

**Retirement Planning Behavior of Working Individuals:  
Evidence from Public Sector of Pakistan**

By

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MC-MSBA-259

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## THESIS AND DEFENSE APPROVAL FORM

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In the name of Allah, the most gracious and most merciful, all the admiration and praises are to Allah for the strength and potency and His blessings in completing this thesis. A special appreciation goes to my kind supervisor **Ms. Nain Tara** for her supervision and continuous support. Their invaluable help of constructive comments and suggestions throughout the thesis work is the reason to success of this thesis.

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**Muhammad Waqas**

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## **DEDICATION**

I DEDICATE THIS THESIS TO  
MY BLOVED MOTHER, MY SUPERVISOR MY WIFE AND SISTER, MAY THEY LIVE  
LONG  
AMEEN!!!!



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**INCORPORATION OF THE INTERNAL, EXTERNAL AND DEFENSE  
COMMITTEE COMMENTS BY MSBA STUDENT'S FOR THE  
RESEARCH WORK**

Student's Name: Muhammad Waqas

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Topic: Retirement Planning Behavior of Working Individuals, Evidence from  
Public Sector of Pakistan.

Sr. No.	Internal Comments	Rectifications
1	Basic purpose of introduction is to develop basics of study significance heading to research gap. Objective of scope most of introduction part. How is replica of literature review need to write again.	Chapter 1 reorganized from page 01 to page 14. Irrelevant data has been removed
2	All literature review is unstructurally stuffed in the intro section need a major rewrite.	Literature review removed from intro section.
3	Why so irrelevant writing on page #6	Removed
4	Why so irrelevant writing on #9	Removed
5	Chapter 1 require a major rewrite	Major part rewritten again

Sr. No.	External Comments	Rectifications
1	Chapter 1 should be reorganized to better demonstrate the link between the research problem, subsequent questions, and the specific objectives of	Chapter 1 reorganized from page 01 to page 14.

	<p>the research. This reorganization of the chapter should include deliberate efforts to eliminate the feel of “information dump”. Much is given irrelevant, for example, retirement confidence (2), Last para on page 4, behavior life cycle theory, procedure of retirement planning, (page 6), introducing pre-taxed and post-taxed plans (page 8). The logical flow does not follow in the first chapter. There is disconnect between research objectives and research questions. The chapter gives the impression of free writing instead a scientific study.</p>	<p>Irrelevant data has been removed from page 2,4,6,8.</p> <p>Connect between Research Objectives and Research Questions have been developed on page 13.</p> <p>Impression of free writing has been eliminated from page 1 to page 14.</p>
2	<p>The literature review needs to make a strong case regarding what are the gaps when developing the conceptual framework. The document lacks theoretical consideration to make a good case of relationship between demographic variables and retirement planning behavior. Perhaps, a literature review table will help the authors to identify what is the current conceptualization of the afore-said variables and what is that the scholar is adding new, the incremental contribution of this manuscript. Further, I could not see how the nuances of multiple theories such as portfolio theory, Life cycle reserves,</p>	<p>Portfolio Theory Removed.</p> <p>A good case of relationship between demographic variables and retirement planning behavior has developed on Page 15 to page 54.</p> <p>Literature Review Table included on page 54.</p>



	and particular approaches used in the manuscript have been utilized to come up with the conceptual framework more specifically the role of mediator 'mastery'	
3	Please use a bit space to offer a systematic presentation of the context- what are the type of governmental organizations from which sampling unit were employed. The manuscript should provide more information about the current prevailing situation to establish the rationale for the study in the chosen context.	Incorporated in page 65 and 66 under the heading of Population.
4	In the section on research methodology, a part on ontological and epistemological properties of the research should be added. Please revise what actual mode of inquiry has been utilized instead writing what possible options may likely to be considered for the research.	Incorporated in page No. 55.
5	The sample frame needs clarification and explanation. As it stands it is very vague as to how the respondents will be selected (convenience sampling has been mentioned). Given the criteria you have established for the selection of respondents	Incorporated in page No. 65.

	I doubt how the sample size has been developed for the required statistical analysis. This should be clarified in the document.	
6	I could not see any section in the manuscript a short discussion on how the relevant biases inherent in survey research were addressed.	Incorporated in page No 68 and 69.
7	Given the results and testing of hypotheses, the discussion part needs substantial revision in terms of teasing out the significance of the results more specifically for the public sector organizations.	Incorporated in page No. 99.
8	How would Pakistani public sector organizations could be benefitted from the findings of this research? Please discuss.	Incorporated in page No. 99.

<b>Sr. No.</b>	<b>Defense Committee Comments</b>	<b>Rectification</b>
1	Presentation of results should improved	Incorporated in page No. 83, 84, 85, 86
2	Partial mediation or full mediation explain.	Incorporated in page No. 84, 85, 86
3	Measurement of Structural Model	Incorporated in page No.102
4	EFA Loading	Incorporated in page No. 74

## **Abstract**

The key objective of the study is to explore the retirement planning behavior of different entities working in public sector. The central emphasis of the study is to analyze the behavior of working individuals toward retirement planning. The selected variables in this study were goal clarity, financial wellbeing; attitude toward retirement, financial literacy used as independent variables mastery as mediator whereas gender is used as moderator. The study has used 350 sample sizes for analysis that are collected from different individuals by using survey questionnaire. This study implies various tests to check the stability of data by using computer software SPSS and AMOS. This study concluded that there is a significant positive relationship between goal clarity and retirement planning behavior. This study also reveals that financial wellbeing, attitude toward retirement and financial literacy show a significant positive impact on retirement planning behavior. The research results of the study support the hypotheses that mastery act as a mediator amongst goal clarity, financial wellbeing, financial literacy and retirement planning behavior, there exist full mediation among these variables. This study rejects hypothesis that mastery acts a mediator between attitude toward retirement and retirement planning behavior, there exist no mediation. This study reject hypotheses which states that gender acts as a moderator between goal clarity, financial literacy between retirement planning behavior no moderation were found in both cases. This study also reveals that that gender acts as a moderator between financial wellbeing, attitude towards retirement planning and retirement planning behaviour.

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# Chapter 1

## 1. Introduction

### 1.1 Background

Retirement can be defined as the fact of exiting one's job and terminating to work. According to Merriam and Webster (2014) retirement planning defined as the performance of individual when their period of working or profession stopped. Various countries imposed Labor Law which declares that the phase of withdrawal is about 60 years old. Nevertheless retirement planning is a procedure of defining the individual's retirement income goal, their decisions and action to achieve the goals of life after retirement. The retirement planning contains to classifying the estimating expenses, managing assets, source of income as well as identifying their saving program. To attain the retirement income goals the individuals must determine their future cash flows that helpful to achieve their goal of life.

Retirement planning is the procedure that accomplished to determine the individuals goal of life by identifying their income, decision and their actions that compulsory to attain their objectives. Retirement planning contains ascertaining sources of income, approximating expenditures, instigating a reserves program, and supervision resources and risk. Forthcoming retirement income objectives can be attained by determining the cash flows. Retirement planning is preferably a life-long practice. An individual may start their retirement planning practice at any time of their life but the best and sufficient to start their planning at the beginning of their working age.

According to the theory of Employees Provident Fund Organization (EPF) the pensioners facing inadequate fund that remain unprepared to meet their needs of life after retirement. They may leave their life at a lower standard if they just depend on their pensioner's income. Yin-Feh et al



(2010) identifying that superannuation known as a mourning passé for individual that only rely on pension income after their retirement. They live their life at a lower standard and remain insufficient to make their life reliable after their working period. A study of Mohd (2013) explaining that the most important issue for individual is to just depend on pension income after retirement they do not participate in retirement planning scheme it also creates issues in Labor Market in such way the level of poverty rises that causes by a large number of population. Moorthy ( 2012) declared that a large number of people facing financial illiteracy and not making proper retirement planning thus due to their lack of retirement saving they facing financial crises after an individual's job end. The accessibility of income and potential sources after retirement are sufficient thoughts. According to the study of Li et al. ( 2009) that the retirement planning and financial literacy gives proper guidance for the human sources and their higher education that plays sufficient role for the individuals proper planning for retirement.

The 21<sup>st</sup> century generation seems to make more participation in retirement planning and give greater emphasize for their retirement in phase of demographic, social and economic as compared to earlier generation. Myers and Salmon (1984), Pollan and Levine (1995), Riker and Myers (1990) explained that due to new generation participation in retirement planning it gives them more confident to deal with their life affairs after retirement and also inspires them to bring positive thought for their better life after retirement. The term of positively thinking related to meet the fluctuations in life after retirement. The retirement planning behavior of employee can be influenced by themselves, by their family, their employers, and colleagues as well as government policy. Ismail (2004) states the different behavior of individuals that participate in retirement planning from those individual that does not participate in retirement planning scheme. According to them those individual that make participation in retirement planning

scheme at their early age will spend their retired life more comfortable and secured as compared to those individual that not participate in such scheme they does not achieve such benefits.

“Financial status” in the existing study states to household possession position, income, financial adequacy and asset-to-debt ratio. In circumstance revenue can be an aspect expecting retirement self-assurance (Joo & Pauwels, 2002, Moorthy et al, 2012). Individuals who are pecuniary knowledgeable incline future supplementary assured of their departure planning as associated to those who are economically uneducated (Mullock & Turcotte, 2012). This is as those who are financially literate comprehend the significance of retirement preparation and will later hoard prosperity as training for leaving jobs. In disparity persons that are economically uneducated incline to overemphasize their reserves and retirement pension revenue (Alessie, Van Rooij, & Lusardi, 2011). While their reserves and allowance salary are stumpy they motionless consider that they remain capable to have enough money for their expenditures throughout retirement (Alessie et al., 2011).

Gender differences in financial resolutions and actions must existed well-documented in widespread media and the administrative media ( Anthes and Most 2000; Orman 2007 ). The theoretical literature maintenances the belief of gender dissimilarities in financing indicating that male depositors incline to variety the extraordinary significance financial conclusions in families and are the further risk accepting and nature confident stockholders ( Prince, 1993; Powell and Ansic, 1997; Felton, Gibson, & Sanbonmatsu, 2003; Durand, Newby, & Sanghani 2008). Deceptively there is slight discrete contribution in the development of reserves for the old age or withdrawal. Each community strategy inspires persons to protect the directive to hoard prosperity for their withdrawal. Furthermost individuals saving founded on their predictable lifetime salary.

Nevertheless the retired person faced many financial problems when their time of working stopped with the deficiency of economic awareness besides not well consciousness about the benefits for withdrawal development they faced many financial crisis. The basic cause behind this issue is that these workers not participate in any other activities and spend their life period at home. A study of Samsudin (2012) defined that in case of Malaysian worker it is observed that they were spending their life comfortable at age 50 but being not aware from the benefits of retirement planning. If the awareness was given to the employees when they imitate their career then it is more beneficial for them.

Retirement planning is a process by which an individual need to make saving at their early age. It is observed that which individual start their occupation they persist hectic in other circumstances of their life i-e busy in their families, for setting their location as well as busy in their personal affairs of life. They show no response in term of sequestration planning system. As the years goes away, time passed rapidly when an individual does not save their retirement life they gain no way to spend their life perfectly as those entities that make saving at the early age for retirement. Therefore the adoption of retirement scheme at the early age was valuable for them.

It is stated that if an individual set their goal of saving for retirement and their financial system support them for making saving. Then they become able to spend their life after retirement free of tension and afford all their needs easily and enjoy their life after withdrawal. Retirement planning is a scheme that supports the individual life contented in the age when they remain incapable to do mark and work.

The term involves for retirement` planning is information. The individual with more effective information show positive response in retirement planning. Following factors of information terms are as follows.

- Accessible speculation opportunities
- Generation conduit of yearly remunerations and withdrawal revenue
- Proportions of yield on reserves and composite interest
- Risk and reoccurrence of numerous resources
- Phase and extent of amenity to withdraw
- Current and impending specific wages tax duties

The best retirement plan strategies for individual can be describes in such steps.

- Individual Plan
- Employer-Sponsored Plan
- Self Employed and Small Business Owners Plan

The term employer sponsored plan involves the benefit plan, involvement plan as well as caution plan. The first term is the most important kind. It clarifies which plan strategy adoption is more beneficial and gives high return to users. It gives advantage as follows.

First of all, it cleared the producing and involvement of employers. Then a lot of proprietors provide must underwrite to your justification. The contribution of these two phases provides the individual retirement planning secure without any risk and threat.

The other defined term of employer sponsored planning scheme defined that if an individual get employed in college, school, universities as well as hospital then by making secure retirement planning strategy the most effective factors are as follows.

First, it defined the amount of tax that employees must pay for their income extract. Second, it clarifies the range of contribution of other employers that must participate for their retirement plan.

By combining above defined both terms the saving of employer's remains secure and they participate in beneficial superannuation preparation strategies. The term of retirement scheduling strategy is individual retirement plan that involves the following term as follows.

- Traditional IRAs
- Roth IRAs
- Spousal IRAs
- Rollover IRAs

The traditional IRAs used to make existing tax presumption. The Roth IRAs used to convert the saving of employers into beneficial investment and provide them better risk free return. The traditional IRAs shows better response and give secure strategies for retirement plans. The last phase of retirement plan strategies is self-employed retirement plan. It involves the SEP, SIMPLE and payroll deduction IRAs. The purpose of all such term is to provide best retirement plan strategies for small business owner employees.

“Financial status” in the existing study states to revenue, house tenure prestige, financial adequacy and asset-to-debt ratio. The World Bank (2013) characterized Malaysia as a higher central revenue economy. In circumstance, revenue can be a dynamic foreseeing withdrawal assurance (Joo & Pauwels, 2002; Moorthy et al., 2012). Individuals who are economic knowledgeable incline to be additional assured of their withdrawal planning as associated to individuals who are economically uneducated (Mullock & Turcotte, 2012). This is as folks who are monetarily well-educated appreciate the significance of withdrawal development and resolve later accrue capital as provision for superannuation. In dissimilarity individuals that are economically uninformed incline to overemphasize their hoard and allowance revenue (Alessie, Van Rooij, & Lusardi, 2011). While their reserves and allowance revenue are short they quiet

consider that they are capable to give their expenditures through withdrawal (Alessie et al., 2011).

Gender differences in financial verdicts and activities have been well recognized in widespread mass media and the administrative press (e.g., Anthes & Most,2000; Orman ,2007 ). The theoretical literature provisions the view of gender differences in financing, indicating purchasable that male stockholders incline to variety the high-consequence financial results in families and are the additional hazard lenient and self confident stockholders (Prince ,1993; Powell & Ansic , 1997) , Felton, Gibson, & Sanbonmatsu ,2003; Durand, Newby & Sanghani 2008).Deceptively, there is slight distinct contribution in the procedure of reserves for the old period or superannuation. Each community strategy inspires individuals to excluding in directive to accrue prosperity for their withdrawal. Furthermost publics excluding founded on their predictable era revenue.

In determining employee's considerate round departure development present study determination observe around the imperative feature such as goal clarity, age group, income level, attitude towards retirement and financial wellbeing aspects that influences the retirement planning behavior. The aims of departure development is to established income goals and after that take actions to accomplish such goals and purposes to maintain a sustainable life after job end. The retirement planning depends on various sources which are compulsory for suitable life. These are sources of income, life expenses, saving and level of assets. Just rely on pension is not sufficient to fulfill after job expenses. The process of retirement planning depends on individual capability that how they maintain their expenses to save for their future life, how they set their ideas and goals. All such thoughts depend on the attitude of individuals towards retirement planning. If they save money early job age for retirement then it was beneficial for them. As earlier the individuals start their planning it is better for them.

From the young adults age (21-35), in this age the individuals may face many financial crisis and not aware from the importance of retirement planning. They participate to save for retirement. A large number of individuals look to save their money in term of investment. They can earn interest through investment. Hence it is better for them in adult age to save for their retired life by investment. The advantage of investment is that they earn profit as time passed and not faced any crisis of income tax. Therefore it is beneficial for youngsters that they save money for their retired life.

From midlife age (36-50), at this time period an individual may face many financial crisis and burden to comprehension their family needs. They may face many financial crisis such as mortgages their child study expenses and to make life insurance to sustain their life expenses. In this age the term of life insurance is made that make assure that their family survives financially better.

From later midlife (50-65) this is golden time period for individuals. At this age almost all expenses of life are fulfilling such as student life expenses, life insurance period was passed. The individual have high wage and can attain better chance to invest, according to IRA report, it is observed that an individual can invest as least \$1000 to \$6000 yearly. At this retirement ages 67 one can enable to meet their after job expenses easily and lives a better life. If they only rely on pension amount then they could not take their life on the way as they wants.

The retirement planning is a process by which an individual save for their retirement. A large number of individuals live their lives after retirement comfortable and reliable as they live during their job life. To achieve such comfortable life after retirement an individual can precede such basic steps.

- Determine your retirement goals
- Gather your data and determine your assumptions
- Enter all of the information into the planning software
- Analyze the retirement projections
- Create an action plan of alternative situation
- Review and revise the plan as market and life changes

The first step of retirement planning is that an individual could set their plans and goals of saving and estimate the amount of income and examine their life expenses. This helps an individual to set a target a save maximum amount from their income according to their life expenses that they easily meet their life expenses after retirement. Their saving during their early age of working help them to used them after retirement.

The second step is to making a retirement planning project. The project includes all basic information that an individual needed that an individual needed when they established their goals of retirement lifesaving. The project information contains such terms.

