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An Analysis of Perception and Financial Planning Behaviour for Retirementamong Working Individuals

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Abstract:Purpose: Although the financial planning for retirement is a complex and multifaceted process for any employed individual, much of the existing research only examines retirement planning in the lines of factors that influence savings for the future, perception of individuals, role of financial planners and also impact of debt level with respect to retirement planning. As the global pandemic storm wreaked havoc in almost every sector of the economy, a more comprehensive understanding on the financial planning for retirement and in particular the discipline of holding on to the plan was considered imperative to be studied. The research also involved understanding the perception of the individuals regarding asset allocation preferred for retired life, priority in terms of financial planning and the impact of various factors affecting the behaviour of adhering to the financial planning for retirement for which Social Cognitive Theory was used as a conceptual base. The empirical study has followed a questionnaire based survey research on employed individuals. Data from 202 participants were analysed using various tools like Descriptive Statistics, Chi Square Analysis, Kendall's Coefficient of Concordance W, Exploratory Factor Analysis and Multiple Regression. The collected data were analysed using SPSS 20.0. The study revealed that an individual's financial planning for retirement behaviour is highly influenced by external environmental factors.

Keywords: Retirement, Financial Planning for Retirement, Financial Discipline, Preferred Asset Allocation, Social Cognitive Theory, Self-Efficacy.

INTRODUCTION:

India has its largest ever adolescent and youth population. According to UNFPA projections, the country will continue to have one of the youngest populations in the world till 2030. It will experience a demographic window of opportunity, a "youth bulge" that will last till 2025(UNFPA, n.d.)It indicates that the improved contribution of the working age group would contribute to the economy's growth resulting in demographic dividend, provided it has supporting policies for economic growth and conducive environment. In spite of various development measures taken at regular intervals, there were signs of economic slowdown. The GDP collapsed by 23.9 percent in the quarter ending in June 2020 on a constant price year-over-year basis, as the country's efforts to contain the corona virus wreaked havoc on its economy(DD NEWS, 2020). The nationwide lockdown, even though thoughtfully planned to contain the spread of the virus, came as a severe blow to the already stressed economy.

With the declaring of lockdown, almost every industry went through major setback especially entertainment, hospitality, fitness and aviation industry. A report from Centre for Monitoring Indian Economy (CMIE), an independent think tank mentions that 121 million Indians were out of work just a month after the lockdown(CMIE, 2020). A separate report by the International Labour Organisation (ILO) and the Asian Development Bank (ADB) estimated that more than 4 million Indians below the age of 30 have lost their jobs due to the pandemic(ILO, 2020).

The shutdown of organisations due to lockdown and the subsequent realignment of resources in many sectors has brought unprecedented challenges for the salaried class. Many of the employees witnessed either deeper pay cuts to retain their jobs or actually lost jobs. In order to ease the economic fallout, the labour ministry permitted withdrawal of up to the amount of basic wages and dearness allowance for three months or up to 75% of the amount standing to member's credit in the EPF account, whichever was less(PIB, 2020). There were reported withdrawals from the Provident fund also. According to a report published in 'The Economic Times', as much as Rs 30,000 crore has been withdrawn by approximately 8 million EPFO subscribers in the last four months —

April to July — in the wake of the pandemic situation in India. The Finance Investment and Audit Committee (FIAC) of the Employee Provident Fund Organisation(EPFO) reported thatthree million beneficiaries withdrew over Rs 8,000 crore under Covid window while the remaining Rs 22,000 crore was withdrawn by 5 million EPFO subscribers under the general window(Economic Times, 2020).

It is this interesting news of withdrawal from the EPFO thatsparked the curiosity to determine the importance placed by the salaried class with respect to their probable life savings for retirement.There are multiple internal and external factors that surrounds the financial planning for retirement. Even a disciplined/ regular investor may be taken aback as the returns from his current investments may be insufficient to maintain status quo of life style taking inflation into account. Lack of discipline or deviation from the target can be an obstacle to attain the expected quality of retirement life. That raises the concern of whether the individuals are financially disciplined with respect to their retirement planning!

