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Psychological preparedness and retirement anxiety among oil company workers in rivers state: A review

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Abstract

Retirement is a key transition occurrence with multiple consequences psychologically, socially, and emotionally. Although financial readiness received greater attention in policy making and scholarship in Nigeria, recent evidence suggests that psychological preparedness is vital too in reducing retirement anxiety and enhancing adjustment after work. This paper using a narrative review approach considers the association between psychological preparedness and retirement anxiety among oil company workers in Rivers State, an occupational set notably characterized by high income, early retirement, and uncertainty caused by fluctuating fortunes in the petroleum sector. This paper highlights how pre-retirement anxiety levels are significantly influenced by various psychological aspects including self-efficacy, emotional intelligence, goal clarity, future time perspective, acceptance of aging, and autonomy. The review revealed that workers with more robust psychological resources are open to smoother adjustment and better post-retirement quality of life. On the other hand, inadequate preparation is linked to fear, loss of identity, diminished social belonging, and emotional turmoil. It was however concluded that psychological preparedness is an underemphasized but critical dimension of retirement planning in Nigeria and recommended that structured pre-retirement education, counseling interventions, skills acquisition, and policy reforms are needed to promote well-being after exit from active service.

Keywords: Psychological preparedness, Retirement anxiety, Oil company workers, Ageing, Counselling interventions

Introduction

Retirement remains a necessary stage of development and a dramatic change that includes psychological, social, and emotional adjustment among workers world over. Retirement occurs when a worker opts to seize from working either due to attainment of a certain age milestone or having enough savings and investments to afford the desired lifestyle of their choice. It is the end of a person's working life and the beginning of a new era of life where they can pursue their interests, spend time with family and friends, and enjoy leisure activities as they desire it.

Armstrong (2009) describes retirement as a significant transition that one ought to prepare for. Just the way retirement represents the end of formal employment, so it disrupts routine, identity, social status, self-esteem, work relationships, and financial stability. To most employees, especially in high-demand areas like oil and gas sector, this change brings about feelings of uncertainty, anxiety, and fear.

Looking back into history, research and policy in Nigeria has focused predominantly on financial preparedness (Ige & Baba, 2020). However, contemporary retirement scholarship indicates that psychological readiness such as emotional stability, self-efficacy, future time perspective, acceptance of ageing, goal clarity and cognitive appraisal strongly predicts adjustment and post-retirement quality of life (Hershey, Jacobs-Lawson, McArdle & Hamagami, 2008; Taylor & Shore, 1995).

It is arguable however that retirement is psychologically sensitive in the context of the oil and gas companies in Rivers State due to:

- Early mandatory retirement ages
- Unpredictable timing of pension benefits
- Job insecurity and downsizing in the petroleum sector
- Dependence on high salary lifestyle
- Limited personal preparation for ageing or post-retirement purpose

Based on the foregoing, the crux of this paper therefore is to explore how psychological preparedness relates to retirement anxiety among these workers and to review extant empirical evidence supporting this association.

Review Methodology

This paper adopted a narrative review approach to synthesize existing literature the subjects of psychological preparedness and retirement anxiety. A comprehensive literature search conducted from June 2025-October 2025 when the initial draft of the paper was made formed the basis of discussion. Literature was drawn from ResearchGate, Google Scholar, Scopus, Web of Science, etc. Key search terms included "psychological preparedness', 'Retirement anxiety', and 'Oil company workers.

Literature

Retirement

Retirement represents the end of one's active eworkerseriod and heralds a change or switch from work-role identity to a new phase of life, otherwise referred to as self-definition. In his view (Nwajagu, 2007), retirement is the withdrawal or giving up office or work. Accordingly, a person who has retired is one "who has given up office". Similarly, Oxford Dictionary defined retirement as "the act of stopping one's regular work especially because one has reached a particular age; the event of retiring or state of having retired from work".

