

**SECURING THE FUTURE:  
RETIREMENT PLANNING PATTERNS AMONG NON-GOVERNMENTAL EMPLOYEES**  
*Discipline: Commerce*

***Sonitha C G***

*Assistant Professor, Department of Commerce (Self Financing)  
St. Xavier's College for Women (Autonomous), Aluva, Ernakulam  
Affiliated to the Mahatma Gandhi University, Kerala, India  
Email: sonithacg28@gmail.com*

***Dr. Raji Mohan***

*Assistant Professor, Department of Commerce  
St. Xavier's College for Women (Autonomous), Aluva, Ernakulam  
Affiliated to the Mahatma Gandhi University, Kerala, India  
Email: rajimohan@stxaviersaluva.ac.in*

---

**Received: 30.12.2025 | Revised Submission: 20.01.2026 | Accepted: 27.01.2026 | Available Online: 04.02.2026**

---

## **Abstract**

The post retirement life of government employees is well secured. So that a study on retirement planning of non-governmental employees becomes relevant. Retirement financial planning is affected by many factors like financial literacy, saving habits, risk taking ability, financial awareness, establishing clear retirement goals etc. hence it is important to understand the factors influencing investment actions of non-governmental employees in retirement planning. And it is equally important to study the demographic variables especially the age group from which non-government employees started planning for retirement. A significant role is played by financial advisors or intermediaries in awaring the individuals about retirement products and services. By thoroughly examining the awareness level of individuals about available retirement planning products and services can be provide guidance on future retirement planning actions. There are hardly any studies done about retirement planning of non-governmental employees as it is a micro level study. So, this paper attempts to study the financial awareness level of non-governmental employees and the various financial retirement instruments and the factors influencing their investment actions and the specific role of financial information in retirement planning. This study will help to know about the financial planning behavior of non-governmental employees. Finding shows that most of the non-government employed respondents are contributing only 1 percent to 5 percent from their current salary to various retirement plans. Results are also revealed that Majority of the non-government employed respondents are planning to start for a secured life between the age group of 40years to 50years. About 92 percent of the non-government employed respondents considers retirement plans as a necessity for every individual for their secured life.

**Keywords:** Saving habits, Risk taking ability, financial awareness on retirement planning.

## Introduction

Retirement is defined as seclusion or privacy or withdrawal from work due to age. Retirement planning is a process of setting retirement income goals and following them with the actions necessary to achieve those same goals. With having investments that earn regular income during retirement leads to a stress-free life. Living stress-free is one of the many benefits of retirement planning. Retirement is the age where one has to relax and reap the benefits of all the hard work. In India the government is bifurcated into central and state where the retirement age ranges with 58-65 as per 7th pay commission based upon the profession. Individuals working under private sector has no such retirement age. Therefore, there is a need to observe the two central and divergent aspects of non-governmental employee's financial planning behavior for retirement, that is, the lack of motivation to engage in financial planning, and the increasing responsibility of the non-governmental employees for his or her financial situation in retirement. Therefore, the perspectives a non-government employee has on his financial situation in retirement and the specific financial planning actions he or she takes needs to be studied. The simultaneous investigation of these two aspects of individual retirement specific financial planning behavior is becoming increasingly important in academic world and in practical life as relevance of financial provision for retirement is rising for the individual, companies, policy makers, and for society as a whole.

The composition and level of retirement savings affect the lives of individuals after retirement. Difficulties encountered in financing retirement may cause some to become a burden on their families and community, as well as on the public welfare system. It seems obvious that increased financial awareness would be beneficial to workers planning for retirement. Employer sponsored education programs can play a major role in disseminating specific information in order to increase the knowledge related to retirement planning. A lack of financial education may cause workers to start saving too late in life to realise their stated retirement goals. As a result, they are unlikely to achieve an optimal balance between current consumption while working and future consumption in retirement. In addition, a lack of information concerning the risk-return distribution of various investments might lead them to misallocate their retirement portfolios.

Absence of adequate social retirement benefits, rising costs of living, desire for financial independence and medical emergencies reminding every working individual to have a secured life during retirement. Hence it is very much important for a non-governmental employee to have a good financial planning for retirement than a government employee have. In India the pension system coverage was very small by handling Employees Provident Fund (EPF), Employees Pension Scheme (EPS), and Public Provident Fund (PPF). In recent years the government has brought

National Pension Scheme (NPS) and Atal Pension Yojana (APY) under pension system. Individuals who work under private sector receive Employee Provident Fund (EPF) monthly which is also considered as a type of pension. Apart from various government lending pension plans, working individuals can initiate themselves by investing in certain avenues, hence this study deals with the initiatives taken by the common non-governmental working individuals for their secured retirement life.

