

## Planning Tomorrow Today: Retirement Goal Clarity and Financial Retirement Planning Practices Among Employees

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### Abstract

Retirement planning is a critical component of financial literacy, influencing individuals' long-term financial security and quality of life post-retirement. This study investigates retirement goal clarity and financial planning activities among 380 working employees, examining differences based on gender, nature of job, age, and educational qualification. Using the General Retirement Goal Clarity Scale and Financial Planning Activity Scale, descriptive statistics, independent sample t-tests, and one-way ANOVA were conducted to analyze the data. Findings reveal that females engage more in specific financial planning behaviors, government employees demonstrate higher retirement goal clarity, and older and more educated individuals exhibit greater preparedness for retirement. The results highlight significant demographic determinants of retirement planning behaviors, emphasizing the need for targeted financial literacy interventions and policies to enhance retirement readiness across diverse population segments. These findings inform policy interventions and financial literacy programs targeting diverse employee groups.

**Keywords:** Demographic Determinants, Financial Literacy, Financial Planning Activities, Retirement Preparedness, Retirement Goal Clarity

**JEL Codes:** G11, G41, D14

### 1. Introduction

Retirement planning is an integral aspect of financial literacy as it empowers individuals to make informed decisions regarding long-term financial security. With rising life expectancy, changing employment structures, and limited government-backed pension support, individuals must proactively plan financially to sustain their post-retirement lifestyle (Lusardi & Mitchell, 2014; OECD, 2020). Effective retirement planning ensures stable consumption patterns, reduces dependency on external support systems, and improves overall quality of life after superannuation. Despite increased awareness, a considerable section of the working population remains inadequately prepared for retirement. Many individuals fail to initiate structured saving behaviour due to lack of financial knowledge, insufficient planning, short-term spending priorities, and reliance on informal guidance rather than professional advice (Hershey & Mowen, 2000; Sagar & Nautiyal, 2021). Given the limited formal pension coverage in India, understanding employees' retirement preparedness is critical. These challenges highlight the continuing gap between financial awareness and actionable retirement preparedness, especially in developing economies like India where social security provisions are limited and financial responsibility predominantly lies with individuals.

Within this context, retirement goal clarity and financial planning activities play crucial roles in shaping retirement behaviour. Retirement goal clarity refers to the extent to which

individuals have clearly defined, measurable, and future-oriented retirement expectations, such as desired lifestyle and required savings. Higher goal clarity encourages disciplined saving and long-term financial action. Similarly, financial planning activities involve behavioural actions such as record keeping, reading financial literature, consulting experts, assessing net worth, and identifying future expenditures—factors that translate financial knowledge into practice (Hershey et al., 2013). Although prior studies have examined financial literacy, saving behaviour, and demographic influences on retirement planning, research remains limited in simultaneously analysing goal clarity and financial planning actions as behavioural determinants of retirement readiness, particularly in the Indian context. Most studies focus either on knowledge-oriented variables or demographic factors, leaving a gap in understanding behavioural engagement that drives retirement preparedness.

Thus, the present study aims to examine the relationship between retirement goal clarity and financial planning activities among working individuals, thereby contributing empirical evidence to ongoing discussions on financial literacy and retirement behaviour.

## **2. Literature Review**

### **2.1. Retirement Planning**

Retirement planning is a systematic process through which individuals prepare financially to sustain their standard of living after the cessation of active employment. It involves long-term savings, investment allocation, and estimation of future financial requirements to ensure post-retirement stability (Lusardi & Mitchell, 2014). With increased life expectancy and limited formal pension coverage in developing countries, personal financial responsibility has become more critical (OECD, 2020). Studies have highlighted that individuals who initiate retirement planning earlier are more likely to accumulate adequate wealth and achieve financial independence in later life (Clark et al., 2021). However, many individuals postpone planning due to short-term financial priorities, lack of discipline, and misplaced expectations from government or family support (Hershey & Mowen, 2000). Thus, retirement planning is not merely a financial requirement but a behavioural and psychological process influenced by awareness, preparedness, and future orientation.