To analyze inflation rate that prevails at current period and from the basis of current inflation rate the expected inflation rate for future was predicted.To identifying you're all sources of income. The returns of investment that you attain from your portfolios must be noted, Predictable the life expectancy.

All such defined terms depend on individual attitude towards retirement planning and their financial literacy level. These terms defined in the project that beneficial for the attainment of better life after retirement.

The third step of the sequestration planning process contains the use of retirement planning software that helps to generate reliable and accurate data for the implication of process. All



gathered statements about investment puts into retirement planning software that store it and produce results and show the experience of many individuals towards retirement planning and shows how they get benefits from their savings that they made to use after retirement life.

The fourth step of the retirement planning process is the analysis of data. This is the most important part of the retirement planning process. It proceeds the all gathered information that converted into data and in this step the data was analyzed that produced sufficient results. This step is produced the results and explains that the terms of assumptions that made for the implication of planning behavior were significant or not. Software used for the analysis of data that gives information about the process of retirement planning.

The fifth step of the retirement planning process relates with the analysis results. This step is to take actions. This based on the results of analysis first the data was collected then the data analyzed through software and if the analyses show that the results is reliable and the assumption that made were accurate then the most important step is to take action. To participate in the saving and investing process, this term defined alternative actions that taken in serious situations and conditions.

The last step of the retirement planning process is the review of planning process. This is used for the review of method. This changing the life process it contains all implication.

All such defined steps must take for the implementation of retirement planning scheme that must be taken into action with the help of various software and process. However it is a best way to understand process and taken it into action to save for retired life. However the retirement planning process is the best way to save and participate for retirement life. This amount of saving is beneficial for the individuals to live their lives comfortable after job ending. This process gives information to participate and save money for future.

## **1.2 Problem Statement:**

Retirement isn't the end of your professional life, but the beginning of a new life; a life that you can enjoy to the fullest without the stress of work and having to live according to other people's schedules and demands. A life when you can look back and enjoy all the hard work you've put in. But that's only possible if you've been foresighted enough to plan ahead because, in many cases, while retirement may rid you of daily work schedules, it also means a loss of income.

The younger generation of working individuals thinks today that retirement planning is a burden for them because it involves long-term planning. According to Lian (2012) those people in 20's think that they are too young to think about retirement, while in 30's and 40's tend to believe they are prepared because they have their Employee Provident Fund (EPF) savings. Meanwhile the reality at 55 is that most people cannot afford to retire, since they prepared late for retirement (Habib, 2007).

According to SECP (2017), Employees are mostly provided with retirement options through their employees called 'Retirement Benefits Plan' such as employee provident fund, gratuity and superannuation. However many people do not have opportunity to plan for retirement at an early phase probably due to shortage of resources, lesser knowledge, personal commitments or other reasons. With the increasing worries for social and financial security, retirees need to effectively plan their retirement so that they will not end up depending on anyone else. So we have undertaken this research, to identify demographic, psychological factors which can impact retirement planning behavior.

## **1.3 Theoretical Contribution**

This study is unique in sense that it is utilizing mastery as mediator between psychological variables and retirement planning behavior. Goal clarity, Financial Well being, Attitude towards

retirement and Financial literacy have been used in previous researches separately( Sabri and Juan, 2014 and Yoong, See, & Baronovich, 2012) as predictor variable of retirement saving behavior. Whereas mastery has been used in financial management and risk tolerance literature (Grable & Carr , 2014). **Mastery** has been defined as the degree to which one feels they have a general sense of control over what goes on in his or her life (McKean Skaff, Pearlin, & Mullan, 1996). Based on evidence from the stress and coping literature, a sense of mastery or personal control may well be a key psychosocial resource for well-being in retirement (Ryff, 1989; Skinner, 1996).

So our study has utilized mastery as mediator between various psychological variables and retirement planning behavior. This study has also evaluated gender differences in retirement planning behaviour .

#### **1.4 Research Questions:**

So on the basis of problem statement of this study following research questions are developed:

RQ1: Do independent psychological variables (goal clarity, attitude towards retirement, financial well being, financial literacy) have an impact on retirement planning behavior?

RQ2: Does Mastery act as a mediator between independent psychological variables and dependent variable

RQ4: Does gender act as a moderator between independent psychological variables and dependent retirement planning behavior.

#### **1.5 Objectives of the Study**

Objectives of study are given below

(1) To examine impact of psychological variables on retirement planning behaviour.

(2) To determine the impact of Mastery as mediator between psychological variables and retirement planning behavior.

(3) To determine impact of gender as a moderator between psychological variables and retirement planning behavior.

### **1.6 Significance of Study**

This study will benefit the society especially working individuals to realize the importance of the retirement planning in life and the factors that might affect their retirement planning behaviour.

This study will help individuals as well as public organization to comprehend and analyze various demographic and psychological factors which can effect retirement planning behaviour.

So policies can be made accordingly while considering their psychological and demographic approach which can better suit their requirement.

### **1.7 Scope of the Study**

This study has investigated impact of different psychological variables such as Goal clarity, financial wellbeing, Financial literacy, attitude towards retirement planning on retirement planning behavior of individuals working within different public sector organizations.

## Chapter 2

### 2. Literature Review

#### 2.1 Life-Cycle Reserves

The life-cycle reserves defined at this time generate assortments that are severely focused in shares at the establishment of the effort lifetime and progressively move prosperities to bonds as superannuation reaches. Although this transitory mainly emphasizes on the result of in what way to investment gathered funds. It is imperative to annotation that depositors in realism look a set of composite and consistent results ended the life-cycle. The argument now extracts from several of those resolutions such as how far education to attain while to initiate occupied how abundant to save respectively age.

Life-cycle reserves are a comparatively firsthand method to retirement capitalizing and obligate expanded approval in latest ages. While the features of these assets diverge the common life-cycle intention demands for speculation portfolios that grip a diminishing fraction of resources in equities linked with advanced threat and a larger amount in immovable profit funds accompanying by lesser risk as specific years. Those categories of strategies pursue to bound prospective harms from marketplace variations as specific methodologies retirement. The erection masses of life-cycle resources are naturally wide established catalog capitals such as a typical stock tight to the S&P 500 or to a commercial bond stock that trails the Lehman Members Shared Bond Index. Broad-based index capitals lesser possibility to withdrawal pays that would rise from unanimous monies in distinct enterprises.

Life-cycle assets are gradually essential issue in thoughts almost retirement revenue. Vanguard (2004) hearsays quick evolution in the amount of secretive region sequestration schemes that concession life-cycle reserves. In adding the sharp involvement idea accessible to centralized workforces the Economy Investments Idea currently comprises life-cycle funds. Some Social

Refuge reorganization tenders sound for the establishment of particular retirement versions. Such versions would permit entities to finance in equities commercial bonds, and administration havens and could include life-cycle assets.

This short-term discovers roughly of the speculative and observed basics for life-cycle reserves by revising the business prose on optimum assortment notion. It also converses real life-cycle diplomacies and the rewards and shortcomings of these forms of assets.

A number of demographic and monetary aspects deliver approximately foundation for life-cycle funds. The first agreements by how the worth of social resources diverges in excess of time as an element of overall prosperity. Human capital is self-possessed of fundamentals that are immovable essential aptitude that are largely fixed far along a persuaded dispute approved education and that separate with phase practice. A good reputation for computing the assessment of human capital is the existing worth of earnings ended personality's enduring employed life. This is normally measured ample fewer changeable or "stochastic" than even handedness yields since its causes are to roughly magnitude stable. Consequently to conserve a persistent glassy of inconsistency threat disclosure over the life-cycle comparatively further of one's whole monetary possessions must be believed in shares while young and fewer as one acquires adult (Bodie, Merton, and Samuelson 1992).

To demonstrate the continual threat of revelation method deliberates somebody who desires to grasp 60 percent of whole capital at any specified phase in riskless resources for example inflation dwindling bonds and 40 percent in uncertain possessions such as stocks. Assume additional the individual's human assets at an early phase are comparable to a riskless asset appreciated at \$300,000. If the individual has \$200,000 in monetary properties they must all be thought in uncertain possessions for example shares so that the 60/40 steadiness is accomplished. As the individual eternities the worth of mortal assets decreases since merely limited employed

years persist but the monetarist resources raise. To preserve the 60/40 equilibrium monetarist resources must progressively be erased out of dicey resources.

While human capital is a factor of the existing worth of lifespan incomes it is not the merely issue. Persons have option ended whether to effort and how far too effort. This matter manual worker stream elasticity is also imperative in conferences of life-cycle capitals. Instinctively since elder employees have larger worker quantity elasticity and have unbiased started their employed survives. Their age can performance as a barrier beside market place recession's subsequently further effort can create up for mislaid capital. Jagannathan and Kocherlakota (1996) claim that labor hoard suppleness sort's life-cycle assets anticipated but solitary if parity revenues are comparatively uncorrelated with labor revenue. Opportunities for forthcoming research Poterba and others 2006 emphasis on generating life-cycle portfolios that fluctuate for alone as different to wedded combines an attitude that receipts into excuse the additional labor supply elasticity matrimonial couples have since of the probable of obligating two employees. Therefore married couples obviously additionally motivated to finance a comparatively greater portion of their capital in shares far along in existence.

The exertion of Jagannathan and Kocherlakota (1996) and Poterba and others (2006) observe labor supply elasticity in the particular perspective of life-cycle resources although had additional investigation on the similar broad matter proposals comprehension addicted to the fundamentals of life-cycle reserves. Bodie (2001) studies labor source elasticity and assortment optimal in relations of departure phase. He adopts a stable equivalent amount and expectable salaries from which he regulates a standard superannuation revenue supercilious withdrawal at age 65 and reserves in riskless Capital securities. He then ruminates whether the standard sequestration revenue might be accomplished at a former retirement period with substitute portfolios: one financed 50 percent in stocks and 50 percent in riskless Capital refuges and the

additional financed entirely in bonds. If the forthcoming risk exceptional the probable profit on shares detriment the profit on riskless Capital links is supposed to be 4 percent and the standard deviation of standard revenues is 20 percent formerly the portfolio with partial of its resources capitalized in shares and the further devoted in Capital stocks has an probable departure phase of 61 however this arises through a minor possibility of obligating to delay superannuation to age 67 to accomplish the preferred glassy of giving up work revenue. The portfolio also has a expectable stepping down age of 57 but yet again brings a slight prospect of ensuring to defer withdrawal till age 68. While Bodies' emphasis is on superannuation era his universal fact is that employment resource elasticity could equipoise marketplace losses. By life-cycle reserves marketplace harms will incline to remain focused at comparatively earlier ages. Ages by which well-being and labor market occasions might be an extra inspiring factor.

Booth (2004) discoveries focus on life-cycle financing expending a proto typical that observes additional proportions. He claims that such as the savings prospect raises the dispersal of completion capital develops further a skew through the mean completion capital actuality expressively larger than the median. Therefore although an elder person might necessity to grasp merely 50 percent in shares to attain a "predictable" termination means (the mean distribution) that contests the additional degree object that a portfolio would not ensure an extraordinary possibility of producing the suitable completion capital. In broad Compartment claims that if characters craving a great possibility of accomplishing the goal standby rate they might essential to grasp a larger segment of their portfolio in shares while they are elder.

## **2.2 Particular Approaches**

This segment converses explicit methods to life-cycle participating as contrasting to the overall perception of allotment a minor proportion of resources in equities as one era. Four instances of life-cycle investment attitudes are reflected:



- A general law of thumb identified such as the "100-minus age" rule
- The Malkiel approach (1990)
- The Shiller plan (2005)
- The original "L Fund" idea undertaken to centralized workers over the Prudence Hoards Strategy, a distinct involvement retreat strategy alike to a 401(k) plan.

Obviously this is not a comprehensive incline of probable life-cycle speculation policies or methodologies but precise instances resolve service species obtainable thoughts and clarify essential ideas.

Table 1 shows the fraction thought in shares at precise years below the four methods. The meekest of these methods is the "100-minus age" law, the prescriptions that the proportion financed in the ordinary marketplace equivalent 100 detriment one's era. Aimed at instance age 55, 45 percentages of reserves must remain in an extensive centered standard index reserve and 55 percent in stocks. A slightly additional complex method stayed recommended in Malkiel (1990). Malkiel's method recommends stock distributions that be situated approximately alike to individual's consequent since the "100-minus age" imperative. The Shiller plan (2005) has a model life-cycle portfolio that is slightly more destructive at early years as well as fewer so at future years than is the "100-minus age" law or Malkiel's strategy.

**Table 1. Illustrations of life-cycle fund allocations in equities, by age (in percent)**

Age	100-minus age	Malkiel approach	Shiller plan	L fund (TSP)
25	75	70	85	85
35	65	60	71	75
55	45	50	26	50

SOURCE: Author's calculation.

Newly the Central Economy Investment Strategy initiated to proposition life-cycle goods. These goods that are stated to as L funds are established on scheduled giving up work age relatively than existing age. They are calm of arrangements after five fundamental reserves the S fund (Wilshire 4500 index), the C Fund (S & P 500 index), the I Fund (E A F E international stock index), the G Fund (national administration bond reserve), and the F Fund (Lehman Brothers U.S. bond market index). To demonstrate deliberate a discrete innate in 1980 who imagines withdrawing after 2035 that an individual would procedure the L 2040 Reserve. At era 25 the employee's assortment would be collected of 85 percentage shares and 15 percent stocks. Through age 55 around 50 percentage of the assortment might be believed in shares. The L Fund strategy is equivalent with the Shiller strategy at the establishment however the Shiller strategy descends the stock factor for additional rapidly at advanced years.

While the precise apportionments of the four life-cycle methods differ they remain coarsely equivalent. They postulate allotment a common of resources in shares in the primary existences besides now fluctuating to shares such as withdrawal approaches (Table 1).

### **2.3 Preferences**

Around an indication that life-cycle speculation approaches reveal public's universal preferences. Numerous investigators must establish stock activities to be approximately reliable by the life-cycle recommendation. Schooley and Worden (1999) expending facts since the Analysis of Buyer Capitals originate those depositors through extended speculation possibilities spare further severely in the direction of shares. Precisely individuals by forecasting prospects of 5 otherwise additional existences obligated unevenly 50 percentage of their resources devoted in impartialities associated through scarcer than 12 percentages aimed at folks by prospects of 1 time or fewer. Further usually one-half of individuals by forecasting perspectives of less than a time existed reluctant to precede slightly economic possibility through their properties in

divergence to merely 25 percentages of individuals by prospects of accomplished 10 years presence unenthusiastic to takings any threat. One matter these consequences cannot discourse is whether they replicate intrinsic inclinations entities or whether they stay in reaction to information specified by economic proposers.

Bodie and Crane (1997) establish comparable consequences aimed at withdrawal strength classifications. Exhausting facts since TIAA-CREF the fraction of withdrawal resources believed in shares deteriorated by era (Table 2).

**Table 2. Retirement stocks apportionment by era assemblage (in percentages)**

Age group	Cash	Bonds	Stocks
25–44	7	34	60
45–54	6	36	57
55–64	7	43	50
65 or older	9	55	37

SOURCE: Bodie and Crane (1997).

NOTE: Totals might not quantity to 100 percentages since of negotiating.

The journalists establish a harmful association among phase and financial marketplace exploiting roughly reliable by the "100-minus age" law. Towards the particular for respectively further time individual eras the segment financed in shares deteriorations through 0.6 percentages. One admonition toward inferring these consequences such as "age" influences is that capitalizing partialities might modification through cronies or groups for instance today's elder employees might be prepared to admit a superior glassy of monetary threat than preceding groups.

Life-cycle yields look to remain accumulative of approval. Vanguard (2004) well-known that among 2000 and 2003 the amount of strategies proposing precise life-cycle reserves ensures additional than creased over.

## **2.4 Limitations**

Roughly scholars though require examined whether life-cycle methods stay suitable aimed at leaving redeemable. Numerous exploration revisions illustration that these reserves quiet depiction shareholders to substantial threat although eradicating most benefit prospective. Shiller (2005) replicated finish treasure stabilities of theoretical life-cycle explanations expending antique facts aimed at the S&P 500 then bond marketplace revenues and initiate that the life-cycle deposit unsuccessful to outstrip a 3 percentages actual departure in 32 percentages of prosecutions however a 100 percentages speculation in the S&P 500 would require compressed such a departure in 98 percentages of tribunals.

Hickman and others (2001) replicated consequences underneath Malkiel's method "100-minus age" law besides 100 percentages speculation in the S&P 500 catalogue deposit. Expending a 30-year property passé the dual life-cycle methods Malkiel and "100-minus age" rule generated identical alike consequences then created median capital by withdrawal that stayed roughly solitary quasi that accompanying by the catalogue reserve. Nevertheless in round 15 percentages of the imitations the life-cycle methods did outpace the S&P 500 which advocates that infrequently the swing to connections at future year's spirit be an accurate approach. Though the journalist's inquiry whether defense beside this comparatively unusual consequence permits the huge lessening in predictable wind-up prosperity.

In a comparable manner Butler and Domian (1993) replicated wind-up poises for shares, bonds then life-cycle balance sheet and consequent possibility deliveries for culmination treasure. Their inference stayed reliable by Hickman and others trendy that shared shares remain the greatest

truck aimed at long-standing departure reserves life-cycle financial records outstripped a portfolio of wholly shares in solitary round 8 percentages of their imitations. Thus, Milevsky, and Robinson (1994) moreover underline the significance of shares quarrelling that advanced hazard reoccurrence reserves might remain essential to diminish the probabilities of enduring one's resources trendy old era.

