

Perspectives And Dynamics Of Retirement Planning: An Empirical Appraisal

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Abstract: Personal financial planning and management is an emerging domain that is fast catching up in the Indian context. The rapidly changing global financial scenario coupled with pressing personal financial demands have brought this domain into the limelight. Further, it is a widely accepted fact that money management is a matter of great concern to both rich and poor in the wake of surging financial commitments and inflationary pressures. Personal financial management, if not planned and managed systematically, would certainly spell a formidable impact on the savings and investment of working individuals. Personal financial planning, theoretically, begins with the development of a family budget and culminates with the preparation of comprehensive retirement planning. These personal finance initiatives and preparations guard the working individuals against any unexpected financial hardships or exigencies. This paper discusses the findings of an empirical study undertaken on retirement planning in Mangalore Taluk, Karnataka State, India covering 100 respondents.

Key Words: Financial Discipline; Retirement; Retirement Confidence; Retirement Planning.

Introduction

The quality of post-retirement life of any working individual significantly hinges on their attitude and approach adopted during the early stage of their professional life. Every working individual desires to retire happily and have both personal and financial peace of mind. The employees who develop a plan for retirement at the early stage of their career would invariably have a better life after retirement. This is because the emphasis on a personal financial plan which encompass retirement planning inculcates financial discipline among the employees. The disciplined consumption, planned savings and investment behaviours of working individuals contribute towards building a sustained quality of life after retirement. The development of a comprehensive retirement plan certainly helps working individuals to avert such serious financial concerns as financial fear, shock and distress. Despite the fact there are an array of virtues associated with the development of a personal retirement plan, many working individuals simply overlook it and

invite financial troubles in their retired life. The study undertaken explores and examines the various perspectives of retirement planning of working individuals in Mangalore Taluk.

Retirement and Retirement Planning: The Conceptual Framework

Atchley, (1989) characterized retirement as “a socially accepted means of withdrawing from one’s occupation or business in later life to cope with health problems or problems in finding a job or to enjoy more leisure or freedom.”

According to Amune et al., (2015), retirement means exiting from one’s job, career or occupation as a result of health, age, accident or having served the required number of years with the organization.

Ekerdt *et al.*, (2000) state that retirement planning involves setting goals or objectives and indicating how the goals or objectives will be realized. In this case, the individual will see his way forward by achieving what is required and the resources like time and money expended during each step. Retirement planning can be formal or informal. Formal retirement planning is where the employer teaches their employees nearing retirement how to plan their retirement. The training can be general or can be tailored to meet individual specific needs. On the other hand, informal retirement planning concerns the prospective retiree thinking, talking, reading or having the desire to retire.

Altstest, (2004) opine that retirement planning refers to planning for the period in which an individual’s work-related income will cease. Alternatively, retirement planning pertains to making financial provisions for retirement such that individuals meet their retirement goals and can live comfortably during their retirement years. More importantly, retirement planning ensures that individuals eliminate the risk of outliving their retirement provisions.

Statement of the Problem

Retirement is an important event in the career stages of an employee. It is the indisputable desire of every employee to lead a comfortable life after retirement. But, given the prevailing general economic circumstances and personal life expectations, comfortable life after retirement is a

daunting challenge for most individuals. Nevertheless, planning early, saving regularly, investing safely and spending wisely would stand out as a befitting panacea to avert any economic woes during retirement. The individual, through systematic personal financial planning and behaviour, can develop increased confidence to combat the financial challenges of life after retirement. In the fitness of the above remarks, this study attempts to capture the perspectives and dynamics of retirement planning of select individuals in Mangalore Taluk.

Objectives of the Study

The study has been conducted keeping in mind the following objectives.

- To understand the attitude of working individuals towards retirement.
- To examine the level of preparation for retirement made by the working individuals.
- To examine the level of knowledge possessed by the working individuals about the various avenues of investment used for post-retirement needs.
- To examine the preferred avenues of investment for retirement by the working individuals.

Research Methodology

The study deals with the examination of various aspects of financial preparedness for retirement. The respondents covered are the working individuals aged 30 and above with diverse backgrounds like teachers, doctors, nurses, businessmen, clerical workers from both government and private organizations. The geographical location chosen for the study is Mangalore Taluk. The sample size is restricted to 100 respondents. The random sampling method is used to select the sampling units and the descriptive or survey method is used to pursue the study. The results are bound to suffer from the demerits of the sampling design adopted for the study.