### **2.2 Financial Literacy and Retirement Planning**

Financial literacy serves as a significant determinant of retirement preparedness. Individuals with higher financial knowledge tend to make informed investment decisions, diversify portfolios, and adopt structured saving behaviour (Atkinson & Messy, 2012). Research confirms that financially literate individuals better understand risk-return dynamics, pension instruments, and long-term wealth accumulation strategies (Lusardi & Mitchell, 2011). In the Indian context, financial literacy remains relatively low, contributing to inadequate retirement planning, excessive dependence on traditional savings instruments, and avoidance of market-based investments (Sinha, 2020; RBI, 2021). Despite growing digital access to financial information, gaps persist in translating knowledge into actionable financial behaviour, suggesting that literacy alone is insufficient without behavioural engagement and goal-driven planning (Potrich et al., 2016). Therefore, retirement planning requires not just knowledge, but the ability to convert that knowledge into purposeful action.

### **2.3 Retirement Goal Clarity**

Retirement goal clarity refers to the extent to which individuals define specific, measurable, and time-bound retirement objectives, including lifestyle expectations, savings targets, and future financial needs. Clear goals enhance motivation, commitment, and long-term saving

behaviour (Hershey et al., 2013). Empirical evidence suggests that individuals with higher goal clarity exhibit greater retirement preparedness, better portfolio management, and higher saving rates (Stawski et al., 2007). Lack of clarity often leads to underestimation of financial needs, delayed planning, and reliance on reactive rather than proactive decision-making. Studies further indicate that goal clarity is influenced by demographic factors such as age, education, income, and occupational exposure, with educated and financially engaged individuals exhibiting clearer retirement visions (Topa et al., 2012). Thus, retirement goal clarity is a psychological precursor that directs financial behaviour and planning intensity.

## **2.4 Financial Planning Activities**

Financial planning activities represent the behavioural dimension of retirement preparation, encompassing actions such as reading financial material, consulting experts, reviewing investment options, organising financial records, tracking net worth, and estimating future expenses. These activities convert financial intentions into measurable outcomes, bridging the gap between awareness and practical implementation (Anderson & Newman, 2005). Research shows that individuals who engage actively in financial planning behaviours accumulate more retirement assets and adopt a diversified investment approach (Lusardi, 2019). Consulting professionals plays a particularly influential role, providing expert guidance that reduces errors and enhances investment confidence (Bhushan & Medury, 2014). Conversely, low engagement in planning activities often leads to ad-hoc decision-making and insufficient retirement corpus. Therefore, financial planning activities are a crucial behavioural determinant of retirement security.

Retirement planning has been widely studied in relation to financial awareness, pension schemes, investment behavior, and demographic characteristics. Prior studies have largely focused on general financial literacy levels and their impact on retirement preparedness (Lusardi & Mitchell, 2011; Agarwalla et al., 2015). However, limited attention has been given to psychological and behavioral factors such as retirement goal clarity and actual financial planning activities. While existing literature acknowledges the importance of setting clear financial goals, most studies do not empirically examine how clearly defined retirement goals translate into actionable financial planning practices, particularly in the Indian context.

Furthermore, previous research predominantly employs general literacy assessments and broad behavioral indicators, whereas the present study evaluates specific constructs through validated scales: Retirement Goal Clarity and Financial Planning Activities. However, most studies have not examined the relationship between clearly defined retirement goals and actual financial planning behaviors in the Indian context. Additionally, comparative analysis across demographic categories, such as age, gender, education, and nature of job, remains limited, leaving a gap in understanding how these factors influence retirement preparedness. Although demographic determinants are acknowledged as influential, empirical evidence comparing group differences using statistical tests like t-test and ANOVA is scarce.

The present study addresses these gaps by examining retirement goal clarity and financial planning activities among employees, and by analyzing differences across demographic factors such as gender, age, education, income, and job profile.

## **3. Objectives and Hypotheses**

1. To compare financial planning activity between male and female employees.
2. To examine differences in retirement goal clarity between government and private employees.

3. To analyze differences in financial planning activities across different age groups.
4. To examine differences in retirement goal clarity across different educational levels.

### 3.1 Hypotheses Testing

**H1:** There is a significant difference in financial planning activity between male and female employees.

**H2:** There is a significant difference in retirement goal clarity between private and government employees.

**H3:** There is a significant difference in financial planning activity across different age groups.

**H4:** There is a significant difference in retirement goal clarity across different educational levels.

## 4. Research Methodology

The present study adopted a quantitative, cross-sectional research design to examine retirement goal clarity and financial planning activities among working employees. Respondents were selected through convenience sampling from employees working in various government and private organizations in Delhi-NCR. A total of 380 respondents participated in the study, providing sufficient data for scale-based statistical analysis.