It is imperative to accentuate conversely that the fiction on the restrictions of life-cycle assets is founded on ancient revenues and frequently practices facts since phases while ordinary revenues stayed resilient. Although riskless shares might commonly shares they also defend beside enormously deleterious products (Bodie 1995). It is disputed whether the antique age for which facts are obtainable is extended adequate to replicate these thrilling upshots. Consequently, any validation aimed at life-cycle reserves is that they compromise defense alongside thrilling consequences nearby withdrawal that arise by a precise stumpy possibility.

Lastly about current exertion requests the hypothetical and instinctive foundations of life-cycle reserves. Benzoni Collin-Dufresne and Goldstein (2005) claim that variations in employment revenue incline to remained additional profoundly associated by typical revenues accomplished extensive prospects. In further argument slightly than existence "Bond like" in its inconsistency worker revenue is "Stock like" terminated extensive prospects. In this context folks must expand by allotment fewer uncertain resources by means of bonds while early in accumulation near in exact properties like that shares at future years. Viceira (2001) and Lynch and Tan (2004) moreover anticipate the part of employment revenue in optimum assortment assets.

## **2.5 Previous Studies**

Abdul Rahman (2012), intended to scrutinized the affiliation amid the retirement development activities and the several dynamics disturbing the withdrawal preparation performance. The goal of his study was to observe the retirement planning behavior of employed persons. The

outcomes illustration that education level, age, goal clarity, income level, attitude toward retirement and potential encounter in retirement are the features manipulating the retirement planning behavior. In his research income level and education level are the momentous variables for the departure scheduling behavior additional to age. The study results show those 26 to 35 years is the most appropriate age to start to plan the retirement because at this age, the employees confirmation a constructive in silence near retirement.

Zabri, Ahmad, Lian (2016) investigated the level of consciousness of Secluded Sequestration Structure and exploring issues manipulating the retirement formation performs. Their researches measure the measurable methodology by the use of survey assessments as the foremost appliance of data collection. Private segment employees from five private companies in Malacca were selected as respondents of this study. Data composed was analyzed using expressive analysis. Outcomes of their study show that comparatively the level of cognizance towards Private Retirement Scheme is still low. In accumulation to that only 77% of those that aware about this scheme have an attention to invest. Numerous aspects were found to have an inspiration on the retirement planning performs private sector employees in Malaysia.

Ibrahim, Isha and Ali (2012) conducted a study to investigate the saving behavior toward retirement planning. Their study empirically conducted from Malaysian to analyze the people behavior towards retirement savings. Their study concluded that majority of the workers rely on the government pension after their retirement they have no idea to save for their retirement. But in practical life the pension is not enough to fulfill their expenditures they have needed to save for their retirement. This will merely be attained over assistance among several festivities either in Communal and Reserved Sector.

Sabri, M.F. and Juen, T.T (2014) examine the inspiration of financial literacy, saving performance, and financial organization on retirement confidence among women working in the

Malaysian public sector. Consciousness of withdrawal assurance has been established to be little in many individuals particularly in womankind. Their estimation functional Pearson Correlation exploration to regulate the connection amid the variables. Their discoveries expose that retirement sureness is positively correlated with monetarist knowledge, equivalent behavior, and monetary administration. Moreover, multiple regression analysis was functional to regulate the forecasters of withdrawal assurance. This research decided that monetary literateness, saving behavior, financial administration, and financial position are important forecasters of retirement assurance amongst occupied females with economic association as the main feature subsidizing in the direction of withdrawal assurance.

Mansor, M. et al (2015) examined the association amid demographic dynamics with sequestration planning. This study investigates the substantial of demographic aspects in responsible of retirement planning between well-being divisions founded workforces. Although the purposes of the present study are to regulate the affiliation amid demographic factors contains of education level, age, household income towards retirement planning and gender. The outcomes of the study exposed that education level; age and household income were reinforced nevertheless absorbing discoveries for gender was not sustained.

Nyang'aya Richard Akuno (2017) assessed the link that exists among financial knowledge and personal financial decision in case of Egerton University Employees. The study establishes a relation among financial learning and personal literacy. The goal of research was to observe the impression and impact of monetarist literacy, pecuniary skills, attitude toward retirement as well as financial knowledge on personal financial decision. The study based on survey to collect employee's experience towards retirement planning. Data was gained through questionnaires. The reliability and validity was analyzed by using Multiple Regression Model that applied with the help of SPSS. The study concluded that financial knowledge, attitude toward retirement and

financial skills has significant impact on personal financial decision whereas financial attitude has insignificant impact on personal financial decision.

Arnone (2004) studied the impression of financial education on pension plan participant. The result said that there seems little awareness of retirement planning behavior because of no financial education and skills. An informative database was used by managers to benefits employees by informing them about retirement decisions. To provide employees financial education a project was imitated known as “Employee Benefits Research Institute (EBRI)” its purpose was to revolution employee’s attitude towards saving, investing and retirement planning. The study used 25,000 participant sample size and result shows that with less financial education employees cannot take participate in pension plan as they must participate.

Ntalianis and Victoria (2011) explore the association among financial edification and superannuation planning. The study analyzed the consequence of various factors on retirement planning that’s was gender, level of education, goal clarity, saving and financial education. The study concluded that financial education, saving and goal clarity have major impact on retirement planning while gender difference and different level of education have irrelevant influence on retirement planning. Women’s participate in retirement planning was much differ than man performance and they also have differ attitude toward saving as well as investment.

Lusardi and Olivia (2011) investigated the role of financial literacy in retirement planning. The study conducted to united state economy. The study through conventional facts showed that the National Financial Capability Survey seems the worst condition of retirement planning. A large number of people on United States were seems to rely on pension they have no idea of saving. They think that pension was sufficient for their survival after retirement. By analyzing the collected primary data through survey and questionnaires it was realize that only 43 percent people have awareness of retirement planning them also save for retirement. The study



concluded that there seems income difference among those individuals who have financial knowledge and financial skills to perform retirement planning as compare to those that have no financial education to maintain their retirement life so they was not participate in retirement planning.

Joo, H.S. and Pauwels, W.V. (2002) examined impact of factors on male and female retirement confidence. This study collected data from survey technique from (RCS). This study used variables were retirement confidence as a dependent variable and financial education, health, risk aversion, attitude toward retirement, income, goal clarity, marital status and saving as independent variables. This study used regression analysis to obtained results. This study used (SPSS) software. The results of this research determined that goal clarity and income has positive impact on retirement confidence and saving as well as attitude toward retirement has also positive impact on retirement confidence. This study showed that risk aversion has substantial impact on retirement confidence.

Yuh, Y. et, al (1998) examined the Americans readiness for retirement. This study collected data from survey technique from (SCF). This study used variables were retirement wealth as a dependent variable and household income, age, saving, education and marital status. This research used life cycle model. This research used logistic regression investigation and chi-square test. The result of this study exposed that income has positive and momentous consequence on retirement wealth. Saving and age also has optimistic consequence on retirement wealth.

Joo, H.S. and Grable, E.J. (2005) examined the association among employee education and retirement saving program. The data was collected from Retirement Confidence Survey (RCS). The retirement confidence used as a dependent variable and age, gender, health, marital status, household, financial literacy, income, financial wellbeing and saving used as independent

variables. This study used regression analysis and chi-square test. The results of this study concluded that higher income has positive impact on retirement confidence. This research determined that education and financial literacy has momentous effect on retirement saving program.

Kim, T. k. and Hanna, D.S. (2013) estimated the effect of financial sophistication on retirement readiness. The study composed data from (SCF) and health retirement survey. This study used variables were retirement adequacy as a dependent variable income, household, financial planning, education, saving, investment and age used as independent variables. This study used logistic regression analysis to explore the results, the results of this study presented that income has positive consequence on retirement adequacy. Higher education also has positive effect on retirement adequacy.

Yao, et al (2003) examined the association among accumulation of capital and retirement adequacy. This study collected data from survey technique (SCF). This study used variables retirement adequacy as a dependent variable and age, income, health, attitude toward retirement, education, saving, investment and household as independent variables. This research used regression analysis and chi- square test. The result of this study concluded that investment has positive effect on retirement adequacy and income has substantial impression on retirement adequacy.

Helman, et al (2015) analyzed the association amid retirement saving and retirement confidence. This study collected data from survey technique (RCS). This study used variables were retirement confidence as a dependent variable and health, education, income, saving, age and marital status used as independent variables. The result of this study concluded that good health increased the level of retirement confidence. The result showed that income and saving has positive effect on retirement confidence.

Ali, et al (2016) examined the association among financial literacy and retirement planning in Malaysia. The data collected from survey technique and 150 participants chosen. This study used variables were retirement planning as a dependent variable and age, gender, health, financial literacy, financial education and marital status as independent variables. This study used software (SPSS). The conclusion of this study showed that male and female has positive attitude near retirement planning. The education has momentous effect on retirement planning.

Dvorak and Hanley (2010) found that members have a genuinely decent comprehension of the fundamental mechanics of the arrangement however they have inadequate information to distinguish among various venture alternatives. Ladies have low learning, pay and training contrasted and men. This investigation piercing that the more seasoned participants are bound to sort separable commitments. Be that as it may, training is maybe the most critical determinant of money related education.

As indicated by Elder and Rudolph (1999) organizing activities suggest a higher probability of contentment not withstanding for those whose withdrawal ranges were not prepared deliberately (either through remedial matters or a occupational order). Marital position, financial well-being status, dimension of coaching, irrespective of whether the workers was required to leave your job, and pre-retirement profession just as the withdrawal organizing distress the dimension of the superannuation contentment.

Lusardi, A. and Mitchell, S.O. (2007) examined the baby boomer retirement security: the roll of planning, financial literacy and housing wealth. This study collected data from survey (HRS). This study used variables were retirement planning as a reliant variable and financial literacy, financial wealth, age, health marital status and income used as independent variables. This study used regression analysis and OLS method. The result of this study concluded that financial education has positive and significant effect on retirement planning. This study also showed that

wealth also has positive impact on retirement planning. This research determined that low education has no momentous impact on retirement planning.

Martin, M. (2007) estimated the efficiency of financial education. This study collected data from survey of consumer finance (SCF). This study used retirement saving as a dependent variable and health, financial education, age marital status and income used as independent variables. This study used regression analysis. The result of this study established that financial education has optimistic impact on retirement saving. This study also showed that income has noteworthy consequence on retirement saving.

Koposko, et al (2016) examined the “perception of retirement saving related to peers”. This survey collected data from survey techniques and 224 participants chosen. This research used retirement saving as a dependent variable and health, income, marital status, age and education used as independent variables. This study used regression analysis (OLS). The result of this study concluded that higher education has constructive outcome on retirement saving. This research also showed that married person more saved then unmarried persons.

Taylor, A.M. and Shore, M.L. (1995) examined the forecasts of retirement planning age. This study collected data from survey technique and 264 participants chosen. This study used variables were planned retirement age as a dependent variable and health, age marital status, income and education used as independent variables. This study used hierarchical regression analysis. The result of this study showed that age has positive and significant impact on panned retirement age. This research also concluded that 60% to 70% participants retire at selected age.

Aluodi, E. and Njuguna, A. (2017) analyzed the effect of psychological factors on reediness for retirement in Kenya. This study collected data from survey technique and 270 partisans selected. This study used retirement preparedness as a dependent variable and saving, age, health, education, income and marital status used as independent variable. This study used ANOVA test

and logistic analysis. This study exhibited that saving has positive effect on retirement preparedness. This study concluded that there was substantial affiliation between retirement preparedness and psychological factors.

Bernheim, M. B. and Garrett, M.D. (2003) examined relationship between financial education personal saving. This study collected data from survey technique (SCF). This study used saving program as a dependent variable and health, age, financial literacy, income and marital status used as sovereign variables. This study used (OLS) regression analysis to interpret the results. This study concluded that financial literacy has momentous and positive impression on saving program.

Folk, et. Al estimated the effect of financial learning on redness foe retirement in Malaysia. This study collected data from survey technique. This study used variables were retirement planning as a dependent variable and income, health, age, financial education, marital status, financial wellbeing, investment and saving used as independent variables. This study used hierarchical regression analysis to obtained results. This study concluded that monetarist education has significant influence on sequestration development. This study also showed that there was momentous relationship among investment and retirement planning and health status also effect retirement preparedness.

Abdillahi, M.A. (2015) examined the factors of Islamic financial literacy towards retirement planning. This study collected data from survey technique and 230 Muslim participants chosen. This research used variables were retirement planning as dependent variable and age, health, financial education; saving, income and marital status used as independent variables. This research used (SPSS) software. This research used methods were T- test, ANOVA analysis and multiple regression used. The result of this study resolved that financial literacy has constructive

and significant effect on retirement planning. The results of this research showed that male participants had high planning of retirement towards women.

Dolvin, C.F.A, Templeton\* (2006) investigated that the influence of financial education on asset allocation decisions. The study shows that the firm offers financial education seminars to its employees and educate the employees that how they utilized their asset after the retirement and analyzed the specific benefits of retirement. Their study concluded that the education program provided by the firm to improve the financial understanding of the employees. The study find that seminar attendance is associated with increased portfolio diversification. The result showed that seminar attendees create more efficient portfolios because the participants who attend the seminar chosen a greater number of funds to hold. The study suggested a better understanding of the retirement planning process.

Bernheim and Garrett (2001) examined that the belongings of financial education in the workplace indication from a survey of households. Their study empirically conducted the cross-sectional survey of United States households to investigate the effect of employer-based financial education. Their study relates quantifiable method by the usage of survey forms as the foremost tool of data gathering. In this study income level, saving behavior, attitude toward retirement, financial education and asset allocation and arrogance toward retirement are the significant variable for the retirement planning behavior. The study result showed that when financial education available, the rate of participation in 401(k) strategies is also meaningfully higher. The result also showed that the substantial association on average and at the 25th and 50th percent for the rate of saving as well as for attitude toward retirement but no relationship for total wealth.

Parrish (2010) analyzed that How Young Australians Make Their Superannuation Decisions. He applied qualitative method with the practice of inspection surveys as the central mechanism of facts assortment. This research paper exposure the forms in which the management of evidence

can help individuals make optimum retirement choices and maximize their withdrawal incomes. The study showed that the Australian's superannuation industry control the Australian individual's retirement planning behaviour towards the selecting funds and investment portfolio. The study were used to current financial material on superannuation by using, experimenting with the display of fee, return information investment and risk.

Ambuehl, Bernheim and Lusardi (2014) analyzed that the outcome of economic edification on the superiority of result creation. The study was used the model of regression analysis. The objectives of their study were to examine how the financial education to improve decision making by helping consumers aptitude. The findings show that level in control; treatment effects full, substance-only and Rhetoric-only were the factors influencing the financial decision making. In this study, financial education effects on both financial literacy and financial choices. The study result presented that financial education had positively significant effect on US individual's decision making behaviour.

Gallery. G and Gallery. N (2005) examined that inconsistency of optimal in an obligatory allowance reserves arrangement experiments for Australian withdrawal income approach. The study showed that the Australian retirement pensions system has become gradually denationalized, individual's choices and less regulated. This choice environment provided the entities to regulator their income that how plentiful they protect for their retirement, how they manage their reserves and how those savings are invested.

As per Kim, Kwon and Anderson (2004), the people's retirement certainty will in general be developed than others as they determined their retirement store needs and had more reserve funds. The dimension of certainty will augmentation as the higher family unit salary equipped that they are with better wellbeing. The working people who got work environment money

related instruction and guidance before assistance them to have more confidence toward retirement arranging (Power and Hira, 2004).

As per Kim, Kwon and Anderson (2004), the people's retirement certainty will in general be advanced than others who have not planned their retirement as they determined their retirement store desires and had more reserve funds. The dimension of inevitability will increment as the higher family unit salary furnished that they are with better welfare. The working people who got work atmosphere money related instruction and counsel before succor them to have more conviction toward retirement spacing (Power and Hira, 2004).

Further Davies and Cartwright (2010) in their study delineated commitment of the mental frames of mind near retirement and psychosocial business related to the factors in anticipating inclinations for retirement. In any case, as governments progressively stresses on culture, which advances the desire that an worker need to work lengthier, the early retirement philosophy is never again practical. Mindfulness on budgetary desires is gotten from inquiries regarding people's learning of their own money related resources and is expected to speak to a mentality that mirrors how much people screen and to be caution of their budgetary circumstance. The accompanying theories were created dependent on past examinations:

O'Leary (2015) investigated that the optimization of retirement benefits for Australian. The objective of the study was that there were three sources of capital the age pension, individual savings and individual superannuation to optimize of retirement benefits for Australian. In this purpose Linear Programming was used to establish the set of decisions beyond a lifetime, with the study focused on Australians earning. In this study the author was used different policy implications for retirement funding decisions. The study concluded that to provide the superior retirement outcomes, to increase the superannuation guarantee rate and age pension was securing beyond a lifetime for retirement funding decision.



Carolina (2014) analyzed the connection amid financial literacy and retirement readiness study. The objective of the study was that to encourage superior financial performs related to saving and planning for retirement, in this purpose the author set different principals to achieve the retirement planning decisions. The study was showed that the financial literacy and retirement readiness research was directed using an online survey amid 1,302 adult Americans nationwide and 636 North Carolina inhabitants. The result was showed that the in women the retirement readiness was low than men.