Research Hypothesis

Ho: Gender and willingness to work after retirement are not dependent

Review of Literature

Gall & Evans (2000) posit that unrealistic expectations, lack of preparedness and uncertainty will pose a problem when retirement is imminent.

Lim (2003) analyzed via questionnaire surveys in Singapore the attitudes of 204 senior workers towards work and retirement, retirement planning, and their willingness to continue working after retirement and to undergo retraining. The results showed that work occupied a salient part of the lives of employees in their 40s and above. Respondents held rather ambivalent attitudes about the prospect of retirement, i.e. while they did not view retirement negatively, they were nevertheless anxious about certain aspects of retirement. In addition, respondents also generally have not planned for retirement. Those aged 50 years and above were more likely to engage in retirement planning involving discussion about retirement with others,

financial planning, and planning for holiday trips compared with those below 50 years old. The majority of them preferred to remain employed and were willing to undergo retraining after they have retired.

Kim et al., (2005) explained the term retirement confidence as individual behaviour and preparation towards retirement. They noted that retirement confidence among working individuals was influenced by the ability to compute retirement funds, confidence in the government social security and Medicare programs, income level, health status and financial education.

Wang (2007) observed that retirement seems to be stressful and associated with loss of regular pay, isolation from workmates and an increase in ample time.

Tuan et al., (2011) mentioned, an individual should focus on the methods to strategize financial activities such as saving, investment and spending behaviour in facing their post-retirement life.

A global survey by **Nielson (2013)**, found that there were five main reasons Malaysians are not confident in facing retirement such as (1) losing physical ability (59%); (2) losing ability to care for basic needs (58%); (3) Losing self-reliance (53%); (4) being a burden on family members or friends (51%) and (5) not having enough money to live comfortably (48%).

Sabri & Juen (2014) examined the influence of financial literacy, saving behaviour, and financial management on retirement confidence among women working in the Malaysian public sector. A multi-stage random sampling technique was applied as the sampling technique in this study and 708 respondents participated in this study. The study shows that 73.5% of the respondents answered that they had enough money to live comfortably during their future retirement life. They believed that they would be able to maintain their pre-retirement lifestyle even after retirement. 79.4% of the respondents were confident that they had the ability to pay all the expenses for their basic needs during their retirement life. Moreover, 71.3% of respondents felt that they had enough financial funds for medical expenses during their retirement, while 78.3% indicated that they would be able to settle their debts during retirement life. Slightly more than half (56.1) of the respondents had the confidence that they had the money for leisure and entertainment activities, for example, travel. Most of the respondents (77.5%) showed a moderate level of retirement confidence. 10.3% and 9.9% of the respondents reported high and low retirement confidence respectively.

Talib & Manaf (2017) examined the importance of retirement planning behaviour among EPF employees in Malaysia. This study involves staff of the EPF's from Kedah, Penang and Perlis. Samples consisted of 172 employees selected using the random sampling method. The analysis showed that there are 122 respondents (70.9%) in the current research who never followed the retirement program during their tenure of work. Only 41 respondents (23.8%), attended the retirement program 1 to 3 times. It is shown that only 8 respondents joined the retirement planning program 4 to 7 times and just one of

EPF staff emphasizing preparation for retirement and have successfully attended more than 8 times the retirement program that has been organised. This means the majority of the staff in EPF considers the planning program that is suggested is unimportant and not to be followed. They have no awareness of the importance of planning one's life before retirement. Based on the analyzed data the result shows the self-awareness indicates that all respondents

agree that retirement planning behaviour will help adapt to retirement and it also helps staff adapt to the absence of a regular income after retirement. Besides that, 171 staffs also agree that retirement planning will help staff to change their life after retirement.

