

## Original Paper

# Retirement Planning: A Pre-Retirement Framework for Employees of Wesleyan University-Philippines

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### Abstract

*This study aims to design a pre-retirement conceptual framework for employees. The framework's basis is the respondents' demographic profile such as age, sex, civil status, years of service, educational attainment, nature of work, and monthly salary. The extent of readiness in terms of financial planning, wealth, health, and network engagement. And the challenges in terms of lack of knowledge in Investment, difficulty in time management, poor attitude towards savings, and running out of money. The study respondents were 40 employees who were 55 years old and above, working at Wesleyan University – Philippines, Cushman campus. The study made use of a descriptive research design. The instrument was a survey questionnaire created by the researchers and was critiqued and validated by a panel of experts in terms of its content. It was piloted to a group of teachers before it was used. The demographic profiles were presented according to percentages, and weighted means for the extent of readiness were used. The respondents were mostly faculty, female, married, and 57-58 years. They have been working for almost 20-29 years in the institution with the highest educational attainment of a master's degree and have a current salary range of P24,600.00 – P28,600.00. Regarding the extent of readiness for retirement, the employee respondents still need more income for a longer time to save and invest accordingly in terms of financial planning. Also, in terms of wealth, employees' respondents know how much money they still needed to accumulate by retirement. Moreover, in terms of health, respondents have a regular check-up to reduce healthcare costs make them more aware of their health. The correlation analysis showed that the respondents' profile variables were significantly correlated with the extent of readiness of WU-P employees towards retirement. Likewise, the respondents' profile and the challenges faced by WU-P employees towards retirement are significantly correlated. A pre-retirement conceptual framework was*

*designed to focus on aspects of readiness for retirement and some wellness dimensions. It can be concluded that most of the respondents were not ready for retirement. Therefore, a Pre-Retirement Conceptual Framework for employees is designed to prepare respondents for retirement. The study recommended adopting this pre-retirement conceptual framework and using this framework in developing a pre-retirement program for employees. Institutions should financially support the pre-retirement program for employees.*

**Keywords**

*Retirement, Readiness, Challenges, Pre-retirement Framework*

**1. Introduction**

In the simple sense, retirement planning is the planning one does to be prepared for life after paid work ends, not just financially but in all aspects of life. (Julia Kagan, 2019) Employee retirement is an individual activity in the lives of employees. It is a change from the world of work into a world of less stressful action and more rest and recreation, especially retirement due to old age or long years of service. In many countries, 65 years old is considered the onset of old age based on security laws. The Philippines' Age for compulsory retirement is 60 for either the Social Security System (SSS) or the Government Service Insurance System (GSIS) for government and private employees. However, one may retire at the age of 55, the demarcation age used in the country to refer to the elderly or senior citizens as defined in Republic Act 9994 (Expanded Senior Citizens Act of 2010).

Retirement programs in institutions play an essential role in planning employees' future benefits and compensation. In academic institutions, there are mandatory retirement contributions to GSIS, SSS, and voluntary retirement contributions to CEAP or PERAA. Some private schools established cooperatives to provide mutual benefits and retirement investment. Other school employees may take the initiative to invest in private insurance for their retirement.

According to Vickerstaff et al. (2003, 2004, 2006), research about retirement tended to focus on the agenda of individuals who take retirement decisions based on factors such as their domestic and financial circumstances and their health. The retirement decision is frequently constrained or shaped by the program of the employer (Arthur, 2003; Barnes, Parry and Lakey, 2002; Vickerstaff et al., 2004), which in turn may be driven by commercial and organizational pressures such as cutting staff numbers to save money or restructuring following the merger. Vickerstaff's research demonstrates that in most cases, exit from work is 'conditioned by' the employer, who can agree to or turn down requests to retire early; to move to the part-time job; to shed or change responsibilities, or to stay in work after average retirement age.

Working toward retirement might develop anxiety and depression. In the elderly, depression often accompanies other indications, such as misperception, vagueness, and inattentiveness to individual hygiene and appearance. These problems are sometimes mistaken, but they may be masking depression, according to Slowik (2011).

Anxiety about retirement can spring from a variety of issues. One of the most common is the loss of personal identity, which means changes in the workplace or the job profession's failure. Work or occupation often defines a person's place in society, and retirement can erase that status, leading to an erosion of self-esteem. The second source of anxiety is the loss of workplace camaraderie (Schlossberg, 2008).

