1993 as cited in Bae & Patterson 2014). It shows a positive correlation between age and earnings whereby older workers earn more because they have more on-the-job experience or training. Education and on-the-job training are said to make workers more productive and they are paid more because of their increased productivity (Bae & Patterson 2014). On the job training can provide general human capital (i.e. skills and knowledge transfers to other firm settings) or
specific human capital (i.e. skills and knowledge only useful in the particular firm) (Becker 1993 as cited in Bae & Patterson 2014).

Human capital theory can also be taken as the theoretical base for the study of retirement as this theory also considers about the experiences and on-job trainings of the workers (public officials in our research) as human capital. The experiences, knowledge and skills generated by the public officials as the form of capital can be used after the retirement too. Therefore, while finding out the potential roles and contributions, the retired public officials can play, this established theory of human capital can give us some insights and direction. The existing human capital possessed by the retired officials from their decades of working experience and learning can be transferred to newer generation through proper mechanisms.

3.1.4. Review of Theories

The above mentioned theories are only the theoretical base for the research work. Each theory (Continuity, Role and Human Capital) has been used for development of each block of independent variables in the proposed analytical framework. However, they are not followed blindly as proposed by the proponents of those theories. For example, HRM is not only about retirement management. It is more about acquisition, development, utilization and development. But here, retirement is linked with HRM as the retirement process as a whole also influences in the major functioning of the HRM. In regards to continuity theory and role theory of retirement, they are used to see the post retirement involvements and satisfactions of the retirees. Finally, in case of Human Capital theory, it is economic theory related with returns. Here, the theory is localized by assuming that there can be a good return from the retired officials as they create human capital through the education, training, experience and other knowledge they attain during the long service period for which there can still be good chance for using it after retirement too. In short, all the theories have been localized as per the need of the research.
3.2. Analytical Framework
Retirement is one of the important stages of Human Resource Management (HRM). Though retirement is an act of detaching from the regular work, the successful retirement is influenced by a number of factors. It includes both organizational and individual factors along with statutory provisions adopted by the government. In this backdrop, the researcher has identified some of the variables that affect the retirement management for the framing of analytical framework of the study. The following schematic diagram presents the analytical framework that has been used during this study:

**Figure 2**
Analytical Framework for the Study

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Post-retirement involvements
Retirement adjustment Issues
Statutory retirement provisions
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Civil Service Retirement in Nepal

3.2.1. Matrix of Variables with Issues / Indicators
In order to make clear on the analytical framework of the study, the independent variables are further split into the chunk of issues or indicators. These issues/indicators are presented in Table 4. See “Operational Definitions” in chapter 1 for further clarifications on the concepts of key terms used in the analytical framework and the indicators in context of this study.
3.3. Chapter Summary

This chapter discussed on the basic skeleton or structure for the study. The final stage of the chapter presented an analytical framework that has been prepared being based upon the conceptual framework and the deductions made from the selected theories. The matrix of issues and indicators tried to make the researcher clear by setting the list of issues and indicators for each independent variable. It is the same analytical framework on the basis of which data collection procedures had been fixed.

To sum up, this chapter has linked the study with established norms and has provided the direction for the study. It has also set the limitation for the study and has stopped research from unnecessary deviations.
Chapter 4
Research Methodology

Research methodology is one of the important stages for conducting any research work. It provides a systematic direction for the collection and analysis of data. “Research methodology provides a set of planned and coherent approaches to be adopted, a strategic framework for sampling, acquiring data, analyzing and interpreting data/information to prove [or disprove] the basic proposition of the research” (Adhikari 2011:26). In this backdrop, the major objective of this chapter is to present the research methodology used in this study.

4.1. Research Design

The present research is focused on the study of civil service retirement of Nepal. For this, it has tried to look into the various variables that affect in the retirement. Post retirement engagement of the retirees, transition adjustment programs, post-retirement benefits, and statutory provisions of retirement are the main aspects seen in the research to revisit the civil service retirement. To analyze the outcome of the research, both analytical and descriptive research design have been employed in the study. The descriptive research design helps to describe the current practices and events (Aminuzzaman 1991:40). Furthermore, analytical research design enables us to establish relationship between variables (ibid).

4.2. Research Method

Every scientific study follows a certain research method. These methods can be categorized into three categories - qualitative, quantitative or mixed. Qualitative research is characterized by its aims, which relate to understanding some aspect of social life, and its methods which (in general) generate words, rather than numbers, as data for analysis (Bricki & Green 2007:2). Similarly, Denjin & Lincoln (2008:8) opines, “Qualitative approach emphasizes the qualities of entities, processes and meanings that are not experimentally examined or measured in terms of quantity, amount, intensity or frequency.” Typically qualitative study design omits hypothesis and uses research questions and semi structured methods such as interviews, ethnographic field notes, focus group discussion, case studies, open-ended questions on surveys, and observation methods. The research questions often stress how social experience is created and given
meaning. The value-laden nature of such an inquiry stresses the relationship between the researcher and subject(s), as well as the situational constraints that shape the inquiry (Denzin & Lincoln 2011). The researcher in qualitative method selects the best method(s) based on his/her research question: will the researcher study individuals (narrative, phenomenology); explore processes, activities and events (case study, grounded theory); or learn about the broad cultural-sharing behavior of individuals or groups (ethnography) (Creswell 2009, 177)?

Quantitative research, on the other hand, emphasizes “the measurement and analysis of causal relationships between variables, not processes” (Denzin & Lincoln 2000:8). Quantitative study design states a hypothesis and collects data through highly structured methods such as questionnaires, surveys, and structured observation and uses closed-ended format for questions and interviews (Kattel 2010: 25).

There is always a war of words between the advocates of qualitative and quantitative methods (see “Qualitative Quantitative Debate3). Both the techniques have their own strengths and weaknesses. Therefore, a new technique- mixed approach has come into existence. This approach tries to overcome the weakness of one technique with strength of another. The same mixed research is used in this research too.

As per the nature of the study, mixed research is used for this study though it is dominated more by the qualitative one. The quantitative method is used to show the satisfaction level, post retirement involvement and activities involved in, participation in pre and post retirement training and counseling etc. Qualitative method, on the other hand is used as appropriate method to deal with the policy issues. Case study; one strong component of qualitative research is used to deal with the exceptional retirees. The quantifiable data have been quantified, while the responses from open ended questions and case studies have been qualified by using the appropriate technique.

4.3. Nature and Sources of Data
Both qualitative and quantitative information/data are important and necessary for this study. Thus, both qualitative and quantitative data are collected and analyzed to fulfill the study objectives. Data for the study were collected from both primary and secondary

3 http://www.socialresearchmethods.net/kb/qualdeb.php
sources. Primary data are collected from semi-structured questionnaire and case study, whereas secondary sources attained from Department of Civil Personnel Record Department (DCPR) (Nijamati Kitabkhana), various books, online articles, newspapers, and other online publications.

4.4. Population and Sample Size

Since the objective of the study is to look at the status of retired civil servants and civil service related Acts, Rule and Provisions, the retired civil servants are the primary source of information. More specifically, as the study is focused to the officer level, retired Gazetted Officers of Civil Service are only included in the study. Sufficient data available could not be available during the research time to display the trend of retirement for long span of time. Only the data could be available for half a decade time. As per the record of DCPR, Hariharbhawan, the number of officials (only officer level) retiring through compulsory retirement procedure (i.e. after reaching the statutory age of retirement) for the last 5 financial years is as follows:

<table>
<thead>
<tr>
<th>Financial Years</th>
<th>No. of retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td>2068/69 (2011/12)</td>
<td>387</td>
</tr>
<tr>
<td>2069/70 (2012/13)</td>
<td>575</td>
</tr>
<tr>
<td>2070/71 (2013/14)</td>
<td>673</td>
</tr>
<tr>
<td>2071/72 (2014/15)</td>
<td>742</td>
</tr>
<tr>
<td>2072/73* (2015/16)</td>
<td>736</td>
</tr>
</tbody>
</table>

*As per the data published by DCPR for prospective retiring officials

Source: Derived from different data base of DCPR, Hariharbhawan

Because of time constraint and research nature, only 40 retirees were selected from random purposive sampling method for semi-structured questionnaire survey, and 4 retirees with exceptional characteristics for case studies. Regarding the gender issue, only about 20% civil servants in Nepal at present are female, and out of them the representation in officer level is even less. As the respondents in the study need to be the retirees, it is not very easy to reach the female respondents retiring from officer level since the female representation in officer level in the past was very limited. However, attempt has been done to include the women voice and more than 15% sample size has been allocated for women.
In total, 44 samples have been used in the study. The sample size of the respondents is presented in the table below:

**Table 6: Sample Size**

<table>
<thead>
<tr>
<th>Level/Class</th>
<th>No. of respondents</th>
<th>Male</th>
<th>Female</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>High level Retirees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secretary (Special Class)</td>
<td>10</td>
<td>9</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Joint- Secretary (Gazetted I Class)</td>
<td>11</td>
<td>11</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Middle level retirees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under Secretary (Gazetted II Class)</td>
<td>15</td>
<td>12</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Section Officer Gazetted III Class</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Sub Total</td>
<td>40</td>
<td>34</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Case Studies</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td>44</td>
<td>37</td>
<td>7</td>
<td></td>
</tr>
</tbody>
</table>

(Source: Field Survey, 2015)

4.5. Sample Characteristics

The respondents used for the study selected through purposive sampling procedure have different characteristics. They are of different class gender, ethnicity and age group. Similarly, the service group and nature of service during retirement are also not uniform. The prior information in these characteristics would help to get into the analysis of the study. In this backdrop, Table 7 has presented the socio-demographic characteristics of 40 (forty) respondents used for the purpose of questionnaire survey.
Table 7: Socio-demographic characteristics of the respondents

<table>
<thead>
<tr>
<th>Characteristics of the respondents</th>
<th>Number (N=40)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>34</td>
<td>85.0</td>
</tr>
<tr>
<td>Female</td>
<td>6</td>
<td>15.0</td>
</tr>
<tr>
<td>2. Ethnicity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brahmin (Hill)</td>
<td>23</td>
<td>57.5</td>
</tr>
<tr>
<td>Chhetri</td>
<td>8</td>
<td>20.0</td>
</tr>
<tr>
<td>Indigenous</td>
<td>8</td>
<td>20.0</td>
</tr>
<tr>
<td>Madeshi</td>
<td>1</td>
<td>2.5</td>
</tr>
<tr>
<td>3. Current Age (in completed years)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50-55</td>
<td>2</td>
<td>5.0</td>
</tr>
<tr>
<td>55-60</td>
<td>16</td>
<td>40.0</td>
</tr>
<tr>
<td>60-65</td>
<td>20</td>
<td>50.0</td>
</tr>
<tr>
<td>75+</td>
<td>2</td>
<td>5.0</td>
</tr>
<tr>
<td>4. Service Group during Retirement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Administration</td>
<td>17</td>
<td>42.5</td>
</tr>
<tr>
<td>Audit and Accounts</td>
<td>6</td>
<td>15.0</td>
</tr>
<tr>
<td>Forest</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td>Revenue</td>
<td>3</td>
<td>7.5</td>
</tr>
<tr>
<td>Engineering</td>
<td>6</td>
<td>15.0</td>
</tr>
<tr>
<td>Law</td>
<td>1</td>
<td>2.5</td>
</tr>
<tr>
<td>Others</td>
<td>2</td>
<td>5.0</td>
</tr>
<tr>
<td>5. Nature of Service during Retirement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical</td>
<td>11</td>
<td>27.5</td>
</tr>
<tr>
<td>Non-Technical</td>
<td>29</td>
<td>67.5</td>
</tr>
<tr>
<td>6. Educational Qualification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bachelor's Degree</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td>Master's Degree</td>
<td>33</td>
<td>82.5</td>
</tr>
<tr>
<td>MPhil and Higher</td>
<td>2</td>
<td>5.0</td>
</tr>
</tbody>
</table>

(Source: Field Survey, 2015)

The socio demographic representation of the respondents shows the dominance of Brahmin (Hill) Male though Brahmin population in Nepal according to population census of 2011 is just 12.2 percent. The reason behind this is that the Civil Service in Nepal from past to present is dominated by Brahmin as most of the educated people in Nepali society (especially in the past) were from Brahmin from hill origin. In regards to female, the respondents are very less because it is difficult to reach the retired officer level female civil servants as the entry of females to the service in the past was very limited. The social structure and hierarchy framed in the past is responsible for this. However, 15 percent sample for the female is valid for the study in the context the female representation of females in civil service is about 18 percent. As per the service group, the Administration Service, the largest service is dominant in the sample size too. In addition, as the study is limited to the officer level, officials retiring from high level has majority. Minimum educational qualification of the respondents in the study is Bachelor’s Degree as the minimum educational qualification required for the officer level is Bachelor’s Degree. To sum up, though the weightage of representation regarding demography does
not seem uniform, characteristics of the sample in consideration to present state of representation in civil service of Nepal is not invalid.