Survey Results and Analysis

Table 1.1: Demographic Profile of Respondents

Demographic Factor	Percentage	
Age	30 - 40	43
	41 - 50	29
	51 - 60	28
Gender	Male	50
	Female	50
Annual Income (Rs. in lakhs)	1.5 - 2.5	43
	2.5 - 3.5	17
	3.5 - 5	22
	5 and Above	18
Education	SSLC	9
	PUC	6
	Graduate	50
	PG	29
	Others	6
Occupation	Service	58
	Business	17
	Professional	24
	Others	1
Marital Status	Single	13
	Married	87
Number of Children	One	38
	Two	57
	More	5

Source: Survey Data

Table 1.1 brings out the demographic profile of the respondents surveyed. Among the respondents covered, most of the respondents (43%) fall in the age bracket of 30-40, where as 29% of respondents fall in the age group of 40-51 and the rest 28% of respondents fall under the age group between 51 and 60. The gender profile shows that the proportion of male and female respondents covered is equal. It is also evident that 43% of the respondents fall in the income group of Rs.1.5 to Rs.2.5 lakhs followed by

17% in the group Rs.2.5 to Rs.3.5 lakhs, 22% in the range of Rs. 3.5 to Rs. 5 lakhs and the remaining 18% belong to the income group of Rs. 5 lakh and above. The educational profile shows that 50% of respondents are graduates and 29% are postgraduates. Most of the respondents (58%) work in the service industry and 24% of respondents are professionals. The marital status of the respondents shows that relatively larger proportions (87%) of respondents are married and only 13% of the respondents are unmarried.

Table 1.2: How much have you thought currently about your retirement?

Options	Age									Total		Total (%)
	30-40			41-50			51-60			M*	F*	
	M*	F*	T*	M*	F*	T*	M*	F*	T*			
Not at All	8	7	15	7	3	10	9	0	9	24	10	34
A Little	4	8	12	1	6	7	2	2	4	7	16	23
Somewhat	3	10	13	3	3	6	3	2	5	9	15	24
Much	0	2	2	2	3	5	2	3	5	4	8	12
Very Much	0	1	1	1	0	1	5	0	5	6	1	7
Total	15	28	43	14	15	29	21	7	28	50	50	100

Note: M*=Male F*=Female T*= Total Source: Survey Data

It is a widely accepted fact that the conceptualization of any plan or programme precedes its implementation. It is also true that the meticulously conceived plans often bring in great success. Given this, the above question was asked to the respondents to elicit a response on their current preparation for retirement. Table 1.2 shows that most of the respondents have not taken up planning for retirement very seriously as yet. The table reveals that 34% of the respondents have 'not at all' lent any thinking currently on

their retirement plans. This includes 48% of male and 20% of female respondents and among these 44% of respondents are in the 30 to 40 age group. It is further evidence that 23% of the respondents have lent 'a little' thinking currently about their retirement and 24% has 'somewhat' seriously started thinking about their retirement. However, 12% of the respondents have already pursued 'much' work about their retirement and the remaining 7% are very serious and paying 'very much'

attention towards their retirement. These are largely in the age group of 51 and 60.

Table 1.3: To what extent do you agree or disagree with the following statements?

Statements
a. I am afraid to retire
b. Retirement causes people to suffer from mental problems
c. Retirement is a difficult adjustment
d. Retirement will allow me to do things that I was not able to do while I was working
e. My family does not want me to retire.
f. I am afraid I will be a burden on my family as a retired person

Source: Survey Data

Commonly, many people have diverse views and attitudes towards their retirement. Some approach retirement with high levels of confidence, while others approach the same with the pessimistic view. In this survey, all respondents are presented

with six different statements, presented in table 1.3, seeking their agreement or disagreement about the same. The responses received from the respondents for each of the above six statements are presented in table 1.4 given below:

Table 1.4: To what extent do you agree or disagree with the following statements?

Items*	Strongly Agree				Agree				Strongly Disagree				Disagree			
	30-40	41-50	51-60	T	30-40	41-50	51-60	T	30-40	41-50	51-60	T	30-40	41-50	51-60	T
a	2	2	2	6	7	7	5	19	13	15	15	43	21	5	6	32
b	0	5	4	9	16	3	4	23	12	8	14	34	15	13	6	34
c	5	0	1	6	21	12	15	48	8	10	8	26	9	7	4	20
d	6	1	7	14	32	19	15	66	3	2	5	10	2	7	1	10
e	2	2	2	6	4	2	1	7	13	12	12	37	24	13	13	50
f	2	0	3	5	4	4	4	12	15	13	11	39	22	12	10	44

Source: Survey Data

Note: Items* represent six statements reflecting attitude towards retirement

The survey reveals that most of the respondents are quite confident and positive about their retirement. The salient observations about these six statements are presented in table 1.4 are outlined below.