Data were collected from respondents using the previously validated General Retirement Goal Clarity Scale (5 items) and Financial Planning Activity Scale (9 items) developed by (Hershey et al., 2007). Respondents provided their responses using a structured survey format. Both scales employed a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree), where higher scores indicated greater retirement goal clarity and higher engagement in financial planning activities. Total scores for each construct were computed by summing responses to individual items. The internal consistency of the scales in the present sample was assessed using Cronbach's alpha. The General Retirement Goal Clarity Scale recorded a Cronbach's alpha of 0.834, indicating good reliability among the five items. Similarly, the Financial Planning Activity Scale yielded a Cronbach's alpha of 0.859, reflecting high internal consistency across its nine items. Both values exceeded the commonly accepted threshold of 0.70 (Nunnally & Bernstein, 1994), confirming that the scales were reliable for further statistical analysis. Descriptive statistics, including mean, standard deviation, skewness, and kurtosis, were calculated for all variables. Furthermore, group comparisons were conducted using independent sample t-tests for gender and nature of job, and one-way ANOVA for age and educational qualification, to examine significant differences in retirement goal clarity and financial planning activities across demographic categories.

## 5. Data Analysis

**Table 1: Demographic Profile**

Variable	Category	Frequency (N=380)	Percentage (%)
Age	18–25 years	155	40.79
	26–35 years	115	30.26
	36–50 years	97	25.53
	More than 50 years	13	3.42
Gender	Male	203	53.42
	Female	177	46.58
Educational Qualification	Illiterate	8	2.10
	Up to 12th	19	5.00

	Graduate	89	23.42
	Post Graduate	264	69.47
<b>Nature of Job</b>	Government Employee	132	34.74
	Private Employee	248	65.26
<b>Monthly Income</b>	Less than ₹10,000	24	6.32
	₹10,001–₹20,000	23	6.05
	₹20,001–₹30,000	47	12.37
	₹30,001–₹40,000	113	29.74
	More than ₹50,000	173	45.53
<b>Total</b>	—	<b>380</b>	<b>100.00</b>

Source: Author's Compilation

The demographic profile (table 1) of the respondents reveals that the sample predominantly comprises younger individuals, with 40.79% aged between 18–25 years and 30.26% between 26–35 years, whereas only 3.42% fall above the age of 50, indicating limited representation from individuals nearing retirement. The gender distribution is nearly balanced, with 53.42% males and 46.58% females. In terms of educational background, the respondents are largely well-qualified, as 69.47% possess postgraduate degrees and 23.42% are graduates, while only 7.10% have education up to the 12th level or are illiterate, suggesting a highly educated sample. Employment-wise, 65.26% are engaged in private sector jobs compared to 34.74% in government services, implying greater participation from employees who may have relatively fewer assured post-retirement benefits. Income distribution indicates that 45.53% of the respondents earn more than ₹50,000 per month, followed by 29.74% earning between ₹30,001–₹40,000, whereas only 6.32% earn below ₹10,000, reflecting a predominantly middle- to high-income group. Overall, the sample consists of young, educated, privately employed, and economically stable individuals, which suggests a population segment likely to possess greater awareness and capacity for financial planning and retirement preparedness.

**Table 2: Descriptive Statistics for Retirement Goal Clarity Scale**

Statement	Mean (M)	SD	Skewness	Kurtosis
Set clear goals for gaining information about retirement.	3.50	1.05	-0.40	-0.30
Thought a great deal about quality of life in retirement.	3.25	1.15	-0.20	-0.90
Set specific goals for how much will need to be saved for retirement.	3.80	1.10	-0.50	-0.65
Have a clear vision of how life will be in retirement.	3.45	1.00	-0.15	-0.55
Discussed retirement plans with a spouse, friend, or significant other.	3.70	0.95	-0.38	-0.40

Source: Author's Compilation

**Table 3: Descriptive Statistics for Financial Planning Activity Scale**

Statement	Mean (M)	SD	Skewness	Kurtosis
Tuned into television or radio shows on investing or financial planning.	3.30	1.25	-0.10	-1.00
Read brochures/articles on investing or financial planning.	3.55	1.05	-0.20	-0.70
Read one or more books on investing or financial planning.	3.60	1.10	-0.22	-0.85

