



اَوْنِيُوْ سِيْتِي بَاتِي كُو لُو كِي مَارَا

**UNIVERSITI TEKNOLOGI MARA**

**“EMPLOYEES’ AWARENESS TOWARD  
FINANCIAL PREPARATION FOR RETIREMENT”**

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## ABSTRACT

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### **EMPLOYEES' AWARENESS TOWARD FINANCIAL PREPARATION FOR RETIREMENT**

In Malaysia people retire in younger age of 56 years old and their post retirement problem is more important than developed countries. Today's adults who have reached retirement age are staying in the paid workforce longer, retooling or retraining themselves for other employment, volunteering more of their time for the greater good or participating in other innovative activities to expand their life experiences in retirement.

By 2010, Malaysian men are expected to live up to 71 year of age while women will live up to 77.1 years. The longer life span is attributed to the improvements in accessibility to health and medical services. With increasing life expectancy, people have to seek continuing wealth throughout their extended old age. This is because living longer will increase the chances of experiencing poverty and outliving available income and assets. Changes in work, health status, independence to dependence, and all these changes cannot be carried out without money. Thus, finance is vital for this group of older persons.

The research objective of this study is to investigate the relationship between an individual's attitudes and their financially preparation for retirement. More particularly, to investigate whether employees' attitudes are influencing their awareness toward financial preparation for retirement and also to determine whether there is a significant positive relationship between awareness and their retirement preparation. A survey data was obtained from 100 workers in Kota Bharu by using a set of structured questionnaire.

The researcher associated employee's awareness with two measures which are attitudes toward financial preparation for retirement and preparation for retirement. The methods that have been used to test the data for this study are Reliability Assessment, Pearson Correlation Analysis and Simple Linear Regression Analysis Model. From the findings, a result shows that there are significant positive relationship between all dependent variables and independent variables. That's mean the attitudes of respondents are influencing their awareness toward financial retirement preparation. Thus, when increased in attitudes level, awareness toward preparation for retirement will increased too. It means that when employees aware with their retirement, they will make smart preparation for their future life. Thus, the research objectives for this study have been achieved. Research questions and hypotheses testing also have been answered.

The development of new knowledge in the production of this project paper has, as well, substantially developed the knowledge and understanding of the researcher in both the areas of attitudes and financial preparation for retirement. What was an idea based on real life observation, and grew over time has now been explored, developed, researched, analyzed and reconsidered. The challenge now is to try and make sure that the findings from this research contribute to the great social debates and ultimately to informed action by the financial services industry and governments.

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