- Table 1.4 shows that 43% of the respondents say that they strongly disagree about the statement presented, ‘I am afraid to retire’. While another 32% ‘disagree’ with this statement. Only 6% of the respondents strongly agree that they are afraid to retire.
- Most of the respondents deny that retirement causes people to suffer from mental problems. Only 23% of the respondents ‘agree’ and 9% of the respondents ‘strongly agree’ that retirement causes people to suffer from mental problems.

- Most of the respondents (48%) ‘agree’ that retirement is a difficult adjustment.
- Most of the respondents (66%) ‘agree’ that retired life gives time to do things that they are unable to do so while working.
- Many respondents (50% disagree and 37% strongly disagree) deny that their family does not want them to retire.
- Most of the respondents (44% disagree and 39% strongly disagree) say they do not have a fear that they will be a burden to their family as a retired person.

Table 1.5: Did you calculate anytime how much you need to save for your retired life?

Options	Age									Total		Total (%)
	30-40			41-50			51-60			M*	F*	
	M*	F*	T*	M*	F*	T*	M*	F*	T*			
Yes	4	4	8	4	4	8	11	7	18	19	15	34
No	11	24	35	10	11	21	10	0	10	31	35	66
Total	15	28	43	14	15	29	21	7	28	50	50	100

Source: Survey Data

Note: M*=Male F*=Female T*= Total

The calculation of savings required for retired life is a good practice that helps the retired individuals to lead a

successful retirement life. Table 1.5 shows that most (66%) of the respondents have not yet attempted to calculate the amount of savings required for their retirement life. Most

(35%) of these respondents are in the age group of 30 to 40. Only 34% of the respondents have ventured into the task of calculation of the amount of savings required for their

retirement life. Among these relatively more proportion of (18%) respondents are in the age bracket of 51 and 60.

Table 1.6: Do you manage to make monthly savings from your salary for future retirement needs?

Options	Age									Total		Total (%)
	30-40			41-50			51-60			M*	F*	
	M*	F*	T*	M*	F*	T*	M*	F*	T*			
Yes	8	5	13	4	7	11	13	5	18	25	17	42
Sometimes	4	19	23	6	1	7	3	2	5	13	22	35
No	3	4	7	4	7	11	5	0	5	12	11	23
Total	15	28	43	14	15	29	21	7	28	50	50	100

Source: Survey Data

Note: M*=Male F*=Female T*= Total

Even though many working individuals do not develop a concrete retirement plan, they generally set aside some portion of their monthly income for meeting the post-retirement needs. Table 1.6 shows that 42% of the respondents have the practice of setting aside some amount from their monthly salary as savings for their retirement. Most of these respondents are in the age group of 51 and 60. This indicates their concern and

preparedness towards retirement. Table 1.6 further evinces that 35% of the respondents sometimes keep aside money from their monthly salary for retirement. These respondents are mostly in the age group of 30 and 40. However, 23% of the respondents do not adopt the practice of earmarking some amount of monthly income exclusively for their retirement savings.

Table 1.7: Have you ever discussed retirement planning with any of the following people?

Options	Age									Total		Total (%)
	30-40			41-50			51-60			M*	F*	
	M*	F*	T*	M*	F*	T*	M*	F*	T*			
Spouse	4	17	21	10	1	11	12	2	14	26	20	46
Family Members	5	4	9	2	3	5	6	1	7	13	8	21
Co-workers	1	7	8	0	4	4	0	4	4	1	15	16
Friends	4	4	8	1	5	6	4	0	4	9	9	18
Financial Consultant	0	0	0	0	0	0	1	0	1	1	0	1
None	1	0	1	1	2	3	2	0	2	4	2	6

Source: Survey Data

Note: M*=Male F*=Female T*= Total

Working individuals require comprehensive knowledge about retirement planning. This would enable them to prepare an effective retirement plan to combat post-retirement financial challenges. In case any individual lacks such knowledge, the same can be acquired by discussing it with various people. Table 1.7 shows that most of the respondents (46%) seek assistance from their spouse in the

development of the retirement plan. The other sources of knowledge used by the respondents are other family members (21%), friends (18%) and co-workers (16%). It is interesting to note that only 1% of the respondents approach financial consultants, while 6% of the respondents do not take assistance from any source.

