

The Influence of Retirement Goals and Risk Perception on Retirement Planning Behaviour; Evidence from Kalutara and Gampaha Districts, Sri Lanka

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Abstract

Introduction: One of the most critical problems that are faced by many emerging countries is the lack of retirement savings for future lives and pre-retires. To express fresh thoughts and suggest an extra approach or workable solution to supplement past research and conclusion, this study will analyze how the retirement goals and risk perception will affect on retirement planning behaviour of individuals in Kalutara and Gampaha district gender wise.

Methodology: Based on the positivism research philosophy and deductive research logic quantitative approach was used to collect the primary data through an online survey of 196 participants. Retirement goals and risk perception are independent variables and retirement planning behaviour is the dependent variable of this study. Using SmartPLS software, Structural Equation Model (SEM) and AMOS regression analysis were used to test the reliability, normality, correlation, multicollinearity, regression analysis, and gender effect in both districts. Descriptive statistics were used to determine the mean values of respondents' perspectives.

Findings: Research findings output that both independent variables (retirement goals and risk perception) had a statistically significant positive relationship with the dependent variable (retirement planning behaviour) in both districts. Cronbach alpha values demonstrate that all data sets are more reliable and as per the VIF values, independent variables are not correlated with each other. Both retirement goals and risk perception are more effective in the retirement planning behaviour of the Gampaha district data set. Gender is also having a significant impact on retirement planning behaviour.

Conclusion: The results highlight that the overall model is statistically significant, and retirement planning behaviour has an impact on retirement goals and risk perception.

Keywords: Retirement Planning Behaviour, Retirement goals, Risk perception, Gender