In common parlance, retirement marks the end of obligatory work life and it emotionally stirs fear of the future. Some of the key sources of retirement income in the country are National Pension scheme, Atal Pension Yojana that targets the unorganised sector, Employees provident fund for the organised sector, Superannuation Funds (SAF) which works on a voluntary transfer to retirement funds and National Social Assistance Programme (NSAP) that basically provides financial assistance to poor households in the case of old age or the death of the primary worker.

Corporates are competing with each other to develop, promote through vigorous advertisement and try to sell their retirement products for individuals. On the other hand, the financial advisers claim that they are the 'one stop solution' for providing expert guidance in planning for retirement. Little is actually known from the individuals' end as to their awareness about the seriousness of financial planning for retirement, their priorities in terms of financial planning, their trust on their own financial literacy level which guides their investment plans, their confidence about their family support post retirement and the various factors that dwell around the financial planning in general and more specific towards retirement. Further, even less is known about their outcomes of currently held investment in the light of inflation.

This paper consists of 5 sections. Following this introduction is section I, which consists of the brief background of the study. Section II enumerates a brief review of literature and highlights the research gap. Section III focuses onthe Need, Objectives, Sample design, Statistical tools, Data collection and Limitations of the study. Section IV deals with data analysis. Section V recapitulates the major findings and draws the overall conclusion for the study.

Back ground of the study

Social Cognitive Theory (SCT)

Social cognitive theory favours a model of causation involving triadic reciprocal determinism. In this model of reciprocal causation, behaviour, cognition and other personal factors, and environmental influences all operate as interacting determinants that influence each other bi-directionally. Because of the bi-directionality of influence between behaviour and environmental circumstances, people are both products and producers of their environment. They affect the nature of their experienced environment through selection and creation of situations. People tend to select activities and associates from the vast range of possibilities in terms of their acquired preferences and competencies(Bandura & Walters, Adolescent aggression: A study of the influence of child-training practices and family interrelationships., 1959). In social cognitive theory, people are neither driven by inner forces nor automatically shaped and controlled by the environment. They function as contributors to their own motivation, behaviour, and development within a network of reciprocally interacting influences. The unique feature of SCT is the emphasis on social influence and its emphasis on external and internal social reinforcement. The goal of SCT is to explain how people regulate their behaviour through control and reinforcement to achieve goal-directed behaviour that can be maintained over time.

The first five constructs were developed as part of the Social Learning Theory; the construct of self-efficacy was added when the theory evolved into SCT.

1. **Reciprocal Determinism** - This is the central concept of SCT. This refers to the dynamic and reciprocal interaction of person (individual with a set of learned experiences), environment (external social context), and behaviour (responses to stimuli to achieve goals).
2. **Behavioural Capability** - This refers to a person's actual ability to perform a behaviour through essential knowledge and skills. In order to successfully perform a behaviour, a person must know what to do and how to do it. People learn from the consequences of their behaviour, which also affects the environment in which they live.
3. **Observational Learning** - This asserts that people can witness and observe a behaviour conducted by others, and then reproduce those actions. This is often exhibited through "modelling" of behaviours. If individuals see successful demonstration of a behaviour, they can also complete the behaviour successfully.
4. **Reinforcements**- This refers to the internal or external responses to a person's behaviour that affect the likelihood of continuing or discontinuing the behaviour. Reinforcements can be self-initiated or in the

environment, and reinforcements can be positive or negative. This is the construct of SCT that most closely ties to the reciprocal relationship between behaviour and environment.