## **Background of the study**

Planning for retirement is one of the most important but more difficult tasks an individual or family can perform. However, planning would allow for a much easier life in retirement. Retirement planning is a process of setting retirement income goals and following them with the actions necessary to achieve those same goals. In a study conducted by Dr. Noor aza and Ms. Kiran Patil (2019) named “Is retirement planning a priority for individuals? A study in Bengaluru city” found that financial plan for retirement is very important for an individual to lead financially comfortable life in old age. The study has been undertaken to understand individual’s financial preparedness for the retirement and to understand whether behavioral factors have any influence on the same. Mutual fund is the most preferred investment avenue. This finding is contradictory to earlier studies where Fixed Deposit was the most preferred investment avenue. This is a welcome change as the direction of change is in the right direction. The study also reveals that there is strong correlation between act of saving with personal retirement plan and pattern for saving. While objective for saving has moderate correlation with act of saving, saving pattern, and personal retirement plan. Notably study did not find any of the demographic factors influencing saving patterns. As Shailesh Singh, et al., (2017) has established a study on perception of individuals towards retirement planning. In his study he found, that there is impact of financial advice on saving towards the retirement objectives and the analyses revealed that majority of the respondents are investing with their own belief which is not advisable. He found that majority of the respondents were positive when asked the question do you think retirement planning is important irrespective of their income, age and occupation.

## **Statement of the problem**

This study attempted to find out the attitudes of non-government employees’ retirement financial planning. Specifically, this study aimed to answer the following questions:

1. What is the awareness level of non-governmental employees with regard to financial planning for retirement, its instruments and financial advisors?
2. From which age group non-governmental employees are planning for retirement for their secured future?

3. Is there any lack of motivation to engage in retirement planning?
4. What is the role of financial information in retirement planning in increasing the contribution rates?

## **Research Methodology**

To discover the concept of retirement financial planning of non-government employees among the working individuals of private sector within Ernakulam district, the age group on planning for retirement, the researcher used a descriptive method of research, employing the questionnaire method. Out of the 100 working individuals 83 percent of the non-government employed respondents are planning to retire at the age group between 50 and 60. Those respondents were randomly selected, and Majority of them are planning to start for a secured life between the age group of 40 years to 50 years. The main data gathering tool used in this study was the questionnaire, a written instrument which contains a series of questions where individuals respond. All questions were formulated with reference to different sources of literature related to this study. The questionnaire has three parts. The first part covers the profile of the respondents in terms of age, gender, highest educational attainment, income level. The second part is about the financial awareness on retirement planning. Lastly, the third part is dealing with the age group in which the respondents are planning for post-retirement life. Data gathered from the respondents were carefully compiled, tabulated, analyzed and interpreted through statistical tools. Statistical instruments were used in analyzing and evaluating the data according to the research questions and hypothesis. Chi-Square was used in the correlation between the respondents' gender and investment actions. By conducting test of correlation is used to study the relation between employee's occupation and awareness level. Test of ANOVA is used to study the relation between financial information and various influencing factors in retirement planning.

## **Presentation, Analysis and Interpretation of Data**

### **Profile of the Respondents**

Majority of respondents are female, post graduate and professionals, and belongs to the age category of between 25 years and 30 years and having an income level below 20,000.

### **Importance of Retirement Planning**

Planning ahead will help to reduce the stress during retirement life. The lack of planning can leave a cloud of uncertainty around the topic that can create an unnecessary level of stress. Table 1 reveals that among 100 respondents 92 percent considers retirement planning as a necessity for every individual for their secured life. Only 8 percent of the respondents does not consider retirement planning as a necessity.

**Table 1: Importance of retirement planning**

Categories	No. of respondents	Percentage
Considering retirement Planning as important.	92	92
Does not consider retirement planning as important	8	8
<b>Total</b>	<b>100</b>	<b>100</b>

## Availability of Employer Sponsored Retirement Plans

It could be gleaned from Table 2 that among 100 working individuals only 32 percent are getting coverage of employer sponsored retirement plans. 68 percent of the total respondents do not get any coverage of employer sponsored retirement plans.