Health and wealth are two of the most critical factors contributing to retirement. Believing that one will have adequate post-retirement income is positively related to retirement adjustment. There is a significant concern that many aging baby boomers, including many teachers in academic institutions, will retire without adequate financial resources soon (Gist, Wu, & Verman, 2004). With declining numbers of described benefit pension plans (Turner, Muller & Verma, 2003) and uncertainty regarding Social Security and Medicare expenses (Social Security Administration, 2004), individuals gradually need to save more money to prepare for their retirement. This financial problem is the decline in their health conditions due to possible ailments. These may cause retirement anxiety, which involves fears and worries about the future due to the cessation of active working life. Usually, those who are well prepared for their retirement have more confident attitudes on the way to retirement (Taylor & Doverspike, 2003). In the academe, school management must have a retirement program to ensure that employees are ready to retire. Considering the preceding situation and the importance of retiring school employees, the researchers were motivated to conduct a study on the Pre-Retirement Conceptual Framework for Wesleyan University Employees – Philippines.

## 2. Methodology

The researchers utilized the descriptive method of research in conducting the study. Shuttleworth (2008) defines descriptive as a research design as a scientific method that involves observing and describing a subject's behavior without influencing it in any way. Likewise, Leedy and Ormrod (2001) explained the descriptive research approach as a primary research method that examines the situation as it exists in its current state. Descriptive research involves identifying attributes of a particular phenomenon based on an observational basis or exploring the correlation between two or more events.

Specifically, this study used the descriptive method called correlational research. Correlational research is a type of non-experimental research in which the researcher measures two variables and assesses the statistical relationship (i.e., the correlation) between them with little or no effort to control extraneous variables (price, Jhangiani, and Chiang. 2016)

The study was conducted at Wesleyan University-Philippine, Cushman campus. The respondents were employees aged 55 years up. A survey questionnaire was used to gather data, and focus group discussion will substantiate the survey's collected data.

In this study, the relationship between the respondents' socio-demographic profile and WU-P employees' extent towards retirement was tested, including the challenges faced by WU-P employees towards retirement.

The researchers used the researcher-made questionnaire to solicit data from the respondents. The data collected were statistically treated using descriptive statistics like frequency, percentage, and weighted mean. Furthermore, inferential statistics like Spearman rho and z test were also utilized.

### 3. Results and Discussions

#### 3.1 Socio-demographic Profile of the Respondents

The analysis of data gathered resulted in the following findings: The respondents' demographic profile according to Age, Sex, Civil status, Years of Service, Educational Attainment, Nature of work, and Monthly Salary.

**Table 1. Socio-Demographic Profile of the Respondents**

Age	f	%	<i>continuation . . .</i>		
55 - 56	16	40	15 - 19	12	30
57 - 58	14	35	20 - 24	7	17.5
59 - 60	10	25	25 - 29	8	20
<b>Total</b>	<b>40</b>	<b>100</b>	30 - 34	1	2.5
<b>Sex</b>	<b>f</b>	<b>%</b>	35 - 39	2	5
Male	18	45	<b>Total</b>	<b>40</b>	<b>100</b>
Female	22	55	<b>Nature of Work</b>	<b>f</b>	<b>%</b>
<b>Total</b>	<b>40</b>	<b>100</b>	Faculty	23	57.5
<b>Civil status</b>	<b>f</b>	<b>%</b>	staff	3	7.5
Single	4	10	Maintenance	7	17.5
Married	35	87.5	Administration	3	7.5
Widower	1	2.5	Security	3	7.5
<b>Total</b>	<b>40</b>	<b>100</b>	Driver	1	2.5
<b>Highest Educational Attainment</b>	<b>f</b>	<b>%</b>	<b>Total</b>	<b>40</b>	<b>100</b>
PhD	9	22.5	<b>Monthly Salary</b>	<b>f</b>	<b>%</b>
MA/MBA	16	40	9,600 - 13,600	4	10
College Graduate	8	20	14,600 - 18,600	6	15
High School	5	12.5	19,600 - 23,600	4	10
Elementary	2	5	24,600 - 28,600	15	37.5
<b>Total</b>	<b>40</b>	<b>100</b>	29,600 - 33,600	7	17.5
<b>Number of years in service</b>	<b>f</b>	<b>%</b>	34,600 - 38,600	1	2.5
5 - 9	7	17.5	39,600 - 44,600	3	7.5
10 - 14	3	7.5	<b>Total</b>	<b>40</b>	<b>100</b>

The frequency distribution of the respondents by age showed there were 16 (40%) employees who were 55-56 years old, there are 14 (35%) employees were between ages 57-58, and for between 59-60 years old, there are 10 (25%). There were 18 (45%) males and 22 (55%) females.

There were 35 (87.50%) married respondents, 4 (10%) single and 1 (2.50%) respondents. For Educational attainment, there were 16 (40%) with MA/MBA, 9 (22.50%) with Ph.D., 8 (20%) are college graduates, 5 (12.50%) high school graduates, and 2 (5%) respondents were elementary graduate.

As for the number of years in service, there were 12 (30%) who were 15-19 years in service, 8 (20%) between 25-29 years, 7 (17.50%) the same number of service between 5-9 and 20-24 years, 3 (7.50%) were between 10-14 years, 2 (5%) 35-39 years and finally for 1 (2.50%) were between 30-34 years in service.