Lusardi and S . Mitchell (2006) intended the financial literacy and planning, insinuations for retirement wellbeing. This study showed that the researchers worked that very few people of Americans have knowledge about retirement savings adequacy but they would not know how they invest their savings and whether planning and information costs might affects retirement savings. The study concluded that to aware these questions, to build a component on preparation and economic knowledge for the Wellbeing and Withdrawal Revision 2004. The factors that affect the financial literacy for retirement were social security benefits, inflation, investment returns, pensions and discount rates. The result showed that the knowledge would be spread about retirement planning through financial literacy in US population.

Lusardi (2004) intended to establish the relationship between saving and the effectiveness of financial education. This study examined the financial behaviors of US individuals. The objectives of the study were to examine that how the individuals would be saved after retirement and whether the retirement seminars affect their savings. This paper used data from US healthiness and retirement study (HRS). The learning concluded that the retirement seminars gave the knowledge about financial retirement saving decisions for US population.

Encel et all. (1996) examined that the relationship between retirement ages and pension ages. In this study different authors described about the retirement age and pension age. They concluded

that the right age of retirement about age 65 linked with bureaucratization, demographic change and industrialization. The whole study showed that wide variations between different eight countries embedded on different issues like politics, social economics context for pension and retirement scheme.

Lusardi and Mitchell (2005) investigated that the relationship between financial literacy and planning and present different inferences for retirement comfort. Their study showed that many Americans individuals have little saving to maintain their life after retirement but US individuals spent poor life than richest countries and failed retirement planning. They examined that this low glassy of departure development due to short level of financial literacy. The scientists determined that if increase the financial literacy to better the lifestyle of US individuals after retirement.

Lusardi (2003) intended that the association amid planning and saving for retirement. The author explained the US individuals saving retirement planning behaviour. He found that people have little amount after the retirement. They should not know how they invest their saving. The author presented the saving behaviour module which factors effects this module were assets, depression, great shocks on saving behaviour etc. The study showed that lack of planning behaviour in low wealth prosperities that are less likely to encompass high return assets, such as stocks. The findings of the author research suggested that there were hidden possibilities in trace these policies. The study suggested that if they were not accompanied by a serious deliberation of the difficulties people face in planning for the future, in making saving plans and policies to address them.

Ntalianis (2009) analyzed that the role of financial education in a choice of fund superannuation system. The primary persistence of this study was that to evaluate whether superannuation fund provided educational resources. The neutral of this study was that to appraise the economic education to determine the retirement planning behavior and superannuation portfolios, gave the

information about superannuation that how the individuals invest their savings regarding their superannuation investment funds. The study showed that these all problems to solve by the financial education model, financial education model gave the information and instruction about the choice of fund superannuation investment behavior.

Joo and E. Grable (2005) investigated that “the relationship between employee education and the prospect of having a retirement savings program”. The study would be used to describe the retirement saving decisions. The study concluded that employee education, retirement saving, and retirement planning has significant predictors of retirement saving program among Americans individuals by using Retirement Confidence Survey data (N = 751). The study showed that the policy maker made different policies for retirement investment program and Americans individuals’ retirement planning behavior. The result showed that retirement savings and retirement planning there was the positive impact on employee education and retirement saving behaviour.

Lusardi and S. Mitchell (2007) intended to establish the relationship between financial literacy and retirement planning, new evidence from the rand American life panel. In this study they analyzed the financial education and retirement planning behaviour. The objective of this study was that the purpose of financial education to give the knowledge of worker about prime earning years when they made their financial decision. The findings showed that financial literacy index would generate a solid predictor of retirement planning.

Patel, F. D. (2017) estimated the effect of income on withdrawal saving performance. The aim of this study tried to examine that income was a discriminative factor which effects non public sector workers retirement planning and savings. This study used variables were income, retirement planning, attitude toward retirement and saving behavior. The income and retirement planning used as an autonomous variable and saving behavior used as a reliant variable. This

research used different reliability test, sampling methods and ANOVA test. The attitude toward retirement shows the optimistic influence on retirement planning. The result of these study confirmations that income affects the savings of workers in nonpublic sector.

Beh, S. L. and Folk, Y. J. (2012) examined the impact of economic instruction on departure planning in Malaysia. This study used different variables as ethnic, gender, employment, marital status, learning, financial literacy, number of youngsters, and ownership of home, age, and income. This study used different regression analysis, multiple regression, hierarchal and descriptive analysis. The research of this study discloses that age has a positive impact on retirement and inverse impact on credit card debts. This study also exposes that personal income and financial literacy has positive effect private financial being. The gender, age and education were insignificantly related with retirement preparation. The study suggested that to empower the retirement preparation among working people the provision of awareness about the retirement saving scheme was necessary.

Clark, E. A. and Fawaz, Y (2015) examined the effect of marginal utility of income on retirement. This study used time which covered the period from 1992 to 2010. This research collected data from health and retirement study. This study used variables were marginal utility of income, retirement, gender, health, population and age. This research used different econometrics methods and simple OLS regression. This study explore that little marginal utility of income has negative effect on retirement. This research estimated two groups. The result showed that little group was sad with lofty marginal utility of income and other was fortuitous low marginal utility of income.

Elder, W. H. and Rudolph, M. P. (1999) analyzed the association among retirement satisfaction and retirement planning. This research collected data from health and retirement study. This study used variables were retirement arrangement, retirement contentment, retirement thinking,

income, wealth, marital standing and health. This research was used different descriptive statistical methods. This research of this study reveals that retirement thinking has optimistic influence on retirement satisfaction. The result of this study concluded that persons which were pressured to retire because of inferior health have low level of satisfaction retirement.

Heenkenda, S. (2016) examined the preparedness to retirement planning of workers in Sri Lanka. The (TPB) estimated the impact of factors relationship with the object preparedness to planning of retirement. This research used reliability test and regression analysis test. This study used index which was Kaiser-Meyer-Olkin (KMO). This study used variables were retirement planning, government pension, savings, insurance plane and social capital. The result of this research concluded that preparedness to retirement planning significant effect association with personal behavior, social stress and sense of control.

Chung, S. I. (2017) estimated the “retirement planning and quality of life in retirement; factors affecting the Korean, American elders retirement satisfaction”. The chief objective of this study tried to find out that Americans and Koreans readiness to retirement and what factors which effect retirement satisfaction. This study used survey techniques and also used questionnaires. This research used retirement satisfaction as a dependent variables and gender, age, education, economic planning, social association, marital status and religion affiliation used as independent variables. This study used (SPSS) software to check the reliability. The result of this study concluded that private adjustment, social and economic planning to American and Korean elders and have important impression on giving up work satisfaction.

Kim, J. et al (2005) surveyed the link of retirement confidence with other proxies. This research used (RCS) “Retirement Confidence Survey” to collect the data. This study used retirement confidence as a dependent variable and health, financial education, marital status, saving, gender and household as independent variables. This research used multiple regressions and also used

ANOVA test. The result of this study established that saving has important impression on retirement confidence. There was negative relationship between retirement attitude and income. This research showed that health and household had positive impact on retirement confidence. This study concluded that good health enhance the level of retirement confidence.

Hassan, K. M. and Lawrence. (2001) examined the savings of super cool generation and their reediness for retirement in age 50's. This research collected data from (SCF) from 1995. This study used variables were pension plan eligibility as a dependent variable and health, income, gender, household, marital status, financial wellbeing and education used as sovereign variables. This study used regression analysis to find out the results. The conclusion of this study presented that income and household has constructive and substantial impact on pension plan eligibility of men and women in age 50's.. This research concluded that age and education has momentous and adverse impact on pension plan eligibility.

Asebedo, D. S. and Seay, C. M. (2014) examined the relationship between favorable psychological behavior and retirement satisfaction. This research used sampling techniques data was collected from (HRS). This study used variables were retirement satisfaction as a dependent variable and health, education, income, marital status, gender, engagement and psychological attribute as independent variables. This study used statistical test, ordinal logistic test and (LOT) test. The result of this study concluded that psychological attribute has positive impact on retirement satisfaction. This learning also exposed that there was a significant and positive association among engagement and retirement satisfaction.

Thakur, et al. (2017) analyzed perceptiveness of workers as far as retirement planning. This study used inspection technique to gather the records and 1144 participants included in survey, they have different age and professions. This study used variables were retirement planning as a dependent variable and health, education, investment, saving, income and marital status as

independent variables. This study used chi- Square test to check the hypothesis. The result of this study concluded that approximately 50% (572) participants were invested as far as their retirement. This study showed that 20% participants were invested above 30%. THIS Research analyzed that income and saving has positive impact on retirement planning.

Radner, B. D. (1998) estimated “the retirement prospected of the baby boom generation”. The core impartial of this study remained to compare the baby boom generation monetary situation with their parents. The baby boomers were born in among years 1946 to 1964. This study used variables were income, age, marital status, gender and education. This study used life cycle model. This study used methods were estimation and projection methods. The result of this research showed that the economic status of baby boomers high with their parents. This research also concluded that if baby boomers enhanced their savings in early years then their level of living enhanced otherwise not.

Copeland, W. C. (1989) estimated “the perceived retirement preparation of near retiree baby boomers”. This research collected data from (HRS). This study used variables were retirement expectation as a dependent variable and household income, age, gender, financial wealth, education and marital status used as independent variables. This study used (OLS) ordinary least square test. This study concluded that Household income has positive impact on retirement expectation. This study also showed that time of life has positive and important influence on superannuation expectation.

Retirement is last stage in vocation improvement and every single working individual either in open parts or private areas will resign later on. Johnson and Williamson (1987), retirement has been characterized as "an occasion, a formal takeoff from paid work that happens on a given day, a status with new standards to learn and a procedure that starts the day a representative recognizes that the laborer job will end". Thusly, retirement ought to be seen as a procedure that

has extraordinary effect on life change that will prompt a feeling of void, dejection and a decrease in life fulfillment (Atchley, 1997) provides a characterized advantage plan, they won't get their annuity. As indicated by an article in Forbes magazine by Jeanne Eister on August 14, 2012, laborers nowadays normally remain at one occupation for 44 years. This may not be sufficient time for the employee to accomplish the required years worked for retirement benefits, and the worker is then left without retirement benefits in full.

Retirement arranging is significant for the future however individual need to requires exertion, particularly when looming to retirement age. As per Taylor and Doverspike (2003), the significance of retirement arranging is identified as a readiness for the progressions going with retirement that is was identified with a large group of emotional conduct alteration files. Tacchino (2013), includes with early arranging of the retreat it plans distinct to be fruitful achieving sequestration later on.

Numerous social scientists have been finished with resigned people to decide the relationship, for example, the getting ready for retirement the future and have discovered constructive relationship mentality headed for giving up work ( Atchley, 1988; Goudy, 1982; Morrow, 1981; Value Bonham and Johnson, 1982) and fulfillment with the retirement period of lifespan (Square, 1984; Szinovacz, 1987).

Lai, Lai, and Lau (2009) establish that the inspirational frame of mind toward retirement among Malaysian scholastics and the outcome indicates huge contrasts between statistic factors, for example, age, work position and training level against yearly pay levels. In discrete investigation conveyed by Moorthy et al., (2012) on age contrasts demonstrated that distinctions age gathering of working individual has an alternate point of view towards the retirement arranging.

As indicated by Meyer, Zick and Glaittli (2011), individual with characterized commitment plans, have the more prominent obligation regarding their directing in retirement arranging than



discrete with characterized advantage strategies. In this manner, they may have been hoping to demonstrate the more noteworthy mindfulness. The familiarity with retirement is a significant component of monetary proficiency as a starter in retirement arranging conduct. Dahlia, Zuraidah and Norhidayah, 2012 expressed that mindfulness is critical to understanding the retirement investment funds this since when mindfulness is low, the connection among self and any given average, is ill defined along these lines causes the person to lose enthusiasm and bomb throughout everyday life.

Kipkemoi, W. M (2018) estimated the association among retirement confidence and Kenyans readiness for retirement. That was collected from survey techniques. This study used variables were retirement confidence as a dependent variable and health, age, income, financial education, investment, saving and marital status as independent variables. This study used estimation methods to find out results. The conclusion of this study showed that health has significant impact on retirement confidence. This showed that good health enhance retirement confidence. This research determined that marital prestige has no effect on retirement confidence and saving has positive impact on retirement confidence.

Noar, N. Z. (2017) focused on the responsiveness of departure formation. The study conducted to Malaysia. The study works on primary data that collected through survey. The study tells that the Malaysia's employees have no idea and sufficient awareness about retirement planning scheme. They just rely on pension payment that they gain from state after retirement. The analysis of the study tells the experience of 107 employees in Malaysia it was seems that the awareness of retirement planning was given to employees through seminars and conferences. The study concluded that the employees were willing to save and invest for their retired life. Finally the financial literacy and awareness were positively related with retirement planning.

Ali, A., Rahman, M. S., & Bakar, A. (2013) analyzed the association amongst economic literateness and retirement satisfaction in case of Malaysia employees. Financial literacy plays vital role in term of retirement planning. The study depends on the experience of 199 individuals that taken as sample from the collection of data. It was seems that financial planning have a momentous impact on literacy level. The study concluded that the literacy level have a constructive and substantial affiliation with financial satisfaction level among the employees. The employees with financial consciousness make their retirement planning and save for their retired life.

Mohd, S. (2015) explores the role of informal sector in retirement planning. The study led to Kuala Lumpur in Malaysia. The study focused on the performance of informal sector towards retirement planning. The included informal sector was shop worker, market sale worker, and trade workers. The analysis of 400 informal workers resulted that the workers have less consciousness about retirement planning scheme. That was actually beneficial for them in old age. The study concluded that to provide financial literacy to both formal and informal employees a scheme was launched in Malaysia namely Employees Provident Fund (EPF) scheme. The study suggested that with the participation of saving and investment saved the employees future life.

Jaron, H. (2016) observed the influence of gender and academic program on financial literacy in Malaysia. The study conducted to undergraduate student of Malaysia. The selected variables in this study were gender, age academic program and their impact was seems on financial literacy. The study adopted the methodology of analysis were T-Test and ANOVA that implies from the sample of 300 sample students. The study resulted that the difference found among the financial literacy of male and female. The male was seems more conscious and aware about retirement scheme as compared to female. The study recommended that from the provision of knowledge

and information about the prominence of pecuniary knowledge and superannuation scheduling during the students study life then it was beneficial for them to apply in job life.

Duong, H., Gerrans, P., Lajbcygier, P., Moulang, C., Strydom, M., Vaz, J., & Wickramanayake, J. (2015) explained the interaction between retirement saving and investment behavior of Australian employees. The study rely on retirement saving, investment and individual behavior of retirement planning. The selected variables in the study were young adult, individual saving, investment and income. The study generalized that from the awareness of retirement and financial literacy level the individual behavior of saving and their tendency towards investment improved. Some aspects such as gender, age and income were linked with individual behavior and decisions whereas other factors such as financial literacy was related with individual attitude of investment. The study determined that from the awareness of financial literacy the individuals behavior was improved but the data that explains the experience of individual tells that the individuals was not seems to move toward saving for retired life. They do not make sense of saving and investment indeed they have financial literacy and awareness about the benefits of retirement planning scheme.

Ja'afar, R., & Daly, K. J. (2016) examined the role of financial reliability for retirement planning a realistic exploration of Malaysia employees. The study conveys about the purpose and benefits and pension system. The purpose of the pension system was to provide retirement benefits from the state to the employees. The employees continuous their expansion after retirement by using pension. But because of economic uncertainty various issues was arises in pension system. The analysis of the study resulted that due to uncertainty conditions of the economy a new scheme was launched for the welfare of employees known as Employees Provident Fund (EPF). The purpose of the employees provident fund scheme was to provide information employees about the benefits of saving and retreat preparation. The learning concluded that with the publication of

Employees Provident Fund the employees get awareness about financial literacy and they save for their better life after retirement and not just rely on pension that was beneficial for them.

Hassan, S., Othman, Z., & Din, W. Z. W. discover that the Employees Provident Fund scheme was adopted and does it provides retirement income to the employees. The study analyzed the performance of Employees Provident Fund scheme in Malaysia. The study works on primary data that together through survey. To analyze the behavior of 300 employees towards retirement planning the regression analysis method was applied. The study concluded that gender, employees saving, housing loan, and medical expenses were negatively related with retirement income planning scheme. The study commended that with the enhancement of Employees Provident Fund scheme better facilities was provided to the employees of Malaysia. The number of employee's adequacy was improved in Malaysia.

Narayanan, S. (2002) studied the association among old age sustenance and secretive division workers in case of Malaysia. The study focused to analyze whether Employees provident fund proved beneficial for Malaysia employees or not. The employees provident fund scheme was the most favorable in private sector employees. The study find out that the old age security was delivered by the Employees Provident Fund that depends on the saving that helpful to protect old age expansion. While from the existence of Public Pension Scheme that gives pension to the employees to fulfill their after retirement life expenses to maintain their life style. The study concluded that it was seems that the adoption of employees provident fund scheme not gives sufficient results to protect employees retired life.

Chee, L. K. (1997) analyzed the role of Malaysian government pension scheme and analyzed the government future direction about pension scheme. The study conducted to private sector in Malaysia. The government of Malaysia provides benefits to employees in term of pension. It was seems that the provision of pension was a burden on the state. The provision of financial benefits

expenditure was higher than the growth rate of GNP. To overcome such tragedy it seems that government provides no pension to the women who retire before 45 years and males who retire before 50 years. On the other side, the term of the provision of pension in financial benefits because of the employees paid amount from their salaries. The study was concluded that government was acting such dilemma pension the cost that employees paid from their salaries.

