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organizations. However, for an organization to be highly liquid and profitable as well requires a trade-off, which has become a source of concern to management at all levels.

The term profitability is a measure of the amount by which firm's revenues exceeds total expenses. This is important because existing and prospective investors are interested in regular and constant dividends payout and the appreciation in market share price. In addition, managers are also interested in high operating performance (profitability) particularly when they are paid based on performance. As such, lower profit margin would reflect management inefficiencies and prospective investors would be hesitant to invest in such a company.

Manufacturing firms are in needs to strike and maintain a balance between profitability, liquidity and smooth daily operations. This is because the significance of an effective liquidity management cannot be over-emphasized in view of its influence in lubricating the business cycle (Ibi, 2013). However, the inverse relationship between excessive liquidity and profitability required the need for a trade-off to maximize the value of the firm, since the main goal of effective liquidity management is to generate a satisfying profitability and maximizes shareholders' wealth (Junaidu & Aminu, 2014).

According to Alshatti (2014) illiquidity and inability of companies to generate profit become a major reason for liquidation. However, the profitability of some Nigerian consumer goods companies is consistently reducing despite the need for the services of the sector because it produces goods for the daily consumption of humans which is highly needed for survival. Hence, this study determined the interface between liquidity and profitability of listed consumer goods companies in Nigeria.

2.0 Review of Empirical Studies on Liquidity and Profitability

There exist a great body of empirical studies on the relationship between liquidity and profitability for example Owolabi and Obida (2012) examined how liquidity affects profitability of selected manufacturing companies in Nigeria. The study used secondary data which was analysed with multiple regression analysis. Finding revealed a significant relationship between

liquidity management (credit policies, cash flow management and cash conversion cycle) and profitability.

Similarly, Eric, et al. (2013) investigated the relationship between liquidity and profitability. The study used time series data of brewery firms in Ghana for a period of 5 years. Data were analysed using multiple regressions analysis and the findings revealed a significant impact of liquidity on profitability of listed brewery firms in Ghana. However the major weakness observed in the study is the time scope of only 5 years, more than five years time frame could have been use in order to have a more robust results.

In the same vein, Egbide, et al. (2013) investigates the relationship between liquidity and profitability of some manufacturing companies in Nigeria. The study covered 2006-2010. The study revealed that current ratio (CR) and quick ratio (QR) have a positive impact on profitability, however, cash conversion circle (CCC) have a negative and significant effect on the profitability. However the major weakness observed in the study is the time scope of only 5 years. More than five years time frame could have been use in order to have a more robust results.

Ibe (2013) assessed the influence of liquidity on the profitability of three (3) commercial banks in Nigeria. Secondary data were used and Elliot Rothenberg Stock (ERS) stationary test was used to analyse the data. The findings revealed a significant influence of liquidity management on profitability. However the major weakness observed in the study is the sample size of only 3 banks out the fifteen banks, more than 3 sample size could have been use in order to have a more robust results that can be generalized.

Similarly, Tobi, et al. (2016) examined the relationship between liquidity and profitability of manufacturing firms in Nigeria. Data were sourced from the financial report of the firms under study the data was analysed using OLS regressions analysis. The findings confirmed inverse relationship between liquidity and profitability of healthcare and Breweries companies. The

results further revealed a positive and significant impact of liquidity on profitability of building material, chemical and conglomerate companies in Nigeria.

Madushanka and Jathurika (2018) examined the influence of liquidity on profitability of 15 manufacturing companies in Sri Lanka for a period 2012 to 2016. Regression analysis was applied in the study and findings revealed a positive and significant effect quick ratio on profitability of the listed manufacturing companies in Sri Lanka. However the major weakness observed in the study is the time scope of only 5 years, in addition liquidity was proxied with quick ratio only, more than five years time frame with many proxies (current ratio, quick ratio and cash conversion circle) could have been use in order to have a more robust results.

Mishra and Pradhan (2019) determined the impact of liquidity management on the profitability of commercial banks in India. Data for a period of 5 years (2013-2017) was analysed with multiple regression analysis. The findings uncovered a negative and significant influence of credit deposit ratio and interest deposit ratio on return on asset but a non-significant influence was uncovered between liquidity measures and return on equity. However the major weakness observed in the study is the time scope of only 5 years, more than five years time frame could have been use in order to have a more robust results.

Nguyen et al (2024) examined the impact of a company's liquidity and efficiency on profitability of Vietnam's top 100 listed companies using secondary data. Pooled Regression analysis was use for data analysis. The results uncovered a positive and significant impact of liquidity, efficiency, and growth on profitability. In addition, the research results also confirmed a negative and significant impact between financial leverage and profitability.

Patel and Ramanuj (2024) examined the relationship between liquidity and profitability of two selected Indian IT companies using ten year secondary data (2014-2023). Regression analysis was used and the findings revealed no significant interface between the liquidity ratio and the profitability ratio of the companies under study. It can be deduced from the reviewed literature that cash ratio was ignored and its influence on liquidity management cannot be underestimated.

2.2 Theoretical Review

Previous studies have used agency theory to explain the association between profitability and liquidity management. The agency cost theory first stated by Jensen and Meckling in 1976. The agent's unperfected behavior caused the creation of the agency problem. There are two forms of the agency cost, there are two kinds of conflict, one conflict is between the shareholders and the managers, and the other conflict is between the shareholders and the creditors.

The first conflict comes from the managers who are not the wholly owners of the company, if the managers wholly own all company, then the control and the ownership would be together instead of the separation, then the managers cannot have all the profit. However, due to the separation of ownership and control managers cannot own the whole company, hence agency conflict exists.

