Perception about social and financial issues of life after retirement: A case study of academic staff of public sector universities in Lahore Pakistan

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Abstract: The aim of the study was to understand the effect of social and financial issues on life after retirement of academic staff of public sector universities. Detailed questionnaire was developed and used to collect primary data from a sample of 254 academic staff of public sector universities using convenient sampling method. This is the first ever study on retirement issues and planning by academic staff of public sector universities in Pakistan. Descriptive analysis was used to study the demographics, their liking and preferences on investment avenue selection, retirement goals, and investment objectives of academic staff. The components of social and financial issues of life after retirement were also identified through factor analysis. The major components that explained 61.06\% of variance in financial issues of life after retirement were: goals clarity, optimism, provisions, anticipation and preparation, investment beliefs, future position, and proximity. Whereas, the major components that explained 64.835\% variation in social issues of retirement of academic staff were: retirement roles, depression, financial worries, adjustment, economic trends, prediction, expectations, changes in life responsibilities, and financial advice. Whereas, the major components that explained 52.546\% variation in post-retirement planning of academic staff were: planning, training, confidence. Group differences were tested through \textit{T}-test and ANOVA between different elements of

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demographics with social and financial factors. Regression analysis revealed that financial issues have more influence on post-retirement planning. Gold, costly metals, and investment in real estate were found to be most preferred investment avenues.

**Subjects:** Behavioral Sciences; Economic Psychology; Finance

**Keywords:** retirement; social issues; financial issues; post-retirement planning; investment avenues; investment objectives; retirement goals

1. **Introduction**

The concept of retirement exhibits different concepts to different people. While some persons view it positively and wait for it with happiness, some have negative perceptions about retirement as they relate this period of their life with boredom, economic hardship, and death. And as a result such individual feels a sense of isolation and loss of prestige. Retirement is an essential end which every employee must experience, in both public sector and private sector (Obimba, 2005).

According to Akinade (2006), retirement is a factual and unavoidable end in an employee’s career and it is sure a death. Ogungbemi (2003) refers to retirement as a period in life when a worker recedes from an active and well-ordered style of life in response to the strains of age, poor health, and social pressure. Retirement is a golden time in employee’s life, when the employee can discontinue working and do all those things that they always dream to do but never done before due to lack of time.

In fact, retirement is an era for individuals to rest and decelerate into a calm life and prepare themselves for old age. Moreover, retirement can be perceived as a period of freedom when retired individuals can engage in goals for which they have waited for long period of time, which they had previously been put off because of the work pressure. There is season of everything; there is time for rest and time to retire. It is a conversion from active work life to world of leisure (Denga, 2010).

Denga (2010) stated that retirement is a kind of longest vacation with full of pleasurable experience.

Okorodudu and Irikefe (2002) refer retirement as a sense of carrier accomplishment (Akinboye, 2004). Explains retirement as process in which an individual discontinues from regular work performance. It is perceived as realizing the goal of life and personifying it as happier era of their life. Individual may also take it as respect and appreciation that they get from their employers.

1.1. **Types of retirement**

There are basically three types of retirement.

1.1.1. Voluntary or self-retirement

Voluntary or self-retirement, the retirement decision depends on the employee alone. The reasons for getting self-retirement may be to go for jobs that have more financial benefits or they have chosen to run their personal business in which they can become more independent. According to Ode (2004), the reason could be to accepting the call from people of their community offering him to take up the chair of a traditional ruler.

1.1.2. Compulsory retirement

Compulsory retirement is sometimes commenced in order to throw out the bad eggs from civil service or to decrease the number of workforce. It may be taken as rationalization of employees and their retrenchment. These types of retirement generally throw out workers because they are not prepared for it.
1.1.3. Mandatory retirement
This is also called as normal retirement and it comes when the employee completes 35 years of their service or has reached the minimum age limit of retirement that is 60 years for government employees and administrative staff of university, and for University lecturers, age limit is 65.

Proceeding on this, Akinade (2006) stated that comprehensive information about Mandatory retirement is available in the laws and conditions of service for all employees; according to this an employee must be given a prior notice almost six months before the date of its retirement.