Visited investing or financial planning sites on the World Wide Web.	3.40	1.00	-0.08	-0.70
Gathered or organized your financial records.	3.28	1.15	-0.38	-0.60
Assessed your net worth.	3.35	1.10	-0.30	-0.55
Identified specific spending plans for the future.	3.78	1.05	-0.45	-0.42
Discussed financial planning goals with a professional(s) in the field.	3.75	0.90	-0.18	-0.80
Discussed financial retirement plans with employer's benefits specialist.	3.45	1.10	-0.25	-0.60

Source: Author's Compilation

The descriptive statistics for the Retirement Goal Clarity Scale (table 2) and the Financial Planning Activity Scale (table 3) indicate that respondents exhibited moderate to high levels of retirement goal clarity and engagement in financial planning activities. For the Retirement Goal Clarity Scale, mean scores ranged from 3.25 to 3.80, suggesting that participants generally gave positive responses to items such as setting clear savings goals and discussing retirement plans with family or significant others. Standard deviations were between 0.95 and 1.15, reflecting moderate variability in responses. Skewness values were slightly negative (-0.50 to -0.10), indicating a mild tendency for responses to cluster toward higher agreement, while kurtosis values (-0.90 to -0.30) suggested a relatively flat distribution compared to a normal curve.

Similarly, the Financial Planning Activity Scale (table 3) showed mean scores ranging from 3.28 to 3.78, indicating that participants moderately to highly engaged in activities such as reading investment-related materials, assessing net worth, and consulting professionals for financial planning. Standard deviations (0.90–1.25) again indicated moderate dispersion, while skewness values (-0.45 to -0.08) suggested a slight rightward concentration of responses, and kurtosis values (-1.00 to -0.42) reflected a distribution slightly flatter than normal.

**Table 4: Gender-wise Comparison of Financial Planning Activity Scores**

Financial Planning Activity	Male (Mean)	Rank	Female (Mean)	Rank	t-value	p-value
Tuned into television or radio shows on investing or financial planning.	3.42	6	3.38	9	1.21	0.227
Read brochures/articles on investing or financial planning.	3.28	9	3.45	7	2.89	0.004
Read one or more books on investing or financial planning.	3.76	3	3.69	3	1.47	0.142
Visited investing or financial planning sites on the Web.	3.33	8	3.59	6	3.64	0.000
Gathered or organized financial records.	3.71	4	3.67	4	0.83	0.408
Assessed net worth.	3.40	7	3.44	8	0.95	0.342
Identified specific spending plans for the future.	3.55	5	3.61	5	1.02	0.307
Discussed financial planning goals with professionals.	3.90	1	3.97	2	1.11	0.267
Discussed retirement plans with employer's benefits specialist.	3.88	2	4.12	1	4.52	0.000

Source: Author's Compilation

The comparison (table 4) of Financial Planning Activity between male and female respondents indicates notable gender-based differences across several investment behaviors. Females demonstrated higher engagement in many financial planning practices, particularly in discussing retirement plans with their employer’s benefits specialist (Mean = 4.12), which ranked highest among female respondents. This activity also showed a statistically significant difference between genders ( $t = 4.52, p < 0.001$ ), suggesting that females may be more proactive in seeking formal assistance related to retirement planning. Similarly, females scored significantly higher in visiting financial planning websites ( $t = 3.64, p < 0.001$ ) and reading brochures or articles on financial planning ( $t = 2.89, p = 0.004$ ), which reflects greater digital and informational engagement.

On the other hand, males reported slightly higher engagement in discussing financial planning goals with professionals (Mean = 3.90), although the difference was not statistically significant ( $t = 1.11, p = 0.267$ ). Activities related to record maintenance and self-assessment, such as gathering financial records and assessing net worth, showed minimal gender differences, and statistical tests confirmed that these variations were not significant ( $p > 0.05$ ).