Further, the inverse relationship between liquidity and profitability justifies the need for effective and efficient management of liquid assets since the aim of private business is to maximized shareholders wealth which can only be achieved when the business is profitable. Hence agency theory was adopted as the theory that underpins this study.

3.0 Methodology

Ex-*post facto* research design was adopted because the study entails the use of secondary data obtained from the annual report and accounts of the quoted consumer goods companies for the period 2013 -2022.

The population of this study consists of all the 20 quoted consumer goods companies in the Nigerian Stock Exchange as at 31 December, 2020. However, 8 companies were randomly selected as a sample size. Consistent with the study of (Saleem & Rehman, 2011; Owolabi and Obida 2012; Afza & Nasir 2012; Rajdev, 2013; Agbada & Osuji, 2013 and Ajanthan, 2013; Hillary 2017; and Yusoff, 2017). Multiple regressions was employed. This is because multiple regressions are expected to explain the variation in dependent variable due to the variation in any of the independent variables.

Table 1: The Variables of the Study and their Measurement

Two different variables (dependent and independent) are consider in this study.

Variable Name	Type of Variable	Measurement	Sources
Return on asset (ROA)	Dependent	PBT divided by Total asset	Saleem & Rehman, 2011; Owolabi and Obida 2012; Afza& Nasir 2012;
Return on Equity (ROE)	Dependent	PAT divided by Total equity	Owolabi and Obida 2012; Afza& Nasir 2012;
Current Ratio (CR)	Independent	Current asset divided by current liabilities	Owolabi and Obida 2012; Afza& Nasir 2012;Rajdev, 2013; Hillary 2017; Yusoff (2017)
Quick Ratio (QR)	Independent	(Current asset – closing inventory) / current liabilities	Asare, Kamoah, Nimo, Graham & Boateng (2013); Samuel (2016)
Cash ratio (CashR)	Independent	Cash and cash equivalent divided by current liabilities	Agbada & Osuji, 2013; Eric, Amoah, Francis, Cynthia & Kwak (2013).
Company Size (FSIZE)	Control	Log of total assets	Samuel (2016) Hillary (2017) Yusoff (2017)
Leverage (LEV)	Control	Liabilities divided by total asset	Ajanthan, 2013; Samuel (2016).

Source: Compiled from literature, 2021.

3.3 Model Specification

The general models based on the variables of the study is as follows:

$ROA_{it} = \alpha + \beta_1 CR_{it} + \beta_2 QR_{it} + \beta_3 CashR_{it} + \beta_4 LEV_{it} + \beta_5 SIZE_{it} + \varepsilon$ ……i

$ROE_{it} = \alpha + \beta_1 CR_{it} + \beta_2 QR_{it} + \beta_3 CashR_{it} + \beta_4 LEV_{it} + \beta_5 SIZE_{it} + \varepsilon$ ……ii

Where;

ROA is Return on assets

ROE is Return on equity.

CR is Current ratio

QR is Quick ratio

CASHR is Cash ratio

SIZE is firm size

LEV is leverage

α is the constant term

β is the regression coefficient

i is firms

t is time measured in years

4.0 Results and Discussion

This section presents analysis and interprets the data generated for the study. The data relating to each of the statistical hypotheses of the study were presented and analyzed. The hypotheses of the study were also tested and inferences there from.

4.1 Descriptive Statistics

Table 4.1 provides summary of statistics for the dependent and explanatory variables of the study. The summary statistics include measures of central tendency, such as mean, measures of dispersion (the spread of the distribution) such as the standard deviation, minimum and maximum.

Table 4.1 Descriptive Statistics

Variables	Obs.	Mean	Std. Dev.	Min	Max
ROA	80	0.1379	0.5215	-0.3080	3.8622
ROE	80	0.0388	0.7386	-5.2052	0.5505
CR	80	2.4702	2.0546	1.0047	5.9253
QUICKR	80	0.9923	1.5558	0.944	3.1630
CASH RATIO	80	2.3093	14.4532	0.3001	1.4372
LEVERAGE	80	0.5219	0.5405	0.0035	4.266572
FSIZE	80	10.449	1.0218	7.7581	11.68359

Source: STATA Output from the variables of the study.

Table 4.1 shows the mean of 0.1379 for ROA means that the average return on asset of the listed consumer goods companies in Nigeria is approximately 13.8% with the minimum and maximum of -0.3080 and 3.8622 respectively. The mean of 0.0388for ROE meaning that the average return on equity of the listed consumer goods companies in Nigeria is approximately 0.4% with the minimum and maximum of -5.2052 and 0.5505 respectively. The mean of current ratio is 2.4702, meaning that the average current ratio of the listed consumer goods companies in Nigeria is approximately 2.5 with the minimum and maximum of 1.0047 and 5.9253. Quick ratio has a mean of 0.9923 which means that on average the listed consumer goods companies in Nigeria hold liquid assets of 1:1 ratio with minimum and maximum of 0.944 and 3.1630respectively. Cash ratio has a mean 2.3093 which means that on average the listed consumer goods companies in Nigeria hold cash and cash equivalent ratio of 2.3:1 ratio with minimum and maximum of 0.3001 and 1.4372 respectively.

leverage measured as total debt divided by total assets has a mean of 0.5219, with the minimum and maximum of 0.0035 and 4.266 respectively while firm size, measured by the natural logarithm of total assets has a mean of 10.449, with the minimum and maximum of 7.7581 and 11.6835 respectively.