1.2. Investment option available
In Pakistan, there are lot many investment avenues that are available.

1.2.1. Equity/Shares
It is way of investing directly into shares or in mutual funds. There is high risk in this but on the other hand you can earn high rate of return in the form of dividend.

1.2.2. Debt
There are many debt instruments available in market. You can invest in debt instruments of both banks and companies in Pakistan. Process of debt is simple, you can buy any debt instrument and as a return you get fix interest payments from borrower and get your investment back at the time of maturity.

1.2.3. Mutual funds
Individual with shorter investment go to mutual fund companies to invest, it is now the duty of mutual funds to invest the pool of money from different investors to invest in a well-diversified and profitable portfolio.

1.2.4. Corporate debenture
These are risky debt instruments. It is way for companies to raise money as a part of capital structure. Corporate debentures are usually backed by the reputation and general creditworthiness of the issuing company. They are risky because they are not covered by any security of physical assets or collateral.

1.2.5. Company fixed deposit
In company fixed deposit, investors place their deposits in companies for a fixed time period with a fixed rate of interest. These types of investors are usually risk-averse to who don’t want to take risk of investing in stock market.

1.2.6. Fixed deposits
Banks fixed deposits are also called to as term deposits. Minimum investment period for bank FDs is 30 days. Investing in banks fix deposits is safe because of the regulations of RBI and the guarantee provided by the deposit insurance corporation. Interest rate depends upon the terms and conditions of bank. The interest rate on fixed deposits varies with term and conditions of bank. Loans can be raised against these bank deposits.

1.2.7. Real estate
Investment in this avenue is at boom. Investing in real estate is a tough decision because it gives benefits in future. But the expected returns are usually high in this investment. Mostly investors invest in other type of real estate, like commercial property, agricultural land, semi-urban land, and resorts.

1.2.8. Gold and precious metals
People used to invest in gold and other precious metals like silver and diamond. Values of these metals vary time to time but most of the time their value is always expected to increase in future.
1.2.9. Foreign currency
Every country prints its currency in a different form. Investors used to invest in currencies of different countries with the expectation appreciation of that currency. In this they earn profit on it. But foreign currencies are not used to buy goods and services in our domestic country, unless our government allows it.

1.3. Objectives
1. To understand about different investment avenues available in market.
2. To study preferred investment avenues of public sector employees in Pakistan.
3. To know the factors that influence investment behavior of the employees.
4. To determine social and financial issues of employees after retirement and their goals.
5. To study how social and financial issues of life influence planning for life after retirement.

2. Literature review
2.1. Financial issues
One of the important individual attribute that affects monetary well-being in retirement is how obvious an individual is about its after retirement goals. An analysis on about 1,500 inhabitants of New Zealand discovered that there is correlation between clarity of financial goals and financial planning of retirees (Noone, Stephens, & Alpass, 2010; Onoyase, 2013).

“He concluded that if lecturers who are still serving utilize the various financial strategies to put aside some money for retirement, they will look forward to an exciting, meaningful and successful retirement life”. Based on the previous research, the present study includes anticipation and preparation for retirement and individual characteristics as factors contributing to retirement confidence. Continuing, people who are provided with extra financial incentives for retirement are more often interested in retirement because of better financial position retirement (Quick & Moen, 1998). The Employee Benefit Research Institute stated that individuals who properly estimate that how much they will need in future to spent retirement comfortably had more confidence level without considering effect of other variables (Helman & Paladino, 2004). This can be related to the further findings that actual expectations and understandable financial goals lead toward planning of specific activities for retirement (Onoyase, 2013; Taylor & Doverspike, 2003) “He concluded that if lecturers who are still serving utilize the various financial strategies to put aside some money for retirement, they will look forward to an exciting, meaningful and successful retirement life”.

Atchley (1976) stated it is not the age but proximity to retirement that become the source of retirement preparation. On the other hand, there is unclear relationship between retirement proximity and attitude toward it. Streib and Schneider (1971) said there is negative relationship between proximity and retirement attitude, while Mutran, Reitzes, and Fernandez (1997) did not discover any considerable impact of proximity on attitude toward retirement. The Employee Benefit Research Institute stated that individuals, who properly estimate how much they will need in future to spend their retirement comfortably, had more confidence level without considering effect of other variables (Helman & Paladino, 2004).