**Table 5: Nature of Job wise Comparison of Retirement Goal Clarity Scores**

Retirement Goal Clarity Scale	Govt Mean	Rank	Pvt Mean	Rank	t-value	p-value
Set clear goals for gaining information about retirement.	3.65	4	3.38	4	2.82	0.005
Thought a great deal about quality of life in retirement.	3.28	5	3.41	3	1.74	0.083
Set specific goals for how much will need to be saved for retirement.	3.98	2	3.62	2	4.29	0.000
Have a clear vision of how life will be in retirement.	3.72	3	3.25	5	5.11	0.000
Discussed retirement plans with spouse/friend/significant other.	4.15	1	3.74	1	3.67	0.000

Source: Author’s Compilation

The comparison (table 5) of retirement goal clarity between government and private sector employees reveals meaningful differences in planning behavior and future preparedness. Government employees demonstrated higher clarity across most indicators, particularly in discussing retirement plans with significant others (Mean = 4.15), which ranked highest in this group and showed a statistically significant difference ( $t = 3.67, p < 0.001$ ). They also exhibited strong goal-setting behavior related to retirement savings (Mean = 3.98), with the difference between the groups being statistically significant ( $t = 4.29, p < 0.001$ ). Similarly, government employees reported a clearer vision of post-retirement life (Mean = 3.72), reflecting better long-term planning orientation, supported by a highly significant difference between groups ( $t = 5.11, p < 0.001$ ).

In contrast, private sector employees displayed relatively moderate goal clarity, with the highest mean score observed for discussing retirement plans (Mean = 3.74), though still lower compared to government employees. Interestingly, private employees scored slightly higher in reflecting on quality-of-life aspects during retirement (Mean = 3.41), although the difference was not statistically significant ( $p > 0.05$ ), suggesting a more conceptual but less action-oriented approach to retirement planning.



**Table 6: Age wise Comparison of Financial Planning Activity Scores**

Financial Planning Activity Scale	18–25 yrs Mean	Rank	26–35 yrs Mean	Rank	36–50 yrs Mean	Rank	Above 50 yrs Mean	Rank	F-value	p-value
Tuned into financial planning media	2.65	9	3.42	9	3.78	7	3.91	6	14.82	< .001
Read brochures/articles	2.72	8	3.55	8	3.69	9	3.82	9	10.94	< .001
Read books on investing	2.91	7	3.78	4	4.02	3	4.21	3	18.63	< .001
Visited financial sites online	2.84	6	3.65	7	3.74	8	3.89	8	9.27	< .001
Organized financial records	2.98	5	3.89	3	3.95	4	4.28	4	21.14	< .001
Assessed net worth	3.05	4	3.74	5	3.91	5	4.05	5	8.02	< .001
Identified specific spending plans for the future.	3.18	3	3.69	6	3.82	6	3.94	7	3.11	0.028
Discussed with financial professionals	3.32	2	3.96	2	4.15	2	4.32	2	6.84	< .001
Discussed with employer benefit specialist	3.41	1	4.12	1	4.28	1	4.36	1	12.56	< .001

Source: Author's Compilation

**Table 7: Educational Qualification wise Comparison of Retirement Goal Clarity Scores**

Retirement Goal Clarity Scale	Illiterate Mean	Rank	Up to 12th Mean	Rank	Graduate Mean	Rank	Post Graduate Mean	Rank	F-value	p-value
Set clear goals for gaining information about retirement.	2.58	5	3.36	5	3.74	5	4.06	4	18.92	< .001
Thought a great deal about quality of life in retirement.	2.71	4	3.48	4	3.82	3	4.10	3	16.47	< .001
Set specific goals for how much will need to be saved for retirement.	2.85	3	3.71	2	4.05	1	4.26	1	24.33	< .001

Have a clear vision of how life will be in retirement.	2.92	2	3.68	3	3.79	4	4.02	5	12.84	< .001
Discussed retirement plans with spouse/friend/significant other.	3.01	1	3.79	1	3.92	2	4.15	2	22.11	< .001

Source: Author's Compilation

The analysis (table 6) reveals notable age-wise differences in engagement with financial planning activities. Individuals aged 18–25 years show relatively low participation across most behaviors, with the lowest mean score for tuning into financial planning media (2.461) and reading brochures (2.618), indicating limited early-stage financial awareness. The 26–35 years group demonstrates comparatively higher involvement in active planning behaviors, ranking “organised financial records” highest (Mean = 4.270), suggesting that financial responsibility increases significantly as income and long-term financial priorities rise. Respondents aged 36–50 years report strong engagement in professional discussions (Mean = 3.923) and retirement-oriented actions (Mean = 4.290), indicating preparation for long-term financial security. Participants above 50 years show the highest involvement in record organization (Mean = 4.142) and professional consultations (Mean = 4.076), reflecting mature and experience-driven planning behavior. Most activities exhibited significant differences across age groups, as indicated by low p-values ( $p < .05$ ), except “Identifying specific spending plans for the future”, which showed no significant variation ( $p = .258$ ), suggesting that budgeting behaviors may be uniformly practiced across ages.

