



**Faculty of Administrative Science and Policy Studies  
Universiti Teknologi Mara**

**Bachelor of Administrative Science**

**A Study on Behavior towards Retirement Planning at Majlis Perbandaran Sungai  
Petani, Kedah**

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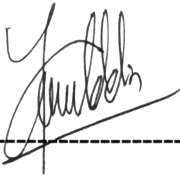
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## THE DECLARATION

### Declaration

We hereby declare that the work contained in this research proposal is my own except those which have been duly identified and acknowledged. If I am later found to have plagiarized or to have committed other forms of academic dishonesty, action can be taken against me under the Academic Regulations of UiTM's.

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## **Abstract**

The purpose of the study is to identify factors influencing behaviour towards retirement planning at Majlis Perbandaran Sungai Petani, Kedah. There is issue regarding retirement planning such as the employee do not do a good job of investing the meager retirement funds that employee have scrapped together. The data collected using the quantitative method by distributed questionnaire. First, this study is conducted by focusing on staff of Majlis Perbandaran Sungai Petani, Kedah. The number respondents are 226 for the survey questionnaire using the formula table sample size population proposed by Sekaran and Bougie (2003). The methodologies used are descriptive statistics analysis, correlation and multiple regression using for test analysis. The result from analysis show three independent variable which influence the dependent variable which are retirement planning. Those factors are knowledge, attitude and awareness that will influence the behaviour towards retirement planning. The result of this study shows the most dominants factors is knowledge that influencing the behavior towards retirement planning at Majlis Perbandaran Sungai Petani.

**Keywords:** *Retirement Planning, Knowledge, Attitude, Awareness, MPSPK.*

# CHAPTER 1

## 1.0 INTRODUCTION

### 1.1 Background of the study

There are a lot of retirement plan being introduced by institutions and the initiatives to save for retirement planning are being ignore by many people. Since most people think that the government retirement plan should be enough to cover for future plan expenses. Nevertheless, when we look at the many studies have shown that government pension plan may not be adequate for future expenses.

According to the Investment Company Institute, the total amount of assets in IRAs totaled \$7.3 trillion, with an additional \$4.7 trillion in 401(k) s. In developed countries, have millions of employees rely on self-directed investment accounts for their retirement income. In the US, half of its total retirement assets are held in accounts. There is some workers receive advice from financial advisor to allocate their savings in retirement accounts but most will decide on their own as where want to plan for their retirement. Nowadays has majority of the workers has no financial management and face losing their savings on low performance financial instruments. Because of this, there is some of them are still not believe about their own ability to make a good investment decision.

According to World Health Organization in a survey 2007 found that the global population has an average of healthy life expectancy like 66 years. By looking to the Malaysian Department of Statistic (2011) with an estimated average life span of 72.0 years for a men and 77.1 years for a women, so the senior citizen in Malaysia is expected to be unable to work and sick for the last 8 to 10 years before died. Most of the people are completely dependent on retirement benefits earned