2.2. Social issues
Hybe (2010) creates the feeling of being unwanted and undeveloped when teachers retire from their actual work life. In the rural areas, retired teachers also create the feeling of being rejected even on small matters like if any idea is rejected. A serious situation is also created among retirees on the delay of their entitlement, because they face financial crisis and develop feelings of wordlessness. Obimba (2005) discovered anxieties of retirees include uncertainties of life, financial insecurity, reduced social life, and health-related problems. They become anxious about loss of friendship ties and feeling of disconnection. Additionally, health is one of the strong factors that predicts retirement
attitude and behavior (Atchley & Robinson, 1982; Beehr, 1986; Evans, Ekerdt, & Bosse, 1985; Taylor & Shore, 1995). In Nigeria, retirement is usually a period of major changes in the lives of public servants. For some people, such changes are devastating and traumatic. Pre-retirement phases involve preparing for and anticipating retirement (Atchley, 1976). There is an association between anticipation and preparation for retirement and attitudes toward it. Retirement decisions are also influenced by economic forecasts (Prothero & Beach, 1984). Some people are afraid of inflation that’s why they don’t retire in order to manage their financials and living standard. Taking personal and family factors in estimation of longevity are mostly accurate measures but only at individual level (Fry & Debats, 2006; Kotter-Grühn, Grühn, & Smith, 2010). Kim and Garman (2003) showed financial literacy, and advice proves to have positive influence on financial attitude and behaviors. One’s attitude toward retirement is important in adjusting satisfactorily to retirement. Also, attitude about retirement influences the level of confidence one displays regarding success of their retirement.

3. Research methodology

The method used for this study is quantitative, primarily because we analyzed the perception about social and financial issues of life after retirement of academic staff of public sector universities. This study is conducted as a descriptive research. The method of obtaining the primary data is through structured questionnaire.

The questionnaire was developed by the researcher to collect data from the target population. To ensure the accuracy of the questionnaire, pilot testing was done and changes were made before the finalization of the questionnaire. All questions employed 5-point Likert scale. First section of questionnaire includes demographics information like age, gender, income, marital status of participants. The second section includes liking and preferences of investment avenues, investment objectives, and retirement goals. Third section includes questions related to financial issues, fourth section related to social issues, and the last section includes questions of post-retirement planning. Cronbach’s testing was also used to ensure reliability of the questionnaire. The population for this study is the Academic Staff of four universities: Punjab University, Kinnaird College, and Lahore College of Women University and Government College University. Technique used in this research was convenient sampling of 254 respondents (100 males and 154 females) which were chosen from the total population.

4. Analysis and interpretation of data

After entering all the data from 254 respondents into SPSS, Cronbach’s alpha analysis was checked that is shown in Table 1. The overall value of Cronbach’s α is .922 which shows high reliability and acceptability of data.

4.1. Descriptive statistics

Using descriptive statistics in SPSS, It is interpreted in Table 2 that most of the contribution of respondents is from Punjab University and their frequency is 90 and frequency is 35.4%. Number second is Lahore College with 65 respondents and their frequency is 25.6%. Number third is Government College University with 57 respondents and their total frequency is 25.6%. Number fourth is Kinnaird College with 42 respondents and their total frequency is 16.5%. Most of the respondents in our dataset are females with total frequency of 132 and males are 122 and their respective frequencies are 48 and 52%. Analyzing age, most of the respondents belong to age group of 31–40 with frequency 30.3%. Age groups of 41–50 and above 50 have respective totality and frequencies are 69, 63 and 27.2%, 24.8%. Frequency of age group 20–30 is 45 and with percentage of 17.7%.

| Table 1. Reliability statistics |
|--------------------------------|
| Factor | Cronbach’s α | No. of items |
|--------|--------------|--------------|
| Financial issues | .831 | 25 |
| Social issues | .860 | 37 |
| Overall | .922 | 110 |
Most of the respondents from different employment status are Assistant Professors and Lecturers and their frequency is 85 and 88 and percentage is 33.5 and 34.6%. Total Associate Professors are 62 with 24.4%. Professors and Professor Emeritus responded least with frequency 14 and 5 and percentage 5.5 and 2%, respectively.