Furthering his opinion, Nwajagu (2007) describes three ways a civil or public servant may retire or give up his office- voluntary retirement, statutory retirement and compulsory retirement. In the light of the above, by statue of attaining the age of sixty years chronologically, one is bound to retire or on completing thirty-five years in the service, one is similarly qualified to retire from the service. Statutory retirement attracts payment of gratuity and pension. On the other hand, voluntary retirement is self-imposed. In other words, a person may consider by himself whether to retire or to remain in the service and make it his life career. Prospects in the service are considered and where one is not satisfied with the career, or one lacks job satisfaction, such person is at liberty to retire voluntarily.

It is noteworthy that in voluntary retirement, where the retiring person has not worked for a minimum of ten years, they forfeit their gratuity and pension but if they have put fifteen years in the service, they becomes entitled to payment of gratuity and pension. Scholars have argued that retirement offers potential psychological benefits such as freedom, leisure and rest (Kim & Moen in Walubengo & Kipchumba, 2022), but it also presents challenges including loss of status, shrinking social networks and relevance, chronic health concerns, and uncertainty about the future.

Anxiety of Retirement

Retirement anxiety is a consistent psychological condition of uneasiness, worry, apprehension, and increased emotional arousal based on uncertainties or anticipated unpleasant aftermaths linked to life after work. Generally, anxiety is viewed as a condition of uneasy apprehension and tension due to perceived or imaginary threats (American Psychological Association [APA], 2019). Translated into retirement, this takes the form of "fear about financial insecurity, loss of status, diminished daily routines, deterioration in health, unfulfilled expectations, and a supposed decline in personal relevance" (Taylor & Doverspike, 2003).

Scholarly evidence abounds that retirement, though often romanticized as a period of rest, is one of the most psychologically demanding transitions in adulthood, comparable to bereavement or relocation. This anxiety is heightened among workers whose identities and self-worth are strongly associated with their occupational roles. Again, individuals who are unprepared—financially, emotionally, socially, and mentally tend to show higher levels of psychological distress in anticipation of post-employment life.

Research points out several key predictors for retirement anxiety:

1) **Poor Retirement Planning:**
People with poor financial literacy or lack of systematic preparation according to Li, Shue, & Buse (2010), Peterson, Ralston & Klinger (2021) show higher levels of anticipatory stress, uncertainty, and feelings of vulnerability associated with this period of life. It is also adduceable that ignorance about pension issues and lack of additional sources of income can increase the level of anxiety, especially in the context of unstable economic conditions, as is the case in Nigeria.

2) **Ambiguous Future Goals:**
The sense of uselessness, boredom, or social detachment is felt most when retirees lack clear goals or structured post-retirement engagements. According to Kubicek, Wimmer, and Tement (2010), those retirees who are unable to see meaningful activity in later life face an increased risk of mental distress. This is why it is important for workers to make adequate preparation, including those of post-retirement engagements to avoid ambiguity of future roles after retirement

3) **Poor Health and Declining Functional Ability:**
Perceived dependency and worry about ageing and care costs are increased with chronic illnesses, pain, and poor physical functioning. Workers in labour-intensive professions, especially those with unresolved health issues as they are near retirement, tend to exhibit notably higher anxiety.

4) **4.Lack of Social Support:**
Social isolation, weakened peer networks, broken family systems, or loneliness magnify the retirees' emotional burden. For example, studies show that retirees who lack close family relationships and those unaffiliated with their community tend to experience depression and anxiety; whereas those that have strong family and social support can find some shoulders to lean on overtime. (Gonyea, Curley & Staff, 2006).

5) **Late-life Identity Crisis:**
Individuals who have strong identification with their occupational roles are likely to have difficulties regarding identity

restructuring because retirement threatens their purpose, status, competence, and daily routine. According to Wang and Shi, (2014), retirement for job-attached persons is a symbolic “loss of self” and hence difficult to adapt to. A widely quoted anecdote by the late Emeritus Professor Augustine Ahiauzu of African ancestry gives a practical illustration of late-life identity disruption among retirees.