**Table 2: Availability of retirement plans**

Availability	No. of respondents	Percentage
Available.	32	32
Not Available.	68	68
<b>Total.</b>	<b>100</b>	<b>100</b>

## Age Group to Start for a Secured Retirement Life

Table 3 reveals that among 100 respondents 35 percent are planning to start for a secured life between the age group of 40-50 years. 29 percent are willing to plan for a secured life only in between 30-40 years. 27 percent are willing to plan at above 50 years. Below 10 percent of the total respondents are willing to plan at below 30 years.

**Table 3: Age group to start for retirement planning**

Age	No. of respondents	Percentage
Below 25 years	3	3
25 - 30 years	6	6
30 - 40 years	29	29
40 - 50 years	35	35
Above 50 years	27	27
<b>Total</b>	<b>100</b>	<b>100</b>

## De - Motivating Factors for Retirement Planning

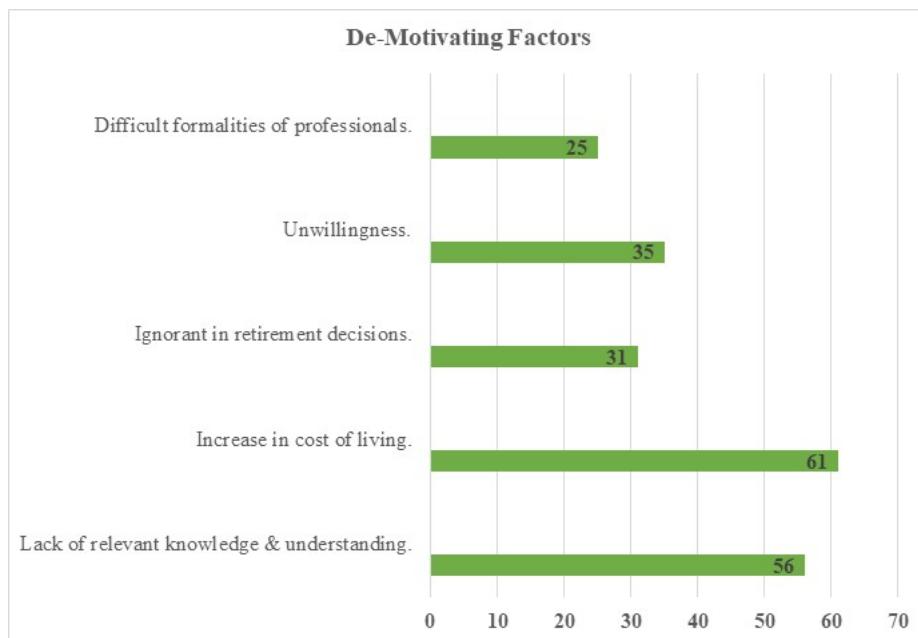
Table 4 reveals that among 100 respondents 61 percent of them considers the increase in cost of living as the major de-motivating factor. 56 percent considers lack of knowledge and

understanding as a de-motivating factor. 35 percent are unwilling to contribute to retirement planning. 31 percent of them are ignorant in retirement decisions. 25 percent of them consider formalities of intermediaries as a de-motivating factor.

**Table 4: De-motivating factors for retirement planning**

Factors	No. of respondents	Percentage
Lack of relevant knowledge & understanding	56	56
Increase in cost of living.	61	61
Ignorant in retirement decisions.	31	31
Unwillingness.	35	35
Difficult formalities of professionals.	25	25

**Fig 1: De-motivating factors for retirement planning**



#### Correlation between the Respondents' Occupation and Awareness on Retirement Planning.

To analyze the relationship between employee's occupation and awareness level on retirement planning test of correlation was conducted. The result shows that the test is significant and there occurs a positive relationship between the employee's occupation and their awareness level on retirement financial planning.

**Table 5: Relation between the Respondents' Occupation and Awareness on Retirement Planning.**

Occupation	N	Awareness Level	R-Value	LOS	P-Value	Result
Private sector job	60	Very well informed -2.21 Somewhat informed-2.64 Not at all informed-2.77	0.377	5%	<0.0001	Significant
Self employed	20					
Business	6					
Professional job	12					
Any other non-govt. sector	2					

**Financial Information and Influencing Factors in Retirement Planning.**

Among 100 respondents 59 percent selected digital channels or methods as the source from which they get financial information. 76 percent states that families, friends & co-workers provides them the required financial information. 39 percent selected journals & other publications as the source. 44 percent selected financial professionals or advisors and 26 percent selected magazines & brochures as the sources which provides them financial information's.