Most of the respondents have monthly income 50,000–100,000 with 131 frequencies and 51.6%. Number second is 100,001–300,000 with 69 frequency and 27.2%. Number third is below 50,000 with 41 frequency and 16.1%. Rest of the income groups have least frequencies. Most of the respondents in our data-set are married with frequency 200 and 78.7%, and unmarried are 54 with 21.3%.

According to Table 2a, 172 respondents prefer to invest in buying land in any of the scheme and 137 respondents prefer to invest in gold and other costly metals. So we conclude that buying plots and costly metals are most highly preferred investment avenues among academic staff of public sector universities.

### 4.2. Inferential statistics: Tests for significant mean differences

The main purpose of these tests was to identify the influence of socio-demographic variables on social and financial factors of academic staff of public sector universities in Lahore, Pakistan. Independent sample t-test (two sample mean) and one-way ANOVA (multiple sample mean) at $\alpha = .05$ level of significance were used accordingly as shown in Table 3.
Table 2a. Descriptive statistics of investment avenues

| Category                        | Frequency | Percentage |
|---------------------------------|-----------|------------|
| **Investment in share**         |           |            |
| Least preferred                 | 125       | 49.2       |
| Less preferred                  | 48        | 18.9       |
| Neutral                         | 25        | 9.8        |
| Preferred                       | 41        | 16.1       |
| Highly preferred                | 15        | 5.9        |
| **Investment in bonds/TFC's**   |           |            |
| Least preferred                 | 129       | 50.8       |
| Less preferred                  | 55        | 21.7       |
| Neutral                         | 30        | 11.8       |
| Preferred                       | 27        | 10.6       |
| Highly preferred                | 13        | 5.1        |
| **Fixed deposit**               |           |            |
| Least preferred                 | 131       | 51.6       |
| Less preferred                  | 45        | 17.7       |
| Neutral                         | 34        | 13.4       |
| Preferred                       | 20        | 7.9        |
| Highly preferred                | 24        | 9.4        |
| **Mutual funds**                |           |            |
| Least preferred                 | 136       | 53.5       |
| Less preferred                  | 49        | 19.3       |
| Neutral                         | 35        | 13.8       |
| Preferred                       | 26        | 10.2       |
| Highly preferred                | 8         | 3.1        |
| **Deposit with national saving center** |       |            |
| Least preferred                 | 122       | 48.0       |
| Less preferred                  | 45        | 17.7       |
| Neutral                         | 33        | 13         |
| Preferred                       | 32        | 12.6       |
| Highly preferred                | 22        | 8.7        |
| **Buying plot in any of scheme** |         |            |
| Least preferred                 | 39        | 15         |
| Less preferred                  | 16        | 6.3        |
| Neutral                         | 29        | 11         |
| Preferred                       | 86        | 33.9       |
| Highly preferred                | 86        | 33.9       |
| **Agricultural land**           |           |            |
| Least preferred                 | 109       | 42.9       |
| Less preferred                  | 58        | 22.8       |
| Neutral                         | 39        | 15.4       |
| Preferred                       | 26        | 10.2       |
| Highly preferred                | 22        | 8.7        |
| **Foreign currency**            |           |            |
| Least preferred                 | 124       | 48.8       |
| Less preferred                  | 56        | 22.0       |
| Neutral                         | 37        | 14.6       |
| Preferred                       | 22        | 8.7        |
| Highly preferred                | 15        | 5.9        |

(Continued)
4.2.1. Independent T-test

$p$-value for gender and marital status against social factors are .903 and .792 which is greater than .05 which means we have enough evidence to state that there is no significant relationship of gender and marital status with social factors.

$p$-value for gender and marital status against financial factors are .174 and .253 which is greater than .05 which means we have enough evidence to state that there is no significant relationship of gender and marital status with financial factors.

4.2.2. One-way ANOVA

$p$-value for universities, age, employment status, and monthly income against financial factors are .000, .253, .003, and .416, respectively, which shows universities and employment status have significant relation with financial factors, but relationship with age and monthly income is insignificant.
p-value for universities, age, employment status, and monthly income against social factors are .002, .626, .012, and .005, respectively, which shows universities and employment status have significant relation with social factors, but relationship with age and monthly income is insignificant.