5. **Expectations** - This refers to the anticipated consequences of a person's behaviour. Outcome expectations can be health-related or not health-related. People anticipate the consequences of their actions before engaging in the behaviour, and these anticipated consequences can influence successful completion of the behaviour. Expectations derive largely from previous experience. While expectancies also derive from previous experience, expectancies focus on the value that is placed on the outcome and are subjective to the individual.
6. **Self-efficacy** - This refers to the level of a person's confidence in his or her ability to successfully perform a behaviour. Self-efficacy is unique to SCT although other theories have added this construct at later dates, such as the Theory of Planned Behaviour. Self-efficacy is influenced by a person's specific capabilities and other individual factors, as well as by environmental factors (barriers and facilitators).

The theory posits that learning occurs in a social context with a dynamic and reciprocal interaction of the person, environment, and behaviour. According to Bandura, Self-efficacy plays a major role in how an individualnot only feels about himself, but also whether or not he successfully achieves his goals in life. Self-efficacy is part of the self-system consisting of a person's attitudes, abilities, and cognitive skills. This system plays a major role in how an individual perceives a situation and in turn how he behaves in response to it. The self-efficacy concept of social cognitive theory has been used as a conceptual base in the study. The study tries to determine the importance attributed by individuals towards financial planning for retirement and the various factors that affect the same. The study also focuses on if there is a plan/ goal for retirement, whether the individual has adhered to the discipline of sticking to his plan andthe environment in which individuals perform the behaviour has had an impact in the context of financial planning for retirement.

REVIEW OF LITERATURE

There were researches that focussed on the factors that influences savings for the future. The study by Hogarth(1991)had established that age, education, gender, income, and marital status were significant factors influencing saving for the future. The researcher has determined that households' savings behaviours are responsive to their micro and macro situations.

A growing body of literature contributed to the role of financial planners in providing significant benefits both economic and psychological, in helping individuals prepare for retirement. The research byBlanchett & Kaplan(2013)had quantified the benefits of retirement planning advice as gamma, a measure of the increased potential retirement income an individual receives from working with an advisor. Their work suggests that through managing investments, taxes and retirement withdrawals an individual's retirement income can be increased by 22.6% by working with an advisor. The research byGrabble & Chatterjee, (2014) introduced zeta, a measure of how a financial advice can limit wealth volatility and loss in times of economic turmoil. They find that individual who met with a financial advisor experienced significantly less wealth volatility over the great recession.

There were studies that focussed on the behavioural factors and retirement planning. The research by Kimiyagahlamet. al (2019)tested the direct relationship between attitude and behaviour, by expanding the theory of planned behaviour. The researchers examined not only the relationship between behavioural factors and retirement planning but also the mediating role of saving attitude between proposed behavioural factors and retirement planning. A theoretical model was developed and the study revealed that financial literacy, propensity to plan, and future orientation have significant relationship with retirement planning behaviour which saving attitude mediates these relationships. However, family education and materialism don't have direct effect on retirement planning behaviour of individuals.

The study byCavanagh & Sharpe (2002)had focussed on the relationship between debt levels and participation in fund balances of discretionary retirement savings accounts. Results of this study suggest that certain types of debt affect ability to save for retirement using discretionary retirement savings accounts. They determined that the relationship between consumer debt level and the amount currently being saved for retirement by an individual is negative.

There were considerable research on various factors that affects retirement savings. The study by Joo & Grable(2005)had applied Engel, Blackwell, and Miniard's (1990) consumer decision-making model by conceptualizing factors like the role of environmental influences, individual differences, and psychological processes and how they affect the savings for retirement. Using Retirement Confidence Survey data (N = 751), their analysis determined that respondents with higher education levels, higher income, a smaller household size, and favourable financial attitudes tend to currently have a retirement savings program in place. Those who are exposed to workplace financial education are more likely to have a retirement savings program and having a retirement savings program related positively to retirement confidence.

According to Bandura, Self-efficacy : the exercise of control, (1997)self-efficacy represents "… people's beliefs about their capabilities to exercise control over their own level of functioning and over events that affect their

lives" (p. 257). Bandura's description of self-efficacy became an impetus for Financial Self-Efficacy for Lown(2011). Lown's study developed a 6-item Financial Self-Efficacy Scale for use by researchers, educators, counsellors, and advisors and his financial self-efficacy scale can help educators and counsellors to better understand, guide, and motivate their students and clients.

