

Retirement is a condition in which an individual is forced or allowed to leave the labour market after attaining a set age limit, by the employer whereas retrenchment is a condition in which an individual is forced to leave labour market unconditionally by the employer. In Kenya, retrenchment and retirement under the Golden Handshake was a result of conditions set by the World Bank and International Monetary Fund in order to resume lending to Kenya, hence the government promised to implement the structural adjustment programmes, and fiscal deregulation in return between the years 1993 - 2003. After the Golden Handshake, the retirees either started their own businesses, or got re-employed and the rest retired to their homes. Majority of retirees lived in business shortly perhaps due to lack of training / experience in marketing management, organization management, production management and financial management. The objective of this study was to investigate the exact skills and knowledge these people lack that made them fail in business and stay frustrated, poor and disenchanted former civil servants. This would assist the future retirees to succeed in business. It would also help government ministries, private companies, parastatals, universities and other institutions with large personnel to be downsized, to prepare their employees before retiring them, by way of counseling and training in business management skills. A descriptive design was used whereby the researcher gathered secondary data from existing sources in the library and past research studies conducted in the university. An exploratory design was also employed by way of questionnaires, and the data was analyzed using descriptive statistics. The target population for the study was all the Golden Handshake retirees in Kilifi District. A random (probability) cluster method was employed to choose 100 retirees in the District. The sampling was on the basis of the type of business which was shop owners, second hand clothes dealers, fresh food vendors and cereals sellers.