As to nature of work, 23 (57.50%) were faculty, 7 (17.50%) are maintenance, 3 (7.50%) were staff, security, and administration, and 1 (2.50%) the nature of work is the driver.

As for monthly salary, there were 15 (37.50%) respondents have between P24,600-28,600 salary, 7 (17.50%) were between P29,600-33,600 salary, 6 (15%) were between P14,600-18,600 salary, 4 (10%) were between 19,600-23,600 and 9,600-13,600 salary, 3 (7.50%) were between 39,600-44,600 salary and the last 1 (2.50%) 34,600-38,600 salary.

### *3.2 The Extent of Readiness of Employees towards Retirement in Terms of Financial Planning, Wealth, Health, and Network Engagement are the Following*

As to financial planning, item number 5, "I need more income for a longer time, so I will need to save and invest accordingly," ranked first among the variables with a 4.55 weighted mean and described as "Very True of Me." While item number 1, "Before the year of my retirement, I consider finding gainful activities like part-time teaching, consultancy, tutorial class or conducting short term modular/workshop seminars," rank last with 4.28 weighted mean and a verbal description of "Very True of me." The Average weighted mean is 4.40, verbally described as "Very True of me." These findings indicate that employees need more income for a longer time to save for investment; they are not ready for retirement. In an interview about saving money, one of the respondents said that "*having money makes life not easier; I tried to save because I don't want to get caught in a financial emergency.*"

**Table 2. The Readiness of WU-P Employee's Retirement**

No.	Financial Planning	Weighted Mean	Verbal Description
1.	Before the year of my retirement, I consider finding gainful activities like part-time teaching, consultancy, tutorial class, or conducting short-term modular/workshop seminars.	4.28	Very True of me
2.	I still consider that institutions are looking for experienced teachers.	4.45	Very True of me

3.	As part of my savings plan, I set aside a little amount for my retirement.	4.30	Very True of me
4.	I avoid heavy debts, which can affect my ability to save for my retirement.	4.43	Very True of me
5.	I need more income for a longer time, so I will need to save and invest accordingly.	4.55	Very True of me
<b>Averaged Weighted Mean</b>		4.40	Very True of me
<b>Wealth</b>		<b>Weighted Mean</b>	<b>Verbal Description</b>
1.	I know how much money will be needed to accumulate by the time of my retirement.	4.20	Very True of me
2.	Regardless of my expenses, I set aside 10% of my income for my future.	4.23	Very True of me
3.	I try to save money, although my salary is just enough for my family expenses.	4.30	Very True of me
4.	I have retiree health insurance coverage through the school and other insurance companies.	4.03	True of Me
5.	I have other sources of income aside from my pension	4.18	True of Me
<b>Averaged Weighted Mean</b>		4.19	True of Me
<b>Health</b>		<b>Weighted Mean</b>	<b>Verbal Description</b>
1.	I develop a new activity that fits to my Age	4.13	True of Me
2.	I have regular check-ups	4.18	True of Me
3.	I maintain a weight that is proportional to my age.	4.03	True of Me
4.	I do Exercise regularly	4.00	True of Me
5.	I practice a healthy diet	4.03	True of Me
<b>Averaged Weighted Mean</b>		4.07	True of Me
<b>Network and Engagement</b>		<b>Weighted Mean</b>	<b>Verbal Description</b>
1.	I participate actively in civic organizations	4.15	True of Me
2.	I am an active member of a religious group	4.08	True of Me
3.	I build new friendships	4.20	True of Me
4.	I have more time with the family	4.08	True of Me
5.	I have a regular get-together with my friends	4.10	True of Me
<b>Averaged Weighted Mean</b>		4.12	True of Me

**Legend:**

<i>Value</i>	<i>Weighted Average</i>	<i>Verbal Description</i>	<i>Verbal interpretation</i>
5	4.20 - 5.00	Very True of Me	Extremely ready
4	3.40 - 4.19	True of Me	Moderately ready
3	2.60 - 3.39	Somewhat Untrue of Me	Somewhat ready
2	1.80 - 2.59	Untrue of Me	Slightly ready
1	1.00 - 1.79	Very True of Me	Not at all ready

In terms of wealth, item number 1, “I know how much money will be needed to accumulate by the time of my retirement,” obtained the highest weighted mean of 4.30 among the variables and was described as “Very True of Me” While item number 4 “I have retiree health insurance coverage through the school and other insurance companies” got 4.03, the lowest weighted mean among the variables. The Average weighted mean is 4.19, verbally described as “True of me.” It implies that employees know how much money should save toward retirement. They are not ready for retirement. Not enough income has been accumulated for the future.

In terms of health, item number 2, “I have regular check-ups,” got a high weighted mean of 4.18. On the other hand, item number 3, “I maintain a weight that is proportional to my age, and item number 5, “I practice a healthy diet,” have the same lowest weighted mean of 4.03. The Average weighted mean is 4.07, verbally described as “True of me.”