The study byAsebedo & Seay(2018) had built upon the existing literature by establishing a link between Financial Self- Efficacy(FSE) and the saving behaviour of older pre-retirees. FSE appears to be the weakest and most vulnerable to decline for older American adults when compared to self-efficacy in other behavioural domains. Consequently, older pre-retirees may benefit from further research focused on the factors that shape and support higher FSE.

The current research having documented various studies on retirement planning focuses its attention on individual's perception, financial preparedness for retirement, trying to understand their priority and the various factors that play a critical role in financial planning for retirement. In specific, the study tries to determine the discipline of individuals in adhering to the financial plan for retirement in this pandemic situation.

RESEARCH METHODOLOGY:

a. Need of the study

The research would add to the growing body of empirical evidence on the subject of financial planning for retirement. The study can help working individuals, financial advisors, financial planning professionals, financial institutions and government/policymakers strengthen their understanding on the topic and may assist the retirement product providers to serve the target segment better.

b. Objectives of the study

1. To understand the preference and opinion about financial planning for retirement
2. To understand the individual's priority in financial planning
3. To identify the factors that affects the financial planning for retirement
4. To ascertain if there exists a disciplined retirement plan among the respondents

c. Sample Design: The city of Hyderabad is broadly representative of the nation in terms of its diversity of population, concentration of Multi-National Companies and economic development. The workforce consists of teachers, lawyers, doctors, software engineers, administrative staff, self – employed professionals and Government officials as well. In order to control bias and uncertainty, the sample was taken from a diversified segments of work force ranging from the new recruits, employees in their mid-career and the pre retirees. To ensure fair representation of various categories of the population, random sampling method was adopted.

d. Methodology: The present study makes an intensive inquiry to determine the financial discipline of individuals through empirical approach. Data collected consists of both primary and secondary sources. Primary data was collected through structured questionnaire while secondary data was collected from official website of Government, Journals and various published articles from the internet. A total sample of 224 was collected but only 202 were complete and considered relevant for the study.

e. Statistical Tools: The relevant data collected were coded and analysed through SPSS 20 software. Tools such as percentages, chi-square analysis, Kendall's coefficient of concordance W, exploratory factor analysis and multiple regression were used.

f. Limitations of the Study: This study is geographically restricted to Hyderabad city in the state of Telangana, India. In order to arrive at a generalized conclusion about the topic, a more intensive study spreading across various cities of the country is recommended.

Data Analysis

1. To understand the preference and opinion about financial planning for retirement.In order to understand the preference and opinion about financial planning for retirement, the analysis has focused on the following sub-objectives.

Sub objectives

a. To understand the demographic profile of the respondents
b. To identify the preference of asset allocation with respect to financial planning for retirement
c. To determine if there is any association between the demographic variables and their preference of asset as an investment for retirement
d. To determine the opinion regarding the ideal age to start financial planning for retirement
e. To determine if there is any association between the demographic variables and their opinion on ideal age to start planning for retirement

a) To understand the demographic profile of the respondents

There were six demographic characteristics considered for the study namely Age, Gender, Marital status, Educational Qualification, Monthly income and Job experience. The Descriptive statistics of the sample unit (N=202) are presented in Table 1.

Table 1:Demographic Profile of the respondents

	Frequency	**%**		**Frequency**	**%**
Age group			**Gender**		
20 – 30	31	15.3	Male	98	48.5
30 – 40	94	46.5	Female	104	51.5
40 – 50	56	27.7			
50 – 60	21	10.5			
Total	**202**	**100**	**Total**	**202**	**100**
Marital Status			**Job Exp. (in years)**		
Single	25	12.4	Less than 10	44	21.8
Married	175	86.6	10 – 20	110	54.5
Not disclosed	2	1	20 – 30	38	18.8
			30 +	10	5
Total	**202**	**100**	**Total**	**202**	**100**
Education			**Monthly Income**		
High School	3	1.5	>50,000	43	21.3
Graduate	43	21.3	50,000 – 1,00,000	29	14.4
Post Graduate	39	19.3	1,00,000 – 1,50000	48	23.8
Prof. Qual.	48	23.7	1,50,000 – 200000	19	9.4
UG+Prof. Qual.	9	4.5	2,00,000 +	63	31.2
PG+Prof. Qual.	47	23.3			
PhD	13	6.4			
Total	**202**	**100**	**Total**	**202**	**100**