Table 4.2 Correlation Matrix of the Dependent and Independent Variables

VARIABLES	ROA	ROE	CR	QUICKR	CASH RATIO	LEV	SIZE
ROA	1.000						
ROE	0.0804	1.000					
CR	-0.080	0.058	1.000				
QUICKR	-0.066	0.054	0.9305	1.000			
CASHRATIO	-0.002	0.015	-0.0633	-0.2916	1.000		
LEV	-0.015	0.044	0.4996	0.6513	-0.062	1.000	
FSIZE	-0.238	-0.003	0.2344	0.3043	-0.330	0.1954	1.000

Source: STATA Output from the variables of the study.

Table 4.2 shows the correlation coefficients on the relationship between the dependent variable (ROA and ROE) and independent variables (current ratio, quick ratio, cash ratio, size, and leverage). The values of the correlation coefficient range from -1 to 1. The correlation results presented in table 4.2 indicate that all the explanatory variables are negatively correlated with the

return on assets. The explanatory variable is positively correlated with ROE however, firm size is negatively correlated with ROE.

Table 4.3 Robust Regression Result ROA Model

ROA	Coef.	Std.err	Z	p>/z/
CONSTANT	1.5555	2.0446	0.76	0.450
CR	-0.0151	0.0472	-0.32	0.751
QUICKR	0.0027	0.0755	0.04	0.972
CASHRATIO	-0.0032	0.00505	-0.63	0.534
LEV	0.0541	0.2245	0.24	0.811
FSIZE	-0.1358	0.1881	-0.72	0.0450
R-square F-value P-value	0.2668 2. 67 0.0278			

Source: STATA Output from the variables of the study.

The regression results displayed in table 4.3 reveal the cumulative R^2 within (0.2668) which is the multiple coefficients of determination that gives the proportion or percentage of the total variation in the dependent (ROA) variable explained by the explanatory variables jointly. Hence, it signifies that 26.7% of total variation in ROA of listed consumer goods companies in Nigeria is accounted by the explanatory variables. Current ratio has a negative but not significant relationship with ROA, Quick ratio has a positive but not significant relationship with ROA, Cash ratio has a negative but not significant relationship with ROA, leverage has a positive but not significant relationship with return on assets however the relationship between firm size and ROA is negative and statistically significant.

The regression results as shown in table 4.3 indicate a negative but not significant relationship between current ratio, cash ratio and ROA, this confirmed the inverse relationship between liquidity and profitability, the result is consistent with the findings of Samuel (2016); Tobi, Osidero& Kareem (2016) and Mishra & Pradhan (2019) who documented a negative and significant relation between ROA and cash conversion circle, size and leverage.

In view of the results reported of current ratio, cash ratio, quick ratio, firm size and leverage showing that all the variables have insignificant relation provides evidence for the acceptance of null hypothesis that there is no significant relationship between liquidity management and profitability.

Table 4.4 Random-effects GLS regression ROE model

ROA	Coef.	Std.error	t	p>/z/
CONSTANT	-0.4157	1.5381	-0.27	0.787
CR	0.0578	0.2187	0.26	0.792
QUICKR	-0.0852	0.3511	-0.24	0.808
CASH RATIO	-0.00114	0.0115	-0.10	0.921
LEV	0.1019	0.3366	0.30	0.762
FSIZE	0.0381	0.1470	0.26	0.795
R-sqr: within Between overall F-value P-value	0.4147 0.3242 0.3008 2.965 0.0986			

Source: STATA Output from the variables of the study.

The regression results displayed in table 4.4 reveal the cumulative R^2 (0.3008) which is the multiple coefficients of determination that gives the proportion or percentage of the total variation in the dependent (ROE) variable explained by the explanatory variables jointly. Hence, it signifies that 30% of total variation in ROE of listed consumer goods companies in Nigeria is accounted by the explanatory variables. Current ratio has a positive but not significant relationship with ROE, Quick ratio has a negative but not significant relationship with ROE, Cash ratio has a negative but not significant relationship with ROE, leverage has a positive but not significant relationship with return on equity similarly the relationship between firm size and ROE is positive but not statistically significant.

The regression results as shown in table 4.4 indicate a positive but not significant relationship between current ratio and ROA, this finding is consistent with the findings of Owolabi and Alu

(2012) and Kurawa and Abubakar (2012) who found a positive but not-significant relation relationship between the ROA and bank balance. Also consistent with the findings of Toby (2014). However, Quick ratio, Cash ratio and ROA are negatively related. this result is consistent with the findings of Samuel (2016); Tobi, Osidero& Kareem (2016)and Mishra & Pradhan (2019) who documented a negative and significant relation between ROE and cash conversion circle, size and leverage.

In view of the results reported of current ratio, cash ratio, quick ratio, firm size and leverage showing that all the variables have insignificant relation provides evidence for the acceptance of null hypothesis that there is no significant relationship between liquidity management and ROE of listed consumer goods companies in Nigeria.

5.2. Conclusion and Recommendatiosn

This study examines the effects of liquidity management on profitability of listed consumer goods companies in Nigeria. In line with the findings of this study, it is obvious that a negative and significant relationship exist between current ratio, cash ratio and return on assets, this confirmed the inverse relationship between liquidity and profitability based on the findings the study concludes that liquidity is inversely related with profitability of listed consumer goods companies in Nigeria, hence the need for effective and efficient liquidity management cannot be underestimated. The study therefore recommended that management should strive to maintain optimal level of liquidity to avoid the risk of being illiquid since it negatively affects profitability.