Among 100 respondents major respondents opted that unexpected medical emergencies and desire for secured and peaceful future as the influencing factors. A good portion opted the desire to be independent as an influencing factor. Another good portion opted increase in cost of living as an influencing factor. Less portion of respondents opted other factors as an influencing factor in retirement planning.

**Table 6: Financial Information and Influencing Factors in Retirement Planning.**

CATEGORIES	N	MEAN	SD
Financial information.	5	20	15.76
Influencing factors.	6	3.66	0.26
Total.	11	11.09	13.12

To test the relation between financial information and influencing factors in retirement planning, Analysis of Variance is used.

**H0:** There is no significant relation between factors influencing investment actions and financial information.

**H1:** There is significant relation between factors influencing investment actions and financial information.

### ANOVA

SOURCE OF VARIATION	SS	DF	MS	P-VALUE	F	RESULT
Between treatments	727.72	1	727.72	0.0303	6.586	<b>Significant</b>
Within treatments	994.35	9	110.48			
Total	1722.08	10				

$$F = 727.72/110.48$$

$$= 6.586$$

$$DOF = (K-1, N-K) = (1, 9)$$

The table value at 5% level of significance for (1, 9) degree of freedom is 5.12.

The calculated value of F (6.586) is more than the table value (5.12).

Therefore, the null hypothesis is rejected. So, it can be inferred that there is significant relationship between financial information and various influencing factors in retirement planning. The result is significant at  $P<0.05$ .

### Conclusion

Retirement financial planning is the process of determining retirement income goals, and the actions and decision necessary to achieve those goals. Purpose of every retirement investment plan is to ensure financial stability in post-retirement life without depending on others. Retirement planning will help to handle all the expenses in the same way as in the period of earning a regular income. Retirement financial planning industry has a vast variety of retirement income portfolios and efficient financial advisors. It is very essential for non-government employees to have financial stability during post retirement life as that of a government employee. This is the reason why non-government employees consider retirement planning as important. Retirement financial planning industry being in such a competitive scenario provide variety of retirement income portfolios and efficient financial institutions or intermediaries. It can be understood from the study that irrespective of relevant knowledge and understanding about retirement planning, most of the respondents are willing to trust the financial institutions.

So, it can be concluded that in the present situation only a bare majority have more knowledge and more contributions in retirement planning. But by providing suitable awareness

campaigns and financial knowledge can overcome the present situation. Even though, the retirement industry has imperfections in making employees fully aware about all retirement income portfolios, employees are willing to trust the financial institutions and they are ready to have a secured and peaceful life, which seems to be good indicator of future prosperity of the retirement financial planning. Therefore, it is evident that the future of the retirement financial planning industry are highly secured with high growth prospects to secure the post retirement life of non-governmental employees.

## Recommendations

Retirement planning will secure the post-retirement life of every individual, but it is evident from the study that among the respondents majority of them are contributing only 1 percent to 5 percent from their current salary to various retirement plans for their future. The reason why they are not contributing more to retirement planning's may be due to lack of awareness about the benefits of retirement income portfolios or due to non-availability of employer sponsored retirement plans or awareness campaigns. So, it is to suggest that in order to attract more people to have investment in retirement planning, awareness campaigns or awareness advertisements should be conducted to highlights the services and benefits in a more effective way to make them more aware about the services and benefits of the retirement financial planning. Employees today are more conscious about their secured and peaceful future. Increase in cost of living and unexpected medical emergencies stands as the main influencing factor to decide whether to engage in a retirement plan or not. So, it is advised to carry out activities that will create a positive thinking and approach to retirement planning. From the study carried out it is found that employees consider financial information as an important component in retirement planning. But at the same time lack of relevant knowledge and understanding de-motivates the respondents to have a good retirement planning. So, by changing the current role of financial intermediaries as important to very important in providing retirement related financial information to all non-government employees from the top to bottom can overcome this lack of knowledge and understanding

## References

- (1) **Antolín, P. (2010).** Private pensions and the financial crisis: How to ensure adequate retirement income from DC pension plans. *OECD Journal: Financial Market Trends*, 2009(2), 27–45. <https://doi.org/10.1787/fmt-2009-5ksm6lc61cnr>
- (2) **Fronstin, P. (1999).** Retirement patterns and employee benefits: Do benefits matter? *EBRI Issue Brief*, (212).
- (3) **Gupta, K., & Chaudhary, A. K. (2025).** Retirement planning awareness among unorganized and self-employed workers in India: A case study of Ranchi. *Asian Journal of Economics*,