4.6 Data Collection Procedure

Only the officials retiring at officer level at last 6 months before July 30, 2015 are in the domain of study. But, the actual population size applied for the study is not known as there is no data available for determining the actual retirees applicable for the study. Therefore, purposive sampling has been adopted for the study. Even, snowball technique has also been adopted for reaching the respondents. In this context, the demographic components of the respondents also couldn’t be determined previously. However, balance has been created in taking the samples from the classes/levels of officer level. Also, minimum gender balance has also been created in proportion to the present percentage of gender representation in civil service.

Both primary and secondary data have been used in the study. A brief survey of the data collection procedure has been presented below:

4.6.1. Primary Data

The present study has generated primary data by using two methods- semi-structured questionnaire survey and case study. It took about 45 days for primary data collection as prior preparation was to be done to set the meeting time with the respondents.

Questionnaire Survey

The main source of primary information is a semi-structured questionnaire (see Annex 1). It was administered to 40 retirees of officer level from the civil service of Nepal. The questionnaire has four sections. The first part of the questionnaire included the biographic information of the respondents like gender, age, educational qualification, entry into civil service, entry level or position, entry and retiring service group etc. The second section includes questions that help to analyze the post-retirement involvements. Similarly, the third section is about the transition issues of the retirees. The final section is about the perception of the retirees on the retirement polices.

To generate the data, the researcher himself visited the respondents (at their home and work station) and filled up the questionnaire. In order to keep contact with the respondents (especially retired secretaries), the researcher took help of the Ministry of
General Administration, Singha Durbar, and Kathmandu in order to get the contact address of retired officials. In addition to direct visit, two questionnaires were sent to the respondents through email in request of the respondents. They were properly filled and returned duly in stipulated time.

**Case Studies**

Some case studies are also conducted for the exceptional persons from the point of retirement. Among these cases, three are the persons retiring in the earlier age than the retirement age as fixed on the basis of statutory provisions. The last one is the female who got only one promotion throughout the service period. For the case studies, the researcher spent minimum of 3 hours’ time with the respondents for each case. The retirees were asked about their personal and family background in detail before dealing with the subject matter needed for the study. His/her activities were observed minutely through all scientific, practical and possible means. Prior background information was also collected from internet, books, reading materials, thesis supervisor and the co-workers before approaching them. Interview, observation, study were the main methods adopted in the study.

**4.6.2. Secondary Data**

Secondary data relevant for the study have been collected through visit to some government offices. Department of Civil Personnel Record Department (*Nijamati Kitabkhana*) under Ministry of General Administration has been the major source for secondary data. In addition to this, various books, newspapers, government websites, online articles and other online publications were duly considered for collection of secondary data.

**4.7. Selection of Study Area**

This study is limited only to the retired public officials of Nepal residing in Kathmandu valley after the retirement from service. Kathmandu valley, the capital city of Nepal has been selected purposively. There are two principal reasons behind this. The first one is the proximity of the researcher, and second one is regarding the assumption that are the many public officials after retirement are expected to stay in this place as about 50 percentages of total civil servants are posted in Kathmandu Valley.
4.8. Methods of Data Analysis

The collected data have been organized, processed and analyzed qualitatively and quantitatively by adopting various appropriate techniques. Qualitative information that has been achieved from open ended questions and case studies has been clustered and analyzed in logical way. Qualitative description method is used to explain phenomenal realities, behavioral aspects, causalities, observations and experiences that have significantly affected in the level of satisfaction of retirees in post-retirement stage of life.

Quantitative information on the other hand, has been organized in tabular forms with frequency distribution, percentage in most of the cases. These calculations have been done through some general use of SPSS. These quantitative data have helped draw inference for addressing research questions and the objectives stated in the study. Finally, results with summary, conclusion and recommendations have been made by combining both qualitative and quantitative techniques adopted in the study.

4.9. Chapter Summary

The research methodology adopted for the study was discussed in this chapter, Firstly, it discussed on how the research has been designed. It was followed by discussion on nature and sources of data used in the study. The next section provided the general information on sample size that includes the number of respondents and their basic characteristics like gender and class/level the respondents retired from. Sample characteristics helped to give validity to the sampling size adopted in the study. Then after, in the section “data collection procedure”, it tried to make clear on the methods used for collection of the data. Then, the next section presented the reasons behind the selection of study area. Eventually, the final section discussed on the methods adopted for data analysis.
Chapter 5  
Data Presentation and Analysis

This chapter presents the analysis and interpretation of the data and information that were collected by the researcher using questionnaire survey, case study, and study of secondary data. In order to achieve the stated objectives of the study, the first section of this chapter tries to present the current state and satisfaction of retired civil servant officers of Nepal. The post retirement involvements and satisfaction, transition adjustment issues along with their feeling of satisfaction towards monetary benefits are analyzed to find out their present state and satisfaction. Then after, in another section, focus of the study moves to the policy issues. The major policy issues raised by the respondents are discussed one by one in this section. The case studies of some selected retirees are also presented in the last section of this chapter to support in analysis of the above discussed issues.

5.1. Post Retirement State and Satisfaction of the Retirees

This section tries to seek into the post retirement state of the retirees on the basis of some selected issues – post retirement engagements, transition adjustment and the satisfaction with the post retirement monetary benefits. Though socio-demographic characteristics of the respondents are not the important units of analysis in the study, this characteristics have been used while dealing with the issue of post-retirement engagements. This comparison has helped us to find out on which group/cluster of retirees have more active engagements in post-retirement period.

5.1.1. Post-Retirement Employments and Engagements

When the researcher tried to know about the post-retirement state of involvement in any paid reemployment / activities, 72.5 % (29) of the respondents replied that they are engaged in some sort of paid jobs. Out of them, 68.9 % (20) say they are involved formally (part time/full time) while 30.1% (9) replied that they are somehow engaged though the engagement is not on regular basis. It means about 70% of the respondents have other extra income excluding retirement benefits. Analyzing the involvement in post-retirement income generation in relation with other variables gives us the different picture. The present involvement in job is seen in relation to gender, retired class and nature of service (technical and non-technical) in the forthcoming section.
Table 8: Gender * Present engagement in any paid job / service
(Cross-tabulation)

<table>
<thead>
<tr>
<th>Gender</th>
<th>Present engagement on any paid job / service</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>Yes, but not in regular basis</td>
</tr>
<tr>
<td>Male</td>
<td>20</td>
<td>8</td>
</tr>
<tr>
<td>Female</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>20</td>
<td>9</td>
</tr>
</tbody>
</table>

(Source: Field Survey, 2015)

Table 8 shows that out of 6 females included in the survey, only 1 (16.66%) is involved in extra income generation. Even that single woman is not engaged in regular income generation as her involvement is not regular. On the other hand, 28 male retirees out of 34 (82.25%) have some part-time or full time engagement in income generation. It shows that post-retirement engagement is highly affected by gender of the retirees. It shows that males are still interested to engage themselves in extra income generation after retirement too. More family and social responsibilities of female might have constrained the female from outer engagement after retirement. In addition self-interest of the females to be in family and engage in social life after retirement might be another reason. However, slightly higher satisfaction level for the males who are more engaged in jobs after retirement shows that engagement affects in retirement satisfaction too (See Annex II).

Table 9: Retired Level/Position * Present engagement in any paid job / service
(Cross-tabulation)

<table>
<thead>
<tr>
<th>Retired Level/Position</th>
<th>Present engagement on any paid job / service</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>Yes, but not on regular basis</td>
</tr>
<tr>
<td>Gaz. III Class</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Gaz. II Class</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Gaz. I Class</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Special Class</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>20</td>
<td>9</td>
</tr>
</tbody>
</table>

(Source: Field Survey, 2015)

Similarly, when the engagement is seen is relation to the level/ class the retirees retire from, it is revealed that higher the class of retirement from service is, greater the involvement in extra income generation activities is. More experience in higher level/positions and creation of human capital might have increased the demand of the high level officials in job market. Similarly, it can be claimed that retirees of high class have more link with the government, NGO/INGOs for the re-recruitment. Even
employers also recruit them to nurture from their wide horizon knowledge and competencies sharpened through long experience in civil service. Most of the senior retirees’ involvement as consultants might be the reason of the same phenomenon (see forthcoming table for reference). In addition, the employers also use the reputation and fame of these retirees of higher level to increase the popularity of their organizations, and also to maintain good link of their organization with the government and donor agencies. Like in the case of the gender, highest level of satisfaction for secretaries (average 4.10 out of 5) shows that continuation of pre-retirement lifestyle (most of the secretaries get opportunity to use their prior experiences and skills) make retirees more satisfied (See Annex II). This satisfaction has decreased while moving to lower positions/levels during retirement where rate of reemploysments in period of post-retirement has also declined.

When analyzing the retirees and status of employment by comparing it with the nature of service during retirement, the result reveals that most of the non-employed retirees (90.9%) are from the Non-Technical group. Out of 11 retirees of technical group, only 1 person is found totally unemployed after retirement. This shows that there is more chance for retirees of technical sector to be reemployed in retired stage too in comparison to the retirees from non-technical ones. Most of the retirees of found to have been working as consultants in government funded projects and I/NGOS.

<table>
<thead>
<tr>
<th>Nature of service</th>
<th>Present employment status</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>Yes, but not on regular basis</td>
</tr>
<tr>
<td>Non-Technical</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td>Technical</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>10</td>
</tr>
</tbody>
</table>

(Source: Field Survey, 2015)

When the study tried to find the type of engagement the retirees are involved in, it is revealed that they are engaged in various sector of job market for extra income. The employment sector for the retirees surveyed is presented in Table 11.
Table 11: Sector of employment for the re-employed retirees

<table>
<thead>
<tr>
<th>Type of service</th>
<th>Frequency</th>
<th>Valid percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultancy</td>
<td>14</td>
<td>48.3</td>
</tr>
<tr>
<td>Private / Family Business</td>
<td>5</td>
<td>17.24</td>
</tr>
<tr>
<td>Government Autonomous</td>
<td>3</td>
<td>10.34</td>
</tr>
<tr>
<td>NGO / INGO</td>
<td>3</td>
<td>10.34</td>
</tr>
<tr>
<td>Government Sector</td>
<td>1</td>
<td>3.44</td>
</tr>
<tr>
<td>Teaching</td>
<td>1</td>
<td>3.44</td>
</tr>
<tr>
<td>Others</td>
<td>2</td>
<td>6.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>29</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Field Survey, 2015

Some respondents had stated that they are involved in multiple employments. In such cases, only the principal employment status has been considered. For example, many retired secretaries are involved in teaching also although their principal involvements are in other sectors. In such case, teaching has been excluded. The table shows that most of the reemployed retirees work as consultant in their post-retirement life.

Further, when tried to find the relevancy of prior experiences with the present involvements of the respondents, it is found that the human capital of the retirees gained from the service is mostly utilized in the present job they are engaged in.

Table 12: Relevance of civil service experiences to present job

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly Related</td>
<td>21</td>
<td>72.4</td>
<td>72.4</td>
</tr>
<tr>
<td>Somehow related</td>
<td>7</td>
<td>24.1</td>
<td>96.6</td>
</tr>
<tr>
<td>Less related</td>
<td>1</td>
<td>3.4</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>29</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Survey, 2015

Considering the employed retirees 100 percent, 72.4 % (21) accepted that the present job responsibilities are highly related with the prior experiences, and 24.1 % (7) view that present job responsibilities are related with civil service experiences to some extent. Only 3.4 % (1) out of 29 replied that the present job that he does need completely different abilities and competencies to carry out the job. The table shows respondents’ responses in regards to the relevancy of civil service job experiences in present job responsibilities.

The table shows that the retirees have been using their human capital in the appropriate way. The data also proves the statement of the first theory i.e. continuity theory which states the retirees emphasize in the continuity of pre-retirement patterns and behaviors for
satisfied and successful retirement. Continuity contributes to satisfactory retirement adjustment and maintenance of life satisfaction across the retirement transition. This statement is further validated by following table:

Table 13: Satisfaction from present state of employment

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly satisfied</td>
<td>16</td>
<td>57.1</td>
<td>57.1</td>
</tr>
<tr>
<td>Moderately satisfied</td>
<td>12</td>
<td>42.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>28</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

(Source: Field Survey, 2015)

When asked the employed retirees (only 28 as data for 1 respondent is missing) about the level of satisfaction from their present job engagement, 57.1% (16), stated that they are highly satisfied with present post-retirement job engagement, while other 42.9% (12) respondents also presented fair level of satisfaction by stating that they are moderately satisfied from the present re-employment state.