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GRATUITY INVESTMENT PLAN AND RETIREMENT LIFE OF CIVIL SERVICE RETIREES IN TARABA STATE, NIGERIA

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Abstract
The value of retirees' gratuity and pension will continue to grow as individuals reduce their reliance on family members to care for them in old age and accept the truth that they must care for themselves by saving for the future. Benefits for retirees have piqued the interest of policymakers and experts worldwide. The aim of the study was to examine the impact of gratuity savings plan on retirement life in other to find out the relationship between gratuity savings plan and financial status of civil service retirees in Taraba State. The study is anchored on the Deferred Wage Theory with the relevance of Deferred Wage Theory to the Study. This study adopts a cross-sectional survey design, the target population consists of 20,000 Civil Service Retirees in Taraba State from 2016 to 2023. A sample size of 377 from a population of retirees was sampled. Data were obtained using questionnaire as the research instrument, with an all-inclusive questionnaire was designed. One of the major hypotheses states that there is no significant relationship between gratuity savings plan and the financial status of civil service retirees in Taraba State. The findings show that none of the null hypotheses were accepted, also strong positive correlation with health status. Therefore, there is a strong significant relationship between gratuity savings plan and financial status, and gratuity savings plan and healthy living. Findings revealed that Gratuity Savings Plan significantly influences the two measures of retirement Life (Financial Status and Health Status). In conclusion, it was stated that gratuity savings plan, if managed adequately, has the potential to better the retirement lives of retirees by enhancing their financial and health status. Its provisions are as such necessary and imperative for a more fulfilling retirement life of workers in the Nigerian Civil Service.

Keywords: Financial Status, Gratuity Savings Plan, Health Status, Pension scheme, Retirement life.

1.0 Introduction

Pension plans are sensitive subjects, especially in developing nations like Nigeria where the majority of workers do not receive substantial retirement benefits and do not make enough money throughout their working years to cover their post-retirement needs (Abubakar, 2021). According to Abasili, Achufusi, &Nwokike, (2023). a significant portion of retirees frequently have difficulties as a result of their inadequate financial preparation, which has an impact on their way of life and health". Therefore, there is a need for financial strategies and frameworks,

like the gratuity savings plan, that are designed to sustain and provide retirees' lifestyles over the long term.

“Governments in developed and developing nations provide retirees with access to a formal retirement income support framework as a form of compensation for their substantial economic contributions" (Abdulazeez, 2015). One example of this is the gratuity, which is given to employees in Nigeria as payment for life after service. The goal of the gratuity savings plan is to provide employees with guaranteed income upon their ultimate retirement from active duty. “Employers utilize this strategy to offer assistance and other benefits to their employees upon retirement, as well as to provide financial support to a dependent relative in the event of an employee's death. Contributions from the employer and employee, as well as occasionally only the employer, are typically used to fund these arrangements" (Balogun, 2016; Akinola, 2017).

“A gratuity savings plan serves as an incentive for employees, is aesthetically pleasing, and aids in the retention of seasoned personnel. These savings programs are run to provide beneficiaries with a retirement lifestyle that is less uncertain and demanding. Despite differences in the administration of gratuity savings schemes and the distribution of rewards to beneficiaries" (Kolawole and Mallum, 2004).

“Many Nigerian organizations, including the civil service, opted for a contributory plan, which requires employees and their employers to deposit a certain percentage of their monthly income into an account called a Retirement Saving Account (RSA). This account will provide the employee's pension benefits upon retirement, as a result of the challenges associated with the country's savings schemes" (Aidenojie & Obinyan, 2015).

“Although pension plans are not new in Nigeria, they have undergone changes since The Pension Fund Reform Act of 2014 was established and enacted on July 1st. Contributory pension plans are the kind that are now in operation in Nigeria. They are run by various Pension Fund Administrators (PFAs), under the direction of the National Pension Commission" (PENCOM) (Ash, 2016; Vannoni, 2022; Federal Republic of Nigeria, 2018). Numerous governments have reformed pension plans, but these efforts have been beset by ongoing implementation issues, making retirement life more challenging for retirees.

Retirement, according to Menlon (2020), is the cessation of one's primary employment in a business, industry, or other full-time position (Eme & Sam, 2011), Eme and Sam (2018) contend

that, retirement is the opinion where people stop employment completely. A person may also semi-retire by reducing work hours. Many people chose to retire when they are eligible for private or public pension benefits, although some are forced to retire when physical conditions do not allow the person to work anymore (by illness or accident) or as a result of legislations regarding their positions.

Numerous studies have examined Nigeria's previous pension plan, the causes of its demise, the shortcomings of the current pension scheme, and the implications of both pension plans for the welfare of retirees (Awosike, 2019; Baxitbaevich, 2020; Bridges, 2024; Abdulazeez 2015; Fiiwe 2020; Okolie 2021). Despite the large number of research, none has examined the impact of gratuity delays on retirees' inclination to stick with the status quo in Nigeria." In order to close this gap and preserve the status quo for civil service retirees in Taraba State, Nigeria, this study examined the relationship between the gratuity savings plan and retirement life.

1.2 Statement of the Problem

The problems that have bedeviled the Pension Scheme that existed in developed nations like USA.UK and others developed countries have made it increasingly unsustainable, as it is with the rest of the developing world. Pension reform became necessary due to a number of factors, including massive deficit, arbitrary increases in pensions and gratuities for not constantly paying first of pensioners and gratuities, and inadequate administrative systems (Adeniji, & Akinbode, 2019). In addition to the prolonged nonpayment of pension gratuities, which significantly reduced retiree welfare, the issues were made worse by ongoing political manipulation (Edward & Chapman, 2024).

“To overcome the challenges of the pay-as-you-go Pension Scheme and ensure effective and efficient gratuity pensioners administration in Taraba state, the government in 2006 promulgated a pension and gratuity law which brought about Contributory Pension Scheme (CPS) in the Taraba State public service. Ideally, good governance should recognize the aspect of an efficient Public/private gratuity pension system to enhance performance and benefit security" (Stewart & June, 2018; Adebayo, 2019; Bardach, 2020; Chadburn, 2021; Cosmas 2019; Daykin, 2018).