Source: Computed

b. To identify the preference of asset allocation with respect to financial planning for retirement

In order to determine the asset preferred as an investment avenue for retirement, therespondents were given choices of physical assets, stocks, fixed income securities and Mutual funds and the following table shows the result of their choice of asset allocation.

Table 2:Preference of Asset Allocation

Type of asset	**Frequency**	**Percent**
Physical Asset (Gold /Real estate)	112	55.5
Mutual Funds	31	15.3
Fixed Income securities	37	18.3
Stocks	22	10.9
Total	202	100.0

Source: Computed

From the above table it can be inferred that55.5% (112) of the respondents prefer physical assets as an investment for retirement planning. 18.3% (37) of the respondents prefer fixed income securities, while 15.3% (31) prefer mutual funds as an investment avenue while 10.9% (22) prefer stock as an investment avenue for retirement planning.

c) To determine if there is any association between the demographic variables and their preference of asset allocation for retirement

Suitable hypotheses relating to the demographic variables and the asset preferred by the individuals as an investment avenue for retirement were developed and tested using chi square analysis.

Table 3:Hypotheses of demographic variables and preference of asset allocation

S.No	Null Hypotheses	χ^2	df	P - value	Decision
1.	There is no significance between age & the preference of asset allocation	26.645	9	.002	Reject
2.	There is no significance between gender & the preference of asset allocation	18.678	3	.000	Reject
3.	There is no significance between education & the preference of asset allocation	90.685	18	.000	Reject
4.	There is no significance between employment & the preference of asset allocation	18.290	6	.006	Reject
5.	There is no significance between monthly income & preference of asset allocation	55.235	12	.000	Reject
6.	There is no significance between marital status & the preference of asset allocation	4.403	6	.622	**Accept**
7.	There is no significance between Job experience & the preference of asset allocation	18.943	9	.026	Reject

Source: Computed

From the above table it can be observed that there is a significant association between age, gender, educational qualification, employment, monthly income and job experience of the respondents and the preference of asset allocationfor retirement planning. On the other hand, it can also be observed that there is no significance between marital status and the preference of asset allocation for retirement planning.

d. To determine the opinion regarding the ideal age to start financial planning for retirement

In order to elicit the opinion of the respondents on the ideal age to start planning for retirement, they were asked to choose from among the possible choices. The following table reveals their opinion on the ideal age group to start planning for retirement.

Table 4:Ideal Age to start financial planning for retirement

Age Group	Frequency	Percent
20 - 30 years	95	47.0
30 - 40 years	83	41.1
40 - 50 years	15	7.4
50 - 60 years	9	4.5
Total	**202**	**100.0**

Source: Computed

From the above table it can be inferred that, 47% (95) of the respondents opined that 20-30 years is ideal, while 41.1% (83) felt 30 – 40 years is appropriate, followed by 7.4% (15) expressing 40 – 50 years is the right age group while a meagre 4.5% (9) of the respondents felt 50 – 60 years is ideal to start the financial planning for retirement.

e. To determine if there is any association between the demographic variables and their opinion on ideal age to start planning for retirement

Suitable hypotheses relating to the demographic variables and the opinion of the respondents on the ideal age to start planning for retirement were developed and tested using chi square analysis.

Table 5:Hypotheses of demographic variables and opinion on ideal age to plan retirement.