Finally, though majority of the retirees are engaged formally and informally in paid employment (full-time / part-time), there are some who are not engaged in paid employment. Though they are not in re-employment, they are engaged in number of activities. However, even the employed one are also engaged in additional activities. When surveyed about their primary involvements (except regular jobs for the employed ones), there came the variety of responses. The multiple responses with frequencies are presented in the upcoming table. The activities with similar nature are merged under the same headings. The activities involve both formal and informal engagements. Table 14 portrays the post retirement engagements of the retirees except in paid jobs or services.
Table 14: Post-retirement involvement of the retirees except in the paid engagements (multiple responses)

<table>
<thead>
<tr>
<th>Involvement Activities</th>
<th>Number (N=40)</th>
<th>Percentage (out of total respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Societal Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social and Club Activities</td>
<td>31</td>
<td>77.5</td>
</tr>
<tr>
<td>Voluntary Activities</td>
<td>14</td>
<td>35.0</td>
</tr>
<tr>
<td>Social Gathering / Get together</td>
<td>4</td>
<td>10.0</td>
</tr>
<tr>
<td>National / International Club Activities</td>
<td>2</td>
<td>5.0</td>
</tr>
<tr>
<td><strong>Family Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Household activities</td>
<td>30</td>
<td>75.0</td>
</tr>
<tr>
<td>Family/Relatives Visit</td>
<td>29</td>
<td>72.5</td>
</tr>
<tr>
<td><strong>Individual Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Religious Visits</td>
<td>20</td>
<td>50.0</td>
</tr>
<tr>
<td>Research and Writing (also includes writing as freelancer or columnist for newspapers)</td>
<td>8</td>
<td>20.0</td>
</tr>
<tr>
<td>Participation in Workshop/ Seminars</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td>Reading books and literatures</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td>Agriculture and Farming</td>
<td>2</td>
<td>5.0</td>
</tr>
<tr>
<td>Literary Writing</td>
<td>2</td>
<td>5.0</td>
</tr>
</tbody>
</table>

(Source: Field Survey, 2015)

5.1.2. Retirement Transition

Retirement transition is a vital stage in the life of the retirees as retirement transforms the life stage of the service holders from active service life to next stage of life that is generally idle and less busy. However, it is not always true that the retirees stay in idleness after retirement. We have already discussed about the post retirement engagement in the previous section.

Many scholars (as claimed in literature review) have opined that retirement transition is an important issue for the retirees. As the retirees have to shift their life from one stage to another, better preparation for the retirement transition results in better retired life. Preparation includes other aspects including psychological and financial as the primary ones. Maji (2014:112) states that many people especially those who never thought of retirement as a necessity often looked dejected, frustrated and depressed when suddenly they found themselves retired. Also, Inaja & Rose (2013: 38) opine that some officials experience loss of self-esteem due to lower status in which they find themselves on retirement from a highly exalted position they had occupied as public servants. Ibid (2013) also states that civil servants’ perception of retirement is significantly influenced.
by pre-retirement counseling with respect to income and expenditure management, health related issues, management of loneliness and change in physical environment.

In order to check the state of retirement transition preparation of the retirees by considering the earlier literatures, the respondents were asked different questions (psychological and others) on retirement transition. The ideas of the respondents are presented in Table 15.

Table 15: Status of transition adjustment issues

<table>
<thead>
<tr>
<th>Questions</th>
<th>Number (N=40)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did you face any transition adjustment problem at the time of retirement?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>To Some extent</td>
<td>6</td>
<td>15.0</td>
</tr>
<tr>
<td>No</td>
<td>34</td>
<td>85.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100.0</strong></td>
</tr>
<tr>
<td>Do you feel difficulty in spending the leisure time during retired life?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>To some extent</td>
<td>10</td>
<td>25.0</td>
</tr>
<tr>
<td>No</td>
<td>20</td>
<td>50.0</td>
</tr>
<tr>
<td>I don’t have leisure time at all</td>
<td>10</td>
<td>25.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100.0</strong></td>
</tr>
<tr>
<td>Do you have feeling of alienation and boredom in your retired life?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>1</td>
<td>2.5</td>
</tr>
<tr>
<td>To some extent</td>
<td>8</td>
<td>20.0</td>
</tr>
<tr>
<td>Not</td>
<td>31</td>
<td>77.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

(Source: Field Survey, 2015)

The data findings suggest that the retirement transition management seems quite satisfactory among the respondents. As per the data, very few of the respondents i.e. 6 (15%) told that they faced retirement transition adjustment problems to some extent. In the study, nobody accepted that they had transitional adjustment problem fully. It is interesting that 34 (85%) feel that they didn’t feel any problems during their transition from active service life to retirement. The data suggests that the retirees were self-prepared for the retirement. The pension scheme has helped them to feel financially secured the amount of receivable pension of the officials who worked for long period of time (more than 30 years) is almost equal to the basic salary of the same post. Also, easy acceptance and adoptability of the retirees in the social and family by society and family as a result of having more influence of collectivism in Nepali context might be the reason behind having less transitional adjustment issues.

Even the responses regarding the spending of leisure time is somehow similar. It is very surprising that 25% (10) retirees state that they don’t have leisure time in retired life. This
response shows that quite a significant number of retirees maintain busy engagement schedule. The post-retired involvement of majority of the retirees in bridge employment and other involvements reduce the alienation and boredom of the retirees.

5.1.2.1. Pre and Post-Retirement Training/ Counseling and its Necessity

Though the majority of the respondents presented very less transition adjustment problems, it is interesting that majority of them have felt necessity of transition adjustment programs (training and counseling) for retirement preparation and successful retired life. However, it is surprising that just 2 retirees (5%) had taken formal retirement preparation training before retirement. Both these persons had taken “Late Career Management Training Program” provided by NASC, Jawalakhel.

Table 16: State and relevancy of transition adjustment programs

<table>
<thead>
<tr>
<th>Questions</th>
<th>Number (N=40)</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have you attended any retirement management training/counseling before and after retirement?</td>
<td>Yes 2</td>
<td>5.0</td>
</tr>
<tr>
<td></td>
<td>No 38</td>
<td>95.0</td>
</tr>
<tr>
<td></td>
<td>Total 40</td>
<td>100.0</td>
</tr>
<tr>
<td>Do you feel necessity of pre and post retirement training/counseling programs?</td>
<td>Very much necessary 20</td>
<td>50.0</td>
</tr>
<tr>
<td></td>
<td>Would be better 16</td>
<td>40.0</td>
</tr>
<tr>
<td></td>
<td>Not necessary 3</td>
<td>7.5</td>
</tr>
<tr>
<td></td>
<td>Don’t know 1</td>
<td>2.5</td>
</tr>
<tr>
<td></td>
<td>Total 40</td>
<td>100.0</td>
</tr>
</tbody>
</table>

(Source: Field Survey, 2015)

However, most of the respondents felt necessity in such programs though they could not participate. 50 % (20) respondents stated much necessity of the retirement management training/counseling programs and other 40% (16) were in side of such programs by stating that it would be better in arrangement of such programs for the retiring officials and retirees. Just 7.5 % (3 persons) rejected the necessity, while 2.5 % (1 person) was neutral regarding the necessity of retirement management training/counseling before and after retirement.

In the context majority of respondents opined in the necessity of training and counseling programs for retiring officials, some even stated in necessity of such programs after retirement too. As per them, such programs after retired life give the retirees positive insights and motivation. Regarding the practice in Nepal, though there are very few such programs arranged for the retiring officials, no formal programs are there for the retired officials. But, in case of India, the Department of Pensions and Pensioners Welfare under
the Ministry of Personnel, Public Grievance and Pensions organizes such counseling programs frequently in collaboration with organizations registered in the department.

When surveyed about the prospective training and counseling programs, majority of respondents stated in the necessity of psychological aspects that can give motivation and positive attitude towards retirement and retired life. The contents suggested by the respondents (*multiple responses, N=36 only as 4 respondents had left the field unfilled*) for the contents to be incorporated in retirement management training/counseling programs through clustering technique are listed in the following table:

**Table 17: Contents suggested for incorporating in training/ counseling (Multiple responses)**

<table>
<thead>
<tr>
<th>Contents</th>
<th>Number (N=36)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive Attitude</td>
<td>14</td>
<td>38.9</td>
</tr>
<tr>
<td>Self-Preparation</td>
<td>12</td>
<td>33.3</td>
</tr>
<tr>
<td>Psychological Counseling</td>
<td>11</td>
<td>30.6</td>
</tr>
<tr>
<td>Motivation</td>
<td>10</td>
<td>27.8</td>
</tr>
<tr>
<td>Socialization Processes</td>
<td>8</td>
<td>22.2</td>
</tr>
<tr>
<td>Effective Time Management Techniques</td>
<td>8</td>
<td>22.2</td>
</tr>
<tr>
<td>Practical Health Issues</td>
<td>7</td>
<td>19.4</td>
</tr>
<tr>
<td>Successful Case Studies</td>
<td>6</td>
<td>16.7</td>
</tr>
<tr>
<td>Recognition/ Self- Exploration of Hidden Talents</td>
<td>5</td>
<td>13.9</td>
</tr>
<tr>
<td>Post Retirement Opportunities</td>
<td>3</td>
<td>8.3</td>
</tr>
<tr>
<td>Saving for Emergency</td>
<td>2</td>
<td>5.6</td>
</tr>
<tr>
<td>Skills Development</td>
<td>2</td>
<td>5.6</td>
</tr>
<tr>
<td>Refreshment Techniques</td>
<td>1</td>
<td>2.8</td>
</tr>
</tbody>
</table>

*Source: Field Survey, 2015*

The respondents were of the opinion that such programs can be done in collaboration with government training institutes like Nepal Administrative Staff College in collaboration with NGOs. Some respondents were also in favor of utilizing successful retired civil servants to impart their practical experiences in proper handling of the retired life. As per them, such successful retirees will work as role models for the participants of the programs.

5.1.3. Satisfaction with the Post-retirement Monetary Benefits

Retirement benefits are those benefits that are made available to the employees after their retirement from the organization. The purpose of providing retirement benefit is to enable the employees to maintain a decent and independent life after their retirement (Durai 2010: 368). Retirement benefits in most cases are provided either from pension or
gratuity schemes of the service or organization/s. As discussed in the literature review and theoretical person, these benefits are under two categories- Defined benefit (DB) plans and 2. Defined contribution (DC) plans. In Nepal, though it is long discussed about contributory benefit scheme, it is still not in practice. The benefit is provided in form of pension or gratuity through defined benefit plan.

When surveyed about the degree of satisfaction of the retirees with the retirement benefits (post retirement income), overwhelm majority of the respondents are found fairly satisfied with the pension, the post-retirement monetary benefit. The pension is managed by Ministry of Finance, Pension Management Office and distributed from government banks in time. Therefore, as per the respondents, they have less complains about retirement income benefits.

But there might be association with other indicators for affecting in the satisfaction of the retirees. As stated earlier, majority of the retirees were found to have been employed in some sort of extra generating activities in post-retirement period.

<table>
<thead>
<tr>
<th>Satisfaction with Post Retirement Income</th>
<th>Any other sources of income except regular post-retirement benefits</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly Satisfied</td>
<td>Yes: 17</td>
<td>No: 2</td>
</tr>
<tr>
<td></td>
<td>Moderately Satisfied: 9</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Less Satisfied: 1</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Not satisfied at all: 0</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>No Comments: 2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Yes: 29</td>
<td>No: 11</td>
</tr>
</tbody>
</table>

(Source: Field Survey, 2015)

When, the same extra income is related with the satisfaction, it is revealed that out of 29 respondents having some extra incomes source except pension, 89.6% (26) are satisfied from the post-retirement monetary benefits provided by the government. The relationship can be further derived from Table 18.

The table justifies that monetary satisfaction depends not only upon the pension received but is influenced by presence of extra income. If the retirees have the sources of other
incomes except regular pension, they are comparatively more satisfied with the post-retirement monetary benefits. It may be because they can fulfill their wishes with the additional incomes they get from other engagements.

5.2. Perception of the Retirees on Retirement Policies

The next aim of the study is to revisit in the retirement policies of the Nepal government after analyzing the state of the retirees. Though the responses of the respondents are the major sources for analysis, some relevant literatures have been brought from other references too. The retirement policies are analyzed under different headings.