Heenkenda, S. (2016) analyzed the employee's willingness to develop retirement planning in estate sector. The study was conducted to Sri Lanka. The study identifies the factor that linked with the willingness of employees retirement planning. The selected variables in this study were financial literacy, social pressure and employee's attitude and their impact was seems on retirement planning behavior. The study based on primary data of 900 employees. The simple random sampling method was applied for the analysis of data. It was resulted that personal attitude, social pressure and financial literacy have important impact on retirement arrangement.

Juen, T.T. and Sabri, F.M. (2014) examined the "factors affecting retirement confidence among women in peninsular Malaysia government sector". This research used sampling technique and 447 women workers of government sector included in which 71% women married and 26% single women participated in survey. The data was collected by questionnaire. This study used variables were retirement confidence as a dependent variable and marital status, education, money adequacy, financial wellbeing saving and management practices as independent variables. This research used econometric techniques as T- test, Hierarchical multiple regression and correlation analysis used. The Malaysian government made saving scheme for private workers they saved percent of their income till the aged 55 year. The results of this research showed that these women workers with education and married women had enough money and capable to save more for retirement and more confident. In Malaysia life expectancy of men was 72 years and life probability of women were 77 years. The Malaysian women wasted their 17 years after

retirement. The results showed that saving and education has positive impact on retirement confidence.

Mourine, et al (2017) analyzed the association among financial literacy financial readiness for retirement. This study collected data from survey technique (HRS) Health Retirement Survey. In this research 384 participants chosen from 29 states of Nairobi central business district. This research used variables were preparedness for retirement as a dependent variable and gender, health, education, marital position and number of dependents as independent variables. This research used regression analysis, reliability test and ANOVA test used. The results of this study showed that income, gender and education has progressive impression on preparedness for withdrawal. The outcomes of this research also showed that education has optimistic and substantial sway on sequestration preparedness. The result of this research showed that there were 24% dissimilarity in financial literacy to preparedness for retirement and 64% variation in preparedness for retirement to financial literacy. The results also showed that number of dependents has negative effect on preparedness for retirement.

Kim, et al (2005) estimated the factors which effect retirement confidence. This research collected data from survey technique (HRS) health retirement survey. In this study 1,002 participants were chosen in which 783 workers and 219 retirees. The baby boomers were born between years 1946 to 1964. This research used retirement confidence as a dependent variable and health, education, marital status, gender and income used as independent variables. This study used ANOVA test and regression analysis. The outcomes of learning disclosed that income and health has positive impact on retirement confidence. The results of this study showed that workers who had low income their retirement confidence were very low. This research also showed that education also has positive effect on retirement confidence. This study also showed that good health enhanced the retirement confidence.

Roos, et al (2009) scrutinized the “financial literacy and retirement planning in Netherland. This study collected data from survey technique (HRS) health retirement survey and household survey. In this survey 1,508 participants participated and their ages between 30 to 60 years. This research used variables were retirement planning as dependent variable and financial literacy, saving, education, health and income used as independent variables. This research used regression analysis and OLS (ordinary least square) method. The results of this study showed that financial literacy has positive and substantial impression on retirement planning. The results also showed that good health also has positive effect on retirement planning. This estimation also exposed that saving has positive and momentous upshot on retirement planning.

Sabri, et al (2015) estimated the association among financial literacy, financial management and retirement confidence. This study collected data from survey technique (SCF) survey of consumer finance. In this survey 722 women chosen for sample in which 73% married and 23 percent women single. This research used retirement confidence as a dependent variable and financial literacy, financial management practices, health, education, health and marital status used as independent variables. This research used regression analysis to explore results. The outcomes of this research presented that there was a positive association among financial literacy, financial management and retirement confidence. The results also showed that education has positive effect on retirement confidence. This research also showed that good and healthy life enhanced the retirement confidence.

J, R. R. B.S (2014) analyzed influence of economic knowledge and attitude on economic administration practices. This study collected data from survey technique (SCF) survey of consumer finance. In this survey 110 graduated workers participated and 86 questionnaires received and 76 participants respond the questions. This study used financial management practices as a dependent variable and financial knowledge, financial management, income,

health, marital status and education used as independent variables. This exploration used hierarchical regression analysis to interpret the results. The outcomes of this research indicated that monetary awareness and attitude has positive effect on financial management practices. This study also disclosed that income has positive and important impression on retirement.

Lusardi, A. and Mitchell, S. O (2005) examined “the effect of financial literacy on retirement planning”. This study collected data from survey technique (HRS) health retirement study. In this survey technique 1,269 respondents chosen. The participants gave answer to the questionnaire. This research used variables were retirement planning as a dependent variable and financial literacy, health, education, Income, saving as independent variables. This research used regression analysis to calculate results. The results of this study showed that pecuniary literacy has affirmative and extensive impression on retirement planning. The results also showed that saving and good health also has positive effect on retirement planning. The results also exposed that income has confident influence on retirement planning.

Lusardi, A. and Michel, S. O. (2007) analyzed the “financial literacy and retirement readiness: substantiation and suggestions for financial education”. The key objective of this research is to find out the effect of commercial education on retirement readiness. This research collected data from survey technique (HRS) health retirement survey. In this research 1,000 participants participated and in questionnaire 28 true and false given. This study used variables were retirement planning as a dependent variable and financial literacy, health, education and income as independent variables. This study used econometric techniques to calculate the results. The results of this research showed that financial knowledge has optimistic influence on superannuation development. The results also showed that education and income has substantial consequence on sequestration planning. The results exhibited that good health has momentous effect on retirement planning.



Arslan, M. D. G. O. examined the “effect of education on level of financial literacy”. This study collected data from survey technique. The questionnaire method was applied in this research. In this research 407 male and 624 female students participated in this survey. The research used (SPSS) software. This study used chi-square test and reliability tests applied to explore results. In this research financial literacy was analyzed by 4 magnitudes as mathematical understanding, financial ability, financial responsibility and gender. The results showed that financial literacy has constructive impression on investment projects and produced money. This study showed that results collected from banking and insurance sector students had positive assimilated to collect results from business management and accountancy sector, because insurance and banking students got financial education.

Reitzes, C. D and Mutran, J. E. (2004) examined the effect of psychological and social factors on retirement adjustment. This research collected data from survey technique (HRS) health retirement survey. In this research middle aged workers 400 men and 400 women selected for sample. This research used retirement adjustment as a dependent variable and positive attitude towards retirement; saving, health, age, marital eminence, income and gender used as independent variables. The results of this study showed that positive attitude towards retirement increased retirement adjustment. The results also showed that good health enhanced the retirement confidence among men and women. The results explored that poor health decreased the positive attitude towards retirement adjustment. This research showed that marital position has optimistic and momentous effect on retirement adjustment. This study also revealed that greater income of family and pension admissibility enhanced the positive attitude towards retirement on women than men. The results also showed that saving has significant effect on retirement.

## 2.1 Literature Review Table

Variable	Study
Goal clarity	Abdul Rahman (2012), Ntalianis and Victoria (2011), Joo, H. S. and Pauwels, W. V. (2002),
Attitude toward retirement	Abdul Rahman (2012), Patel, F. D. (2017), Nyang'aya Richard Akuno (2017), Nyang'aya Richard Akuno (2017), Joo, H. S. and Pauwels, W. V.(2002), Yao, et al (2003), Bernheim and Garrett (2001)
Financial literacy	Ali, et al (2016), Lusardi, A. and Mitchell, S.O. (2007), Bernheim, M. B. and Garrett, M.D. (2003), Lusardi and Mitchell (2005), Beh, S. L. and Folk, Y. J. (2012), Ali, A., Rahman, M. S., & Bakar, A. (2013), Ntalianis and Victoria (2011), Sabri, M.F. and Juen, T.T (2014), Ja'afar, R., & Daly, K. J. (2016), Duong, H., Gerrans, P., Lajbcygier, P., Moulang, C., Strydom, M., Vaz, J., & Wickramanayake, J. (2015) , Mourine, et al (2017), Rooij, et al (2009), Joo, H.S. and Grable, E.J. (2005)
Financial wellbeing	Hassan, K. M. and Lawrence. (2001), Juen, T.T. and Sabri, F.M. (2014), Joo, H.S. and Grable, E.J. (2005) Folk, et Al (2006)
Gender	Joo & Pauwels, 2002; Kim et al., 2005, Ntalianis and Victoria (2011)

## **Chapter 3**

### **3. Methodology**

In last chapter we discussed relevant theories, empirical findings of previous researches and variables of our framework. The previous chapter also depicted the need for this study. It also highlighted research gap which required to be fulfilled. But in this chapter we will discuss in detail the methods, procedures which are required to fulfill the objectives of our study. Without these procedure we will not be able generalize our results. This chapter will focus on data conceptual framework, hypotheses development, data collection technique population, sampling technique, sample size etc.

#### **3.1 Ontological and Epistemological Properties of the Research**

Ontology refers to what sort of things exist in the social world and assumptions about the form and nature of that social reality. As we have used quantitative study, so our ontological stance is realism. . It is concerned with whether or not social reality exists independently of human understanding and interpretation.

Epistemology is concerned with the nature of knowledge and ways of knowing and learning about social reality. Two main perspectives for knowing are positivism and interpretivism. We have used positivist approach. Positivist prefers quantitative methods such as social surveys, structured questionnaires and official statistics because these have good reliability and representativeness. Positivists see society as shaping the individual and believe that 'social facts' shape individual action. The positivist tradition stresses the importance of doing quantitative research such as large scale surveys in order to get an overview of society as a whole and to uncover social trends, such as the relationship between educational achievement and social class.

### **3.2 Conceptual Framework**

In Conceptual framework researcher usually reveals relationship among different constructs or variables. These relationships or linkages are developed on the basis of extensive literature review. After finding gap in literature and to add theoretical contribution one needs to create pictorial representation of variables. It includes all dependent, independent, mediator and moderator variables.

The framework for this study embraces of retirement planning activities as dependent variable as well as Age, Income, Goal Clarity, Financial Wellbeing, Attitude towards Retirements independent variables. This relation amongst dependent and independent is recognized over a mediating variable that is Mastery and moderator variable is gender. On the base of this exploration structure is recognized, which displays the theories and association among the recommended variables.

### **3.3 Theoretical framework**

The theoretical framework gives indication about the associations which prevail amid diverse hypotheses of the investigation reading ( Miles ,1994) The “Conceptual” and “Theoretical” outline terms are interchangeably recycled the exploration exemplary of the learning is agreed underneath.

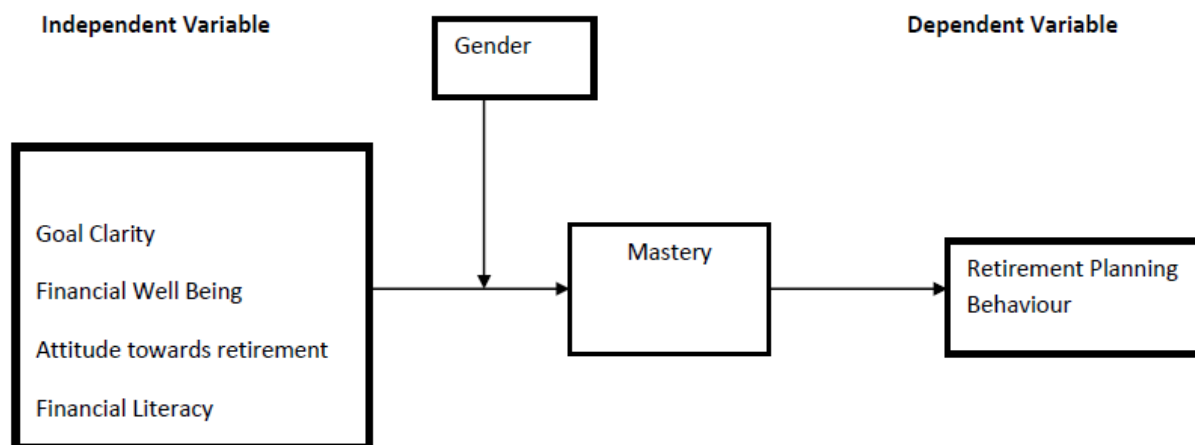


Figure: Diagrammatical demonstration of association among variables of the study.

### 3.4 Hypotheses Development

Hypothesis (hypotheses-plural form) is considered as any testable announcement, it is also called as an educated guess, about a relationship between two or more variables. It can accept or rejected so it should be formulated with intense carefulness. Hypothesis is known as a preliminary report nearly the association amongst dependent and independent variables. It is a specific predication of researcher about the development of hypothesis. It is designed to know the hypothesis can be accepted or rejected.

#### 3.4.1 Relationship between goal clarity and retirement planning behavior:

Goal clarity is the most important variable of the retirement planning behavior. The term of goal clarity is demarcated as a procedure by which the persons set their goal of life. They must plan for their retirement life at the initial working life. If a worker pays more attention to save money for their after job life then they lives a best life. This is identified by various studies available in review. The study of Ntalianis and Victoria (2011) is related with present study. They state a progressive association concerning goal precision and withdrawal formation performance. That's

means with higher level of goals of life about retirement saving is certainly correlated with withdrawal arrangement.

Joo, H. S. and Pauwels, W. V. (2002), results are related with present study. They concluded a positive association among goal clarity and retirement planning behavior. By positive association it means an increment in individual's goals of saving for retirement they can gain more benefits. The study of Grable, E. J. (2005) and Abdillahi, M. A. (2015) is relevant with defined hypothesis. They collected data from surveys and organizations. The result shows that a affirmative association arise among goal precision and sequestration preparation performance. If the working individuals set a specific and clear objective to save for their retired life, they could be able to have sufficient funds for post-retirement life. The individuals set their goals of saving a specific amount at the initial period of their job then they will enjoy their life after retirement in better way and will be able to meet the requirements of their career ending life in better way. Accordingly they remain additional inclined by their substantial others in enchanting their results.

H1: goal clarity has positive significant impact on retirement planning behavior

#### *3.4.2 Relationship between financial wellbeing and retirement planning behavior*

Financial wellbeing is related with the financially status of individuals having property and wealth. An individual with advanced economic prominence can exclude additional for their retirement. This hypothesis is related with the study of Sabri, M.F. and Juen, T.T (2014) that states a significant relationship among financial wellbeing and retirement planning behavior. According to their study an individuals with higher financial wellbeing can manage their daily expenses as well as save for their retirement life. A related study with this relationship is conducted from Joo,H.S. and Grable,E.J. (2005). They also concluded an extensive optimistic association between monetary welfare and departure formation activities.

Pauwels, W.V.(2002) in his research found a momentous correlation financial wellbeing with retirement planning behavior. An individual with economic wellbeing can attain more benefits after retired life. Folk, et Al (2006) in his research defines a constructive association amid economic welfare and giving up work preparation performance. An individual with financial wellbeing can save more for their retired life and spend stable life after retirement. They will not just rely on pension income and save personally for their selves. Thus the financial wellbeing will more sufficient for retirement planning. Individuals with financially wellbeing is good then they can manage daily money, creates financial goals, precautionary savings also creates wealth management and financial confidence. An individual with financial wellbeing can save more for their retired life and spend stable life after retirement. They will not just rely on pension income and save personally for their selves. Thus the financial wellbeing will more sufficient for retirement planning.

H2: Financial Wellbeing has significant positive impact on retirement planning behavior

### *3.4.3 Relationship between attitude toward retirement and retirement planning behavior*

Attitude toward retirement is one important variable of the study. It defines the behavior of individual to maintain their life after the working age. The study shows a positive significant relationship between attitude toward retirement and retirement planning behavior. The result of the study related with Nyang'aya Richard Akuno (2017) research that individual's attitude towards retirement show a positive impact on retirement planning behavior. If individuals pay attention to save money at the initial working age they can gain more benefits after working life. The individuals just rely on pensioner income then they live their life at a moderate level.

Nyang'aya Richard Akuno (2017), study related with defined association among variables. They conducted study by collecting the survey data of 400 men and 400 women after analysis compering their behavior of retirement planning. They concluded that a positive attitude of

women seen in retirement planning behavior is greater as compare to men. Joo, H. S. and Pauwels, W. V.(2002) studies also defined a positive association among attitude toward retirement and retirement planning behavior. Yao, et al (2003) documented a significant link among attitude toward retirement and retirement planning. They concluded that with provision of awareness about the benefits of retirement saving scheme through survey and workshops will be beneficial for workers.

Bernheim and Garrett (2001) in his study find out a significant association between attitude toward retirement and retirement planning behavior. According to them the individual attitude of making saving for their retired life is highly correlated with retirement planning behavior. Patel, F. D. (2017) in his study indicated that attitude toward retirement has significant positive impact on retirement planning behavior. The employees with sufficient retirement planning tend to have a good planning for their retirement. The employees who were more active in their retirement planning were more positive in their attitudes toward retirement. The individuals may feel they have some control in shaping a positive retirement experience when they have more planning for retirement. Thus they are further predisposed by their substantial others in enchanting their resolutions.

H3: Attitude toward retirement has positive significant impact on retirement planning behavior

#### *3.4.4 Relationship between financial literacy and retirement planning behavior*

Financial literacy is used as independent variable in the study and through analysis check the influence of monetary learning on retirement planning behavior. The finding of the study show positive significant effect of pecuniary knowledge on withdrawal formation activities. The study of Beh, S. L. and Folk, Y. J.(2012) is related with the above defined hypothesis. They conducted study to Malaysia. The outcome of the study shows significant link among financial literacy and departure formation. The finding of the study of Yao, et al (2003) is also related with the present



study. They adopted various techniques and after analysis it is resulted a significant relation among defined variables. Ntalianis and Victoria (2011) developed study that concluded financial education has significant impact on retirement planning. The study found that Women's participate in retirement planning was much differ than man performance and they also have differ attitude toward saving as well as investment..