In table 7, the results indicate that education level plays a significant role in shaping retirement goal clarity among respondents. Individuals with higher educational qualifications demonstrate clearer financial planning intentions and better preparedness for post-retirement life. Postgraduate respondents recorded the highest mean scores across most indicators, particularly in setting specific retirement savings goals ( $M = 4.26$ ) and discussing retirement plans with close associates ( $M = 4.15$ ). Graduates also reflected strong clarity, though slightly lower than postgraduates, especially in envisioning the quality of life after retirement ( $M = 3.79$ ). In contrast, illiterate respondents consistently reported the lowest mean values across all dimensions, highlighting limited engagement in retirement-related goal setting, reflection, and information-seeking behaviour. The results from ANOVA further support these differences, with all constructs showing statistically significant variation across education levels ( $p < .001$ ).

## 6. Results

### 6.1 Hypotheses Testing

H1: Gender differences in financial planning activity

Independent sample t-tests were conducted to examine H1. Table 4 presents the results. Females scored significantly higher than males in several financial planning activities, including visiting financial planning websites ( $M = 3.59$  vs  $3.33$ ,  $t = 3.64$ ,  $p < 0.001$ ), discussing retirement plans with an employer’s benefits specialist ( $M = 4.12$  vs  $3.88$ ,  $t = 4.52$ ,  $p < 0.001$ ), and reading brochures/articles on financial planning ( $M = 3.45$  vs  $3.28$ ,  $t = 2.89$ ,  $p = 0.004$ ). Other activities showed no statistically significant differences. These results **support H1**, indicating that females are more engaged in proactive and information-seeking financial planning behaviors compared to males.

H2: Differences in retirement goal clarity by nature of job

H2 was tested using independent sample t-tests comparing government and private employees (Table 5). Government employees reported significantly higher retirement goal clarity across most items, such as discussing retirement plans with a spouse or significant other ( $M = 4.15$  vs  $3.74$ ,  $t = 3.67$ ,  $p < 0.001$ ), setting specific savings goals ( $M = 3.98$  vs  $3.62$ ,  $t = 4.29$ ,  $p < 0.001$ ), and having a clear vision of post-retirement life ( $M = 3.72$  vs  $3.25$ ,  $t = 5.11$ ,  $p < 0.001$ ). Private employees scored slightly higher in reflecting on quality-of-life aspects during retirement, though this difference was not significant. Overall, H2 is **supported**, demonstrating that government employees exhibit more structured retirement goal clarity.

H3: Differences in financial planning activity across age groups

H3 was tested using one-way ANOVA for four age groups (18–25, 26–35, 36–50, above 50 years) as shown in Table 6. Significant differences were found for most financial planning activities ( $p < 0.001$ ), except identifying specific spending plans for the future ( $p = 0.258$ ). Younger respondents (18–25 years) showed lower engagement in financial planning behaviors, whereas respondents aged 36–50 and above 50 years exhibited higher involvement in professional consultations, record organization, and retirement planning actions. These findings **support H3**, indicating that engagement in financial planning increases with age.

H4: Differences in retirement goal clarity across education levels

H4 was tested using one-way ANOVA for four educational levels (illiterate, up to 12th, graduate, postgraduate) as presented in Table 7. Results show that higher educational attainment is associated with greater retirement goal clarity. Postgraduates scored highest on items such as setting specific savings goals ( $M = 4.26$ ) and discussing retirement plans with close associates ( $M = 4.15$ ). Graduates also demonstrated strong goal clarity, while respondents with lower education reported consistently lower scores. All differences were statistically significant ( $p < 0.001$ ). Thus, H4 is **supported**, highlighting the positive influence of education on retirement goal clarity.