5.2.1. Retirement Age

As per Civil Service Act, 2049 (1993), Section 33, any civil servant who has completed the age of fifty-eight years or completed the tenure as referred to in Section 17 shall ipsofacto retire from civil service. Section 17 is related to the tenure of Chief-Secretary and Secretary of the civil service. It states that the tenure of the Chief Secretary and the Secretary shall be three and five years respectively. It means that Chief Secretary and Secretary retire from civil service either from service tenure or from 58 years of age criteria whatever happens at first. But, there is even provision of voluntary retirement for the civil service officials. Section 35 of the Act states that it can only be selected by the officials who are eligible for pension and have completed the age limit of fifty years. However, for the civil servants under Health Services Act, 2053 (1997) and Act relating to Legislature Parliament 2064 (2007), the retirement age for the officials is 60 years. The retirement age for the judges of the court is even more. But, the tenure criterion of 5 years is same for Secretary in all services.

It is interesting that all the respondents in this study were the officials under the Civil Service Act, 2049. The reason behind raising the issue of retirement with great intensity might be the result of the discriminatory retirement rules for civil servants under different service.

When asked about the relevancy of changing retirement age, 32 (80%) of the respondents supported in the favor of amending the present criteria of retirement age. 5(12.5%)
respondents felt no necessity in changing the current age of retirement, while 3 (7.5%) did not like to comment over this issue.

**Table 19: Retired level/position *Perception on statutory retirement age (Cross-tabulation)**

<table>
<thead>
<tr>
<th>Retired Level or Position</th>
<th>Current Statutory Provision for Retirement Age</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>It should be made 60+</td>
<td>It is to be made 60</td>
</tr>
<tr>
<td>Gaz III class</td>
<td>0.0%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Gaz II Class</td>
<td>14.3%</td>
<td>44.0%</td>
</tr>
<tr>
<td>Gaz I Class</td>
<td>71.4%</td>
<td>20.0%</td>
</tr>
<tr>
<td>Special Class</td>
<td>14.3%</td>
<td>28.0%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2015

Considering the supporters of amendment 100 percent, cent percent respondents were in the opinion of extending the retirement age. It means, none of them responded in the necessity of reducing the current age. Among the supporters of the amendment, 7 (21.9%) opined that the retirement age is to be 60+ while remaining 78.1 (25) stated in the necessity of making the retirement age 60 years and make it similar with Health Service and Legislature-Parliament Service.

It is fascinating to relate demand in amending the retirement age and the class/level officials retire from. Most of the respondents who favored in necessity of making the retirement age 60+ are retired Gazatted I Class officials (Joint-Secretary). It is because the retired I class officers had belief that they could be the Secretary in case the retirement age was more. The cross tabulation between these two aspects are shown in the above mentioned table (Table 19).

Most of the respondents said that present retirement age of 58 for civil servants is not scientific. They are also against having different age of retirement for different service and blamed that it is very in scientific and against the principle of equality. Most of the respondents put forward their opinion that in the context that average life expectancy of Nepalese people is on rise (nearly 70 years), amendment is a must for increasing the retirement age.
It is very remarkable that retirement age was 60 years before the present Civil Service Act came was implemented. Unlike the global trend of increasing the retirement age, the government of the time reduced the statutory retirement age and made it 58. Some respondents said that unnecessary political intervention played a lot in reducing the retirement age to 58 from 60 in 2049 B.S.; introducing 30 years of maximum tenure for holding the service. Few respondents said that it was done without proper study just to remove the Panchayati bureaucrats from service and replace them with new ones.

According to Dr. Divya Ratna Kansakar, a retired I class officer, three reasons were primarily responsible for the reduction in retirement age. They are: change in political system of the country; increase of educated mass and mass movements by the youths for new opportunities; and evolution of NPM led reform programs. Change in political system brought change in the thinking of the new government too. They thought that it would be difficult for them to work with the high level Panchayeti bureaucrats. So in order to remove the high level bureaucrats and replace them with their right hands through promotion, they introduced new Civil Service Act in 1993 and reduced the age. As there were limited employment opportunities from private sector and there was necessity to give feeling of change to the new generation, the government deducted the age of retirement for giving opportunities to the youths. Next reason was the consequence of NPM led reform initiatives that intensified in Nepal in the decade of 1990s. With the introduction of World Bank and Asian Development Bank reform programs, the retirement age was reduced to downsize civil service with aim to reduce the state expenditure.

However, the reduction in size of civil service did not help to deduce the cost in significant amount because Nepal government had to pay huge amount in name of post-retirement monetary benefit i.e. pension. In addition, government has to provide pension by adding 2 years in the service years the officials have served because they were given appointment letter by stating that their age of retirement would be 60. As a result, the administrative could not be reduced significantly.

The few respondents who are not in favor of extending the retirement age opined that the extension will shrink the employment opportunities for the new generation; therefore they think that the age of retirement should not be changed time and again.
One of the female respondents also raised concern by claiming that retirement age is discriminatory for the female. Kamala Sharma stated, “The current retirement age should be more for female as the maximum age of entry for the female in civil service is 40 years. If the retirement provision is not amended, there is even chance for the female civil servants retiring without pension.” The claim of the female respondent might be the reality in case the female employee takes few years’ no-paid leave.

Similarly, the respondents suggested taking references from neighboring countries to revise statutory age of retirement. To note, the statutory age of retirement for Bangladesh is 59 and Pakistan 60. Similarly, it is 60, 58 and 55-65 for Sri Lanka, India and the Maldives respectively. Also, the respondents opined that proper strategy is to be adopted for addressing the problem of early retiring of competent special class officials because of five-year tenure.

5.2.2. Post-Retirement Facilities and Benefits

Though most of the respondents are fairly satisfied with the post-retirement monetary benefits, they have raised some issues that have implication with policies of post-retirement benefits. Most of the respondents have felt necessity in the introduction of health policy for the retirees. They are unhappy that there is no mentionable health policy for the retirees. Most of the respondents (mainly low and midlevel officials) are in favor of health insurance or medical expenses provision as retirement life is the stage in which most of the health complexities occur. They responded that they are ready to deduct some amount from regular pension amount for the purpose health policy. Few respondents have also stated that the State is discriminatory towards the retirees as there is no provision of providing medical expenses for the retired officials though they suffer from fatal diseases like cancer, heart problem, kidney failure, hepatitis etc. As per the government rule, the working officials can get up to 0.5 million rupees for treatment in case they suffer from fatal diseases. They demanded the availability of health expenses for the retirees suffering from fatal non-communicable diseases.

If we have a glance in the health policy for the retired officials in the neighboring country India, there is a health insurance sort of facility provided for the retired. There is Central Government Health Scheme (CGHS) under the Ministry of Health and Family Welfare
Facilities for the central government employees and pensioners and their dependents residing in CGHS covered cities. Such cities are 25 in number. There is provision for reimbursement of medical claims both for the government servants and pensioners. CGHS service is not free of cost. Monthly deduction is done from salary for the service holders. The rate differs according to the amount drawn monthly. Lowest amount is IRs 50 and highest is 500. It covers for family members and dependents. The pensioners who want to avail CGHS can make contribution either on yearly basis or one time (ten years) contribution for the whole life validity (CGHS 2015). The scheme doesn’t force any serving or retired officials to get included in CGHS as it is totally voluntary based program.

From the responses of the retirees, it is seen that such it would be wise if the government can start such insurance based health policy program for the retirees. Like in India, it can be made optional for the retirees. As suggested by the respondents, such scheme can initially be brought under the collaboration of Ministry of General Administration and Civil Service Hospital, Kathmandu. The scheme can be extended in future by analyzing its effectiveness.

5.2.3. Other Provisions that Affect in Retirement and Retirement Management

5.2.3.1. Five-Year Tenure Provision for the Special Class

Section 17 of the Civil Service Act 2049 (1993) states that the tenure of Chief-Secretary and Secretary of the civil service shall be three and five years respectively. Regarding the five-year tenure, the respondents have mixed responses. The study showed that the retirees of II and III class have rarely raised the issue of five-year tenure as this policy is not related to them. However, the officials of high level (Special and I Class) raised this issue significantly. Some respondents said that it is wise to set tenure for senior bureaucrats because more stay in senior position with power may make them selfish and may act improperly. However, some of the respondents are totally against this provision. Dr. Praveen Mishra, who retired at the age of 51 under same five-year tenure, said “Nepal government is losing well experienced and capable bureaucrats who can serve few more years with competency as a result of this tenure provision.” He further questioned if most of the early retirees like him have restarted full time employments after retirement too as
they are still active and capable, why they are sent in retirement in early age. The researchers like Rau and Adams (2013:121) also have raised the problems created from early retirement. Rau and Adams state, “In case of early retirement programs, the organization will need to wrestle with the effects of knowledge transfer and loss as older, experienced workers (Rau & Adams 2013:121). There is case in Nepal in which some Secretaries have retired earlier. As a recent example of this trend, the last Chief-Secretary Mr. Lilamani Poudel even after serving three years as Chief-Secretary had retired from civil service in the age of 53 years.

The cases show that most of the secretaries who retire in the early age from five-year tenure were promoted to the First Class (Joint-Secretary Level) and Second Class (Under-Secretary Level) from open competitive written examinations. As per the Civil Service Rule, written competition is held internally among the candidates serving in immediate junior position for minimum period as specified in the law for promotion. In addition, 10 percent of the civil servants in First and Second Class are recruited directly from outside the service from the provision of Lateral Entry. Those having seven years and more experience in officer level in any government recognized institutions can apply directly for First Class, while those with five years of experience can apply for Second Class. The provision of lateral entry has given chance for the officials from private institutions and NGO/INGOS, academic institutions and others to enter in the civil service. As a result of lateral entry, young candidates can also reach in the position of Joint-Secretary and Under-Secretary. Once, a person gets selected through competition, he/she is offered a permanent post in the service and s/he is treated equal in terms of responsibilities and has equal chance of promotion to upper position. The following case study also presents the same picture.
Case I (Mr. Dipendra Bikram Thapa)
Secretary retired without pension: Unique case in civil service of Nepal

Mr. Dipendra Bikram Thapa is often discussed name in civil service of Nepal. His name is popular in the service as he is the Secretary of Civil Service in Nepal who retired without getting pension. It happened not because of any actions taken against but it happened because of the special provision in Civil Service Act of Nepal.

Mr. Thapa, previously an official at Nepal Administrative Staff College, an autonomous government training institute, entered Civil Service directly in the post of Joint-Secretary through Lateral Entry in 2054 B. S. (1997 A.D.). It is mention worthy that he was the first person to get appointed in Joint-Secretary from outside of civil service through lateral entry.

After serving eight years in capacity of a Joint-Secretary, Mr. Thapa was promoted to the level of Secretary in 2005, and served in various ministries before retiring from service in 2010 from Civil Service after completion of his 5-year tenure as Secretary as mentioned in Article 17 of Civil Service Act, 2049. He was just 49 years during the time of retirement though the retirement age set for civil servants is 58.

He got pension neither from Civil Service nor from Staff College as he hadn’t been able to serve minimum years set by the retirement rules of both services. Though retired from the highest level (Special Class) of government service, he could serve just 13 years in Civil Service because of maximum tenure provision applied for Secretaries. The noteworthy thing is that there is no provision of adding the service period spent in other services of government agencies except from the same service for pension provision.

Mr. Thapa, now just 54 years though it is already five years that he had retired from service. As he is a person with capacity and handful experiences that he attained from his involvement in Staff College and a top level bureaucrat, he has been involved widely in teaching, training, and consultancy in his post retirement period. But, most notable thing is that at the time other retired officials are getting pension after retirement from service, there is no permanent source of income for Mr. Thapa. His income is based upon the involvements in training, teaching, consultancy and other scholarly works.

Mr. Thapa, a person with very less health problems till present is still interested to serve in the selected areas of the government if offered chance. His interest areas include Administrative Reform Programs, Public Service Commission and Planning Commission.

Most essential issue raised here is: Who has been benefitted from this provision of five-year tenure? The answer would be neither Thapa nor government. So, isn’t it a flaw in recruitment and retirement policy in public service?

(Source: Case Study 2015)

The above case of Mr. Thapa justifies that retirement is not only influenced by the retirement policies but also by the recruitment and promotion policy implemented by the government. Lateral entry provision is one of them. Lateral entry provision is the modified form of New Public Management (NPM) technique of outsourcing. NPM emphasizes in contracting out or outsourcing for importing the private firms’ ideas and techniques in the public sector. Lateral entry too emphasizes in incorporating the private
sector ideas in public service of NPM. However, it not fully NPM as the officials selected from lateral entry are offered permanent post in Nepal and they are even the prospective candidates of Secretaries and Chief Secretaries of the Nepal government.