The study of Sabri, M.F. and Juen, T.T (2014) conducted to Malaysia. This study accomplishes that economic mastery was substantial analysts of retirement assurance amongst employed women with monetary organization as the foremost feature causative concerning superannuation self-assurance. The study result of Hassan, K. M. and Lawrence. (2001), Kipkemoi, W. M (2018) is also related with the described hypothesis. Ali, A., Rahman, M. S., & Bakar, A. (2013) in his study show the importance of financial literateness while making superannuation development. The study determined that the literacy level have an optimistic and substantial relationship with economic satisfaction level among the employees. The employees with financial consciousness make their retirement planning and save for their retried life.

Duong, H., Gerrans, P., Lajbcygier, P., Moulang, C. Strydom, M., Vaz, J., & Wickramanayake, J. (2015) in his research conducted to Australia. Their study concluded that financial literacy was most important factor for the analysis of Australian worker attitude toward retirement planning. Ja'afar, R., & Daly, K. J. (2016) in his study find out the behavior of Malaysian employees towards retirement planning. The study resulted that financial literacy plays vital character for the preparation of retirement planning. . The study concluded that with the publication of Employees Provident Fund the employees get awareness about financial literacy and they save for their better life after retirement and not just rely on pension that was beneficial for them. The finding of Mourine, et al (2017) as well as Rooij, et al (2009) studies also support the above described results.

Sabri, et al (2015) study examined the behavior of working women. They concluded that 73% women participate in retirement planning while remaining doesn't participate in retirement saving and just rely on pensioners income after the working age. The finding of J,R.R. B.S (2014) is also support the defined hypothesis that financial learning shows positive important impression on departure preparation performance. The job holder with advanced pecuniary knowledge will be able to attain high level of benefits. An employee must have the sufficient awareness about the benefits to save for their retired life so it could be beneficial for employees and statistically significantly related with superannuation formation performance.

H4: Financial literacy has significant positive impact on retirement planning behavior

### **3.5 Mastery as a Mediator**

Mastery is known as a comprehensive skill and knowledge in a particular activity. It related with the individuals empower to participate in retirement planning scheme. It encourages the individuals to save a particular amount of their income for the retired life. In the present study mastery is adopted as a mediator variable among all defined variables.

H5A: Mastery acts as a mediator among goal clarity and retirement planning behavior

H5B: Mastery acts as a mediator amid financial wellbeing and retirement planning behavior

H5C: Mastery acts as a mediator amongst attitude toward retirement and retirement planning behavior

H5D: Mastery acts as a mediator among Financial Literacy and retirement planning behavior

### **3.6 Gender acts a moderator**

In the study gender is selected as moderator among selected variables. It defined as the classification of participant in retirement planning. It includes the behavior of man and women that working in any organization. In the present study 62% males participate in retirement

planning scheme while remaining 38% working women participate in retirement planning. They make saving at the initial period of working and not just rely on pensioner income after the retirement and live a better life as compare to those that just rely on pensioner income and not making saving. Joo & Pauwels, 2002; Kim et al., 2005 describes a direct affiliation concerning gender and withdrawal planning behavior. Gender is used as a moderator among all selected variables with retirement planning behavior.

H6A: Gender acts a moderator amid goal clarity and retirement planning behavior

H6B: Gender acts a moderator amongst financial wellbeing and retirement planning behavior

H6C: Gender acts a moderator concerning Attitude towards Retirement and retirement planning behavior

H6D: Gender act as a moderator between Financial Literacy and retirement planning behavior

### **3.7 Research Design**

According to Patrick (2017) Research Design depicts data collection, data processing in order to meet research objectives. It is a systematic approach, which shows how constructs are measured and analysis is performed to get answer of research questions.

Research Design is considered is “as sufficient plan which encompasses different procedures related to collection and then to processing of data, statistical analysis to identify or confirm relationship developed earlier among constructs/ variables in hypotheses. (Burns & Bush , 2006)

Research strategy for this learning has the succeeding features:

- **Deductive Approach:** in this study we have used deductive approach. As we have to generalize our results. Our research questions does not deal with exploration of new ideas or theory. Instead we are confirming / generalizing already existing theory.

### **3.8 Population**

According to different researchers population is considered a broad a group of people or items which is used to get sample for data collection and analysis of specific variables. In our study we have chosen individuals working in public sector organizations of Pakistan i.e Water and Power Development Authority (WAPDA), Multan Electric Power Company (MEPCO), National Bank of Pakistan (NBP), Zarai Taraqiati Bank Limited (ZTBL) Bank of Punjab (BoP) Employees Old Age Benefit Institution (EOBI) Bahaudin Zakaria University (BZU) Punjab Education Department. Currently most employees of these departments are solely relying on government pensions. Thesis organizations were selected due to convenient and easily accessibility of its employees and having some personal references with employees of these public sector organizations. Current prevailing situation in most of these organizations is conventional retirement plans i.e pension funds for post-retirement life.

### **3.9 Unit of Analysis**

According to Trochim (2006) the main thing which is usually analyzed in any research project is called component of investigation. In our learning the element of exploration is “working individuals of government sector.”

### **3.10 Sample Frame**

The target population consisted of government sector employees. The sample size for this research study was decided depending on the fact there should be at least 7- 10 cases for each item in the instrument being used. (Garson, 2008; Everitt, 1975, Nunnally, 1978). So in our learning there are 38 items , therefore we taken sample of 350 .The respondents are selected based on their availability. The easier the elements of the group to reach, the higher the chance they will be part of the sample. For example, you put up a survey on a website and collect sample from visitors who were willing to answer the questions.

Even though they do not accurately reflect the attitudes of all your respondents, they are still useful since these surveys are exploratory in nature and the quality of feedback is their greatest value.

### **3.11 Sampling Technique**

According to different researchers specific part of population which carries characteristics of population and has equal opportunities of selection is considered as sample. Plessis (2010) . Although there are different purposes of sampling but the most obvious reasons include limitation of resources in terms of time and money.

In this study we have utilized non probability but Multi Stage Sampling Technique. Although different researchers have criticism over non probability sampling technique. According to Etikan, Musa and Allkassim (2016) although this selection technique is considered a biased technique. But this technique offers several advantages to researchers e.g researcher can save time and money with this technique and especially when in some cases it is difficult to draw a sample randomly, this technique helps researcher a lot .

In this exploration learning we have used Convenience and Purposive Sampling techniques which are considered are Non Probability Sampling Techniques. These two methods have been used to select our model and infer our results.

As convenience sampling name depicts, participants are usually chosen on convenience basis. Researcher usually selects respondents on the ease of access as well as willingness of participants to fill survey. Whereas in purposive sampling researcher usually selects respondents which fulfill his objective of study to greater extent and they are experienced enough to provide sufficient and relevant information. Purposive sampling is a tool which is used to select respondents or informants; it is extensively used in behavioral studies. But in spite of its

importance its use according to different situation is not clear. This technique is also regarded as part of judgmental sampling method. In this technique informants are deliberately selected as they possess specific qualities which are required by study. This technique is regarded as non-random technique but it does not require specific set of respondents or any underlying theory or algorithm. Researcher only needs to find out respondents which can fit to his or her study and answer by using their knowledge & experience.

So in first stage researcher select the public sector organizations on the basis of convenience sampling. Then in the second stage researcher selected permanent employees of public sector organizations to fill questionnaire it was related to purposive sampling technique. The employees were assumed to have college degree.

### **3.12 Sample Size**

Employees of government sector were target population of this investigation. Sample size is very much important to reveal actual results of study. Relationship among variables cannot be established if we do not have appropriate and sufficient sample size. According to different previous researches, generalization of results is not possible without proper size of sample. According to Garson (2008) 7- 8 respondents for each item in questionnaire should constitute a sample size of study. So in our learning there are 38 substances the model extent of 350 was considered good. 380 questionnaires were distributed, 20 were not received whereas 10 were rejected altogether.

### **3.13 Data Collection.**

Questionnaire was used to collect data. Purely closed ended questions were used to collect data. It was necessary as our research design was purely based on quantitative technique. Quantitative technique as mentioned earlier is used for generalization of results. No incentive was given to respondents for data collection. Questionnaires were filled on voluntary basis. There was no

compulsion on them to fill form. Ethical issues were also addressed during data collection process. Anonymity and confidentiality of respondents were maintained throughout process. Convenience of respondents related to time required for filling survey form was also considered to greater extent. Respondents were not disturbed during hectic working routine. Secondly in case of any issue related to understanding of questions or items, they were provided full support. Wherever needed we explain questionnaire in the beginning in order to avoid any ambiguity.

**Acquiescence bias:** Also known as “yea-saying” or the friendliness bias, acquiescence bias occurs when a respondent demonstrates a tendency to agree with and be positive about whatever the moderator presents. In other words, they think every idea is a good one and can see themselves liking, buying and acting upon every situation that is proposed. Some people have acquiescent personalities, while others acquiesce because they perceive the interviewer to be an expert. Acquiescence is the easy way out, as it takes less effort than carefully weighing each option. This path escalates if fatigue sets in – some people will agree just to complete the interview. To avoid it, we did not use questions that imply there is a right answer with those that focus on the respondent’s true point of view.

**Social desirability bias1:** This bias involves respondents answering questions in a way that they think will lead to being accepted and liked. Regardless of the research format, some people will report inaccurately on sensitive or personal topics to present themselves in the best possible light. Researchers can minimize this bias by focusing on unconditional positive regard. This includes phrasing questions to show it’s okay to answer in a way that is not socially desirable. Indirect questioning – asking about what a third-party thinks, feels and how they will behave – can also be used for socially sensitive questions. This allows respondents to project their own feelings onto others and still provide honest, representative answers.

**Question-order bias:** One question can influence answers to subsequent questions, creating question-order bias. Respondents are primed by the words and ideas presented in questions that impact their thoughts, feelings and attitudes on subsequent questions. For example, if a respondent rates one product a 10 and is then asked to rate a competitive product, they will make a rating that is relative to the 10 they just provided. In our study we avoided these kind of questions.

### **3.14 Research Instrument**

The survey questionnaire was divided into seven different sections, it included

- i. demographics portion ,
- ii. Goal Clarity
- iii. Financial Wellbeing
- iv. Attitude toward retirement
- v. financial literacy
- vi. Mastery
- vii. And retirement planning performance

**Section A:** this section collected numbers about age, marital status, education, annual income family size and gender.

**Section B,** this section focused on construct of goal clarity. It was taken from the Stawski et al. (2007) scale which had six statements, and measured expending five fact linker measures extending from strongly disagree – strongly agree for every statement. An illustration element for this was “I think a great deal about quality for life in retirement”. Average score of all items in this construct was taken to get composite score for goal clarity.

**Section C,** this scale “attitude toward retirement” was adapted from the Lai et al. (2009) it had seven items and again measured on 5 point Likert scale. A model element for this was



“Retirement enables me to pursue my unfulfilled dreams”. Average score of all items in this construct was taken to get composite score for “attitude toward retirement”.

**Section D**, “retirement planning behavior” was altered from the Warren and Rossiter-Base (2004) study which was analyzed with four items with 5 point likert scale. A sample item for this was “I am confident that I will have a decent standard of living in my retirement”. Average score of all items in this construct was taken to get composite result for “retirement planning behavior”.

**Section E**, “financial literacy” scale was taken from the Nguyen, Rózsa, Belás&Belásová (2017) scale it has six items it was analyzed five point likert scale. A tester entry for this was “My Financial Knowledge and understanding related to saving enough money for retirement”. ”. Average score of all items in this construct was taken to get composite result for “financial literacy”.

**Section F**, scale for “mastery” construct was obtained from Pearlin and Schooler (1978) study, it had five items , it was again on five opinion Likert ruler for measurement and analysis. A sample item for this was “There is little I can do to change many of the important things in my life”. Average score of all items in this construct was taken to get composite result for Mastery.

**Section G**, financial wellbeing was taken from study which was conducted by Consumer Financial Protection Bureau it had five items; it was measured and analyzed expending five fact liker measures. A sample item for this was “I am concerned that the money I have or will save won’t last”. Average score of all items in this construct was taken to get composite result for “financial wellbeing”.

### **3.15 Data Analysis & Processing:**

SPSS, AMOS, Process Macro tools were used for processing and analysis of data. Data sheet was created in SPSS. In which all items were entered and appropriate codes were created.

Exploratory factor analysis was performed in SPSS to check validity of items. Later confirmatory factor analysis was performed using AMOS. Model fits were also checked in similar software. Whereas for hypotheses testing process, MACRO was used. Both moderation and mediation analysis was performed using Hayes Process Macro.

## Chapter 4

### 4. Analysis

#### 4.1 Data Processing and Data Analyses:

Subsequently getting the forms from the defendants, statistics was primary arrived addicted to the statistics expense and formerly categorized conferring to the wildlife of every element. The together material was at that point implicit with the measure categorized in the inquiry form by applying SPSS to attain the anticipated consequences. Although later the expressive figures, SPSS were adopted to analyzed multi-co linearity, far along it was also secondhand to extent the consistency, validity and exploratory aspect exploration (EFA) of accepted tool however for Confirmatory factor analysis (CFA) AMOS has been applied, and Progression Macro is used for assumptions testing.

Additionally, below specified themes will be discussed in this section:

- Data Assortment & Omitted Values
- Expressive Statistics
- Evaluation of normality
- Evaluation for Multi - Collinearity
- Assessment of reliability
- Estimation of validity
- Exploratory factor analysis
- Common factor investigation
- Divergent validity & composite Consistency
- Hypotheses Testing

## 4.2 Identification of Missing Data and Data Entry

Data correctness is an imperative portion of investigation, it is extremely essential to classify and rectify faults in records that occur in the method of omitted values (Hair, 1998). The facts gathering happening by movement of 370 surveys. Obtainable of which 360 were resumed spinal and as of these 360, 10 forms were excluded for the reason that they stayed not entirely complete obtainable by the defendants. Consequently, 20 questionnaires were omitted as of facts inquiry and 350 were arrived in SPSS for ultimate data exploration technique. Formerly outliers were tartan over SPSS and auspiciously, no extremely prominent outliers were establishing in the evidences. Therefore the prevailing data for scrutiny is special of misplaced features in addition to mistakes.

## 4.3 Sample Demographics

The Illustration of Demographics remained completed by the assistance of Frequency Distribution. Frequency Distribution delivers an instant of the dissemination of the demographic variables which comprises gender, age, education, marital status, family, and employment status and income level.

**Table 4.1 Descriptive Statistics table**

Characteristics of Respondents	Frequency	Percentage (%)
Age		
20-30 years	90	26
30-40 years	113	32
40-50 years	76	22
50-60	71	20
Gender		
Male	217	62
Female	133	38

Education		
College degree	350	100
No College degree	0	0
Marital Status		
Single	108	31
Married	240	69
Income		
10,000-50000	151	43
50,000-100,000	181	52
Above 100,000	18	5
Family		
Joint	227	65
Nucleus	123	35

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Descriptive statistics table displays that utmost of our respondents remained commencing 30-40 years age group, although we obligated merely 20 % defendants who stayed amid 50 to 60 years old. Here stayed 62% male and 38% female defendants.

Entirely of our defendants ensured college graduation. Not at all defendant was deprived of academy grade, as sample was mined from inner-city region.

43 % had revenue level amongst 10,000 and 50, 000 although 52 % ought to earnings amongst 50000 and 100,000 and only 5% had salary above 100,000.

83% were occupied interval workers, 12% were part time workers, 5% were entrepreneurial.

84% fitted to combine household structure and 16 % were commencing to center peoples.

#### 4.4 Measurement of Normality:

Previously directing study, discovery the normality of figures is of energetic. Statistics ordinariness is fundamentally assessed by skewness. Permitting to George & Mallery (2010) irregularities stay characterized via an upsurge in skewness values or kurtosis. Skewness and Kurtosis notify approximately the evidences that whether they are typical or not. The expurgated tainted assessment of kurtosis and skewness are ranging from 2 to -2. If the numbers indicates the rate of skewness and kurtosis declining in the assortment of +2 to -2 formerly results indicate the normality of data. The boundary outside this is the elimination area and consequently in directive to create data ordinary these standards essential be liquidated. The assessment of mean of goal clarity variable is 3.8130, attitude toward retirement is 4.2056, retirement preparation behavior is 3.9931, financial literacy is 3.8222, mastery is 3.9667, and financial security is 4.0878. the results indicates that all values remains around to 4 it presents that defendants were approve the conventional of interrogative issues.

**Table 4.2 Normality Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness	Std. Error	Kurtosis	Std. Error
GC	180	1.33	4.33	3.8130	.84409	.706	.181	-.512	.360
ATWR	180	2.14	4.57	4.2056	.61401	-.117	.181	-.231	.360
RPB	180	2.00	4.50	3.9931	.68658	-.474	.181	-.533	.360
FL	180	1.33	5.00	3.8222	.74777	-1.276	.181	1.633	.360
Mastery	180	1.60	4.00	3.9667	.51633	-.684	.181	.269	.360
FWB	180	1.60	4.60	4.0878	.58669	-1.248	.181	1.802	.360
Valid N (listwise)	180								

#### 4.5 Measurement of Multi-co linearity:

Multi - Collinearity might be tested over variance inflation factor (VIF) and broad-mindedness esteem (T). The VIF and Tolerance standards of goal clarity, attitude toward retirement, retirement planning behavior, financial literacy, mastery, financial good are specified underneath that displays that there is no multi-co linearity such as the values of VIF is not as much of 10 and Tolerance value is higher than 0.1.