According to the account, a railway employee who had spent over thirty years blowing a whistle to signal train arrivals became so psychologically attached to the routine that, upon retirement, he returned to his hometown of Omoku and continued blowing the whistle at the same intervals he had followed throughout his career. His behaviour eventually drew the attention of community leaders, and when questioned, he explained that whistle blowing was the only occupation he had known for decades. Although anecdotal, the case underscores how deeply occupational identity can shape retirees’ sense of purpose, making adaptation difficult when individuals lack broader self-concept clarity or alternative life roles.

Taken together, these stressors indicate that retirement anxiety does not just result from the act of leaving employment, but is caused by the loss of structure, income, status, relationships, and self-definition. For this reason, psychological preparedness—emotional intelligence, future time perspective, coping skills, acceptance of ageing, and clear post-retirement life goals protects smooth transition.

Psychological Preparedness and Retirement Anxiety

Psychological preparedness refers to the constellation of cognitive, emotional, and motivational resources that enable individuals to anticipate, plan for, and effectively manage the transition from full-time work to retirement. Retirement has become increasingly viewed by scholars as not just a financial event, but a psychosocial life transition associated with changes in identity, autonomy, social participation, and future expectations. Individuals who exhibit stronger psychological preparedness have been shown to have lower levels of pre-retirement worry, easier adjustment after retirement, and higher well-being. Within the Nigerian context, especially in the oil-producing regions of the Niger Delta where occupational identity and income are inextricably linked to employment in multinational oil corporations, a state of inadequate psychological readiness has been associated with fear, uncertainty, and heightened anxiety among workers approaching their statutory age of retirement.

The literature highlights several psychological factors that influence preparedness and anxiety outcomes, including self-efficacy, goal clarity, emotional intelligence, future time perspective, identity restructuring, acceptance of ageing, and autonomy or coping skills. These factors interact with one another in ways that shape how workers appraise retirement, engage in planning, and navigate the emotional consequences of role exit.

Self-efficacy and retirement adjustment

In his opinion, Bandura (1977) describes self-efficacy as beliefs about one's capacity to manage future situations. Self-efficacy plays a key role in retirement transitions and individuals with high self-efficacy tend to perceive retirement demands as manageable, and are more likely to engage in planning, develop alternative income sources and maintain social networks. Empirical evidence indicates that self-efficacy significantly predicts lower retirement anxiety. For example, Li et al. (2010) reported that when people possess high self-efficacy, their emotional fluctuation is minimized, while their adjustment after retirement is better. Similarly, Abidoye (2019) found that those Nigerian public employees with higher beliefs of being able to cope financially and socially exhibited significantly less distress before retirement.

Moreso, Arogundade et al. (2014) found that workers with higher levels of self-belief and resilience scored lower on measures of retirement anxiety. For oil sector workers-whose work identity is often technical, high-status, and financially rewarding-the transition into an uncertain post-work phase may undermine perceived competence. Skills-based interventions, pre-retirement counseling, and mastery experiences-such as training for entrepreneurship or consultancy work-can enhance efficacy beliefs and reduce anxiety.

Goal Clarity and Post-Retirement Planning

Goal clarity in this case refers to the degree to which individuals have articulated specific, reasonable plans for life after work. According to Hershey, Jacobs-Lawson, McArdle, and Hamagami (2008), clearly stated goals activate more details of planning and reduce psychological uncertainty, whereas vague or missing goals are linked to ambivalence and anxiety. Stawski, Hershey, and Jacobs-Lawson (2007) reported that workers who had specific goals, such as business plans, volunteer work, or academic pursuits, exhibited greater savings and less emotional distress.

Empirical findings reinforce this: Victoria and Olukuru (2014) reported that participation in structured planning programmes increased confidence, reduced fear of redundancy, and increased quality of life in retirement. In Rivers State and other oil-producing areas in Nigeria, income and social status often decrease drastically at retirement. Those workers without tangible plans for their retirement often complain about the prospect of boredom, financial instability, or social irrelevance. Thus, retirement planning programs in oil companies should include a facilitated goal-setting session, scenario planning, and a structured follow-through mechanism to ensure goal achievement and alleviate anxiety.