The study revealed that many respondents are not in favor of lateral entry. Most of the respondents raising this issue for policy implication consider this as an important one which needs immediate and appropriate address. They opine that this provision has direct relation with five-year tenure. They feel that there might be presence many more Dipendra Bikram Thapas in near future as a result of this provision. Also, the respondents stated that the direct appointment in senior level bureaucracy from outside results in lack of professionalism, leadership and experience of the selected candidate as public sector practice is totally different from private sector. According some respondents, it also creates psychological pressure and lessens the motivation among the bureaucrats working previously as sometimes an official of lower rank might be the chief of the organization just through the bookish knowledge. There is chance of breaking in organizational hierarchy resulting in fewer co-operations. One particular case is mention worthy here. Once, a Non-Gazatted Officer (Nayab Subba) was appointed directly in the position of Joint-Secretary from lateral entry provision. He started working in Food Technology and Quality Control Department in capacity of Joint-Secretary. Someone filed a case against him by raising validity over his experience of officer level and the court decided the case against him. As a result, he was removed from the post. It is said that the case was filed by the disatisfied Under-Secretaries of same service (Source: Talking with Mr. Pratap K. Pathak, retired secretary). This case shows that this provision has also increases enmity among the officials.

Most of the respondents who raised the issue of lateral entry under retirement policy opine that it might be the good idea to lend private and NGO sector ideas in public service but it should be made systematic. They said that outstanding persons can be recruited in the service but they should be recruited in contract basis for fixed period of time but not in the permanent position. They should not be eligible for the promotion in Secretary Level. It breaks the civil service system and results lack of leadership and motivation among the long term serving bureaucrats.
Retired Secretary, Pratap Kumar Thapa though was a person promoted from internal competitive exams has raised serious question over the current format of exam system. He views that current promotion exam system has given birth to anarchy and lack of discipline among the officials of civil service. Because of the internal exams, the officials are using office time for the study as part of exam preparation. Citing his personal observation during his service period, he said that he had seen a particular district without Chief District Officer (CDO) and Local District Officer (LDO), most responsible persons of the district during the exam period of Joint-Secretary. Though their real intension was to attend the promotion exams, they managed to stay in leave of about 1 week by stating that they have some emergency personal affairs at home. This sort of practice according to him won’t make the service professional. There is also high chance that such officials will retire earlier because of tenure system in special class.

5.2.3.2. Use of Human Capital / Competencies of the Retirees

The next issue having policy implication raised by the respondents is proper use of human capital of the retirees through involvement of retirees in appropriate programs. As stated in the theoretical portion, skills and knowledge gained by the retirees from the long experiences, training and education during the service is a human capital. The proper use of this capital can have positive contribution both in society and civil service. However, until now, there is very limited use of the human capital possessed by the retirees in Nepal. The following reasons are responsible behind very limited use of retired civil servants’ competencies/ human capital:

- The general thinking among the policy makers that the life of civil servant comes to an end with retirement;
- Less realization that the competency of retired officials can be used even after retirement;
- No data base to determine the availability of retired HR in respective areas;
- No authorized body to address the interest of the retired officials; and
- No clear and concrete policy to mobilize the competency of the retired officials in action.

(Source: SEDP Assignment Report, 2015)
As an immediate move to utilize the competencies of retirees, Ministry of General Administration (MoGA) has formed high level panel of the retired secretaries. The researcher managed to have additional information from Damodar Prasad Gautam, Chairman of the Panel and Achut Bahadur Raj Bhandari, Administration Cluster Head of the Panel regarding the progress of the panel during the time of questionnaire filling. Mr. Gautam (also the former Chief Secretary and Ambassador of Nepal to the United States of America) said that some meetings have been held and the panel has already given some policy suggestions to the government. He said that their panel gave some valuable suggestions to the government after the occurrence of disruptive earthquake of 2015. He said that the formation of the panel is just a departure, and much progress is necessary for its further advancement. However, he is worried that the government as promised has not been able to provide a permanent building for office set till the date. When consulted with the MoGA, the Under-secretary cum Information Officer of the ministry informed that they could not manage office setup for the retired secretaries as the building they had allocated for the office inside Singha Durbar was damaged by the destructive earthquake of April and May 2015. Achut Bahadur Raj Bhandari, a very senior retired secretary accepted that the panel has not been able to work in proper pace, but said that such cluster can be the appropriate platform for the retirees to transfer the knowledge they possess.

The prospective members of the senior panel (retired secretaries) over the relevancy of such panels, they highly appreciated the government initiative but some respondents even said that they are not known about the formation of the panel. Few respondents expressed their dissatisfaction over the panel by stating that it is more seniority based. Though there is panel of the retired secretaries, there are no formal panels or committees for First, Second and Third Class retirees yet.

Most of the respondents opine that government needs to arrange appropriate mechanism to solve the issue. Few of them put forward their view that government can utilize the retired retirees for some bridge employment with limited salary. They say that application can be called from the interested retirees who still think that they have capacity to work for community based programs. Some respondents put forward their view that they are even ready to do work voluntarily. Such initiatives will help the interested retirees to keep themselves active and happy. The government can make provision in compulsory
recruitment of capable retired secretary and joint-secretary for advisory role and monitoring of the NGOs.

When considering the practices of neighboring countries, we can find mechanism for transferring the knowledge of the retiring and retired officials in some countries. As per the provision of Sri Lanka, every retired secretary automatically becomes the advisor of the ministry/department for next one year after retirement. The retired secretary transfers the knowledge and provides advisory roles necessary for the ministry/ department. Such practice can be introduced in Nepal too (source: talking with Mr. Pratap K. Pathak).

In case of India, The Department of Pension and Pensioners under Ministry of Personnel, Public Grievances and Pensions has started on pilot basis an initiative called SANKAPL (Determination) for channelizing the experience and skill of civil pensioners into meaningful social activities through organizations registered with the department (Sankalp 2015). Under the scheme, the pensioners can register for voluntary work. Such practice can be introduced in Nepal too.

As another move of utilizing competencies, the selected retirees can be retained by adding them the service tenure. For example, under the Health Services Act of Nepal, consultants/ special persons can be added additional 3 years of service tenure in case the government feels the necessity.

Finally, the newly introduced Constitution of Nepal, 2072 has also realized the importance of human capital of the retirees. Under the State policies, Article 51(a7), it is mentioned that utilizing the knowledge, skills, and experiences of ex-public officials, army, police and other civil servants for betterment of nation would be the policy of the State. Though it is not the compulsory provision for which the case can be filed in the court for its implementation, it is really a positive development.

5.2.3.3. Pre and Post-Retirement Training/ Counseling

There is practice of preparing the retiring officials for managing life after retirement in most of the western nations. They say that psychological counseling and enhancement of some skills for the retirees can help in making the life of the retirees meaningful and
relaxing. Most of the respondents in the study also felt necessity of such programs. It is mentionable that only two (2) respondents have attained training about retirement management before retirement. Both of them attained the same training - Late Career Management conducted by Nepal Administrative Staff College, Jawalakhel. Both the respondents replied that the training though the duration of the training was short; it was motivating and gave some innovative ideas for post-retirement life management.

Majority of respondents feel that such training and counseling programs will help the retiring officials to cope up with the changed situation. They also viewed that the significant number of retired officials feels the tendency of “Role Loss” after retirement. Such feeling of loss can be recovered with new ray of hope through the effective training and counseling programs. Some of them also opined that such programs need to be offered for the retired officials too. They say such programs help to boost up their feeling that they still possess some capability to contribute for state, society and family level. The content for the training and counseling programs as suggested by the respondents are already discussed in the previous section.

5.3. Presentation and Discussion of Cases

In order to make the study more systematic and valid, the study has incorporated few case studies. The cases presented in this section show us the state of post retirement life of some selected retired officials from civil service of Nepal. The cases in general talks about the their present engagements and involvements, status of the use of the human capital gained from service, future resolutions and the present stage of life satisfaction. The cases are deducted individually followed finally by combined analysis.

Case II (Mr. Krishna Gyawali)

Professional career doesn’t end with retirement

Mr. Krishna Gyawali is a retired secretary of the Government of Nepal, who has just celebrated his 55th Birthday. With an interest to serve the nation as a civil servant, he joined Civil Service of Nepal in 2041/08/17 B.S. (02 December, 1984) in the capacity of a Section Officer (Gazatted III class) of administrative cadre. He served in civil service of Nepal government for about 30 years before retiring from the service in the capacity of the Secretary from the Ministry of Industry in the age of 54 after the completion of 5-year tenure as a Secretary.
Before retiring in the capacity of Secretary from Ministry of Industry, he had also served in the same capacity at Ministry of Local Development (Presently called Ministry of Federal Affairs and Local Development). He worked in the Ministry of Finance as Joint-Secretary for seven years while he was a Joint-Secretary. He handled important section named “Foreign Aid Coordination Committee” in the ministry for 2 years as its Chief. He had also worked in Cambodia, South Africa, East Timore and Kosovo being a part of UN Missions. Mr. Gyawali also worked in BBC Nepali Service, United Kingdom for about a year as a reporter and news reader. In addition, he was a presenter of popular news program of Radio Nepal “Ghatana Ra Bichar” for some period of time.

Mr. Gyawali was promoted to Secretary from Under Secretary in a short period of time. He passed all the examinations of promotion through competitive written examinations. Though it took some more time for him to become an Under-Secretary (Gazatted II class), he reached the position of Joint-Secretary (Gazatted I Class) just after 5 years of service as Under-Secretary. He considers self-determinism, study, self-motivation and positive attitude as important factors behind his frequent promotions.

Though a retiree of Civil Service, Mr. Gyawali is quite busy these days too. He is presently engaged in full time job since April 2015 in capacity of Country Co-ordinator of Millennium Challenge Cooperation, a joint project of United States and Nepal Government. He involved himself as freelancer during some leisure time he had after retirement before joining the current project. He is fully satisfied of this present engagement and thinks that his three decade long experience of government administration would highly help him for present job responsibilities and contribute in achieving prosperity in Nepal.

Regarding the current retirement rules and provisions, he thinks that current 5-year tenure for Secretaries is not much scientific and appropriate. He said, “Such provision is rarely practiced in the permanent government services in the world”. Government loses capable administrators (matured through lot of maturity, trainings, experiences, exposures etc) at early ages though they are still capable of serving the nation. Also, it also may have some psychological effects in the retirees if they are not able to involve themselves in any sort of post retirement involvements. Similarly, government burden for pension too increases as it has to pay pension for longer period of time. When inquired about the current retirement age provision, he says that a scientific empirical study is a must to revise the retirement age. He thinks that it would be appropriate to increase the retirement age to 60 in the context the life expectancy of the Nepalese has increased a lot in comparison to the time the current provision was set. It would also reduce financial burden of the government to some extent.

Mr. Gyawali thinks that he would be able to continue his career for about next one decade with full capacity and competency as he doesn’t have any remarkable health problems. He also has a plan to write and publish a book by addressing the development challenges, constraints and opportunities in Nepal by using his 3 decades long experiences as a gazatted civil service officer of Nepal.

(Source: Case Study 2015)
Case III (Mr. Pratap Kumar Pathak)
Life has become much busier after retirement

Mr. Pratap K. Pathak, born in 2014 B.S. (1957 A.D.) in Kathmandu is a retired Secretary. He retired from the post of Secretary at the Ministry of Youths and Sports in July 2014 as per the provision of 5-year tenure for Secretaries when he was 56 years by age.

Mr. Pathak, who previously used to work as a First Class Non-Gazatted Officer at Nepal Rastra Bank, the Central Bank of Nepal for 3 years entered Civil Service in 2039 Baishakh (April 1982) as a Gazatted Third Class Officer of Administrative Service. Then, Mr. Pathak, passed both the examinations of Under Secretary and Joint Secretary through competitive written examinations. As a result, he became Joint-Secretary while he was not aged enough. During the service, he took charge of many departments and ministries including the National Coordinator of Visit Nepal 1998, a popular program under tourism development. He was promoted to Secretary of Nepal government in 2009.

Mr. Pathak (57 years at present), with academic qualification of Master Degree in Public Administration has already involved in number of projects run by UNDP, UN Women and Youth & Sports Ministry as Consultant after retirement. He didn’t stay idle and started the consultancy services immediately after retirement. Recently, he has signed a 3-year contract with World Bank that is stipulated to start from October 2015. He also fulfills his responsibility remaining in the Board of Directors of Agriculture Development Bank. He also works as Change Management Expert of the bank. His involvement is not limited to consultancy. He is also a faculty of Master in Peace, Security and Development conducted by Armed Police Force at Gyaneshwor, Kathmandu. In, short, the schedule of business for Mr. Pathak hasn’t contracted even after retirement also.

Mr. Pathak is fully satisfied with his current engagements and income as his income after retirement is more in comparison to the time he was in service. Though sometimes troubled by the sickness of his wife, considering all other factors, he is fully satisfied with his life after retirement. He also thinks that retiree’s life do not become cumbersome if one prepares him/her in advance for retirement.