**Table 4.3: Multi-Collinearity**

Model	Collinearity	
	Statistics	
(Constant)	Tolerance	VIF
GC	.815	1.227
ATWR	.490	2.041
RPB	.486	2.053
FL	.698	1.432
Mastery	.552	1.811
FWB	.362	2.766

Dependent Variable

#### 4.6 Reliability of Scales:

For investigative the magnitude of steadiness in the replies specified through defendants used for the nominated variables consistency of measure can be tested and can be deliberated by “Cronbach Coefficient Alpha”. According to Peterson (1994) the established significance for Cronbach Coefficient Alpha is 0.70 or higher than this.

The value of variables of protracted variety of model of intentional performance be situated goal clarity is 0.712, attitude toward superannuation is 0.722, retirement planning behavior is 0.700, financial literacy is 0.823, mastery is 0.742, financial wellbeing is 0.708. For instance the values of entirely the variables are larger than 0.70 thus this demonstrations that facts is consistent and lawful for additional procedure.

**Table 4.4: Reliabilities**

Scale	Cronbach's alpha
GC	.712
ATWR	.722
RPB	.700
FL	.823
Mastery	.742
FWB	.708

**4.7 KMO and Bartlett's Test of Sphercity:**

It has be present planned that in command to analyze the legitimacy of the sample KMO and Bartlett's Test of Compass city necessity be there used. Since by this incident to variable amount container is patterned in imperative to principal the exploration. KMO and Bartlett's experiments show a crucial role in communal organization as it is the solely true extent to accept if sample are appropriate or not i.e. whether the sample represents the entire inhabitants explored. Peri (2014) specified that the p-value of Bartlett's Test of Sphercity is a smaller quantity of 0.05 and the rate of KMO is amid 0 and 1, and above 0.6 is permitted entirely terminated the sphere.

**Table 4.5: KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.877
Brtlett's Test of Sphercity Approx. Chi-square	4419.947
Sig	.0000

**4.8 Exploratory Factor Analysis (EFA):**

This scrutinizes the possible feature construction of the data of dignified variables deprived of conveying a programmed assembly to the outcome. This fundamentally arrangements the linking



amongst the concept and substances in the dainty of the dealings that regulate whether features are encumbered into the comparable concealed variable or addicted to the other dormant variables. Byrne (2013) quantified that the rate of the connection essentially intended in this technique, uploaded extraordinary to the same concealed variable wherever it goes although association of diverse forecasters essential be low. Inception rate of numerous procedures in EFA was specified by Gie Young and Sean Pearce (2013).

In instruction to attain the EFA, SPSS was used. And for supposing the module loadings, section feature loadings remained experiential. All feature loadings were extraordinary that demonstrations the element used in the variables were suitable and presented us the mandatory outcomes.

**Table 4.6 Exploratory Factor Analysis Factor Loading**

<b>Item No.</b>	<b>GC</b>	<b>ATWR</b>	<b>RPB</b>	<b>FL</b>	<b>M</b>	<b>FWB</b>
GC1	.732					
GC2	.780					
GC3	.793					
GC4	.646					
ATWR 1		.854				
ATWR 2		.859				
ATWR 3		.793				
ATWR 4		.865				
RPB1			.823			
RPB2			.632			
RPB3			.726			
RPB4			.801			
RPB5			.712			
FL1				.812		
FL2				.755		
FL3				.790		
FL4				.824		
FL5				.705		
M1					.806	
M2					.859	
M3					.812	
M4					.738	
M5					.878	
M6					.869	
M7						
FWB1						.810
FWB 2						.825

<b>FWB 3</b>	<b>.846</b>
<b>FWB 4</b>	<b>.811</b>
<b>FWB 5</b>	<b>.732</b>
<b>FWB 6</b>	<b>.823</b>
<b>FWB 7</b>	<b>.798</b>
<b>FWB 8</b>	<b>.765</b>

**Table 4.7: Factor analysis of Goal Clarity**

Initial Items (4-Items)	Final Items (4-Items)
Goal Clarity Items	Goal Clarity Items
GC1, GC2, GC3, GC4,	GC1, GC2, GC3, GC4,

Goal clearness was encompassed of 4 matters and after successively EFA the matters remains 4 because the items were properly loaded as they have feature loading of greater than 0.7

**Table 4.8: Factor analysis of Attitude Toward Retirement**

Initial Items (4-Items)	Final Items (4-Items)
Attitude toward Retirement Items ATWR1, ATWR2, ATWR3, ATWR4,	Attitude toward Retirement Items ATWR1, ATWR2, ATWR3, ATWR4,

Attitude toward Retirement was included of 4 objects and after applying EFA the objects rests 4 for the reason that the objects were appropriately loaded.

**Table 4.9: Factor analysis of Retirement Planning Behavior**

Initial Items (5-Items)	Final Items (5-Items)
Retirement Planning Behavior Items RPB1, RPB2, RPB3, RPB4, RPB5	Retirement Planning Behavior Items RPB1, RPB2, RPB3, RPB4, RPB5

Retirement planning behavior was included of 5 items and after running EFA the items relics 5 for that the items were appropriately loaded.

**Table 4.10: Factor analysis of Financial Literacy**

Initial Items (5-items)	Final Items (5-Items)
Financial Literacy Items FL1, FL2, FL3, FL4 FL5	Financial Literacy Items FL1, FL2 FL3, FL4 FL5

Financial Literacy was included of 5 items and after successively EFA the items rests 5 as the items were appropriately loaded.

**Table 4.11: Factor analysis of Mastery**

Initial Items (7-items)	Final Items (7-Items)
Mastery Items M1, M2, M3, M4, M5, M6 M7	Mastery Items M1, M2, M3, M4, M5, M6 M7

Mastery was embraced of 7 items and after seriatim EFA the items remnants 7 for the items were suitably loaded.

**Table 4.12: Factor analysis of Financial Wellbeing**

Initial Items (8-items)	Final Items (8-items)
Financial Wellbeing Items FWB1, FWB2, FWB3, FWB4, FWB5, FWB6, FWB7, FWB8	Financial Wellbeing Items FWB1, FWB2, FWB3, FWB4, FWB5, FWB6, FWB7, FWB8

Financial wellbeing was covered the 8 items and after consecutively EFA the items relics 8 for the reason that the items were accurately loaded.

#### **4.9 Confirmatory Factor Analysis (CFA):**

This is a validation process that is supposedly intensive. As a consequence strategy of inspection is measured by the hypothetical association amid overlooked and detected variables. Permitting

to Hair et al., (2010) detective, theoretically want to diminish the variance amongst the supposed matrix and appraised value.

The magnitudes verbalized and the loadings perceived as of the experimental feature exploration were occupied to AMOS for undertaking to assenting feature investigation. In the exploration, all the objects of particular variables were perceived distinctly for scrutinizing the model appropriate of the theoretical structure of the learning.

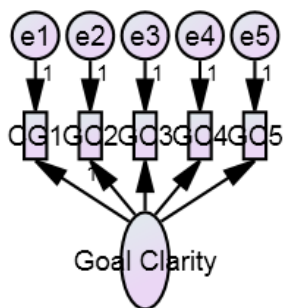
**Table 4.13: CFA for Goal Clarity**

Question Items	Standardized Loading
GC1	.711
GC2	.817
GC3	.835
GC4	.734
GC5	.702

**Table 4.14: Model Fit Indices of Goal Clarity**

	CMIN/DF	RMSEA	CFI	GFI
Goal Clarity	2.54	.065	.957	.977

CFA of goal clarity provides a good model fit with a determined loading of .635 and minimum consistent loading of .517 and obligating the possessions of uni-dimensionality by the standards of CMIN/DF = 2.54, RMSEA = .065, CFI = .957 and GFI = .977. No element of goal clarity is detached now owed to satisfactory consistent loading.



**Figure 1: Goal Clarity.**

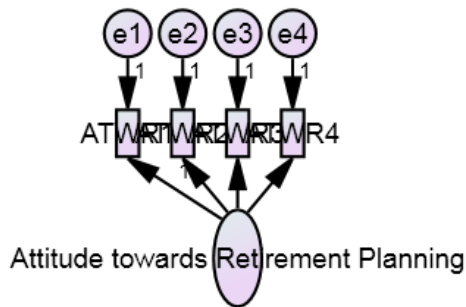
**Table 4.15 CFA for Attitude toward Retirement**

Question Items	Standardized Loading
ATWR1	.772
ATWR2	.845
ATWR3	.767
ATWR4	.727

**Table 4.16: Model Fit Indices of Attitude Toward Retirement.**

	CMIN/DF	RMSEA	CFI	GFI
Attitude toward Retirement	2.43	0.03	0.873	0.771

CFA of attitude toward retirement contributes a respectable model adequate through a thoroughgoing loading of .845 and minimum standardized loading of .667 and obligating the possessions of uni-dimensionality with the standards of CMIN/DF = 2.43, RMSEA = .03, CFI = .873 and GFI = .717. No item of boldness toward superannuation is unconcerned at this time owed to satisfactory consistent loading.



**Figure 2: Attitude toward Retirement**

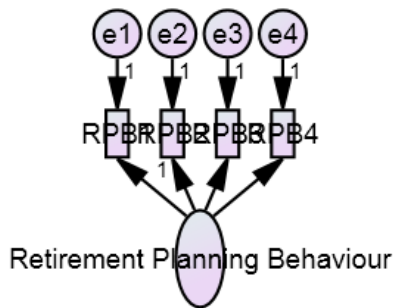
**Table 4.17: CFA for Retirement Planning Behavior**

Question Items	Standardized Loading
RPB1	.712
RPB2	.867
RPB3	.799
RPB4	.797

**Table 4.18: Model Fit Indices for Retirement Planning Behavior**

	CMIN/DF	RMSEA	CFI	GFI
Retirement Planning Behavior	2.037	.05	.913	.903

CFA of retirement preparation conduct control elasticities a respectable model fit with a maximum loading of .712 and minimum standardized loading of and requiring the belongings of uni-dimensionality with the beliefs of CMIN/DF = 2.037, RMSEA = .05, CFI = .913 and GFI = .903. No item of retirement preparation conduct is impassive here owed to adequate consistent loading.



**Figure 3: Retirement Planning Behaviour**

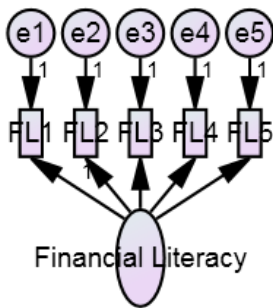
**Table 4.19: CFA for Financial Literacy**

Question Items	Standardized Loading
FL1	.767
FL2	.898
FL3	.832
FL4	.721
FL5	.745

**Table 4.20: Model Fit Indices for Financial Literacy**

	CMIN/DF	RMSEA	CFI	GFI
Financial Literacy	4.042	.02	.945	.923

CFA of financial literacy stretches a virtuous model fit with a maximum loading of .898 and minimum standardized loading of .721 and ensuring the possessions of uni-dimensionality by the values of CMIN/DF = 4.042, RMSEA = .02, CFI = .945 and GFI = .923. No element of financial literacy is disinterested here in arrears to appropriate homogenous loading.



**Figure 4: Financial Literacy**

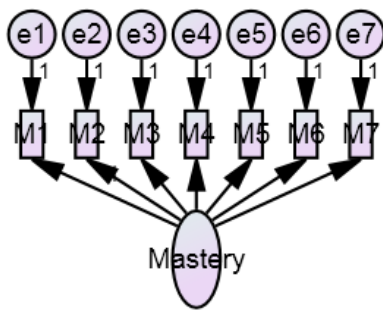
**Table 4.21: CFA for Mastery**

Question Items	Standardized Loading
M1	.704
M2	.832
M3	.766
M4	.881
M5	.785
M6	.759
M7	.871

**Table 4.22: Model Fit Indices for Fairness Perception**

	CMIN/DF	RMSEA	CFI	GFI
Mastery	5.028	.067	.932	.922

CFA of Mastery contributes a moral model fit with a maximum loading of .881 and minimum standardized loading of .704 and ought to the possessions of uni-dimensionality with the principles of CMIN/DF =5.028, RMSEA = .067, CFI = .932 and GFI = .922. No entry of fairness mastery is distant at this point owed to satisfactory homogenous loading.



**Figure 5: Mastery**

**Table 4.23: CFA for Financial Wellbeing**

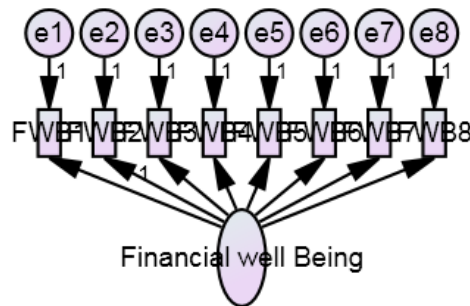
Question Items	Standardized Loading
FWB1	.765
FWB2	.810
FWB3	.856
FWB4	.780
FWB5	.783
FWB6	.707
FWB7	.786
FWB8	.781



**Table 4.24: Model Fit Indices for Financial Wellbeing**

	CMIN/DF	RMSEA	CFI	GFI
Financial Wellbeing	2.648	.07	.918	.909

CFA of monetary wellbeing provides a virtuous model fit with a maximum loading of .881 and minimum standardized loading of .707 and ensuring the possessions of uni-dimensionality with the standards of CMIN/DF =2.648, RMSEA = .07, CFI = .918 and GFI = .909. No element of financial wellbeing is uninvolved now owing to satisfactory uniform loading.



**Figure 6: Financial Wellbeing**

**4.10 Discriminant Validity:**

Discriminant validity that is also discussed as deviating validity essentially assessments the hypotheses (that are alleged to be dissimilar theories) in circumstance, do not require slightly assembly /association or unrelated. Bove et al., (2009) identified about conflicting legitimacy that it is essentially designed by nurturing to the communal variation among sets moderately than the average variance explained (AVE) average of the two models. As identified by Formell and Larcker (1981) that validity revenue that the average variance value should be superior than the square of correlation while compound consistency should be higher than 0.7. The normal variance values and merged consistency of goal lucidity, attitude toward superannuation, retirement planning behavior, financial literacy, mastery and financial safety are given below:

**Table 4.25: Composite Reliability Discriminant Validity, and Correlation among variables**

Construct	GC	ATWR	RPB	FL	MS	FWB		
<b>GC</b>	0.83	0.50	1.00					
<b>ATWR</b>	0.78	0.47	0.04	1.00				
<b>RPB</b>	0.87	0.59	0.01	0.01	1.00			
<b>FL</b>	0.78	0.63	0.09	0.09	0.04	1.00		
<b>Mastery</b>	0.81	0.62	0.05	0.21	0.11	0.04	1.00	
<b>FWB</b>	0.77	0.63	0.17	0.42	0.06	0.05	0.13	1.00

**4.11 Hypotheses Testing:**

*4.11.1 Mediation Analysis*

**Table 4.26: Results of mediation analysis amongst Goal Clarity and Retirement Planning Behaviour through Mastery**

Variables	Beta	S.E	t	P
Step1: Retirement Planning Behaviour → Goal Clarity	0.5116	0.0505	10.1387	.000
Step 2: Mastery → Goal Clarity	0.6399	0.0590	10.7525	.000
Step3: Retirement Planning Behaviour → Goal Clarity	.0180	0.0254	.7091	.478
Mastery	.7786	.0226	34.34	.000

For testing arbitration this study followed the technique of Baron and Kenny’s test. For mediation analysis amid Goal Clarity and Retirement Planning Behaviour through Mastery, three periods of Baron and Kenny’s test were employed. In step 1, Retirement Planning Behaviour has been reverted on Goal Clarity. In second step, Mastery has been regressed on Goal Clarity. In step three, Retirement Planning Behaviour has been regressed on Goal Precision and Mastery results of each step are exposed in table, that reveal that Goal Clarity has optimistic impact on

Superannuation Planning Behaviour ( $B= .5116$  and  $p<.05$ ). Result also expressions that Goal Clarity has optimistic effect on Mastery ( $B=.6399$ , and  $p <.05$ ).in step 3, Mastery is added amid Goal Clarity and Retirement Preparation Behaviour, the mediation effect arisen as momentous . This shows full intrusion as B value of Goal Clarity is decreased to  $.0180$  and p value is  $.478$  which is greater than  $.05$  so **there is full mediation.**

**Table 4.27: Mastery mediates relationship between Financial well being and Retirement Planning Behaviour**

Variables	Beta	S.E	t	P
Step 1: Retirement Planning Behaviour → Financial well being	.5287	.0710	7.4507	.000
Step 2: Mastery → Financial well being	0.653	.0837	7.805	.000
Step3: Retirement Planning Behaviour → Financial well being	.0177	.0307	.5711	.5641
Mastery	.7823	.0290	35.51	.000

For testing mediation this study followed the procedure of Baron and Kenny’s test. For arbitration analysis between pecuniary wellbeing and Retirement Planning Behaviour through Mastery, three steps of Baron and Kenny’s test were employed. In step 1, Retirement Planning Behaviour has been regressed on fiscal comfort. In second step, Mastery has been reverted on financial security. In step three, Retirement Planning Behaviour has been regressed on Financial well-being and Mastery results of each step are shown in table, that reveal that economic safety has optimistic effect on Retirement Planning Compartment ( $B= .52876$  and  $p<.05$ ). Result also demonstrations that Financial comfort has confident impact on Mastery ( $B=.6539$ , and  $p <.05$ ).in step 3, Mastery is added between Financial happiness and Retirement Planning Behaviour, the mediation effect emerged as significant . **This shows full mediation** as B value of financial good is decreased to  $.0177$  and p value is  $.5641$  which is greater than  $.05$ .