The results revealed that employees recognize the benefits of regular check-ups, which include: Reduce the risk of getting sick, detecting potentially life-threatening health conditions or diseases early form a good partnership with the doctor so treatment can be more efficient, and limiting the risk of complications by closely monitoring existing conditions. It indicates that the respondents are still healthy to stay at work.

Lastly, in terms of network and engagement, item number 1 “I participate actively in civic organizations’ rank one with a weighted mean of 4.15 while, item number 2 “I am an active member of a religious group” and item number 4 “I have more time with the family” have the same lowest weighted mean among variables of 4.08. The Average weighted mean is 4.12, verbally described as “True of me.” The result disclosed that civic engagement involves working to make a difference in one’s community’s civic life and developing the combination of knowledge, skills, values, and motivation to make that difference. It means respondents promote the quality of life in a community.

*3.3 Challenges WU-P Employees Face in Planning for Retirement in Terms of Lack of Knowledge in Investment, Difficulty in Time Management, Poor Attitude towards Savings, and Running out of Money are the Following*

**Table 3. The Challenges WU-P Employees Face in Planning for Retirement**

No.	Lack of Knowledge in Investment	Weighted Mean	Verbal Description
1.	Absence of training in financial management	4.53	Strongly Agree
2.	Too busy with work in school	4.25	Strongly Agree
3.	No interest in investing	4.38	Strongly Agree
4.	No money to invest	4.68	Strongly Agree
5.	Worry of losing money in Investment	4.58	Strongly Agree
	<b>Average Weighted Mean</b>	<b>4.48</b>	<b>Strongly Agree</b>

<b>Difficulty in time management</b>			
1	I have a feeling of being annoyed by someone's mistakes	2.65	Somewhat Agree
2	I have difficulty motivating myself to get up off my backside and do the things that are supposed to be doing	3.39	Somewhat Agree
3	I am continually rushing because I leave everything to the last minute.	3.42	Agree
4	I have difficulty clearly defining my goals.	3.40	Agree
5	I experience a failure to focus on the first things-priorities	2.50	Disagree
<b>Average Weighted Mean</b>		3.07	Somewhat Agree
<b>Low attitude towards savings</b>			
1	I am not interested in various ways of savings	3.41	Agree
2	I don't mind whether I am rich or not	1.81	Disagree
3	I will save money only when I want to buy something	3.39	Somewhat Agree
4	I think money is for spending, not to be saving	1.60	Strongly Disagree
5	I can not survive without a credit card	2.65	Somewhat agree
<b>Average Weighted Mean</b>		2.57	Disagree
<b>Running out of money</b>			
1	Lack of budgeting and money management skills	3.40	Agree
2	Relying on credit to the bills	3.42	Agree
3	Spending more than earn	4.20	Strongly Agree
4	Not enough food for the family	4.14	Agree
5	Not being prepared for an emergency	4.45	Strongly Agree
<b>Average Weighted Mean</b>			

**Legend:**

<i>Value</i>	<i>Weighted Average</i>	<i>Verbal Description</i>	<i>Verbal interpretation</i>
5	4.20 - 5.00	Strongly Agree	Extremely ready
4	3.40 - 4.19	Agree	Moderately ready
3	2.60 - 3.39	Somewhat agree	Somewhat ready
2	1.80 - 2.59	Disagree	Slightly ready
1	1.00 - 1.79	Strongly Disagree	Not at all ready

In terms of lack of expertise in Investment, item number 4, "no money to invest," obtained a highest weighted mean of 4.68 described as strongly agree; and the lowest weighted mean among the indicators is item number 2, "too busy with work in school" also described strongly agree. These can be verbally described as most employees' challenges because their salary is enough for family expenses.

Regarding time management difficulty, the highest ratings were item number 3, "I constantly rushing because I have everything to the last minute," with a weighted mean of 3.42 verbally described as



“agree.” The lowest weighted mean among the indicators is item number 5, “I experience a failure to focus on the first thing priorities,” with a weighted mean of 2.50. The findings show that employee is hardly classifying top priority tasks.

In terms of a poor attitude towards savings, the highest was item number 1, “I am not interested in various ways of savings,” with a weighted mean of 3.41 verbally interpreted as “agree.” While the lowest was item number 4, “I think money is for spending not to be saved,” with a weighted mean of 1.60. It shows that employees are not making enough money to support their minimum needs.

On running out of money, the highest was item number 1, “not being prepared for an emergency,” with a weighted mean of 4.45 verbally interpreted as “strongly agree,” While the lowest is item number 1, “Lack of budgeting and money management skills” with a weighted mean of 3.40 verbally interpreted as “agree.” The findings show that respondents are not fully aware that an emergency fund helps protect their financial wellbeing from unexpected bills to job loss.