S.No	Null Hypotheses	χ^2	df	P - value	Decision
1.	There is no significance between age & their opinion on ideal age to plan retirement.	31.540	9	.000	Reject
2.	There is no significance between gender & their opinion on ideal age to plan retirement	27.555	3	.000	Reject
3.	There is no significance between Education & their opinion on ideal age to plan retirement.	63.200	18	.000	Reject

4.	There is no significance between Employment & their opinion on ideal age to plan retirement.	24.613	6	.000	Reject
5.	There is no significance between Monthly income & their opinion on ideal age to plan retirement.	46.876	12	.000	Reject
6.	There is no significance between Marital status & their opinion on ideal age to plan retirement.	10.228	6	.115	**Accept**
7.	There is no significance between Job experience & their opinion on ideal age to plan retirement.	30.405	9	.000	Reject

Source: Computed

From the above table it can be observed that, there is a significant association between age, gender, educational qualification, employment, monthly income and the job experience of the respondents and their opinion on the ideal age to plan retirement. It is also observed that there is no significance between marital status of the respondents & their opinion on ideal age to start the financial planning for retirement.

1. To understand the individual's priority in financial planning

In order to determine how the individuals prioritise financial planning for retirement along with other priorities, the respondents were given certain domain and were asked to rank them from 1 - 5 depending on what they perceive as important. 1 is given for what they consider as utmost important and 5 being the least in their priority with respect to financial planning. Kendall's coefficient of concordance W, which is a non – parametric statistic is used to assess the agreement in rankings of multiple stimuli by multiple raters.

Ho: There is no significant agreement among the respondents in ranking their priority in financial planning

Ha: There is a significant agreement among the respondents in ranking their priority in financial planning

Table 6:Priority in financial planning

Domain	**Mean**	**Rank**	χ^2	**Kendall's W**	**Sig.**	**H0 Accept/ Reject**
Financial planning for family	**2.03**	1	270.23	.334	P < .001	Reject
Financial planning for children's welfare	2.28	2				
Financial planning for medical emergencies	2.77	3				
Financial planning for higher standard of living	3.94	4				
Financial planning for retired life	**3.98**	5				

Source: Computed

From the above table, it can be observed that since the P< .001 we reject the null hypotheses, which implies that there is a significant difference among the respondents in ranking their priorities with respect to financial planning. Since the financial planning for family has the lowest mean, the respondents have given highest priority towards financial planning for their family. The second priority is given for children's welfare, while medical emergencies take the third priority, fourth priority is given to improving their standard of living and the least importance is given to retirement planning. It can be concluded that financial planning for retirement has not been considered as priority by the respondents.

2. To identify the factors that affects the financial planning for retirement

Exploratory Factor Analysis has been considered as one of the best tool to test the relationship between the observed variables and their underlying constructs (latent variable) (Byrne, 2010). There are various variables that affects the financial planning for retirement. The current study has considered twenty variables that has a bearing on retirement planning. When alpha is equal or greater than 0.70, it is considered acceptable (Jum & Bernstein)

Table 7:Reliability Statistics

Cronbach's Alpha	**Cronbach's Alpha Based on Standardized Items**	**N of Items**
.781	.778	20

Source: Computed

In order to reduce the dimensions, exploratory factor analysis was employed and then on the extracted factors, multiple regression has been performed. In order to determine the sampling adequacy amongst the variables, the Kaiser – Mayer – Olkin (KMO) test was performed. The KMO value of 0.763 which is more than .6 implies that

the sample is adequate and valid to conduct the data reduction technique. The KMO ranges from 0 to 1 with 0.6 suggested as minimum value for good factor analysis (Tabachnick & Fidell, 2013) Also, the Bartlett's Test of Sphericity, where P< .001 has further vindicated that performing factor analysis is appropriate.

Table 8:KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.763
Approx. Chi-Square	1673.973
Bartlett's Test of Sphericity df	190
Sig.	< .001

Source: Computed

The 20 items were subjected to Principal Component Analysis (PCA) test using SPSS version 20. The PCA test revealed the presence of six components with eigenvalues exceeding 1. The following table provides the rotated factor matrix using Varimax Orthogonal Transformation. All the items have a factor loading of above 0.4.