Table 1.8: Have you ever attended a lecture or seminar on retirement planning?

Options	Age									Total		Total (%)
	30-40			41-50			51-60			M*	F*	
	M*	F*	T*	M*	F*	T*	M*	F*	T*			
Yes	0	2	2	2	4	6	6	3	9	8	9	17
No	15	26	41	12	11	23	15	4	19	42	41	83
Total	15	28	43	14	15	29	21	7	28	50	50	100

Source: Survey Data

Note: M*=Male F*=Female T*= Total

Retirement planning is a subject of high practical relevance. Many institutions and organizations are conducting special programs on retirement planning. It is noteworthy that 83% of the respondents as shown in table

1.8 have never attended such programs. Out of them, 42 are male, 41 are female who falls under the age category of 30 and 40. In contrast, only 17% of the respondents have attended a programme on retirement planning.

Table 1.9: Did you time collect information about retirement planning from any of the following?

Options	Age									Total		Total (%)
	30-40			41-50			51-60			M*	F*	
	M*	F*	T*	M*	F*	T*	M*	F*	T*			
Journals/ Periodicals	1	7	8	2	3	5	2	0	2	5	10	15
Hand Books	4	11	15	2	3	5	3	5	8	9	19	28
Websites	14	0	14	5	0	5	1	0	1	20	0	20
None	9	16	25	8	7	15	12	0	12	29	23	52

Source: Survey Data

Note: M*=Male F*=Female T*= Total

The knowledge on retirement planning can be obtained from both personal and non-personal sources. Both print and electronic media, today, furnish a heap of information on retirement planning. Table 1.9 shows that 28% of the respondents have collected some insight about retirement planning from the handbooks available on retirement

planning. The journals and periodicals are referred by 15% of the respondents and 20% visit relevant websites. The glaring observation is that 52% of the respondents do not use any of the non-personal sources for updating on retirement planning.

Table 1.10: How much knowledge do you have about the following avenues of investment?

a. Provident Fund	h. Tax Savings Bonds
b. Gratuity	i. National Savings Scheme
c. Pension	j. Equity Linked Savings Scheme
d. Post Office Small Savings Schemes	k. Bonds/Debentures
e. Life Insurance	l. Real Estate
f. National Savings Certificates	m. Savings Account in Scheduled Banks
g. Public Provident Fund	

Source: Survey Data

Financial awareness and knowledge of various avenues of investment are imperative for making a rational investment decisions. Some of the financial products are conventional

while others are market-linked. The responses received from the respondents for the 13 avenues of investment shown in table 1.10 are presented in table 1.11:

Table 1.11: How much knowledge do you have about the following avenues of investment?

Avenues	NONE				LITTLE				SOME				MUCH				VERY MUCH			
	30-40	41-50	51-60	Total	30-40	41-50	51-60	Total	30-40	41-50	51-60	Total	30-40	41-50	51-60	Total	30-40	41-50	51-60	Total
a	2	2	3	7	7	3	2	12	12	13	9	34	8	3	1	12	14	8	13	35
b	7	5	5	17	8	5	6	19	11	6	4	21	10	9	3	22	7	4	10	21
c	8	3	2	13	4	4	4	12	11	9	3	23	14	7	7	28	6	6	12	24
d	2	3	2	7	10	7	2	19	14	4	9	27	10	8	10	28	7	7	5	19
e	3	2	0	5	3	0	7	10	8	8	0	16	23	10	11	44	6	9	10	25
f	14	4	3	21	2	6	0	8	8	6	9	23	18	10	10	38	1	3	6	10
g	13	6	4	23	9	5	4	18	8	6	5	19	9	8	6	23	4	4	9	17
h	8	8	7	23	13	3	2	18	10	8	4	22	6	4	4	14	6	6	11	23
i	16	12	12	40	19	6	4	29	1	4	7	12	2	0	2	4	5	7	3	15
j	11	7	4	22	17	5	11	33	6	7	3	16	5	2	3	10	4	8	7	19
k	6	3	3	12	9	2	3	14	5	4	2	11	12	9	4	25	11	11	16	38
l	17	8	6	31	11	8	13	32	10	4	6	20	5	6	0	11	0	3	3	6