### *3.4 Correlational Analysis between the Respondents' Socio-demographic Profile and the Extent of Readiness of WU-P Employees towards Retirement*

Table 4 shows the results of correlation analysis between the respondents' profile and their readiness for retirement. The table shows that sex is significantly related to wealth and network engagement having pearson correlation of .382 and .339 respectively with a significance or p-value .015 and .032.

The finding implies that based on the National Bureau of Research conducted by Jaanika Meriküll in April 2020, the unconditional gender gap in mean wealth was 45%, and that large wealth disparities cause it in the upper end of the wealth distribution. The structure of assets owned by men is more diversified than that for women. Also, the differences in academic engagement with industry between women and male academics (of similar rank, status, age, and discipline) will be less pronounced in departments where women represent over 15% of the faculty members (V Tartari, 2015).

In terms of financial planning, wealth, health, and network engagement, there is a significant relationship on highest educational attainment with a coefficient of -.365, -.536, -.471, and -.703 with a significant level of .021, .000, .002, and 0.000, respectively.

In a 2015 study by the Federal Reserve Bank of St. Louis' Center for Household Financial Stability, it was inferred that wealth is strongly linked with education. The study found that individuals who had an advanced degree were 50 times more likely to become millionaires than those who only have a high school diploma. Likewise, Highest Educational Attainment typically leads to better jobs, more money, and many other benefits, including better health insurance, which leads to better access to quality health care. Higher earnings also allow workers to afford homes in safer neighborhoods as well as healthier diets. Further, Insight would indicate that people with higher educational attainment would be more Network Engagement active because they have a greater understanding of social happenings and political history (Elizabeth, 2011).

In terms of years of service, there is a significant relationship on financial planning with a coefficient of -.360 with a significant level of .022. The analysis shows that majority of respondents have set financial

goals.

As for the nature of work, there is a significant relationship with financial planning, wealth, health, and network engagement, having a coefficient of -.595, -.585, -.277, and -.632 with a significant level of .000 for four items, respectively. It implies that faculty experienced bigger problems towards retirement.

**Table 4. Relationship between the Profile of the Respondents and the Readiness of WU-P Employees towards Retirement**

Demographic Profile		Financial Planning	Wealth	Health	Network Engagement
age	Pearson Correlation	.036	.118	.231	.176
	Sig. (2-tailed)	.828	.468	.151	.279
	N	40	40	40	40
sex	Pearson Correlation	.253	.382*	.027	.339*
	Sig. (2-tailed)	.115	.015	.869	.032
	N	40	40	40	40
Civil Status	Pearson Correlation	.040	-.049	-.045	-.125
	Sig. (2-tailed)	.804	.765	.785	.441
	N	40	40	40	40
Highest Educational Attainment	Pearson Correlation	-.365*	-.536**	-.471**	-.703**
	Sig. (2-tailed)	.021	.000	.002	.000
	N	40	40	40	40
Years in Service	Pearson Correlation	-.360*	-.230	.010	-.014
	Sig. (2-tailed)	.022	.154	.951	.932
	N	40	40	40	40
Nature of Work	Pearson Correlation	-.595**	-.585**	-.277	-.632**
	Sig. (2-tailed)	.000	.000	.084	.000
	N	40	40	40	40
Monthly Salary	Pearson Correlation	.424**	.594**	.419**	.630**
	Sig. (2-tailed)	.006	.000	.007	.000
	N	40	40	40	40
Household Members	Pearson Correlation	.208	.158	.039	-.094
	Sig. (2-tailed)	.197	.330	.812	.564
	N	40	40	40	40

\*. Correlation is significant at the 0.05 level (2-tailed).

\*\*. Correlation is significant at the 0.01 level (2-tailed).

On Monthly Salary, there is a significant relationship between financial planning, wealth, health, and network engagement with a coefficient of .424, .594, .419, and .630 with a significant level of .006, .000, .007, and .000, respectively. It means that creating a personal financial plan can help long-term goals and give a cushion to deal with short-term problems or opportunities. The study also found that the relationship between salary and health has a disproportionately negative impact on lower-income workers.

### *3.5 Correlational Analysis between the Respondents' Socio-demographic Profile and the Challenges Faced by WU-P Employees towards Retirement*

Table 5 shows the correlation analysis results between the respondents' profiles and the challenges faced by WU-P employees towards retirement. It shows that Running of Money is significantly related to age, with a coefficient of 0.22, a significant level of .891, Highest Educational Attainment with a coefficient of -.170, a significant level of .295, and Household members with a coefficient of -.150, a significant level of .356.

It indicates that respondents' primary concern upon retirement is running out of money due to lack of source in daily expenses. A study published on July 21, 2016, by Catey Hill, said that the number one (1) thing that scares employees is not being bored, unable to travel, or even death—it's running out of money. For Educational Attainment, respondents who pursue higher education have higher wages for educational achievement, have more opportunities in their lives, and appear healthier. Employees with low education, on the other hand, get lower wages. Further, respondents having a large family were worried about their retirement because of short money.