Previous studies have revealed that the Gratuity Savings Plan and Civil Service Retirees' Retirement Life of workers in Taraba and Nigeria at large such as their gratuity and retirement benefit (Kolawole, 2021; Chadburn, 2021; Kotun, Adeoye & Alaka, 2019; Menlon, 2020; Nanta

et alm., 2019; Nnanta, & Ugwu, 2019; Nwanne, 2020; Omoresemi, 2021; Odia, & Okoye, 2019; Oladipo, & Fashaba, 2019; Ogunbameru & Bamiwuye, 2020; Olaniyi, 2020). However, based on the recommendation by Omoresemi (2021) that future research should work on combined effect of delay or not payment of Gratuity Savings Plan and Civil Service Retirees' Retirement Life of workers in Taraba, therefore, for this work intend to fill in the gap by coming up with some strategy on how to make issue of not payment of retiree's gratuity benefit on time to be a thing of pass. Hence by so doing that would enhance the process of contributory pension scheme on timely payment of retirement gratuity personnel in the state. The reality is that the retirees are not without being fears of achieving the new reform guided the key principle of sustainability, accountability, equity, flexibility and practicability decision.

1.3 Research Questions

The specific questions are as follow:

i. What is the relationship between gratuity savings plan and financial status of civil service retirees in Taraba State?
ii. What is the relationship between gratuity savings plan and health status of civil service retirees in Taraba State?

1.4 Objectives of the Study

The broad objective of the study is to evaluate the Gratuity Savings Plan and Retirement Life of Civil Service Retirees in Taraba State, Nigeria. In a view to helping the stakeholders understand the situation of Gratuity Savings Plan on Retirees in Taraba State. However, the Specific objectives of the study are to:

i. To find out the relationship between gratuity savings plan and financial status of civil service retirees in Taraba State.
ii. To examine the relationship between gratuity savings plan and health status of civil service retirees in Taraba State.

1.5 Statements of Hypothesis

HO_1: There is no significant relationship between gratuity savings plan and the financial status of civil service retirees in Taraba State

HO_2: There is no significant relationship between gratuity savings plan and the health status of civil service retirees in Taraba State.

2. LITERATURE REVIEW

2.1 Concept of Gratuity

“Dominic (2018) defines a gratuity as an amount of money given in full by an employer to a retiring employee as a gesture of gratitude for the person's many years of service. Typically, gratuities are given in one large lump payment". In a similar vein, Peter (2018) defines a gratuity as " a one-time payment given to an employee in full once they retire, pass away, or become totally incapacitated while working". It is important to remember that an employee is entitled to a gratuity payout in addition to a pension. Even if a person has debts to the organization at retirement, they still qualify unless they were explicitly dismissed from the program without benefits due to wrongdoing". As a result, a gratuity is a token of appreciation given to staff members in recognition of their contributions, allegiance, and dedication to the company.

2.1.1 Gratuity Savings Plan

“A gratuity savings plan assists in helping you decide how to allocate your funds most effectively in order to achieve your desired outcomes. In order to appropriately use one's gratuity when it is eventually received, one must set up an investing strategy that takes into account the retiree's time frame, preferences, and aspirations. It takes more than just opening a savings account and buying stock to create a sensible savings plan for gratuities. It's critical to understand your current situation and your goals for the savings plan in order to implement an appropriate, well-structured gratuity savings plan" (Fiiwe, 2020). Twenty-first-century workers ought to be aware of the significant obstacles the Nigerian economy is experiencing; hence, ways to mitigate and control the upcoming aches and stress of retirement are required. Given that Nigerian labor wages are significantly below living standards, employees should not overlook the gratuity savings plan" (Fitzpatrick, 2019; Richards, 2019). The success of such a plan will be greatly influenced by the objectives and savings option selected. When selecting a choice, one must take the following into account:

i. Age-Appropriate Savings Option: The age of the retiree greatly influences the kind of gratuity savings plan that should be used. In general, retirees are more likely to take risks when they are younger. This is due to the fact that one can recover from a market downturn or the loss

of value in a specific savings over time. The impact on a retiree's health and financial situation increases with age. It is safer for a retiree who is nearing retirement to allocate a larger portion of his portfolio to less aggressive savings.

ii. Understand your current financial situation: The prospective retiree needs to know how much of their disposable income they have to invest. Given that the retiree has a limited fund, creating a gratuity savings plan requires careful consideration. However, these kinds of plans are required to get prospective retirees ready for areas of investment when the gratuity is eventually received. In addition to creating a risk profile, the retirees set a goal to be met during the plan.

iii. Establish a timeline for your goals: The retiree would decide when setting up a gratuity savings plan how quickly he wants to hit the goals. The retirees would need to plan to invest in aggressive savings with high returns in order to meet these objectives. After that, the prospective retiree will assess the savings plan and decide what needs to be adjusted.

2.2 Concept of Retirement

"While the traditional retirement age varies by country, it is generally between 55 and 70 years old. The concept of retirement was first introduced in the nineteenth and twentieth centuries." All workers, whether in the public or private sector, have to retire at some point. Whether or not they prepare for it, all workers eventually have to reach a certain point. According to Friedman (2022), "a fluid concept because it connotes different things and is fraught with different experiences for different individuals." While some are quite nervous about it, others have a positive attitude and nostalgically look forward to it. Because of this, different employees have different perspectives on retirement. Hinrichs (2021), cited by Zhao (2015), defines retirement as "the termination of one's own employment or career, especially when one reaches a certain age or for health reasons."