Source: Survey Data

Table 1.11 shows that 40% of the respondents do not have any knowledge about equity-linked savings schemes, while only 15% know ‘very much’ about the same instrument. The knowledge of 36% of the respondents is poor on real estate, while only 17% know ‘very much’ about the same. The other instruments like mutual funds, bonds and

debentures are also less popular among the respondents. The traditional instruments like provident fund, gratuity, insurance, pension fund, savings account in bank and post office saving schemes are quite popular and respondents have much knowledge about these.

Table 1.12: Select the avenues of investment you have chosen to provide for your retirement

a. Provident Fund	h. Tax Savings Bonds
b. Gratuity	i. National Savings Scheme
c. Pension	j. Equity Linked Savings Scheme
d. Post Office Small Savings Schemes	k. Bonds/Debentures
e. Life Insurance	l. Real Estate
f. National Savings Certificates	m. Savings Account in Scheduled Banks
g. Public Provident Fund	

The awareness and knowledge of financial instruments guide the investors in the investment decision. When there are a plethora of investment avenues, the investor has to carefully analyse the relative merits of each instrument and

make a prudent investment decision. The responses received from the respondents for the 13 investment avenues are presented in table 1.13.

Table 1.13: Select the avenues of investment you have chosen to provide for your retirement

Avenues	Age									Total		Total (%)
	30-40			41-50			51-60			M*	F*	
	M*	F*	T*	M*	F*	T*	M*	F*	T*			
a	11	24	35	5	13	18	10	7	17	26	44	70
b	2	7	9	3	6	9	6	7	13	11	20	31
c	4	13	17	2	9	11	12	5	17	18	27	45
d	6	12	18	4	7	11	10	0	10	20	19	39
e	8	21	29	7	12	19	9	3	12	24	36	60
f	3	0	3	2	2	4	9	1	10	14	3	17
g	5	2	7	4	2	6	5	7	12	14	11	25
h	4	1	5	0	3	3	7	0	7	11	4	15
i	0	3	3	0	4	4	3	0	3	3	7	10
j	4	0	4	4	0	4	0	0	0	8	0	8
k	0	4	4	0	2	2	1	0	1	1	6	7
l	3	4	7	5	0	5	7	1	8	15	5	20
m	7	4	11	5	1	6	8	4	12	20	9	29

Source: Survey Data

Note: M*=Male F*=Female T*= Total

Table 1.13 shows that employee provident funds (70%) and life insurance (60%) are the largely preferred avenues of investment among the respondents. It is interesting to note that these are relatively more preferred by female respondents. This is followed by pension fund (45%) and post office savings schemes (39%). However, savings

account in banks (7%), mutual funds (8%) and tax-saving schemes (15%) are relatively less preferred by the respondents.

Table 1.14: How confident are you that you will have enough income when you retire?

Options	Age									Total		Total (%)
	30-40			41-50			51-60			Total		
	M*	F*	T*	M*	F*	T*	M*	F*	T*	M*	F*	
Not at all	2	0	2	5	5	10	2	0	2	9	5	14
A little	2	10	12	0	1	1	4	4	8	6	15	21
Somewhat	3	12	15	1	3	4	1	0	1	5	15	20
Confident	4	6	10	4	1	5	6	3	9	14	10	24
Very confident	4	0	4	4	5	9	8	0	8	16	5	21
Total	15	28	43	14	15	29	21	7	28	50	50	100

Source: Survey Data

Note: M*=Male F*=Female T*= Total

Table 1.14 shows that 21% of the respondents are ‘very confident’ and 24% are ‘confident’ that they will have enough income when they retire. Most of these respondents

are male. However, 14% of the respondents say that they are ‘not at all confident that they will have enough income when they retire.

Table 1.15: According to you, on which of the following do you need to stress more after retirement?