4.3. Regression

Linear regression analysis was used to determine relationship between of social and financial factors with post-retirement planning. Social and financial issues are independent variable and post-retirement planning is dependent variable. From Table 4, Correlation Coefficient is .629 which is greater than .3 and less than .71 that shows the quality of this measure to predict the post-retirement planning (Dependent Variable) and shows positive and moderate relationship between variables.

R² value is Coefficient of Determination which tells how much variance in the dependent variable (post-retirement planning) can be explained by independent variables (Social & Financial factors). According to results, .395% variation in post-retirement planning is explained by social and financial factors.

4.3.1. Regression equation

\[
Y = a + b_1X_1 + b_2X_2
\]

Post-Retirement Planning = .551 + (.458* Financial Factors) + (.412*Social Factors)

4.4. Factor analysis

Exploratory factor analysis was used in this study to determine those common factors that influence different variables and to determine the strength of relationship between factor and variable.

4.4.1. KMO and Bartlett’s test

As a requirement to carry out factor analysis, first we perform KMO and Bartlett test. From Table 5, value of KMO for financial and social factors is .791 and .871 (> .6) indicating sufficient inter-correlation to proceed with factor analysis. p-value for both awareness and trust is .00 (< .001) so, factor analysis is appropriate.

Total variance shows the total variability (in all of the variables together) accounted for by each of the factors. In case of financial factors, there are total seven factors that contribute 61.0% variance as shown in Table 6. In case of social factors, the first eight factors together contribute 64.835% of the total variance shown in Table 7.

| Variable | Kaiser-Meyer-Olkin measure of sampling adequacy | Bartlett’s test of sphericity |
|----------|-----------------------------------------------|-----------------------------|
|          |                                               | Approx. \( \chi^2 \) | Df | Sig.   |
| Financial| .791                                          | 2,072.12                | 300| .000  |
| Social   | .871                                          | 4,469.85                | 666| .000  |
4.4.2. Rotated component matrix

Table 6 for financial factors and Table 7 for social issues show the Rotated Component Matrix contains factor loadings to show how the variables are weighted for each factor and inter-correlation between the variables and the factor.

4.4.3. Financial factors

In case of financial factors, there are total seven factors. We label factor 1 as “Goals Clarity” and label factor 2 as “Optimism,” factor 3 as “Provisions,” factor 4 as “Anticipation & Preparation” factor 5 as “Investment Beliefs” factor 6 as “Future Position” and factor 7 as “Proximity” (Table 6). Factors with their corresponding questions and variance after rotation are described in Tables 6a and 7a.

| Question | 1  | 2  | 3  | 4  | 5  | 6  | 7  |
|----------|----|----|----|----|----|----|----|
| Variance (%) | 12.6 | 10.5 | 9.91 | 7.91 | 7.84 | 7.61 | 4.61 |
| Q1       | .765 |    |    |    |    |    |    |
| Q2       | .747 |    |    |    |    |    |    |
| Q3       | .707 |    |    |    |    |    |    |
| Q4       | .631 |    |    |    |    |    |    |
| Q5       | .615 |    |    |    |    |    |    |
| Q6       |    | .850 |    |    |    |    |    |
| Q7       |    | .847 |    |    |    |    |    |
| Q8       |    | .783 |    |    |    |    |    |
| Q9       |    |    | .711 |    |    |    |    |
| Q10      |    |    | .693 |    |    |    |    |
| Q11      |    |    | .674 |    |    |    |    |
| Q12      |    |    | .532 |    |    |    |    |
| Q13      |    |    | .459 |    |    |    |    |
| Q14      |    |    | .692 |    |    |    |    |
| Q15      |    |    | .642 |    |    |    |    |
| Q16      |    |    | .605 |    |    |    |    |
| Q17      |    |    | .668 |    |    |    |    |
| Q18      |    |    | .644 |    |    |    |    |
| Q19      |    |    | .601 |    |    |    |    |
| Q20      |    |    | .587 |    |    |    |    |
| Q21      |    |    | .793 |    |    |    |    |
| Q22      |    |    | .525 |    |    |    |    |
| Q23      |    |    | .517 |    |    |    |    |
| Q24      |    |    | .429 |    |    |    |    |
| Q25      |    |    | .866 |    |    |    |    |
4.4.4. Post-retirement planning factors