Hinrichs (2021) states that "achieving the desired goal in retirement is enhanced by effective and efficient planning, continuous and sustained education, and acquisition of post-retirement skills." In the context of this study, retirement refers to the act of stepping away entirely or in part from work or social interactions. Retirement can come in a variety of forms. Three main categories of retirement have been identified by Nigerian literature (Kida 2018; Lynch, 2021). Retirement comes in three flavors: required, forced, and voluntary.

Voluntary or self-retirement: “This is the decision made by an individual to leave active duty for personal reasons, independent of age, experience, length of service, or retirement rules. This type of retirement is managed by the employee rather than the business".

Compulsory or forced retirement: “This is a situation where someone is pushed or coerced into retiring against their choice and without adequate planning. Because it is unplanned and has potential causes such as inefficiency, age, illness, and lack of discipline, it is often viewed negatively. This type of retirement makes a reduction in staff necessary and is best for the business".

Mandatory or statutory retirement: “This is the typical (or anticipated) situation in which a person reaches the age at which they are required to retire by the establishment's service conditions. For instance, civil servants in Nigeria are required to retire at a specific age. Judges and lecturers, for instance, must retire at age 70 or after 35 years of employment".

2.2.1 The Retirement Life

Retirement life is the period of time after reaching a specific age at which a person stops working. According to "Kida MI & Sambo (2018), retirement life is the act of permanently leaving one's work, career, or occupation, usually due to advanced age. Retirement life, according to Hinrichs & Lynch (2021), is the act of retiring, withdrawing, or departing; it is the state of being retired. It's a stage in adulthood where people stop working actively and start living a quieter existence".

Using Financial Status to Estimate Retirement Life: "Kivunja (2018) asserts that for seniors in dire financial circumstances, working after retirement is a highly beneficial option as it frequently offers additional income to support retirees in their later years, hence mitigating their financial struggles. It's a proven truth that continuing to work after retirement extends retirement significantly for those with low retirement incomes" (Kolawole, & Mallum, 2018). An employee's ability to retire early is generally correlated with their financial standing, as wealthier retirees can essentially purchase more free time. However, other writers have come up with creative methods to assess the financial impacts on retirement life and have come to the conclusion that they are negligible.

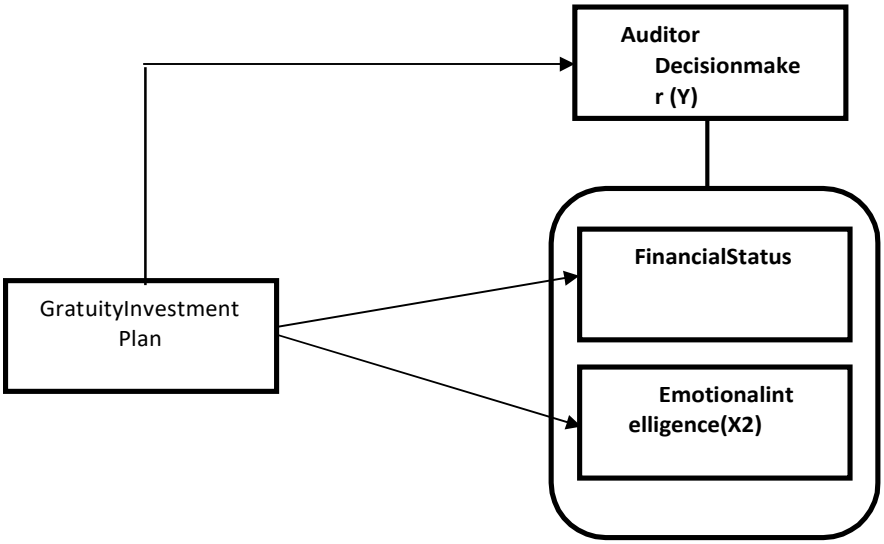
Using health as a gauge for retirement life: "The health issues that retirees from the public service face will likely have a major impact on their retirement years since they will likely raise health care costs and make it more difficult for them to work and find additional sources of income after retirement" (Hashim & Abubakar, 2023). Health insurance coverage is typically provided for senior citizens of their country; however, many Americans retire before they are eligible for health care at age 65; in Nigeria, civil servants typically work without any medical insurance coverage for themselves; retirees from the civil service are frequently obliged to care for their elderly parents and grandchildren in their retirement years, which has an adverse effect on their health; many retirees from the civil service feel anxious and depressed as a result of their new situation". (Mohammed; Adamu; Karaye; Abdullahi; Ibrahim; Hashim; & Abubakar, 2023).

2.2.2 Gratuity Savings Plan and Retirement Life

"The Gratuity Savings Plan guarantees that benefit plans are administered in accordance with relevant plan documents and regulations and gives retirees a structure and information to help them make educated decisions and understand their options. Failing to manage benefits effectively can result in a painful retirement" (Okon & Emu, 2019)."A well-managed gratuity savings plan guarantees a happy post-retirement existence. Because retirees frequently face unforeseen obstacles, it's important to create a strategy that will help them get ready for life after retirement. Some organizations' retirement benefit administration strategies are reactive rather than proactive, which makes retirement life tough for retirees" (Murana; Olayinka; & Omotayo, 2016).

The majority of nations have developed systems that currently specify the conventional retirement age and offer savings or savings options for civil servants upon retirement due to improvements in life expectancy rates and the labor pool. "Nnamani (2015) states that retirement plans like the gratuity savings are essentially a specific sum of money set aside to make retirement easier for the employee". In order to provide the retiree or their dependents with a reliable stream of income, it is typically done by both the business and the employee.

This practice assists the retirees to settle in appropriately in the society when they eventually stop working (Okolie, 2021).



Source: DeskResearch,2024

Figure1 Operational Framework of the Relationship between Gratuity Savings Plan and Retirement Life of civil service Retirees in Taraba state.