Emotional Intelligence

Emotional intelligence (EI) is the capacity to perceive, understand, and regulate emotions within oneself and in others (Salovey & Mayer, 1990). EI facilitates adaptive emotion regulation, effective coping, interpersonal support seeking, and resilience during stressful life transitions. In the retirement literature, higher EI has been linked with reduced emotional distress and improved adjustment. For example, Arogundade et al. (2014) found that employees with higher emotional intelligence demonstrated significantly lower pre-retirement anxiety. Supporting this, Abidoye (2019) reported that emotional intelligence and self-esteem were strong predictors of reduced retirement worry among Nigerian public sector workers.

Oil company employees frequently experience special job-related emotional stress: hazard exposure, job insecurity, shift work fatigue, and family separation. Thus, workers with higher emotional intelligence are more able to manage fear, uncertainty, and identity loss associated with retirement. Incorporating EI development in retirement programs—through workshops on emotional appraisal, coping, and communication—may enhance psychological resilience and reduce anxiety.

Future Time Perspective (FTP)

The Future Time Perspective encompasses subjective evaluation of the remaining time in one's life, incorporating both opportunities and constraints. According to Socioemotional Selectivity Theory (Carstensen, 1992), when individuals view time as open and plentiful, they focus on future-oriented goals, but when time is perceived as limited, individuals place greater emphasis on current emotional fulfillment and may disregard long-term planning. A balanced future time perspective promotes responsible financial planning and minimizes anxiety about retirement.

Supporting evidence indicates that psychological planning before retirement reduces anxiety, depression, and emotional instability after leaving employment (Li et al., 2010). Wang (2007) also proved that favourable future expectations increase life satisfaction and reduce distress during retirement. Oil workers nearing retirement may perceive plummeting opportunities due to declining health, industry crises, or fears of social irrelevance. This constricted time perception can heighten anxiety and reduce engagement in proactive planning. Programmes that encourage positive future orientations such as financial modelling, life-goal mapping and gradual retirement transitions can enhance psychological preparedness.

Identity Restructuring

Retirement represents a fundamental identity alteration because work is a very significant source of meaning, routine, social belonging, and personal value. The Social Identity Model of Identity Change (SIMIC) explains it best that the loss of a valued role-for example, "engineer," "supervisor," or "oil worker"- without replacement by other identities can result in distress. Fadeeva et al. (2025) concluded that successful retirement adjustment depends on identity continuity, or the maintenance of meaningful aspects of the self, along with identity gain, where new roles are added.

Empirical evidence supports this psychological pathway. Walubengo and Kipchumba (2022) found that psychological preparedness—including identity restructuring—reduces fear of retirement and improves planning behaviour among Kenyan government workers. In Rivers State, Uzorka (2021) demonstrated that identity-linked self-efficacy and role substitution predicted preparedness among university and oil sector workers. Without planned identity restructuring, retirement may generate feelings of uselessness, isolation, and loss of social recognition. Counselling, alumni networks for retirees, mentoring roles, volunteer pathways, or part-time advisory positions can promote identity continuity and reduce anxiety.

Acceptance of Ageing

Acceptance of ageing involves acknowledging the physical, emotional, and social changes that occur throughout the lifespan. Negative ageing beliefs—for example, viewing ageing as decline, dependency, or loss—predict increased retirement anxiety and lower well-being (Levy, 2009). Individuals with positive or neutral attitudes toward ageing report greater resilience and are more likely to pursue meaningful engagement following retirement.