In case of post-retirement planning, there are total three factors. We label factor 1 as “Planning” and label factor 2 as “Training,” factor 3 as “Confidence” shown in (Table 8). Factors with their corresponding questions and variance after rotation are described in Table 8a.

| No. | Component               | Questions                                                                 | % age variation |
|-----|-------------------------|---------------------------------------------------------------------------|-----------------|
| 1   | Goals clarity           | Q1. I have specific goals regarding the financial position I want in retirement | 12.6            |
|     |                         | Q2. I often compare my current financial position with the financial position I would like to have in retirement |                |
|     |                         | Q3. I have clear understanding of financial issues for retired people     |                 |
|     |                         | Q4. It’s worthwhile to make financial provisions for retirement          |                 |
|     |                         | Q5. I worry about my future finances                                     |                 |
| 2   | Optimism                | Q6. I am able to meet my current financial obligations.                  | 10.5            |
|     |                         | Q7. I am optimistic about my financial future                           |                 |
|     |                         | Q8. I am on track to meet my financial goals                             |                 |
| 3   | Provisions              | Q9. I need capital or resources for starting a new business after retirement | 9.91            |
|     |                         | Q10. I am worried about paying cost of financial loan obligations        |                 |
|     |                         | Q11. I am concerned about the state of my financial preparation for my retirement |               |
|     |                         | Q12. I set specific goals for how much I will need to save for retirement|                 |
|     |                         | Q13. I plan to undertake some other kind of paid job before I retire     |                 |
| 4   | Anticipation & preparation | Q14. I make investment decisions comfortably and quickly                   | 7.91            |
|     |                         | Q15. I am willing to take risks, seek out challenges, and/or try new things for life after retirement |               |
|     |                         | Q16. I like predictability and routine in my daily life                  |                 |
| 5   | Investment beliefs      | Q17. I feel government support will be sufficient for my financial needs  | 7.84            |
|     |                         | Q18. I am satisfied with what my family income will be in retirement     |                 |
|     |                         | Q19. I worry about having enough income in retirement                    |                 |
|     |                         | Q20. I have thought about my future finances                            |                 |
| 6   | Future position         | Q21. By the time I retire, I will own a house without a mortgage          | 7.61            |
|     |                         | Q22. By the time I retire, I will have enough money to pay for any unexpected expenses |             |
|     |                         | Q23. I have specific goals regarding how I spend my money in retirement  |                 |
|     |                         | Q24. My partner and I make all our financial decisions about retirement together |            |
| 7   | Proximity               | Q25. I would deal with my financial issues closer to retirement, rather than making financial provisions now | 4.61           |
Table 7. Rotated component matrix of social issues of retirement