(Source: Case Study 2015)

Deductions from the case of Mr. Gyawali
- He retired from government service at the age of 54 as per the provision of 5 year tenure for secretaries.
- He got three promotions throughout the service period. He was always promoted from internal competitive written examinations except for the position of Secretary which is done from the decision of the Council of Ministers.
- He is engaged in full time job after retirement too and is very satisfied with the present involvement and retired life as a whole.
- He also engaged himself as a freelancer before joining the present job.
- He doesn’t have any health problems, and self-assured that he can spend one more decade of active life by engaging him in full time formal engagements.
Case IV (Ms. Maya Lohoni)

Retirement brings back the pain

Ms. Maya Lohoni (born 1956 in Dang), a retired Under Secretary of Nepal Government is alone in her family at present. Though married in 1977, showers of sorrows and pain made her conjugal life unsuccessful. Her husband, a staff in the Examination Section of Pulchowk Engineering Campus, Pulchowk was diagnosed with some lungs problems. Following the suggestion of the doctor to stay in warm place, both husband and wife went to Dang leaving the permanent job of the Engineering Campus. They started a shop in Tulsipur before her husband succumbed to same lungs problem in 1984 before the birth of any child from them.

The advertisement for post of Woman Development Officer (non-permanent officer level) was a turning point in her life. In suggestion of her relatives, she applied for the post. Luckily, she was selected for the post and the life of a widow changed into an officer of Nepal Government in 1985 just after two months of the expiry of her husband.

As a Woman Development Officer (WDO), she worked in 7 different districts-Rolpa, Dang, Woman Department, Kathmandu, Kapilbastu, Jumla, Sinduplachowk. The work pressure helped her to forget the family tragedy. Less family obligations also helped her to dedicate fully in her work. Only promotion she got was in July 2014, after which she became the Under-Secretary. She retired from service in July 2014.

Ms. Lohoni, the second child among seven children (4 daughters and 3 brothers) presently lives in Kathmandu. Though she is alone, her residence is in the same compound where her sisters’ family live. Her parents (presently 92 and 84 years respectively) live in Kathmandu with her younger brother.

Except engaging herself in voluntary involvements i.e. as Vice-President of Women Awareness and Vision Centre (Co-operative cum NGO) and some other informal social activities, she is not involved in other formal engagements. Therefore, life after retirement for Ms. Lohoni is not satisfying. Her retired life is boring to her as the nostalgia of terrible events in the past haunts her more during the leisure time. However, still she has strong determinism that she can contribute for at least 5 more years as full time service.

Deductions from the case of Mr. Pathak

- He retired from government service at the age of 56 as per the provision of 5 year tenure for secretaries.
- He got three important promotions throughout the service period. He was always promoted from internal competitive written examinations except for the position of Secretary which is done from the decision of the Council of Ministers.
- His life after retirement is even busier than his service period.
- He is engaged in multiple sectors (as consultant for UNDP, UN-Women and World Bank, part time faculty for academic programs, member of Board of Directors etc.)
- He is fully satisfied with his retired life and present involvement and has no complaints over his retired life.
- He doesn’t have any significant health problems and still is self-assured that he can spend few more years with same activeness.
provider if appropriate change is given to her. She wants to put herself busy with the deeds, therefore is ready to work also on contract or part time basis too.

Human resource management starts with recruitment and doesn’t get completed until post retirement management. Therefore, Ms. Lohoni thinks that government needs to establish mechanisms to address the issues of retirees who want to involve themselves in some formal and informal involvements after retirement. Some NGOs can be mobilized in this regard. Even she thinks that there should be some training and counseling provisions both before and after retirement as the training and counseling helps to motivate the retirees towards successful life span.

(Source Case Study 2015)

### Deductions from the case of Ms. Lohoni

- Ms. Lohoni retired from government service at the age of 58 from the post of Under-Secretary.
- She got only one promotion throughout the service period and it was from file promotion.
- She is only member in her family now. (Husband died in early age before the birth of any child).
- She is not engaged in any formal extra income generating activities after retirement. So, pension is the only source for her livelihood.
- He is not happy with her present state of retired life as she has more leisure time and has less family responsibilities.
- She doesn’t have any significant health problems and still is self-assured that he can spend few more years for full time engagement if given chance.

#### 5.3.1. Analysis of the Cases

From the four case studies (three cases presented in this section and one more under “Five-Year Tenure”, different issues related to our research questions can be drawn out. From the very first case study of Mr. Dipendra Bikram Thapa, we can question over the relevancy of lateral entry provision and five-year service tenure for the Special Class. He was retired from the civil service just at the age of 49 when he had capacity to serve for the government. The cases of other retired secretaries Mr. Krishna Aryal and Mr. Pratap Kumar Pathak also retired before reaching the statutory retirement age of 58. In the context, the government is planning to extend the retirement age of 58, there needs proper planning to stop the early retirement of the competent senior civil servants. The cases also demonstrate that there is chance for capable and competent officials to retire early as there is high chance for them to be promoted for the post of Secretary through the competitive written exams. All three Secretaries taken as cases in this study had reached the higher position from competitive written exams. If only the retirement age is
increased without taking care of 5-year tenure of Secretaries and current system of promotion, the problem of early retirement would be more severe.

As stated by continuity theory of retirement, the retirees who are able to maintain aspects of their preretirement lifestyle and levels of activity seem satisfied with post retirement life. All the three retired secretaries are quite busy in the post retirement activities. It means they have extra income that is more than the regular pension amount drawn. But it should not be forgotten that Mr. Thapa doesn’t get any pension as he could not serve minimum required years for pension because of five-year tenure. The cases also supported the data presented earlier where it is shown that persons with extra income are more satisfied with the post retirement monetary benefits. Similarly, the feeling of role loss is less seen in these retirees as they are able to replace their service period role with the new activities they are involved in. On the other hand, unlike the three secretaries, Ms. Lohani is less satisfied with her retired life. Less or non-involvement in post-retirement income generating activities and feeling of role loss also is seen to some extent. These reasons seem to be the cause behind her dissatisfaction in retired stage of life.

5.4. Chapter Summary

The data collected for the study were presented and analyzed in this chapter. Firstly, the data presentation revealed us the condition and satisfaction level of retired civil servants (officers only) of Nepal as stated from the perspective of the same retirees. Secondly, it disclosed the perception of the retirees (the primary stakeholders) on present civil service retirement rules and policies of the government. Through the questionnaire survey of the general retirees and case studies of some selected retirees, the study came up with some interesting findings. Unlike the prior perception of the researcher, the levels of the retirees’ satisfaction to different aspects are found fairly well. In spite of being fairly satisfied, the respondents have raised a lot of issues on retirement policies. They have also questioned over some recruitment and promotion policies of the government claiming that they also effect in the retirement process of civil service. The satisfaction level also is found directly correlated with the post-retirement involvements and generation of extra income in addition to regular pension payment. The four case studies presented in the study further validated the ideas stated by the respondents.
Chapter 6
Summary, Major Findings and Conclusion

This final chapter of the thesis summarizes the whole study, discusses on major findings and concludes it. Prospective scope for future research in the field as identified from the study is presented in the last section of this chapter.

6.1. Summary

The study was carried out to revisit the civil service retirement of Nepal. For the purpose of revisiting the civil service retirement of Nepal as a whole, the study focused on two aspects. Firstly, it tried to reveal about the post-retirement state and satisfaction of the retirees on the basis of their present engagements, use of their human capital, retirement transition experiences and satisfaction on post-retirement monetary benefits. Secondly, the study emphasized in the analysis the perception of the retirees towards the civil service retirement policies of Nepal. In order to achieve the designated aim of the study, two research questions had been set in line with the above mentioned two aspects.

The theories of retirement management: continuity theory and role theory along with human capital theory ware used to frame the theoretical perspective to deal with retirement, one of the important aspects of HRM. The analytical framework was developed being based upon the same theories. So as to get the answer of the research questions from empirical study, the primary data was collected from the retired officials of same service. 40 respondents were reached for the semi-structured questionnaire. In addition, four (4) retirees had been selected for individual case studies. Secondary data needed for the study was collected from Department of Personnel Records, Hariharbhawan, books, journal articles, news, reports of other organizations etc.

After the collection of data from rigorous effort of one and half months, the collected data was managed in systematic way for presentation and analysis. During the analysis, the references were also taken from the civil service statutory provisions that were/are in effect in Nepal during different times. Also, the provisions of some neighboring countries were also taken as reference. Both qualitative and quantitative research methods were used during the data presentation and analysis. Post-retirement state and satisfaction was
mostly presented through quantitative approach while the policy related issues were done through qualitative method.

6.2. Major Findings

6.2.1. Post-Retirement State and Satisfaction of the Retirees

To reveal on the state of post-retirement life of the retirees, first of all retirees’ post retirement engagements was taken into account. Regarding the engagement of the retirees, majority of the retirees are found to have engaged in full time or part time formal engagements after retirement, from which they get extra income other than regular pension. The re-employment rate increases with the increase in class/level from which the retirees retire from. It is mentionable that engagement is greatly affected by the gender of the retirees too. Though maximum males are re-employed (either as full time or part-time engagement), the rate for female retirees is very less. Only 1 among 6 female respondents is engaged in job after retirement and is also of irregular nature. The study has disclosed that the majority of the retirees work as consultants followed by engagement in own family/private business and employment in government autonomous bodies and I/NGOS respectively as the sector of reemployment. In addition, it is found that most of them are engaged to in works that have high relevancy with their prior experiences of civil service. This shows that most of the employed retirees are satisfied with their present engagements.

In addition to formal engagements, the retirees are also engaged in wide range of informal activities. Involvement in social and club activities, household activities, family and religious visit and involvement in voluntary activities are the major involvements. Some of them are also found to have engaged in academic works like research and literary writing, while few of them spend time by making them busy in agriculture. With the engagement in wide variety of activities and being able to maintain activeness in life after retirement, majority of the retirees have opined that they have less complaint over their retired life.

Concerning the feeling of transition adjustments, the study has different findings in comparison to the prior literatures. Unlike the statements of the scholars that one of the main problems of retirement management is the transition adjustment for the retirees, the study has showed that only few of the retirees had transition adjustment problems. It
shows that civil servants of Nepal are well prepared for the retirement. In addition to the preparedness, the ensure of life long regular payment of pension as post retirement monetary benefit and the welcoming family and social structure in Nepali society might be the principal reasons behind having less transition adjustment problems. Also the engagement of majority of respondents in post-retirement reemployment that give them additional income is seen as another reason. This result gives us the inference that post retirement income status has direct relation with retirement management and retirement satisfaction.

6.2.2. Perception on Retirement Policies

Though the majority of the respondents have replied that they had fewer problems for retirement adjustment, but they have emphasized in necessity of training and counseling like in the western countries for the retiring and retired officials as part of retirement management. According to them, such programs would enhance skills and techniques and boost up the morale of the retirees to manage retirement in more proper way. They feel its necessity more for the non-officer level as it is generally seen that the retirees of non-officer level have few chances of having opportunities for re-employment after retirement as they have less professional and expert knowledge. The respondents opine that positive attitude, self-preparation techniques, psychological counseling, motivation, socialization process, time management techniques, practical health issues and others are to be the major aspects to be taught to the retiring and retired officials as part of transition adjustment program. They have suggested the government to organize such programs in collaboration with national training institutes like NASC and selected NGOs. They also state that such programs need to be more like counseling then training and use of successful practitioners of retirement management (retired officials) as resource persons can work as role model for the retiring and newly retired officials.

Regarding the perception of civil servants on the retirement policies, it is revealed from the study they have a lot of concerns over the retirement policies. Among the variety of issues raised by them, the prominent ones are: retirement age, five-year tenure as retirement provision for the secretaries, use of post-retirement human capital, and health policy as part of retirement benefit program.

Most of the respondents have expressed their dissatisfaction over the present age of retirement age of 58 years. They are not convinced for having different retirement age for
the officials under different service in civil service. It is noteworthy that retirement age for officials under Health Services Act 2052 (1997) and Acts Relating Legislature-Parliament is 60 years though those service are also under civil service of Nepal. The majority of the respondents have said that retirement age in the present context need to be extended and made 60 years making it similar for all service cadres. They also opine that it unwise decision to reduce the retirement age from 60 to 58 with the introduction of new civil service Act in 2049 B.S. It just increased the economic burden to the government in name of pension through the addition of two years’ service tenure during the calculation of pension amount each officials get.