Table 9:Rotated Component Matrix

Factors	Components	Item Description	Rotated Loadings	% of Variance	Eigen Values
I	Environmental Factors	Rising Cost	.878	25.065%	5.257
		Job Stress	.786		
		Market Volatility	.757		
		Novel Diseases	.743		
		Adequacy of EPF	.684		
		Safety of Investments	.655		
		Liquidity of Investment	.645		
		Inflation factors	.602		
		Failure of Private banks	.588		
II	Preparedness Factor	Ready to downgrade lifestyle post retirement	.828	10.665%	2.711
		Extravagant spending distracts retirement planning	.788		
		Fin. Literacy to understand the investments risk/return	.755		
III	Family Factors	Dependence on spouse	.775	8.795%	1.857
		Dependence of children	.646		
IV	Risk Tolerance Factors	Financial plan change due to pandemic	.789	8.735%	1.598
		Fear of risk in investment	.651		
V	Financial Potential Factor	Currently held Investments are insufficient post retirement	.716	8.109%	1.095
		Interest payment on mortgages distracts ret. plan	.611		
VI	Professional Assistance Factor	Advertisement's effect on retirement planning	.828	6.266%	1.008
		Professional guidance on retirement planning	.601		

Source: Computed

The first factor has been labelled as Environmental Factor. It explains the various external environmental factors that has an impact on the financial planning for retirement of the individual. The second factor is preparedness factor, which tries to elicit the individual's preparedness level regarding the investments that's made for their

retirement. The third crucial factor is referred as family factor, which tries to understand the impact of family on the retirement planning. The fourth one is referred as risk tolerance factor that focuses on the risk taking capacity and its effect on retirement planning. The fifth factor is referred as financial potential factor that focuses on their current commitments and investment pattern and its impact on retirement planning. The last factor is labelled as professional assistance factor, wherein the impact of corporate advertisements and whether or not they seek professional assistance in retirement planning is considered.

Once the factor analysis was performed, multiple regression is done to determine the impact of the various factors on retirement planning. The financial planning for retirement is considered as dependent variable while the six extracted factors namely Environmental, Preparedness, Family, Risk Tolerance, Financial Potential and the Professional Assistance were taken as independent variables. Since the factors were orthogonally transformed it is free from multi collinearity. Test for Normalcy indicates that the data is normally distributed.

Table 10:Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.994[a]	.988	.988	1.05363

Source: Computed

From the above table it can be inferred that the independent variables influence the dependent variable considerably. A high R square indicates that the independent variable highly affects the dependent variables, justifying the model.

Table 11:ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	18238.143	6	3039.690	2738.131	.000[b]
Residual	216.476	195	1.110		
Total	18454.619	201			

Source: Computed

The results of ANOVA indicates that independent variables together influence the dependent variable. As P<.01, it can be inferred that there is a statistical significance between the financial planning for retirement and the various factors influences the retirement planning.

Table 12:Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	52.639	.074		710.056	.000
Environmental Factors	8.240	.074	.860	110.871	.000
Preparedness Factors	3.173	.074	.331	42.694	.000
Family Factors	2.140	.074	.223	28.792	.000
Risk tolerance Factors	1.683	.074	.176	22.642	.000
Financial Potential Factors	1.069	.074	.112	14.382	.000
Professional Assistance Factor	2.056	.074	.215	27.663	.000

Source: Computed

The Regression model:

Financial planning for retirement = 52.639 + .860 (Environment Factors) + .331 (Preparedness factor) + .223 (Family factor) + .176 (Risk tolerance factor) + .112 (financial potential factor) + .215 (professional assistance factor)

From the above table it can be inferred that, there exists a high positive relationship between all the individual variables on the financial planning for retirement sinceP< .001. In fact, it can be seen that Environmental factor with the highest Beta value of .860 highly influences the retirement planning followed by the other factors.