| Question | 1   | 2   | 3   | 4   | 5   | 6   | 7   | 8   | 9   |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|          | 10.202 | 9.807 | 9.704 | 8.104 | 6.879 | 6.033 | 5.491 | 4.387 | 4.228 |
| Q26      | .826 |     |     |     |     |     |     |     |     |
| Q27      | .788 |     |     |     |     |     |     |     |     |
| Q28      | .660 |     |     |     |     |     |     |     |     |
| Q29      | .632 |     |     |     |     |     |     |     |     |
| Q30      | .600 |     |     |     |     |     |     |     |     |
| Q31      | .447 |     |     |     |     |     |     |     |     |
| Q32      | .435 |     |     |     |     |     |     |     |     |
| Q33      | .823 |     |     |     |     |     |     |     |     |
| Q34      | .796 |     |     |     |     |     |     |     |     |
| Q35      | .775 |     |     |     |     |     |     |     |     |
| Q36      | .670 |     |     |     |     |     |     |     |     |
| Q37      | .588 |     |     |     |     |     |     |     |     |
| Q38      | .847 |     |     |     |     |     |     |     |     |
| Q39      | .787 |     |     |     |     |     |     |     |     |
| Q40      | .745 |     |     |     |     |     |     |     |     |
| Q41      | .744 |     |     |     |     |     |     |     |     |
| Q42      | .466 |     |     |     |     |     |     |     |     |
| Q43      | .803 |     |     |     |     |     |     |     |     |
| Q44      | .760 |     |     |     |     |     |     |     |     |
| Q45      | .727 |     |     |     |     |     |     |     |     |
| Q46      | .630 |     |     |     |     |     |     |     |     |
| Q47      | .805 |     |     |     |     |     |     |     |     |
| Q48      | .803 |     |     |     |     |     |     |     |     |
| Q49      | .789 |     |     |     |     |     |     |     |     |
| Q50      | .375 |     |     |     |     |     |     |     |     |
| Q51      | .759 |     |     |     |     |     |     |     |     |
| Q52      | .692 |     |     |     |     |     |     |     |     |
| Q53      | .519 |     |     |     |     |     |     |     |     |
| Q54      | .782 |     |     |     |     |     |     |     |     |
| Q55      | .631 |     |     |     |     |     |     |     |     |
| Q56      | .563 |     |     |     |     |     |     |     |     |
| Q57      |     |     |     |     |     |     |     | .773 |     |
| Q58      |     |     |     |     |     |     |     | .672 |     |
| Q59      |     |     |     |     |     |     |     | .433 |     |
| Q60      |     |     |     |     |     |     |     |     | .613 |
| Q61      |     |     |     |     |     |     |     |     | .613 |
| Q62      |     |     |     |     |     |     |     |     | .550 |
Table 7a. Factors analysis: Social factors

| No. | Component                  | Questions                                                                 | % age variation |
|-----|----------------------------|---------------------------------------------------------------------------|-----------------|
| 1   | Retirement roles variance  | Q26. I often talk to my family about the roles of retired people           | 10.2            |
|     |                            | Q27. I often talk to my friends about the roles of retired people          |                 |
|     |                            | Q28. I worry about the roles I would hold as retired person                |                 |
|     |                            | Q29. I’ve thought a lot about my roles as a retired person with my community |                 |
|     |                            | Q30. I have specific goals regarding the future roles I would like to hold as a retiree |                 |
|     |                            | Q31. I have often compared my current roles with the roles I would like to have as retired person |                 |
|     |                            | Q32. I’m starting to separate myself from my work                          |                 |
| 2   | Depression variance        | Q33. I am afraid of loneliness after retirement                            | 9.7             |
|     |                            | Q34. I am worried about discontinuity from social life too                |                 |
|     |                            | Q35. I am worried about discontinuity from active work life               |                 |
|     |                            | Q36. Retirement makes me feel useless                                    |                 |
|     |                            | Q37. I am worried about health issues                                    |                 |
| 3   | Financial worries variance | Q38. I am worried about payment for children higher education after retirement | 9.2             |
|     |                            | Q39. I am worried about payment for marriage of children after retirement  |                 |
|     |                            | Q40. My partner and I often talk about our future health about retirement together |                 |
|     |                            | Q41. My partner and I often talk about where we would like to live in retirement |                 |
|     |                            | Q42. I discussed retirement plans with spouse, friend, or significant other |                 |
| 4   | Adjustment variance        | Q43. I don’t think I will have any trouble handling retirement            | 8.1             |
|     |                            | Q44. I am confident that I will easily adjust to retirement               |                 |
|     |                            | Q45. I expect to enjoy retirement                                        |                 |
|     |                            | Q46. I enjoy thinking about how I will live in the future                 |                 |
| 5   | Economic trends variance   | Q47. I feel uncertain about how economic trends will affect my life in retirement | 6.8             |
|     |                            | Q48. When I imagine what retirement will be like, I feel depressed        |                 |
|     |                            | Q49. I worry about the standard of living I will have in retirement        |                 |
|     |                            | Q50. I look forward to retirement. I am worried about my life after retirement |                 |