Business and Accounting, 25(10), 448–456. <https://doi.org/10.9734/ajeba/2025/v25i102027>

- (4) **Kumar, S., Shukla, G. P., & Sharma, R. (2019).** Analysis of key barriers in retirement planning: An approach based on interpretive structural modeling. *Journal of Modelling in Management*, 14(4), 972–986. <https://doi.org/10.1108/JM2-09-2018-0134>
- (5) **Lusardi, A., & Mitchell, O. S. (2007).** Financial literacy and retirement planning: New evidence from the Rand American Life Panel. *Journal of Business & Economics Statistics*. <https://doi.org/10.3386/w17078>
- (6) **Modugno, V. (2019).** The effect of changes in retirement plans on employee savings and retirement age and the financial impact on employers of delayed retirement. *Journal of Financial Planning*, 32(12), 38–47.
- (7) **Noor Aza, M. S., & Patil, K. (2019).** Is retirement planning a priority for individuals? A study in Bengaluru city. *International Journal of Management, IT and Engineering*, 9(5), 136–147.
- (8) **Onduko, E. M., Gweyi, M. O., & Nyawira, J. (2015).** Analysis of the determinants on retirement planning in Kenya: A survey of registered pension schemes in Nairobi. *International Journal of Economics, Commerce and Management*, 3(8), 116–146.
- (9) **Sahu, G., & Kumar, S. (2025).** Uncovering the retirement planning behaviour of Indian households through expert lenses – a grounded theory approach. *Qualitative Research in Financial Markets*. Advance online publication. <https://doi.org/10.1108/QRFM-07-2024-0177>
- (10) **Thakur, S. S. (2018).** A study on perception of individuals towards retirement planning. *International Journal of Creative Research Thoughts*, 6(1), 160–166.
- (11) **Topa, G., Lunceford, G., & Boyatzis, R. E. (2017).** Financial planning for retirement: A psychosocial perspective. *Frontiers in Psychology*, 8, 1938. <https://doi.org/10.3389/fpsyg.2017.01938>
- (12) **Vinmalar, J., & Joseph, T. (2018).** A study on retirement planning of working individuals with special reference to Chennai city. *Pacific Business Review International*, 10(9), 18–27.
- (13) **Voleti, K. K., Kumar, P., Nanda, S. S., & Debata, B. R. (2024).** Perceived financial preparedness for retirement of technical teachers: An empirical study in Andhra Pradesh, India. *Prabandhan: Indian Journal of Management*, 17(6), 8–26. <https://doi.org/10.17010/pijom/2024/v17i6/173558>

(14) **Zeka, B., Rootman, C., & Kruger, J. (2015).** A review of the factors influencing retirement funding adequacy: A South African perspective. *Journal of Psychology in Africa*, 25(4), 362–365.

(15) **Biswas, S. (2018).** *Spotlight on retirement: India*. LIMRA & Society of Actuaries. <https://www.soa.org/49346d/globalassets/assets/files/resources/research-report/2018/2018-retirement-spotlight-india.pdf>

(16) **CRISIL. (2017).** *Financial security for India's elderly: The role of PFRDA*. Pension Fund Regulatory and Development Authority. <https://www.pfrda.org.in>

(17) **OECD. (2016).** Financial education and saving for retirement. OECD Publishing. <https://www.oecd.org/finance/financial-education/financial-education-saving-for-retirement.htm>

(18) **Park, J. (2010).** Retirement, health and employment among those 55 plus. Statistics Canada, Perspectives on Labour and Income.

(19) **Aditya Birla Capital.** (n.d.). Retirement saving tips for your 50s and 60s. <https://www.adityabirlacapital.com/abc-of-money/retirement-saving-tips-for-50s-to-60s>

(20) **Franklin Templeton India.** (n.d.). What is the importance of retirement planning? (Chapter 15). <https://www.franklintempletonindia.com>

(21) **Mamula, F. (2018).** 2018 Retirement survey results. The Retirement Manifesto. <https://www.theretirementmanifesto.com>

(22) **O'Shea, A. (2023).** Types of financial advisors and how to choose one. NerdWallet. <https://www.nerdwallet.com/article/investing/types-financial-advisors>