

The influence of attitude, subjective norms and perceived behavioral control on retirement preparation: A case of Gen Y in Selangor, Malaysia

ABSTRACT

The most important factor in a comfortable post-retirement life is preparing for retirement. This study is an attempt to examine the factors which influence the retirement preparations of Gen Y in Selangor, Malaysia. The theory of planned behavior (TPB) has been used to develop a conceptual model to investigate the relationship between attitude, subjective norms, perceived behavioral control, and retirement preparation. The sample in this study comprises a convenience sampling of Gen Y aged 24 to 41 years old. A questionnaire was used as an instrument to collect data in this study and a total of 384 responses were collected via an online survey. As predicted by the structural equation model, attitudes and perceived behavioral control are positively correlated with preparation towards retirement among Gen Y, while subjective norms have no positive correlation. The results of this study will lead Gen Y and other parties involved to realize that sustaining income after retirement requires early preparation. In order to obtain a better understanding of influencing factors on the preparation towards retirement, this research will benefit future researchers, the government, insurance industries, and investment companies.