**Table 5. Respondents and the Challenges Faced by WU-P Employees towards Retirement**

Socio-demographic Profile		Lack of knowledge in Investment	Difficulty in time management	Poor attitudes towards savings	Running out of money
age	Pearson Correlation	-.203	-.054	.089	.022*
	Sig. (2-tailed)	.209	.739	.585	.891
	N	40	40	40	40
sex	Pearson Correlation	-.275	.010	-.247	-.010
	Sig. (2-tailed)	.086	.951	.124	.951
	N	40	40	40	40
Civil Status	Pearson Correlation	.198	.167	.080	-.240
	Sig. (2-tailed)	.220	.302	.625	.136
	N	40	40	40	40
Highest Educational	Pearson Correlation	.226	.237	.105	-.170*
	Sig. (2-tailed)	.161	.140	.519	.295

Attainment	N	40	40	40	40
	Pearson Correlation	.043	-.151	-.088	-.239
Years in Service	Sig. (2-tailed)	.795	.351	.588	.138
	N	40	40	40	40
Nature of Work	Pearson Correlation	.204	.202	-.135	-.116
	Sig. (2-tailed)	.207	.211	.405	.477
Monthly Salary	N	40	40	40	40
	Pearson Correlation	-.085	-.236	.116	-.044
Household Members	Sig. (2-tailed)	.603	.142	.478	.790
	N	40	40	40	40
	Pearson Correlation	-.095	.289*	-.021**	-.150*
	Sig. (2-tailed)	.560	.070	.900	.356
	N	40	40	40	40

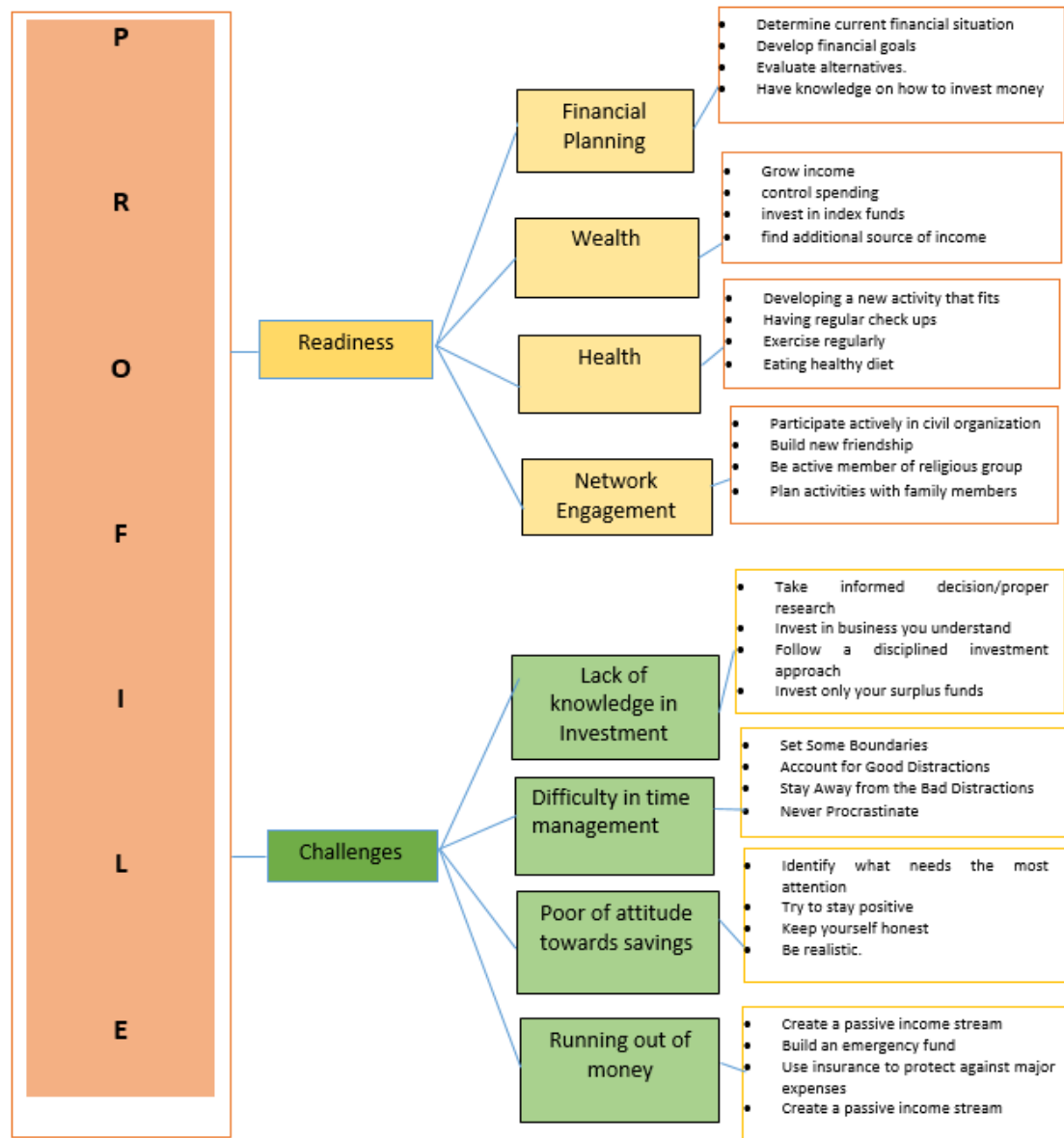
\*. Correlation is significant at the 0.05 level (2-tailed).