3. To ascertain if there exists a disciplined retirement plan among the respondents

In order to analyse this objective, it has been structured as mentioned below.

a. If there exists a Retirement plan in place
b. Reasons for Respondents not having a retirement plan
c. Discipline of Individuals with a retirement plan and adhering to it

a. The respondents were asked if they have a retirement plan in place and the following table reveals the results of the same.

Table 13:Retirement plan in place

	Yes	No	Total
Frequency	113	89	202
Percentage	55.9	44.1	100

Source: Computed

From the above table, it can be inferred that only 55.9% of the respondents have a retirement financial plan in place while 44.05% do not have any retirement plan.

b. The respondents were asked about the reasons for not having a financial plan for retirement. The following table reveals the results of the same.

Table 14:Reasons for Respondents not having a retirement plan

	Environment Factors	Never thought about retirement	Total
Frequency	47	42	89
Percentage	52.81	47.19	100

Source: Computed

From the above table it can be inferred that 52.81% (47) of the respondents do not have a retirement plan due to various external environment factorswhile a staggering 47.19% (42) have mentioned they have never even thought of retirement financial planning up until now.

c. The respondents with a financial plan for retirement were further asked if they are disciplined to stick to the plan that they have established. The following table reveals the results of the same.

Table 15:Discipline of Individuals with a retirement plan and adhering to it

	Yes	No	Deviate @ times	Total
Frequency	82	9	22	113
Percentage	72.5	7.9	19.4	100

Source: Computed

From the above table it can be inferred that out of the respondents with a retirement plan, only 72.5% (82) of the respondents are disciplined to stick to their plan, while 7.9% (9) do not hold on to their plan and 19.4% (22) of the respondents do not strictly follow as they deviate from their original financial planning for retirement. The reason for not adhering to the plan and occasional deviation from the plan were yet again attributed to the environment factors.

CONCLUSION

An individual's financial planning for retirement is highly influenced by internal and external environmental factors. With a set of learned experience, the individual's discipline with respect to financial planning for retirement may get modified by environmental factors that may be referred as reciprocal determinism. The continuing or discontinuing a discipline in financial planning for retirement is determined by the family dynamics to a large extent. The literacy to understand the inherent risk in any investment and the wisdom to choose a suitable investment that is within their risk tolerance level, determine the discipline or otherwise in sticking to the financial plan for retirement. The self-efficacy of an individual in successfully adhering to a disciplined financial plan for retirement depends on his preparedness level by having a curb on his expenditure or lifestyle. An individual can model a disciplined financial retirement plan by utilising the professional assistance as it may help them with a customized financial plan for suitable asset allocation based on one's financial potential paving way for wealth creation.

It may be concluded that the persistent popularity and craze for goldand real estate, is self-explanatory for the concerns regarding price rise/ inflation. Lack of awareness,aspirational lifestyle, spiralling consumerism, sky rocketing education and medical expenses are few factors that brings a thrust on the 'present', resulting in a short sighted approach on financial planning for retirement. Since the retirement and the subsequent pension form is highly fragmented and totally depends on an individual's nature of job and the type of employer, there needs to be a comprehensive, sustainable and effective retirement planning in place, so that it can take care of an individual financially and socially.

Inflation is an important component that needs to be appreciated and taken into consideration in retirement planning as it is the most crucial factor that eats into the purchasing power. Identifying current expenditure pattern and projecting them to future taking inflation into account would ensure individuals to retain status quo in their standard of living. The role of employers in educating the employees regardingretirement planning would be a wonderful guide for the individuals in creating and sustaining a feasible retirement plan.

Pursuing a suppressed passion or rediscovering childhood hobbiesor just enjoying the simple pleasures of life, no matter how the retirement life has been perceived, a well thought out financial plan for retirementwould align the perceived 'dream retirement' with reality. A suitable financial plan for retirement coupled with a financial discipline of sticking to the planwould pave way for a happy, contented and a confident retired life.

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