Regarding the five-year tenure for the special class (secretary), it is revealed from the case studies and responses of the respondents that many competent and capable officials are retiring some years earlier than the statutory retirement age provision. As per the respondents, it is loss both for the retirees and the government. Some cases in civil service even show that some officials retire before reaching 50 years of age too because of same tenure provision. Though about half the respondents opine that it is appropriate to have five-year tenure for the secretary level as it stops dominance of certain persons in bureaucracy for long, they have also suggested some appropriate measures to get rid of this problem. One suggestion is to qualify only particular batches based on seniority from the immediate junior posts to participate in competitive exams of Under Secretary and Joint-Secretary. This practice would stop the chance of young officials reaching in the higher post in earlier age. Lateral entry provision (direct open competition) also seems to have strong relation with the retirement of the civil service. Because of lateral entry, there is chance of very young professionals entering the civil service directly in permanent post of Gazatted I and II class (Joint-Secretary and Under-Secretary). As a result, there would be chance of these officials becoming the secretaries in young age and retiring before reaching the statutory retirement age.

In regards to the use of human capital, majority of the respondents replied that there are very limited initiatives taken by the government in using the human capital of the retirees. The recently formed high level committee of the retired secretaries also has not been able to take concrete departure. Though the majority of officials are found to have engaged in varieties of post-retirement activities, these are done from the personal initiatives. In this backdrop, most of the respondents opine in the necessity of government’s initiatives in
using up the human capital of the retirees. They think that use of human capital (competencies) of the retirees can be done by the government in collaboration with NGOs and other organizations.

Finally, the issue of health policy is another issue by the respondents. Unlike to the retirees of security forces, there is no proper health policy for the retirees of civil service. There is only one Civil Service Hospital in the capital city, and this hospital also provides only 50% discount to the retirees in hospital charges only. There is no facility regarding the cost for buying the medicines. Therefore, the respondents have felt necessity in the introduction of appropriate health policy for the retirees. Some respondents have demanded the provision financial help for the retirees like to the serving officials in case they suffer from designated fatal diseases like cancer, heart and kidney problems. The study has also showed that the majority of respondents are even ready to participate in health policy on voluntary basis by contributing certain amount through deduction from their pension.

6.2.3. Revisiting the Theoretical Framework

When the findings are reexamined in the line of used theories, the continuity theory of retirement seems valid in the study. As per the theme of the theory, it is found that majority of the retirees are satisfied in retired life as they are able to maintain preretirement lifestyle and levels of activities through engagement in post-retirement paid jobs or services through the use of their experiences and expertise. On the other hand, the findings imply that role theory has not fit properly in Nepali context. Unlike the assumption that the retirees will have the feeling of negative changes and less life satisfaction as a result of loss of central role (employment) and it is difficult to replace central role with other engagements, the respondents are found fairly satisfied with their retired life. This might be because of the good preparation of the respondents for retirement along with nature of the Nepali society which is more collective and adjustable to the retirees. The findings of the study demonstrating that respondents had less transition adjustment problems further validates the issue. Therefore, it can be illustrated that the loss of role can be replaced with involvement in other activities too. Regarding, the issue of use of human capital, it is seen that there is less use of human capital (capacities and competencies) of the retirees yet. However, the essence of the issue has been realized and the attempts have been to recognize the capacities of the retirees and
high level panel of the retired secretary in the beginning of this year i.e. 2015. In the aforementioned context, the relevancy of prior established theories seems to be mixed in the study of retirement in civil service of Nepal.

6.3. Conclusion

The study can be concluded by stating that the retirement management depends on various factors. Particularly, in case of civil service retirees, the proper retirement management not only depends upon the personal preparation but is also influenced by the prevalent retirement policies along with other policies like recruitment and promotion.

This study was limited to the retired officers of the civil service in Nepal. Unlike the declarations of the many scholars that many retirees spend frustrated and traumatic life after retirement, this study after analyzing data has revealed that majority of respondents are fairly satisfied in their retired life. They express fair level of satisfaction over the post-retirement monetary benefit i.e. pension, involvements after retirement, and they had less transition problems. In spite of having positive result in regards to their present state of life, their perceptions on existing policies of retirement show that they are not satisfied with many policy issues. They have suggested for revision in some clauses for the benefit of both State and retirees. The respondents have raised concern over current retirement age, health policy for the retirees and retirement preparation. Most prominently, the respondents are recognized some loopholes in the current retirement policies that have led to early retirement of the competent officials. Similarly, as per the perception of the retirees, policy lack is there in proper utilization of human capital and knowledge transfer of the competent and capable retirees.

As suggested from the study, proper empirical study is to be done to determine the retirement age in changed context. Also the lateral entry provision, as raised by many respondents needs to be reassessed for its effectiveness. If the system is to be continued, different criteria can be set for the officials recruited under lateral entry for the posting and promotion. For the regular officials, the promotion can be done from the combination of scientific performance appraisal system and competitive written exams cum presentation being based on batch system. It can reduce the problem of early retirement of the competent and experienced secretaries in early age. Such system can ensure that
competent and senior joint secretary becomes the secretary only in around the age of fifty-two / fifty-three. In case of utilizing capacities of competent retirees, the provision of contracting the capable competent officials even after retirement can be introduced. It helps to get the continuous service of the needy persons. Adding service tenure provision of Health Services can be introduced in other services too. We can even experiment the concept of changing the status of retired secretary of the respective ministries as the advisor for one year after retirement like in Sri Lanka. The advisors can be given very nominal performance wise payment. In case of health policy, the concept like CGHS of India can be initiated as pilot project and can be extended if it is found effective.

In short, retirement is an unavoidable process for the officials of any organizations. The officials in person need to be self-prepared for the proper retirement management. However, it is also a State’s obligation to revisit the retirement and other policies that affect in the process of retirement in context of changed time and context. It should not be forgotten that timely revision not only satisfies the retirees but also helps to raise the performance public service as the appropriate policies for today’s retirees are the sources of motivation for current working officials.

6.4. Scope for Future Research

This research was conducted for an academic purpose and was done with limited scope, time and resources. It was primarily focused to reveal the post-retirement state of the retired officers of civil service of Nepal and revisit in the retirement policies being based upon the perception of the retired officers. Therefore, the findings cannot be generalized with the non-officer level and also with the officials of other public organizations. Coincidently, the respondents were only the retired officers under Civil Service Act 2049 B.S. (1993). Therefore, it can be stated that the findings of the findings may have less inference to the civil service retirees of Health Service and Legislature Parliament. For all these reasons, future research can be directed on the way to compare the post-retirement state and satisfaction between the officer and non-officer level retirees. Also the comparison can be done between the officials of civil service and other public organizations such as university teachers and security forces. For these future researches, the sample size needs to be larger and diversified. Regarding the policies, a lot of concern has been raised by the respondents over the lateral entry provision in civil service
from which officers of private and other public sectors also can enter the civil service directly in the post of Joint-Secretary and Under-Secretary. Since, it has already been practiced for about two decades; its effectiveness can be examined through systematic study. In addition, extensive comparative studies of the government retirement policies with neighboring countries can be done to find out their major strengths and weaknesses.
References


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Society for Industrial and Organizational Psychology, Inc. (SIOP) (2012). Wang, M. and Hesketh, B. Achieving Well-Being in Retirement: Recommendations from 20 Years of Research, Bowling Green, OH 43402, USA.


Annex I

Questionnaire for Retired Civil Servants

Dear Sir/Madam,

This research entitled “Revisiting Civil Service Retirement in Nepal” aims to look at the status of retired officers of the civil servant in Nepal and revisit in the retirement related policies in civil service of Nepal from the perspective of the retired officers of the same service. Hence, you are humbly requested to fill up this questionnaire and provide your valuable inputs. Your cooperation is highly appreciated.

Disclaimer: The research is fully academic in nature and the researcher ensures that information and opinions provided by the respondents will not be used for other purposes except research.

Section A: Personal Background of the Respondent

1. Name (Optional): ……………………………………………………………………

2. Ethnicity:
   - Brahmin □
   - Chettri □
   - Indigenous □
   - Madheshi □
   - Dalit □
   - Others □

3. Gender of the respondent:
   - a. Male □
   - b. Female □

4. Age (In completed years): ……………………..

5. Marital status:
   - a. Married □
   - b. Unmarried □
   - c. Widow/Widower □
   - d. Divorced □
   - e. Separated □

6. Spouse’s occupation (if applicable): ……………………………

7. Educational Qualification:
   - a. Intermediate □
   - b. Bachelor □
   - c. Master □
   - d. MPhil or Higher □

8. Date of appointment in Civil Service: ……………………………

9. Entry level/position: ……………………………

10. Nature of service during entry:
    - a. Technical □
    - b. Non-Technical □

11. Service group during entry into Civil Service:
    - a. General Administration □
    - b. Accounts □
    - c. Foreign Service □
    - d. Revenue □
    - e. Audit □
    - f. Parliament □
    - g. Law □
    - h. Health □
    - i. Engineering □
    - j. Others (Please mention)…………………………
12. Retired from Civil Service for:
   a. Less than 1 year □ b. 1-3 yrs □ c. 3-5 yrs □ d. 5+yrs □

13. Retired level /position: ………………………………………

14. Service group/type during retirement from civil service:
   a. General Administration □ b. Accounts □ c. Foreign Service □
   d. Revenue □ e. Audit □ f. Parliament □ g. Law □
   h. Audit □ i. Parliament □ i. Health □
   i. Engineering □
   j. Others (Please mention)…………………………

Section B: Involvement in Post Retirement Stage

1. Are you presently engaged in any sort of job/ service after retirement?
   a. Yes □ b. No □ c. Engaged in past though not at present □

   If ‘Yes’ ,
   i. When did you start it?
      a. Immediately after retirement □ b. 3-12 months after retirement □
      c. 1-2 years after retirement □ d. More than two years after retirement □

   ii. What type of job it is?
      c. NGO/INGO □ d. Private □ e. Consultancy □
      f. Own/Family business □ j. Others (please mention)………………

   iii. What is the nature of job?
      a. Full time □ b. Part-time □

   iv. To what extent the present job responsibilities associated/related with the experiences you achieved from civil service?
      a. Highly related □ b. Somehow related □ c. Less related □
      d. Not related at all □

   v. To what level you are satisfied with your the present job engagement?
      a. Highly □ b. Moderately □ c. Less □ d. Not at all □
vi. If you were engaged in others job(s)/service(s) after retirement and before joining the present one, please mention your position and place where you were engaged.

………………………………………………………………………………………………
………………………………………………………………………………………………

2. What are your prime involvements in post-retirement period? (Multiple Choice)
   a. Job/Service □ b. Household activities □ c. Research/writing □
   c. Social activities □ d. Religious visits □ d. Family/relatives visits □
   e. Voluntary activities □ f. Consultancy □
   g. Others (please mention)…………………………………………..

3. Do you still have interest to contribute in the government/non-government sector through some involvements by using the knowledge and experiences you gained from a long service in civil service?
   a. Yes, and I am already engaged □ b. Yes □ c. No □

   If ‘Yes’, in which area, and how do you think you can contribute?
   …………………………………………………………………………………………………
   …………………………………………………………………………………………………
   …………………………………………………………………………………………………

   If ‘No’, Why?
   …………………………………………………………………………………………………
   …………………………………………………………………………………………………
   …………………………………………………………………………………………………

Section C: Retirement Transition

4. Did you face any transitional adjustment problems after retirement from Civil Service?
   a. Yes □ b. To some extent □ b. No □

   If “Yes”, what was/were the main difficulty(ies) you faced/experienced?
   …………………………………………………………………………………………………
   …………………………………………………………………………………………………
5. Do you feel difficulty in spending leisure time in post-retirement period?
   a. Yes □    b. No □    c. Somehow □
   d. I don’t have much leisure time at all □

6. Do you have any feeling of alienation or boredom in retired life?
   a. Yes □    b. To some extent □    c. No □

7. Have you attended any formal pre and post retirement management training/orientation/counseling programs?
   a. Yes □    b. No □

   If ‘Yes’ how long was it and who was the organizer?
   .................................................................

   Have you found any applicability or usefulness of such programs? (only if you had participated)
   a. Yes □    b. No □    c. Don’t know □

8. Do you feel necessity of pre and post- retirement training/orientation programs for late career officials and retirees of civil service?
   a. Yes, it is highly necessary □    b. It would be better if provided □
   c. Not necessary □    d. Don’t Know □

   If ‘Yes’,
   What should be the main contents of such training/counseling programs?
   a. ..............................................................
   b. ..............................................................
   c. ..............................................................
   d. ..............................................................
   e. ..............................................................

Section D: Post Retirement State and Satisfaction

9. Do you have any significant individual health problems at present?
   a. Yes □    b. No □

   If ‘Yes’ what is/are the prime problem/s you have? (Please mention)
   ..............................................................
   ..............................................................

10. Do you have any other sources of income except regular post-retirement benefits?
    a. Yes □    b. No □
11. Are you satisfied with your post-retirement monetary benefits?
   a. Highly Satisfied □
   b. Moderately Satisfied □
   c. Less Satisfied □
   d. Not satisfied at all □

12. What are your main areas of expenditure?
   a. ........................................
   b. ........................................
   c. ........................................
   d. ........................................