\*\*. Correlation is significant at the 0.01 level (2-tailed).

### 3.6 Proposed Pre-retirement Framework for Wesleyan University-Philippines Employee

The Preretirement Framework is presented in Figure 1. Readiness for retirement includes financial planning, wealth, health, network, and engagement with corresponding suggested activities. In life challenges, the dimensions of lack of knowledge in Investment, difficulty in time management, poor attitude towards savings, and low social stigma are included with some proposed activities. The activities may be expanded by those who wish to adopt this framework.

The pre-retirement framework's main objective is to provide institutions with a research-based guide in preparing for their employees' pre-retirement program. This allows the school management and personnel ample time to plan for retirement. It is also providing an opportunity for personnel to have a smooth transition from work to retirement. School personnel can prepare to be productive and have a comfortable life even after retirement. The following section discusses the aspects of readiness for retirement and dimensions of challenges upon retirement with corresponding suggested activities to plan for the future.



**Figure 1. Retirement Conceptual Framework**

#### 4. Readiness for Retirement

Retirement readiness is the state and degree of being ready for retirement. Readiness focuses on financial planning, wealth, health, and network and engagement (E Ghafoori, 2021).

##### 4.1.1 Financial Planning

To accomplish these objectives, financial planning determines what your financial priorities are and the steps and decisions you need to take. This includes calculating costs and savings and finding other financial planning outlets. We want to fulfill life goals, and they are far more important than simply what we need to do to live.

- **Determine current financial situation** - If you are struggling to handle your finances, you likely need to create a budget—a plan for spending your money each month based on how much you typically earn and spend. A reserve is your best tool to change your financial future.
- **Develop financial goals** - Make wiser decisions on spending to “find” cash without necessarily making more. Identify your debt and pay it off using these tips. To achieve your financial objectives, maintain a good credit report. To save money and launch a safe retirement income planning program, pay yourself first.
- **Evaluate alternatives** - Take each option and evaluate it by having groups discuss its strengths, weaknesses, positive impacts, and possible downsides. When there is a very long list of options, it’s useful to clump or cluster similar ones together and to eliminate those that no one feels strongly about
- **Know how to invest money** - It helps you get a head start and puts time on your side by investing early. And you are beginning to build disciplined money habits by starting as soon as possible that help you prioritize your overall financial wellbeing.

#### 4.1.2 Wealth

These are the assets or possessions of an individual, including money, land, house, car, and substantial material possessions.

- **Grow income** - Opening a side business that you love is one way to boost your profits. This will probably start as something you do part-time while you are still working at your original job, but you might be able to expand it into something you do full-time if you are smart about it. Find something you love to do or believe in, and try to start working on it.
- **Control spending** - Research shows that specific strategies can help build up self-control around spending and saving money:
  - *Make one financial decision at a time.* When an employee is faced with multiple, back-to-back decisions that test self-control, research suggests that self-control can quickly be depleted. Instead of making too many at once and exhausting yourself, spread out your financial choices.
  - *Track your spending.* Research shows that tracking can be a useful tool. Keep a daily list of how you spend your money.
  - *Save automatically.* Set up bank or savings accounts from your paycheck that automatically attract funds. This will stop you from devoting scarce resources of willpower to assessing whether to spend or save money.
  - *Avoid temptation.* It will help you afford to invest by keeping away from shopping malls and shops. Choose an alternative social activity over shopping. By leaving credit and debit cards at home and taking just the amount of cash you can afford to spend, you avoid impulsive spending opportunities.

- **Invest in index funds** - An index fund is a stock or bond portfolio that is structured to replicate a financial market index's composition and performance. Index funds aim to balance the market's risk and return on the premise that the market will outperform any single investment in the long term.
- **Find an additional income source** - For someone who values financial stability and ultimately wants financial independence, it is no longer a privilege to build at least one other income stream. It has become a prerequisite.

#### 4.1.3 Health

It refers to physical conditions like weight, diet, medications, and exercise. In preparations towards retirement, one has to think about protecting his greatest income-generating asset - oneself. As they say, health is wealth, and one should always remember the value of maintaining good health.