2.3 Theoretical Framework

The study is anchored on the Deferred Wage Theory: The essence of the theory is to give a framework for analysis of the study's expectations, that if the workers are given hope for a good life at retirement, it will boost their motivation and consequent productivity; and that if the welfare of the retirees are given a holistic outlook to include other entitlement such as creative and recreational activities to keep them busy at retirement, it will not only benefit the retirees but the economy at large.

2.3.1 The Deferred Wage Theory

The deferred wage theory views the pension plan as a means of deferring some compensation until an employee retires. This implies that the employee defers gratification, such that some part of the benefit he should have gotten at the moment of service is held back by the employer till retirement when the employer provides a pension payment in exchange for the services rendered during active period. According to this theory, the employers of labor most of the time does not see the advantages of providing a pension plan firms offer pension plans because of economies scale in administrative, portfolio management and other costs.

According to this idea, the employer gains from cash flow to the degree that the present value of postponed pay is more than the necessary funding. This idea clarifies why many private establishments in developing nations, and Nigeria specifically, have encountered challenges

when attempting to participate in the pension program as stipulated by the 2014 Pension Reform Act. Because the employer will not be working for them at the time of pension payout, some companies view their contributions as a waste of money. “This is the Act's strong point, nevertheless, as it stipulates that the pension contribution must be made at the time of active service in order for the employer to view it as part of the employee's compensation, subject to the employee's deferral" (Onyeche, 2017).

2.3.2 The Relevance of Deferred Wage Theory to the Study

"The theory's implications for the study are as follows: it suggests that the worker postpones satisfaction, meaning that a portion of the benefit he should have received for his services is withheld by the employer until retirement, at which point the employer pays him a pension in exchange for his work during the active period. Deferred compensation, specifically the pension benefits that retirees receive in the study region, is a configuration where a part of an individual's salary is held away and paid at a later date. the decision people make about their compensation in relation to their tax circumstances". Whether you qualify or not, a deferred compensation plan offers advantages like tax savings, capital gains realization, and pre-retirement payments.

3. METHODOLOGY

A cross-sectional survey approach is used in this investigation. This decision is supported by the study's focus on social and behavioral variables in natural environments, which is consistent with Baridam's (2001) definition of a quasi-experimental study. The target population consists of 20,000 Civil Service Retirees in Taraba State from 2016 to 2023. This figure was gotten from the office of pension and establishment Bureau. A sample size of 377 was drawn from the population size using Krejcie and Morgan (1970) sample size determination table. The sampling technique used for the study is the simple random sampling technique. This was to ensure that each unit within the sampling frame had the same chance of being involved in the study. Primary data for this study was generated using structured questionnaire. Questionnaire copies were distributed to 377 civil service retirees in Taraba State and was administered by the researcher and other assistants. An all-inclusive questionnaire was designed by the researcher. Gratuity savings plan was measured using 5 items which addressed the evidence of such plans and workers knowledge of savings in such plans during the tenure of their work life with their organizations. Retirement life was operationalized using 10 items (financial status – 5; health

status – 5) with each statement addressing workers experiences with regards to financial obligations, demands, health and wellbeing. Statements were all scaled on a 5-point Likert type scale. The researcher administered a total of 377 copies of the questionnaire to the respondents".

4. PRESENTATION OF DATA ANALYSIS AND DISCUSSION OF FINDINGS

4.1 Data Results

Table1QuestionnaireResponseRate

S/N	Questionnaires	Frequency
1	Number of questionnaires distributed	377
2	Number of questionnaires returned	377
3	Response Rate	100%

Source: Field Survey, 2024

The table 1 above represents the response rate to the questionnaire items. 377 questionnaires were distributed to respondents, and 377 questionnaires returned back for the analysis. The response rate indicates 100% for the study.

Table2 Gender of Respondents

		Frequency	Percent
	Male	209	55.4
Valid	**Female**	168	44.6
	Total	377	100.0

Source: Field Survey, 2024

Table 2 above clearly shows that out of the sample population of 377 civil service retirees in Taraba State, 209 are males representing 55.4%, while 168 are females representing 44.6% making a total of 100%. This reveals that the numbers of male respondents are more than the number of female respondents. However, this finding has no significant influence on the study.

Table3Effect of Gratuity Savings Plan

Gratuity Savings Plan	N	Mean	Std. Deviation
Gratuity savings plan affect the life of retirees.	377	4.5387	**.51499**

Gratuity savings Plan improves retirees' well-being.	377	4.5627	**.49672**
Delayed implementation of gratuity savings plan affects the success of retirees' plans	377	3.5707	**.51157**
The amount budgeted for gratuity savings plan affect the standard of living of retirees.	377	4.3467	**.49309**
Properimplementationofgratuitysavingsplanaffectsretirees'life.	377	4.2080	**.40642**
Valid N(listwise)	**377**		

Source: Field Survey, 2024

"With a mean score of (4.53), and a standard deviation of (.51499) respondents agreed that gratuity savings plan affect the life of retirees. Mean score of (4.56) and a standard deviation of (.49672) also shows that respondents agree to the fact that gratuity savings plan improves retirees' well-being. The mean score of (3.57) also indicate that respondents agreed that delayed implementation of gratuity savings plan affect the success of retirees' plans. The mean score of (4.34) reveals that the amount budgeted for gratuity savings plan affect the standard of living of retirees. While the mean score of (4.20) shows that Proper implementation of gratuity savings plan affect retirees' life".