Carstensen (1998) warned that lack of preparation and negative perception of age would result in psychological breakdown, loneliness, and early aging. In most work environments in Nigeria, the notion that increasing age makes people less productive or dependent contributes to anxiety in workers approaching retirement age. Education given to pre-retirees should be aimed at dispelling negative stereotypes, offering examples of healthy and productive older adults, and teaching practices for healthy aging that should ease anxiety and facilitate positive adjustment.

Autonomy and Coping Skills

Above all, autonomy, or perceived control over one's life, is at the heart of the stress-and-coping framework advanced by Lazarus and Folkman (1984). Individuals in the workforce who feel in control of retirement decisions use more problem-focused coping-that is, planning, saving, new skills acquisition-whereas those who feel helpless often resort to avoidant coping, which presages greater anxiety.

This association finds support in empirical research. Li et al. (2010) established that autonomy and proactive coping bear significant impacts on reducing emotional instability at retirement. Abidoye (2019) reported that workers with stronger coping strategies demonstrate lower anxiety and better emotional adjustment. Oil-sector workers sometimes experience uncertainty regarding pension administration, benefit delays, or organizational restructuring, which lowers perceived control. Clear communication, transparency within pension processes, training in coping skills, and financial literacy programs enhance autonomy and reduce anxiety.

Literature Synthesis

The literature reviewed indicates that self-efficacy, emotional intelligence, goal clarity, and coping ability are protective factors that reduce retirement anxiety, while negative ageing beliefs, identity loss, and limited future time perspective increase vulnerability. Psychological preparedness then is a multi-dimensional construct comprising cognitive (goal clarity, future orientation), emotional (EI, acceptance of ageing), and behavioral (autonomy, coping, self-efficacy) components. When these resources are well developed, individuals exhibit more confidence and less anxiety about the retirement transition.

Given that working in the oil sector is a high-pressure, financially demanding job that largely defines an individual's identity, these factors are salient among workers in Rivers State. The literature postulates that the provision of integrated retirement-readiness programmes nurturing such psychological capabilities can significantly reduce anxiety and enhance health adjustment.

Conclusion

This paper has established that retirement is not merely the end of employment but a complex psychosocial passage with implications for identity, autonomy, emotional health, and life satisfaction. Evidence from the reviewed current literature indicates that whereas financial preparedness is important, psychological preparedness is an even more critical determinant of retirement anxiety and post-retirement adjustment. Retirement anxiety among oil company workers in Rivers State is increased by early compulsory exit, industry uncertainty, benefit delays, and identity dependence on high-status occupational roles.

Psychological preparedness—indicated by emotional intelligence, goal clarity, self-efficacy, coping behavior, future time perspective, and acceptance of aging—serves as a protective resource that diminishes fear and fosters healthier adaptation. In contrast, workers who are poorly equipped with these resources are more likely to experience worry, loss of self-definition, social withdrawal, and decline in well-being.

Therefore, psychologically preparing employees is not only a personal responsibility, but also a workplace and policy obligation. Enhancing these psychological capacities will contribute to healthier ageing, greater social integration, and an improved quality of life post-retirement.

Recommendations

1) Government agencies and private organizations should institutionalize

structured pre-retirement education on emotional adjustment, identity restructuring, health management, entrepreneurship, and financial literacy.

2) These workers who are approaching retirement should be provided with professional counseling to handle anxiety, identity issues, and future time orientation.
3) Oil companies should facilitate skills training and business incubation programmes to adequately prepare workers for alternative sources of income upon exit from formal employment.
4) The pension administrators and employers are to ensure timely payment of gratuities and benefits to reduce financial uncertainty, distress, and dependency.
5) 5.Awareness raising should banish negative stereotypes of ageing and highlight positive examples of retired role models to demystify and de-anesthetize retirement.
6) Retirees' forums, mentoring platforms, and community involvement programs should be strengthened in order to improve identity continuity and social support.
7) 7.Federal and state pension policies need to focus on psychological preparation as an integral part of retirement planning, rather than an optional activity.
8) 8. This topic should be empirically investigated subsequently for more statistical evidence regarding the relationship of both variables.

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