(Continued)
### Table 7a. (Continued)

| No. | Component                     | Questions                                                                 | % age variation |
|-----|-------------------------------|---------------------------------------------------------------------------|-----------------|
| 6   | Prediction variance           | Q51. I know exactly where I want to live in retirement                    | 6.0             |
|     |                               | Q52. I know exactly how much money I will need to ensure the standard of  |                 |
|     |                               |   living I want in retirement                                            |                 |
|     |                               | Q53. I’ve thought a lot about my roles as a retired person with my family |                 |
| 7   | Expectations of needs variance| Q54. I want payment for going on tour, e.g. Hajj                         | 5.4             |
|     |                               | Q55. I need payment for buying a house after retirement                   |                 |
|     |                               | Q56. Retirement enables me to pursue my unfulfilled dreams               |                 |
| 8   | Changes in life responsibility variance | Q57. It’s worth to prepare for changes to my roles as a retired person | 4.3             |
|     |                               | Q58. I’d rather deal with any issues regarding my future roles when they |                 |
|     |                               |   arise, rather than prepare for now                                    |                 |
|     |                               | Q59. I often speak to retired people about what it’s like to be retired  |                 |
| 9   | Advice variance               | Q60. I set clear goals for gaining information about retirement           | 4.2             |
|     |                               | Q61. I think a great deal about quality for life in retirement           |                 |
|     |                               | Q62. I have clear vision of how life will be in retirement               |                 |

### Table 8. Rotated component matrix of post-retirement planning

| Questions                                                                 | Factor 1 | Factor 2 | Factor 3 |
|---------------------------------------------------------------------------|-----------|-----------|-----------|
| Variance (%)                                                              | 22.792    | 16.539    | 13.215    |
| Q1                                                                        | .811      |           |           |
| Q2                                                                        | .683      |           |           |
| Q3                                                                        | .681      |           |           |
| Q4                                                                        | .588      |           |           |
| Q5                                                                        | .525      |           |           |
| Q6                                                                        | .478      |           |           |
| Q7                                                                        | .453      |           |           |
| Q8                                                                        |           | .790      |           |
| Q9                                                                        |           | .632      |           |
| Q10                                                                       |           | .617      |           |
| Q11                                                                       |           | .540      |           |
| Q12                                                                       |           | .514      |           |
| Q13                                                                       |           | .491      |           |
| Q14                                                                       |           |           | .798      |
| Q15                                                                       |           |           | .638      |
| Q16                                                                       |           |           | .488      |
5. Conclusion

The aim of the study was to understand the effect of social and financial factors on post-retirement planning of academic staff of public sector universities. This was a first time study of its nature on retirement issues and planning on academic staff of public sector universities. From the data analysis, we can conclude that majority of the respondents prefer to invest in gold, precious metals, and in real estate as part of their planning for the life after retirement. We also concluded that sociodemographic variables including gender and marital status have insignificant relationship with respect to social and financial factors. Among the variables including universities, age, employment status, and monthly income; universities and employment status have significant relationship whereas, age, monthly income have insignificant relationship with social and financial factors. From the regression analysis, we conclude that post-retirement planning by the academic staff of universities is more dependent on the financial factors as compared to the social factors. Factor analysis found seven components of financial factors including Goals Clarity, Optimism, Provisions, Anticipation & Preparation, Investment Beliefs, Future Position and Proximity contributing 61.04% variance to the post-retirement planning. Factor analysis of social factors found nine components including Retirement Roles, Depression, Financial worries, Adjustment, economic trends, Prediction, Expectations of Needs, Changes in responsibility and advice contributing 64.835% variance to the post-retirement planning. Whereas, factor analysis also found three major components explaining post-retirement planning which include planning, training, and confidence and contributing 52.546% variation in post-retirement planning.

6. Recommendations to government

- Government should introduce good retirement policies for developing positive attitude of academic staff toward retirement.
• Government should introduce retirement counseling and training programs for creating awareness among academic staff toward retirement.

• Awareness of financial literacy of new investment avenues among academic staff is needed to be created.

7. Recommendations for future research

• This research is limited to only four universities of Lahore, all the Public sector universities in Lahore can be covered for future research.

• Sample size may also be increased

• Study may also include private sectors universities

• More factors other than financial and social related to behavior of academic staff can be studied.

• Universities from other cities may also be included

• Compare the respondents from public and private universities or respondents from different cities

• Study may be focused on the corporate sector employees other than the academia.

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