Table 4 Financial Status

Financial Status	**N**	**Mean**	**Std. Deviation**
Working after retirement positively affect the finances of retirees.	377	4.5627	.49672
Working after retirement provide additional income to retirees.	377	3.5707	.51157
The financial status of retirees affects their choice of business.	377	4.3467	.49309
Contributions made by retirees' impact on their financial status.	377	4.2080	.40642
Greater financial status led to early retirement.	377	4.5627	.49672
Valid N (listwise)	377		

Source: Field Survey, 2024

"Respondents with mean score (4.56) and a standard deviation of (.49672) agree that working after retirement positively affect the finances of retirees. The mean score of (3.57) shows that respondents agree that working after retirement provide additional income to retirees. The table also shows that the mean score of (4.34) and a standard deviation of (.49309) indicates that the financial status of retirees affects their choice of business. It also shows the mean score of (4.20) agreeing that the contributions made by retirees' impact on their financial status. While the mean score of (4.56) reveals that greater financial status led to early retirement".

Table 5 Health Status

Health Status	N	Mean	Std.Deviation
Working after retirement affects the health status of retirees.	377	3.5707	.51157
The high cost of Medicare affects the health status of retirees.	377	4.3467	.49309
The absence of work after retirement affects the health status of retirees.	377	4.2080	.40642
The absence of proper health care affects retirees.	377	4.3467	.49309
Early retirement affects the health status of retirees.	377	4.2080	.40642
Valid N (listwise)	**377**		

Source: Field Survey, 2024

"Respondents with mean score (3.57) agree that working after retirement affect the health status of retirees. The mean score of (4.34) and a standard deviation of (.49309) shows that respondents agree that the high cost of Medicare affects the health status of retirees. The table also shows that the mean score of (4.20) indicates that the absence of work after retirement affect the health status of retirees. It also went on to show the mean score of (4.34) and a standard deviation of (.49309) agreeing that the absence of proper health care affect retirees. While the mean score of (4.20) reveals that early retirement affect the health status of retirees".

Hypothesis 1

HO_1: There is no significant relationship between gratuity savings plan and the financial status of civil service retirees in Taraba State

Table 7Gratuity Savings plan and Financial Status

		Gratuity Savings Plan	Financial Status
Gratuity Savings Plan	Pearson Correlation	1	.995**
	Sig. (2-tailed)		.000
	N	377	377
Financial Status	Pearson Correlation	.995**	1
	Sig. (2-tailed)	.000	
	N	**377**	**377**

**. Correlations significant at the 0.01level(2-tailed). service retirees in Taraba State

Table 10 "above revealed that there is a very strong positive correlation between gratuity savings plan and financial status at 0.995. The correlation is only statistically significant at

0.01 level of significance. Hence, we reject the null hypothesis and accept the alternative hypothesis".

HO_2: There is no significant relationship between gratuity savings plan and the health status of civil service retirees in Taraba State.

Table 8 Gratuity Savings plan and Health Status

		Gratuity Savings Plan	Health Status
Gratuity Savings plan	Pearson Correlation	1	.994**
	Sig.(2-tailed)		.000
	N	377	377
HealthStatus	Pearson Correlation	.994**	1
	Sig.(2-tailed)	.000	
	N	377	377

**. Correlation is significant at the 0.01 level (2-tailed).

The value of table 11"above revealed that there is a very strong correlation between gratuity savings plan and health status at 0.994. The correlation is only significant at 0.01 level of significance. Hence, the reject the null hypothesis and accept the alternative hypothesis".

4.2 Discussion of Findings

"The results demonstrate that not a single null hypothesis was accepted. There is a significant positive correlation between the Gratuity Savings Plan and both financial and health status. As a result, we declare that there is a strong and significant correlation between a gratuity savings plan and both financial status and healthy living, rejecting the null hypothesis (1) and (2). This makes sense in light of Vannoni (2022). comparison of the retirees' goals, priorities, and time horizon with their financial situation and their gratuity savings plan. This means that in order to improve retirees' financial and health status, organizations and interested parties should take the gratuity savings plan seriously".

"The results also support the argument made by Abasili, Achufusi, and Nwokike (2023) that when retirees' funds are managed wisely through savings, such as gratuities, and they receive a return on their savings, it improves their financial situation and promotes their overall health because the retirees can now afford any periodic medical care they may need. In summary, Chase et al. (2003) contend that gratuity savings plans enhance retiree wellbeing and enable a

more fulfilling retirement. Furthermore, a retiree's financial situation in retirement is significantly influenced by the kind of gratuity savings plan they have chosen".

5. CONCLUSION

Therefore, in order to mitigate the impact of retirement life, it is imperative that the employer(s) make sure that each employee participates in the savings in gratuities. The welfare of retired people should be a national priority rather than being viewed as dead wood, as is the case in Nigeria, given that they are an integral part of society and that the number of public service retirees has recently increased. The evidence provided here confirms that, if implemented properly, the new Pension Fund Reform Act 2014 will help Nigerian retirees meet their health and financial needs and will motivate them to contribute more to the country's economy.

RECOMMENDATIONS

The different enterprises in Taraba state and Nigeria should be encouraged to should provide retirement counseling to staff members in order to help them deal with the impending retirement. Therefore, the government should lower the obstacles that are typically put in the way of gratuity payout.

i. This study further recommends that after leaving the service, government at different level should harmonies the relationship between gratuity savings plan and financial status of civil service retirees in Taraba State, and at the same time the gratuity should be paid within a month to the retirees. While pension payment should commence in the month succeeding the gratuity payment.
ii. The government ought to motivate its employees through provision of gratuity savings plan and health benefits of retirees. so that they may supplement their income after retirement. Also, employees should be encouraged to have a modest number of children through workshops and meetings organized by the government.
iii. The government ought to motivate its employees to invest in productive businesses to enable them to augment their retirement income. Employees should also be encouraged to have a limited number of children through government-organized workshops and meetings.

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