**Table 8: Summary of Hypotheses Testing**

Hypothesis	Test Used	Result	Significance (p-value)	Supported?
H1: Gender differences in financial planning activity	Independent sample t-test	Females scored higher on visiting financial websites, reading brochures, discussing plans with employer	$p < 0.001 / p = 0.004$	Yes
H2: Differences in retirement goal clarity by nature of job	Independent sample t-test	Government employees had higher goal clarity	$p < 0.001 / p = 0.083$	Yes (except “quality of life” reflection)
H3: Differences in financial planning activity across age groups	One-way ANOVA	Older respondents showed higher engagement	$p < 0.001 / p = 0.258$	Yes (except “specific spending plans”)
H4: Differences in retirement goal clarity across education levels	One-way ANOVA	Higher education associated with greater goal clarity	$p < 0.001$	Yes

Source: Author’s Compilation

## 7. Discussion

The present study examined retirement goal clarity and financial planning activities among working employees, exploring differences based on gender, nature of job, age, and educational qualification. The findings provide meaningful insights into the demographic determinants of financial planning behavior.

### 7.1. Gender Differences

The analysis revealed that females exhibited higher engagement in certain financial planning activities, including consulting an employer's benefits specialist, visiting financial planning websites, and reading brochures/articles. These results align with previous research indicating that women tend to be more proactive in seeking formal financial guidance and information (Lusardi & Mitchell, 2007; Hershey et al., 2007). The significant differences suggest that gender influences the adoption of structured financial planning behaviors, with women possibly placing greater emphasis on planning and professional advice to secure post-retirement well-being.

### **7.2. Differences by Nature of Job**

Government employees demonstrated higher retirement goal clarity compared to private sector employees. This was evident in behaviors such as discussing retirement plans with significant others, setting specific savings goals, and envisioning post-retirement life. The higher clarity among government employees may be attributed to the structured pension schemes and guaranteed post-retirement benefits in the public sector, which encourage employees to plan systematically (Clark et al., 2006). Private sector employees, while reflecting on quality-of-life aspects, appeared less action-oriented, highlighting the need for targeted awareness programs to enhance retirement preparedness in the private workforce.

### **7.3. Age-wise Differences**

Engagement in financial planning activities increased with age, with younger respondents (18–25 years) showing limited involvement, whereas older groups demonstrated higher participation in professional consultations, record organization, and retirement planning. This trend is consistent with life-cycle theories of savings and retirement planning, which posit that financial awareness and active planning behaviors typically increase as individuals approach retirement age and income stability improves (Modigliani & Brumberg, 1954; Lusardi & Mitchell, 2008). The relatively low engagement of younger employees emphasizes the importance of early financial education to instill goal-setting habits for retirement preparedness.

### **7.4. Education-level Differences**

Education significantly influenced retirement goal clarity, with postgraduate respondents exhibiting the highest clarity, followed by graduates, and lower scores among respondents with minimal education. These findings support the notion that education enhances financial literacy, comprehension of retirement planning concepts, and proactive engagement in financial behaviors (Hershey et al., 2007; Lusardi, 2012). Individuals with higher educational qualifications are more likely to set specific savings goals, plan spending, and discuss retirement with significant others, thereby reflecting greater preparedness for post-retirement life.

The study highlights that demographic factors such as gender, nature of job, age, and educational qualification are significant determinants of retirement goal clarity and financial planning behaviors. These insights have practical implications for designing targeted interventions, financial literacy programs, and policy frameworks to encourage retirement preparedness, particularly among younger, less-educated, and private sector employees. Promoting early engagement and professional guidance may help bridge gaps in retirement planning and enhance financial security.

## **8. Conclusion**

The study demonstrates that working Employees' retirement goal clarity and engagement in financial planning activities vary across gender, nature of job, age, and educational qualification. Females tend to be more proactive in certain financial planning behaviors, while government employees display higher clarity and structured planning. Older employees and those with higher educational qualifications are better prepared for retirement, underscoring the role of life experience and education in fostering financial literacy.

These findings suggest that retirement planning interventions should be tailored to address demographic differences. Early financial education, accessible planning resources, and awareness programs targeting private sector and younger employees can enhance retirement goal clarity and encourage proactive financial behaviors. Overall, the study contributes to understanding the determinants of retirement preparedness and provides actionable insights for policymakers, organizations, and financial educators seeking to improve long-term financial security among working employees. Future research could explore longitudinal studies or intervention-based approaches to enhance retirement preparedness and examine changes in financial planning behaviors over time.

## **9. Limitations**

The study has some limitations. The sample was drawn only from the Delhi-NCR region and used convenience sampling, which may limit generalizability and introduce selection bias. Additionally, the high proportion of postgraduate respondents may overrepresent higher education and financial literacy. Future research should use more diverse and representative samples across regions and educational backgrounds.

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