**Table 4.28: Mastery mediates relationship amid Financial Literacy and Retirement Planning Behaviour**

Variables	Beta	S.E	t	P
Step 1: Retirement Planning Behaviour $\longrightarrow$ Financial Literacy	0.2648	.0476	5.5630	.000
Step 2: Mastery $\longrightarrow$ Financial Literacy	0.3199	.0565	5.659	.000
Step3: Retirement Planning Behaviour $\longrightarrow$ Financial Literacy	.0146	.0188	.7764	.4832
Mastery	.7824	.0198	39.42	.000

For testing mediation this study followed the procedure of Baron and Kenny’s test. For mediation analysis between Financial Literacy and Retirement Planning Behaviour complete Mastery, three steps of Baron and Kenny’s test were employed. In step 1, Retirement Planning Comportment has been regressed on Financial Literacy. In second step, Mastery has been regressed on Financial Literacy. In step three, Retirement Planning Behaviour has been regressed on Financial Literacy and Mastery results of each step are shown in table, that reveal that Monetary Literateness has affirmative influence on Retirement Planning Behaviour ( $B= . 0.2648$  and  $p<.05$ ). Result also displays that Financial Literacy has positive impression on Mastery ( $B= 0.3199$  , and  $p <.05$ ).in step 3, Mastery is added concerning Financial Literacy and Retirement Planning Behaviour, the arbitration effect emerged as important . **This shows full mediation** as B value of Financial Literacy is decreased to .0146 and p value is .4832 which is greater than .05.

**Table 4.29: Mastery mediates association among Attitude towards retirement planning and Retirement Planning Behaviour**

Variables	Beta	S.E	t	P
Step 1: Retirement Planning Behaviour → Attitude towards Retirement	0.3057	.0407	7.5168	.000
Step 2: Mastery → Attitude Towards Retirement	0.5823	.0493	11.80	.000
Step3: Retirement Planning Behaviour → Attitude Towards Retirement	.3171	.0482	6.584	.000
Mastery	.0196	.0443	.4493	.6574

For testing mediation this study surveyed the procedure of Baron and Kenny’s test. For mediation examination amid Boldness towards Retirement and Retirement Planning Behaviour through Mastery, three steps of Baron and Kenny’s test were working. In step 1, Retirement Preparation Behaviour has been regressed on Attitude towards Retirement. In second step, Mastery has been regressed on Insolence towards Retirement. In step three, Retirement Planning Behaviour has been degenerated on Attitude towards Retirement and Mastery results of each step are exposed in table, that reveal that Attitude towards Retirement has positive impact on Retirement Planning Behaviour (B= . 0.3057 and  $p < .05$ ). Result also shows that Attitude towards Retirement has positive impact on Mastery ( B= 0.5823 , and  $p < .05$ ).in step 3, Mastery is added amid Attitude towards Retirement and Retirement Planning Behaviour, no intercession effect is occurred because p value is superior than .05 and B value has also diminished Though Assertiveness towards Retirement continued noteworthy **hence there is no mediation.**

**Moderation:**

Outcome variable	Mastery ---- Mast
Predictor	Goal Clarity- GC
Predictor	Gender
Int-1	Goal Clarity* Gender

Variable	Effect	S.E	T	P
GC	0.6344	0.589	10.7657	.000
Gender	-.1007	0.923	-1.09	.2764
Int-1	-.1385	.1317	-1.056	.2940

Above table shows that there is **no moderation** effect as p value is greater than .05, t value is less than 2.

#### Moderation Analysis

Outcome variable	Mastery ---- Mast
Predictor	Financial well being- FWB
Predictor	Gender
Int-1	Financial well being * Gender

Variable	Effect	S.E	t	P
FWB	0.6633	0.0828	8.0131	.000
Gender	-.0911	0.0990	-1.006	.3180
Int-1	-.4728	.1790	2.6713	.0081

Above table shows that there is **moderation effect** as p value is LESS than .05, t value is greater than 2.

Outcome variable	Mastery ---- Mast
Predictor	Financial Literacy----FL
Predictor	Gender
Int-1	Financial Literacy * Gender

Variable	Effect	S.E	t	P
FL	0.4985	0.0505	9.867	.000
Gender	-.1047	0.1035	-1.340	.1805
Int-1	.4036	.0780	3.9085	.0001

Above table shows that there is **moderation effect** as p value is greater than .05, t value is less than 2.

Outcome variable	Mastery ---- Mast
Predictor	Attitude Towards Retirement Planning Behavior ----ATRPB
Predictor	Gender
Int-1	ATRPB * Gender

Variable	Effect	S.E	t	P
ATRPB	0.5894	0.0482	12.238	.000
Gender	.0055	0.0639	.0857	.9318
Int-1	.3576	.0881	4.057	.0001

Above table shows that there is **moderation effect** as p value is LESS than .05, t value is greater than 2.

#### 4.12 Hypothesis Summary

Hypothesis	Significance	Accepted /Rejected
<b>Hypothesis 1:</b> Goal clarity is significantly related to retirement planning behavior	<b>Significant</b>	Accepted. Goal clarity is positively related to retirement planning behavior.
<b>Hypothesis 2:</b> Financial well-being is significantly related to retirement planning behavior..	<b>Significant</b>	Accepted. Financial wellbeing is positively related to retirement planning behavior..
<b>Hypothesis 3:</b> Attitude towards retirement is significantly related to retirement planning behavior.	<b>Significant</b>	Accepted. Attitude Towards Retirements positively related to retirement planning behavior.
<b>Hypothesis 4:</b> Financial Literacy is significantly related to retirement planning behavior.	<b>Significant</b>	Accepted. Financial Literacy is positively related to retirement planning behavior
<b>Hypothesis 5a</b> Mastery acts as a mediator between goal clarity and retirement planning behavior	<b>significant</b>	<b>Accepted.</b> Mastery acts as a mediator between goal clarity and retirement planning behavior. There is full mediation.
<b>Hypothesis 5b:</b> Mastery acts as a mediator between financial well-being and retirement planning behavior	<b>significant</b>	<b>Accept.</b> Mastery acts as a mediator between financial wellbeing and retirement planning behavior. There is full mediation.
<b>Hypothesis 5C:</b> Mastery acts as a mediator between Attitude towards retirement and retirement planning behavior	<b>Insignificant</b>	<b>Rejected.</b> Mastery acts as a mediator between Attitude towards retirement and retirement planning behavior. There is no mediation.
<b>Hypothesis 5D:</b> Mastery acts as a mediator between Financial Literacy and retirement	<b>significant</b>	<b>Accepted.</b> Mastery acts as a mediator between Financial

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planning behavior	Literacy and retirement planning behavior. There is full mediation.
<b>Hypothesis 6A:</b> Gender acts a moderator between goal clarity and retirement planning behavior	<b>Insignificant Rejected.</b> Gender acts a moderator between goal clarity and retirement planning behavior. There is no moderation.
<b>Hypothesis 6b:</b> Gender acts a moderator between financial well-being and retirement planning behavior.	<b>Significant Accepted.</b> Gender acts a moderator between financial well-being and retirement planning behavior. There is full moderation.
<b>Hypothesis 6c:</b> Gender acts a moderator between Attitude towards retirement and retirement planning behavior	<b>Significant Accepted.</b> Gender acts a moderator between Attitude Towards Retirement and retirement planning behavior. There is full moderation.
<b>Hypothesis 6d:</b> Gender acts a moderator between financial literacy and retirement planning behavior	<b>Insignificant Rejected.</b> Gender act as a moderator between Financial Literacy and retirement planning behavior. There is no moderation.

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## **Chapter 5**

### **5. Conclusion, Research Implications and Future Research**

#### **5.1 Overview:**

In this last segment will discourse the collected end consequences from this exploration procedure. The central motivation in arrears carrying this exploration procedure was to observe the effect of goal clarity, financial wellbeing, attitude toward retirement, financial literacy, and mastery as a mediator, as well as gender as a moderator to determine Retirement Planning Behavior of Working Individuals of Pakistan. This study is of main prominence as it discourses the level of effect of these particular variables on the acquiescence decisions of person's retirement planning behavior.

As the foremost stress of this study is to comprehend the psychological features that shows a substantial character in acquiescence results of discrete about retirement planning behavior. As in Pakistani perspective, accompanying exploration on this matter was of main significance as these explorations will someday assistance representatives in inventing such approaches that will result in the increase of awareness of individuals toward retirement planning so that they could spend their life after retirement in comfort zone without having problems of insufficient fund.

So, this segment will expansively determine the outcomes of this exploration procedure and deliver the sources to comportment supplementary exploration on this matter and agreed principles for diverse examiners who are concerned in concentrating on identical singularities or converging on approximately category of marginally diverse singularities.

#### **5.2 Conclusion:**

From the inclusive argument this is emphasized that to intensification awareness of individual for retirement planning during their working period is a matter of vast reputation. The outcomes

of this thesis showed that the goal clarity of the employee has positive point of view toward the Retirement Planning behavior. The employees do not show any sign of worries if they planned their goal that what they need for their retirement but that is contrary to the employees who do not have clear idea about their retirement.

This study demonstrated some factors like goal clarity, financial wellbeing, and attitude toward retirement, financial literacy, and mastery as a moderator as well as gender as a mediator are the elements affecting the retirement planning Behavior. Subsequently, Planning for retirement in the earlier period of their employment may bring advantages to plan their retirement and decide the benefits that they want to enjoy after their retirement. This additionally empowers them to design their objective or dreams that they want to experience amid the retirement life.

The investigation establishes a substantial maintenance for our H1 hypothesis that there is a substantial optimistic association amongst goal clarity and retirement planning performance. This discovery is dependable by the consequences of Ntalianis and Victoria (2011), Joo,H.S. and Grable,E.J. (2005), Abdillahi, M.A. (2015) So, this means, that if the working individuals set a specific and clear objective to save for their retired life, they could be able to have sufficient funds for post-retirement life. The individuals set their goals of saving a specific amount at the initial period of their job then they will enjoy their life after retirement in better way and will be able to meet the requirements of their career ending life in better way. Consequently they are additional predisposed by their substantial others in enchanting their results.

The examination consequences also maintenance the H2 hypothesis that there is a momentous positive connection amongst monetarist welfare and retirement planning performance. This finding is dependable by the outcomes of Sabri, M.F. and Juen, T.T (2014), Joo,H.S. and Pauwels,W.V. (2002), Folk, et. Al (2006). So, this means, that if individuals financially wellbeing is good then they can manage daily money, creates financial goals, precautionary

savings also creates wealth management and financial confidence. An individual with financial wellbeing can save more for their retired life and spend stable life after retirement. They will not just rely on pension income and save personally for their selves. Thus the financial wellbeing will more sufficient for retirement planning.

The findings of this research also maintenance the H3 hypothesis that there is an important optimistic correlation amongst assertiveness toward retirement and retirement planning behavior. This result is dependable by the consequences of Nyang'aya Richard Akuno (2017), Reitzes, C.D and Mutran, J. E.(2004), Joo,H.S. and Pauwels, W.V.(2002) ,Yao, et al (2003), Bernheim and Garrett (2001), Patel, F. D. (2017) So, this means, that the employees with sufficient retirement planning tend to have a good planning for their retirement. The employees who were more active in their retirement planning were more positive in their attitudes toward retirement. The individuals may feel they have some control in shaping a positive retirement experience when they have more planning for retirement.

Financial literacy is positively and significantly related with retirement planning actions. Therefore, our H4 hypothesis remained also sustained by exploration consequences. This finding is consistent through the marks of Beh, S. L. and Folk, Y. J. (2012),Yao, et al (2003), Ntalianis and Victoria (2011), Sabri, M.F. and Juen, T.T (2014), Hassan, K. M. and Lawrence. (2001), Kipkemoi,W.M (2018), Ali, A., Rahman, M. S., & Bakar, A. (2013), Duong, H., Gerrans, P., Lajbcygier, P., Moulang, C., Strydom, M., Vaz, J., & Wickramanayake, J. (2015),Ja'afar, R., & Daly, K. J. (2016), Mourine, et al (2017), Rooij, et al (2009) , Sabri, et al (2015), J,R.R. B.S (2014). It means that a job holder with higher financial literacy will be able to attain high level of benefits. An employee must have the sufficient awareness about the benefits to save for their retired life so it could be beneficial for employees and statistically significantly related with retirement planning behavior.

Research results also support the H5A hypothesis. Mastery acts as a mediator amid goal clarity and retirement planning behavior. There is full mediation.

Results also supports H5B hypothesis that Mastery acts as a mediator among financial wellbeing and retirement planning behavior. There is full mediation.

Research results also reject H5C hypothesis that Mastery acts as a mediator amongst attitude toward retirement and retirement planning behavior. There is no mediation.

Results also supports H5D hypothesis that Mastery acts as a mediator concerning Financial Literacy and retirement planning behavior. There is full mediation.

Results also rejected H6A hypothesis that Gender acts a moderator between goal clarity and retirement planning behavior. There is no moderation.

Results also support H6B hypothesis that Gender acts a moderator between financial wellbeing and retirement planning behavior. There is full moderation.

Results also accepted H6C hypothesis that Gender acts a moderator between Attitude towards Retirement and retirement planning behavior. There is full moderation.

Results also rejected H6D hypothesis that Gender act as a moderator between Financial Literacy and retirement planning behavior. There is no moderation.

### **5.3 Academic Implications:**

The reason to make exploration on the subject of retirement planning performance is previously emphasized in this investigation effort and the necessity of receiving in distance awareness of spiritual aspects prompting departure development comportment is emphasized too. Consequently, this exploration effort to place a reasonable involvement in the previously accessible nonfiction on retirement planning activities by adopting a diverse inquiry model that was not used earlier and this investigation grants the Exploratory Factor Analysis (EFA) model

with further particular variables as well as mediator that are establish substantial in forecasting amenability level of entities. Thus encouraging the investigators to demeanor investigation on this occurrence and focus the momentous consequence of additional variables relatively than goal clarity, financial wellbeing, attitude toward retirement, financial literacy on retirement planning behavior by expending other investigation inquiry procedures and support financial awareness in allowing for spiritual aspects that effect retirement planning behavior so they can support government in growing economic consciousness.

#### **5.4 Managerial Implications:**

The aims of retirement planning is to established income goals and after that take actions to accomplish such goals and purposes to maintain a sustainable life after end of job. The retirement planning depends on various sources which are compulsory for suitable life. These are sources of income, saving and level of assets. Just rely on pension is mostly not sufficient to fulfill after job expenses. The process of retirement planning depends on individual capability that how they maintain their expenses to save for their future life, how they set their ideas and goals. All such thoughts depend on the attitude of individuals towards retirement planning.

This requires such a strategy that can increase financial awareness among individuals and this can merely be attained by formulating approaches founded on psychosomatic emphasized in literature on withdrawal planning behavior. And approximately of the variables are emphasized in this inquiry effort like goal clarity, financial wellbeing, attitude toward retirement, financial literacy, as well as mastery as mediator and gender as moderator.

#### **5.5 Benefits to Pakistani Public Sector Organizations:**

The strategy creators and government by assigning fair awareness of employee retirement saving system can persuade the people that it is their ethical responsibility to save for their retired life. And for this administration can comportment sessions, consciousness operations, announcement

or slightly other broadcasting apparatus at college, universities and organizations so that they contain intensification the familiarity of individuals on processes of assistances of economic responsiveness. In conclusion it has been mentioned that goal clarity plays a vital role on both perspectives either organization level or employees level. Consequently with a clear goal regarding providing post retirement sufficient benefits to their employees, organizations can formulate an effective and efficient retirement plans for their employees so that employees do not feel lack of funds after retirement to enjoy their life without burden of work. The outcomes of this thesis also demonstrates that there is positive as well as significant relationship between financial literacy and retirement planning behavior so the government organizations could conduct seminars to clear the importance of financial literacy in respect of retirement planning behavior so that their employees could better plan for their post retirement life.

#### **5.6 Limitations and Recommendations:**

Although of all the exertions, this investigation is correspondingly not permitted from constraint that container afford dishonorable for showing additional exploration on this subject that are specified below:

- The foremost one is that this learning typically marks the sequestration planning behavior that belongs to Multan and its surrounding cities. So that fact can be composed from additional capitals of Pakistan. Furthermore off-road examination can furthermore be completed that container support in accumulative financial literacy to participate in retirement planning.
- The second one is that sample size can be amplified and non-response partiality can be impassive as was perceived in this learning. Additional the involvement from women and residents of exceeding 70 years was reasonably fewer in this study. Their contribution can be enlarged in the upcoming revisions.

- Conversations can also be conducted as of working individuals about retirement planning behavior. And their assessments can be comprised in the study as a result they can outbuilding dainty on retirement planning behavior.
- As facts was composed from individuals who were certainly available. But in forthcoming by purposively indicating participant, exploration facts can be together from wider population. As well as other approaches of perceiving and investigating facts canister correspondingly be used in direction to intensification the consistency of the facts.

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# Appendix 1 Measurement Model