Items	Age									Total		Total (%)
	30-40			41-50			51-60			Total		
	M*	F*	T*	M*	F*	T*	M*	F*	T*	M*	F*	
Medical	5	16	21	10	7	17	13	4	17	28	27	55
Housing	1	2	3	0	2	2	3	2	5	4	6	10
Children's marriage	0	3	3	0	0	0	4	0	4	4	3	7
Family	9	8	17	4	4	8	6	3	9	19	15	34
Any other	0	0	0	0	2	2	2	0	2	2	2	4

Source: Survey Data

Note: M*=Male F*=Female T*= Total

Retirement planning is preparing for financial independence. The question in table 1.15 was asked to the respondents to find out where they want to stress more after their retirement. Table 1.15 evince that 55% of the respondents stress more on medical needs after their retirement out of that 28 are male, 27 are female who fall

under age category of 30-40, least of the respondents(4%) are ready to stress any other mode of retirement. Out of which 2 are male & 2 are female who falls under age category of 41-50, 51-60. The rest of the respondents stress more on housing (10%), children’s marriage (7%), family (34%)

Table 1.16: After retirement, are you willing to continue working?

Options	Age									Total		Total (%)
	30-40			41-50			51-60			Total		
	M*	F*	T*	M*	F*	T*	M*	F*	T*	M*	F*	
Yes	10	14	24	11	8	19	18	2	20	39	24	63
No	5	14	19	3	7	10	3	5	8	11	26	37
Total	15	28	43	14	15	29	21	7	28	50	50	100

Source: Survey Data

Note: M*=Male F*=Female T*= Total

Running out of money is the biggest challenge faced by people after their retirement. This affects their family life, social life and also the standard of living. From table 1.16, it is apparent that 63% of the respondents are willing to

work after their retirement. This comprises 39 male and 24 female respondents who fall under the age bracket between 30 and 40.

Table 1.17: If yes, which option you would choose?

Options	Age									Total		Total (%)
	30-40			41-50			51-60			Total		
	M*	F*	T*	M*	F*	T*	M*	F*	T*	M*	F*	

Full Time	3	5	8	8	3	11	6	0	6	17	8	40
Part Time	7	9	16	3	5	8	12	2	14	22	16	60

Source: Survey Data

The retired persons who are willing to continue work have the option to work on a full or part-time basis. It is evident in table 1.17 that among the 63 respondents who desire to

work, 40% prefer to work on a full-time basis and the remaining prefer a part-time schedule of work.

Results of Hypothesis Testing

Table 1.18: The Contingency Table

Criteria	Total		
	Male	Female	Total
Willing to Work After Retirement	39	24	63
Not Willing to Work After Retirement	11	26	37
Total	50	50	100

Source: Survey Data

Table 1.19: Calculation of χ^2

Sl. No	Observed Frequency (fo)	Expected Frequency (fe)	fo – fe	(fo-fe) ²	(fo – fe) ² /fe
1	39	31.5	7.5	56.25	1.785714286
2	24	31.5	-7.5	56.25	1.785714286
3	11	18.5	-7.5	56.25	3.040540541
4	26	18.5	7.5	56.25	3.040540541
				Chi-square Value	9.652509653

Source: Survey Data

The critical value of Chi-square is estimated from the table of Chi-square distribution. For the degree of freedom =1[(number of rows-1)(number of columns-1)] and level of significance level $\alpha=0.05$ the critical value is 3.841 which is less than than the observed value of 9.652509653 shown in table 1.19. Since the observed value is greater than the critical value, the null hypothesis is rejected. In other words, there is a dependence between gender and willingness to work after retirement.

planning is not undertaken as a serious exercise by most of the respondents.

Conclusion

Retirement planning is an area of grave concern to working individuals regardless of their age and economic situation. This is because, generally retirement life is associated with a plethora of responsibilities, obligations and concerns. The inability to manage these predicaments would make retirement life financially and psychologically miserable for working individuals. Meticulously designed financial plans are, undoubtedly, the protective devices for working individuals to fight against retirement woes. The present study endeavoured to unfold various perspectives on retirement planning. The study analysis portrays that most of the respondents have not yet viewed retirement planning as important to their financial success. In contrast, it is interesting to note that most of the respondents do not have any apprehensions about retirement life despite their ill-preparations. This may be because a reasonable chunk of respondents has the habit of saving regularly. Furthermore, employee provident funds and insurance are relatively more preferred avenues of investment among the respondents. The findings of the study have great practical implications for the financial advisors as retirement

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