

# **A Study on the Factors Affecting Retirement Planning among Employees in Malaysia During Covid-19 Pandemic**

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Planning for retirement is an approach that is getting known and used by almost every working individual. This approach is believed to help employees have a good life during their retirement phase. This study is done to see whether factors like income adequacy, financial literacy, income tax and goal clearness affects retirement planning among employees in Malaysia during the Covid-19 pandemic. Determining the factors affecting retirement planning among employees in Malaysia is vital to allow employees to have sufficient retirement savings to be able to live a proper life during their retirement phase and also during any hit of pandemic. To conduct this research, a mixed method approach was chosen where for quantitative approach, a survey was done, and 200 respondents answered the questionnaire who were supposed to be the current working force in Malaysia. To analyze the data, Statistical Package for the Social Sciences (SPSS) software will be used. Other than that, for the qualitative part, interviews were conducted to help understand this study even more. The interview was done for selected 10 people from the 200 respondents that answered the survey. These 10 people were selected through convenience sampling. The answers for the 5 questions asked were then analyzed using the content analysis. The final results determined that all the factors which is income adequacy, financial literacy, income tax and goal clearness are significant factors that affects the retirement planning of the employees. This is said due to the Pearson correlation value that is greater than the value 0. In addition, it was also revealed that majority agreed that planning for retirement has been affected due to their income adequacy. It also came to pass that financial knowledge is very important to plan for retirement. Tax management still must be maintained even during the rise of the pandemic to have proper retirement planning. Lastly, most of the respondents believed that having proper and clear goals is crucial for retirement planning even during though times like Covid-19. At the end, it is believed that through this research, employees can know more on the factors that will affect their retirement planning and they can start working on it to secure a good life during their time for retirement. Individuals will understand better on how things change drastically when a pandemic hit or even when there is an emergency and on what to do next to enable proper retirement planning process even in bad times.

**Keywords:** *Covid-19, Financial Literacy, Goal Clearness, Income Adequacy, Income Tax, Malaysia, Pandemic, Retirement, Retirement Planning*