13. Please mention about your major future plans (in bullets).
   a. 
   b. 
   c. 

14. All things considered (socio-economic aspects, post retirement engagement, source(s) of income, family life, health condition, etc.), how much satisfied you are with your retirement life at present?
   
<table>
<thead>
<tr>
<th>Very Dissatisfied</th>
<th>Very Satisfied</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>5</td>
<td>99</td>
</tr>
</tbody>
</table>

Section E: Retirement Policies

15. What is your opinion regarding the present provision of age of retirement for civil servants (58 years except in Health Service and Parliamentary Service)?

   (Can be multiple responses)
   a. It is appropriate and no change is necessary. □
   b. It is to be extended and the retirement age is to be made............... years. □
   c. It is to be reduced and set at .................years. □
   d. The age of retirement is to be made different for different levels or positions. □
   e. Maximum years of service (service tenure) is to be reintroduced in all levels of civil service. □
   f. Change in retirement age is not an issue of importance discussion in civil service. □
16. Do you feel necessity in revisiting and revising the existing retirement rules, policies and provisions along with other existing provisions in civil service that effect in the retirement and post-retirement stage of the civil servants?
   a. Yes □
   b. No □
   c. Don’t know □
If ‘Yes’, what changes or interventions can be done by the concerned authorities to address the issues? (point wise)
   a. 
   b. 
   c. 
   d. 
   e. 
   f. 

17. Please, feel free to mention if you have any additional points/opinions regarding civil service retirement and related policies & rules in Nepal. *(You can also use back side of this paper in case of necessity.)*

Thank you very much for your most valuable time and responses!!
Annex II

Some more data presentations

1. Socio-demographic characteristics and level of satisfaction with retired life

<table>
<thead>
<tr>
<th>Characteristics of the respondents</th>
<th>Number (N=40)</th>
<th>Satisfaction (Scale 3-5)</th>
<th>Dissatisfaction Scale (1-2)</th>
<th>Mean Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gender</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>34</td>
<td>1</td>
<td>5</td>
<td>3.71</td>
</tr>
<tr>
<td>Female</td>
<td>6</td>
<td>1</td>
<td>33</td>
<td>3.33</td>
</tr>
<tr>
<td>2. Ethnicity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brahmin</td>
<td>23</td>
<td>2</td>
<td>19</td>
<td>3.57</td>
</tr>
<tr>
<td>Chhetri</td>
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<td>0</td>
<td>8</td>
<td>3.88</td>
</tr>
<tr>
<td>Indigenous</td>
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<td>0</td>
<td>8</td>
<td>3.62</td>
</tr>
<tr>
<td>Madeshi</td>
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<td>0</td>
<td>1</td>
<td>4.00</td>
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<tr>
<td>3. Current Age (in completed years)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50-55</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>4.00</td>
</tr>
<tr>
<td>55-60</td>
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<td>1</td>
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<td>3.50</td>
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<td>1</td>
<td>19</td>
<td>3.70</td>
</tr>
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<td>75+</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>4.00</td>
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<tr>
<td>4. Service Group during retirement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Administration</td>
<td>17</td>
<td>0</td>
<td>17</td>
<td>3.71</td>
</tr>
<tr>
<td>Revenue</td>
<td>3</td>
<td>0</td>
<td>3</td>
<td>3.67</td>
</tr>
<tr>
<td>Audit / Accounts</td>
<td>6</td>
<td>0</td>
<td>6</td>
<td>3.67</td>
</tr>
<tr>
<td>Engineering</td>
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<td>4</td>
<td>3.50</td>
</tr>
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<td>Miscellaneous</td>
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<td>2</td>
<td>3.33</td>
</tr>
<tr>
<td>Forest</td>
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<td>4</td>
<td>3.60</td>
</tr>
<tr>
<td>Others</td>
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<td>0</td>
<td>2</td>
<td>4.00</td>
</tr>
<tr>
<td>5. Level/Class during retirement</td>
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<td></td>
<td></td>
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<tr>
<td>Gazetted III Class (Section Officer)</td>
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<tr>
<td>Gazetted II Class (Under-Secretary)</td>
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<td>13</td>
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<tr>
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<td>11</td>
<td>3.67</td>
</tr>
<tr>
<td>Special Class (Secretary)</td>
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<td>10</td>
<td>4.10</td>
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<td>6. Nature of Service</td>
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</tr>
<tr>
<td>Non-Technical</td>
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<td>28</td>
<td>3.68</td>
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<tr>
<td>Technical</td>
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<td>10</td>
<td>3.58</td>
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<tr>
<td><strong>Total Average Mean Satisfaction</strong></td>
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<td></td>
<td><strong>3.65</strong></td>
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</table>

2. Satisfaction with Retired Life * No. of promotions during Service Period (Cross-tabulation)
### No. of promotions during service period

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<th>Three</th>
<th>More than Three</th>
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<tr>
<td><strong>Satisfaction with retired life</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Less Satisfied</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Moderately Satisfied</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>Satisfied</td>
<td>5</td>
<td>8</td>
<td>9</td>
<td>2</td>
<td>24</td>
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<tr>
<td>Highly Satisfied</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10</td>
<td>14</td>
<td>12</td>
<td>4</td>
<td>40</td>
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</table>

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**Annex III**

**Selected Portions of Civil Service Acts Related to the Study**

**I. Civil Service Act, 2049 (1993)**

95
Chapter 3

17. Tenure of Chief Secretary and Secretary: The tenure of the Chief Secretary and the Secretary shall be Three and Five years, respectively.

Explanation: For purposes of this Section, the term "Secretary" means a civil employee holding any post of special class.

Chapter 6

Retirement, Gratuity and Pension

33. Compulsory retirement:

(1) Any civil employee who has completed the age of fifty-eight years or completed the tenure as referred to in Section 17 shall ipso facto retire from the civil service.

(2) Even the civil employees who are incumbent in the civil service on the extension of their tenure after completion of the thirty-year service period, prior to the commencement of Subsection (1), may hold office in the civil service until they complete the age of Fifty Eight years.

Provided that, in the case of the employees whose tenure of service is specified pursuant to Section 17, that Section shall be applicable.

(3) For purposes of this Section, the age of a civil employee shall be calculated on the basis of the age to be set from the birth day or year inscribed in the certificate of educational institute submitted by him/her at the time of joining the service or the age to be set from the birth day or year inscribed in the citizenship certificate or the age to be set from the birth day or year inscribed in the sheet roll/personal details filled up by him/her at the time of joining the service, at whichever age he/she gets retired earlier.

34. Power to award retirement: Government of Nepal may, in the following circumstances, retire any civil employee from the service:
(a) If any civil employee is proved to have provided or attempted to provide secret governmental documents, deeds or information under his/her custody or obtained by him/her in any manner to any unauthorized person or body,

(b) If any civil employee is proved to have committed an irresponsible conduct contrary to the dignity of his/her post, by maintaining undesirable contact with any foreign country, organization or citizen contrary to the national interests.

34A. Special provision in respect of incapacitated employee:

If it is certified by the medical board constituted by Government of Nepal that any civil employee is unable to serve regularly owing to a physical or mental disease, Government of Nepal may retire that employee, by adding a service period of Seven years in maximum to his/her service period.

35. Voluntary retirement:

(1) Any civil employee who is eligible to receive pension and has completed the age limit of Fifty years may voluntarily retire from the service on such terms and within such period as set forth and specified in a Notification published by Government of Nepal in the Nepal Gazette. A service period not exceeding Seven years shall be added and the total service period shall be fixed for pension in such a manner that the age does not cross Sixty years in the case of an employee who joined the civil service before the 21st Kartik of the year 2049(6 November 1992) and the age does not cross Fifty Eight years in the case of an employee who joins the civil service on or after that date, out of the employees who so retire voluntarily.

Provided that, in the case of the employee who has become redundant because of non-adjustment in position or who is holding a post not necessary for Government of Nepal, separate facilities and terms may be specified and application for voluntary retirement may be invited by a Notification in the Nepal Gazette.

(2) Notwithstanding anything contained in Sub-section (1), if an employee who is eligible to have pension and has completed the age limit of fifty years intends to have voluntary retirement, he/she may be retired by promoting him/her to one level higher post if he/she
has served as per Sub-section (3) of Section 37 in the event that he/she is entitled to promotion to one level higher post pursuant to Section 20A of this Act.

36. Gratuity:

(1) If any civil employee, who has served for Five years or more but has not completed the period required for pension, retires or leaves service by getting resignation accepted or is removed from the post without being disqualified for government service in the future, he/she shall receive gratuity at the following rate:

   (a) In the case of the civil employee who has served from Five years to Ten years, Half the last month's salary for each year of his/her service,

   (b) In the case of a civil employee who has served for more than Ten years up to Fifteen years, the last One month's salary for each year of his/her service,

   (c) In the case of a civil employee who has served for more than Fifteen years but less than Twenty years, the last One and Half month's salary for each year of his service.

(2) Notwithstanding anything contained in Sub-section (1), no gratuity shall be paid to any civil employee who is proved to have lied about citizenship or age or qualification with the intention of entering into or continuing to hold the government service.

37. Pension: (1) A civil employee who has been in government service for a period of Twenty years or more shall be entitled to a monthly pension at the following rate:

\[
\frac{\text{Total year of service} \times \text{amount of the last salary}}{50}
\]

Provided that:

(1) No civil employee who has been dismissed from the service with being disqualified for government service in the future shall be entitled to the pension pursuant to this Section.

(2) No pension shall be paid to any civil employee who is proved to have lied about citizenship or age or qualification with the intention of entering into or continuing to hold government service.
(1a) Notwithstanding anything contained in Sub-section (1), in the case of not obtaining the pension by the service period due to compulsory retirement to the employees appointed in a class or post as maximum age of Forty years and appointed pursuant to Sub-section (2) of Section 10, pension shall be provided by adding up to two years in service period to such employee.

Provided that, this provision shall not be applicable to the employees who retired before the commencement of this subsection.

(2) Notwithstanding anything contained in Sub-section (1), the minimum amount of pension shall not be less than half the amount of basic figure of salary of the incumbent civil employee of the same post and the maximum amount thereof shall be more than the basic scale of salary of the incumbent civil employee of the same post.

(3) If any civil employee who has been in service in the civil service since 21 Kartik 2049 (6 November 1992) ago has already completed the service period of thirty years, he/she may retire from service voluntarily. The total service period of the civil employee who has so retired voluntarily from service or who has ipso facto retired pursuant to Section 33 owing to the completion of 58 years of age upon having been in service in the civil service since 21 Kartik 2049 (6 November 1992) ago shall be set by adding such remaining period as required for him/her to complete sixty years of age.

(4) If any employee who has completed a service period of fifteen years dies, a maximum period of Five years shall be added to his/her service period, and his/her family shall be allowed to receive either pension or gratuity, whichever that family chooses.

(5) If any person who is receiving pension on account of his/her earlier service in any government post is appointed to the civil post later, he/she shall be entitled to pension pursuant to this Section, with the addition of the period of his/her earlier service to that of his/her subsequent service.
II. Nepal Health Service Act, 2053 (1997)
Date of Authentication and Publication
2053.11.15 (16 February 1997)

Chapter-7
19. Appointment of secretary:

(1) Notwithstanding anything contained in the prevailing law, an employee who has served for at least Five years in the Eleventh level of the health service or an employee serving in the Twelfth level may be appoint to the post of secretary of the Ministry of Health and Population.

(2) The term of office of the secretary appointed pursuant to Sub-section (1) shall be Five years, subject to Section 45.

(3) In counting the term of office of the secretary pursuant to Sub-section (2), the period of service carried out by him or her in the Twelfth level shall also be counted.

Chapter 7
Retirement, gratuity and pension

45. Compulsory retirement:

(1) Any employee who has completed the age of Sixty years or the tenure as referred to in Section 19 shall ipso facto retire from the service.

(2) Notwithstanding anything contained in Sub-section (1), if the Government of Nepal needs the expert service, it may add the service period of an employee who retires on completion of the age of Sixty years, for maximum period of Three years.

(3) Even the employees who are incumbent in service on the extension of their tenure after completion of the thirty-year service period pursuant to the Civil Service Act, 2049 (1993) may hold office in the health service until they complete the age of Sixty years.

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Chapter-7
Retirement, Gratuity and Pension

45. Compulsory retirement:

(1) Any Employee who has completed the age of sixty years shall ipso facto retire from the service.

(2) Notwithstanding anything contained in sub-section (1), the Employee who is holding the post of special class shall ipso facto retire from the service after he or she has completed the service period of five years.