- **Develop new activities that fit one's age.** There are selected activities that will provide optimal health and overall wellbeings, such as brisk walking, gardening, cooking, and crafts.
- **Have regular check-ups.** There should be an awareness of the family's medical history, like undergoing an annual chest examination, complete blood count, stool examination, urinalysis, and some essential physical examination to value life. Know your number when it comes to your blood cholesterol and blood pressure.
- **Exercise regularly.** Do brisk walking, yard work, housework, and swimming as appropriate activities to keep physically fit.
- **Eat a healthy diet.** Promoting a nutritious diet, especially for hypertensive and diabetic persons, is a good practice. Eating a proper diet during old age brings a healthier lifestyle.

#### 4.1.4 Network and Engagement

It refers to the relationship connected to a person's life, such as job, people, and the environment.

- **Participate actively in civic organizations.** Actively join an organization that promotes growth and development, such as the Rotary Club, Kiwanis, Jaycees, or a senior citizen group member. They provide opportunities to volunteer your services to the community and to socialize among members regularly.
- **Be an active member of a religious group.** Be an active member of church groups such as bible readers, choir, or flower arrangements in the church. Being connected to people tends to be better at this age; prayer, meditation, or regular church attendance help them maintain a strong sense of personal purpose and meaning in life and ongoing appreciation of the power of nature.
- **Build new friendships.** Connecting with new faces of people brings them new hope and generation. Building new relationships helps them cope with the changes in this new stage of life.
- **Plan activities with family members.** Have more time with the family, spouses, children, and relatives. Plan a vacation or regular get-together with them. Being fulfilled and being with loved ones create positive experiences that they look forward to.

#### 4.2 Challenges WU-P Employees Face in Planning for Retirement

Retirement refers to the phase of life when one decides to leave the workforce behind voluntarily. Many retirees have no source of guaranteed income other than retirement savings other than Social Security. Plus, you may not be covered by a pension plan at work, unlike previous generations, so chances are you'll have to rely on your efforts to resolve the following four challenges:

4.2.1 Lack of knowledge in Investment refers to the unwillingness to start investing in a lack of understanding and knowledge. Here's how you can overcome each of these stumbling blocks—or even turn them to your advantage to become more successful.

- **Take informed decision/proper research** - Decision-making is the decision-making method by defining a decision, collecting evidence, and reviewing alternative resolutions. Using a step-by-step decision-making approach will help you make more deliberate reflective decisions by arranging relevant information and identifying options.
- **Invest in business you understand** - Never invest in a stock. Invest in a business instead. And invest in a business, you know. In other words, you should know what industry the company is in before investing in a firm.
- **Follow a disciplined investment approach** - Investors who systematically placed money into the right shares and patiently held on to their assets were seen producing excellent returns. Hence, in addition to having a broad, long-term picture in mind, it is prudent to have patience and adopt a disciplined investment strategy.
- **Invest only your surplus funds** - In the months to come, your investments will also bring you tremendous profits. But no one can be 100 percent sure of that. That is why, if you are flush with surplus funds, you will have to take the risk-no need to spend.

#### 4.2.2 Difficulty in Time Management

This refers to the planning fallacy, which occurs when employees miscalculate how long it will take to finish a task, even if they have done the job before.

- **Set Some Boundaries** - When you're unaware of where you are, you can't set good boundaries. So, as Gionta said, define your physical, social, mental, and spiritual limits. Consider, and what makes you feel anxious or depressed, what you can tolerate and embrace. "Those feelings help us identify what our limits are."
- **Account for Good Distractions** - We all need breaks to help us stay productive. The best thing to do is to accept that distractions will happen and incorporate them into your schedule. Block out some downtime during your schedule every day.
- **Stay Away from the Bad Distractions** - Have a moment to set your priorities and determine which tasks are genuinely vital and urgent that day, which are not so critical but still very relevant, and which, either by delegating or removing, you can stop.
- **Never Procrastinate** - Break the project down, then build an overall timetable for each small task with clear deadlines. This way, you know that by a specific date you have to finish each job. Your



deadlines must also be robust, i.e., if you don't complete this by today, anything else you've planned after that will be jeopardized. This way, the urgency to behave is generated.

#### 4.2.3 Poor Attitude towards Savings

It isn't easy to control our emotions and beliefs, as our subconscious implicitly drives them. Consequently, our achievements are driven by our subconscious, which is particularly true concerning money and wealth.

- **Identify what needs the most attention** - Employees often lose track of this valuable skill when it is not emphasized within a company. Making attention to detail an essential part of your daily work helps you maintain a higher effectiveness level.
- **Try to stay positive** - When you have so many things to be thankful for, it is hard to feel sad in general. You must remember that we still have items in our lives that other people on earth don't have, no matter how bad things can turn out. The study found that your brain often focuses on damaging life elements, such as disasters, defeats, fears, etc. That is why we need to concentrate more on healthy items. You need to make a thanks list to do so and read them whenever you get a chance. It is going to draw more blessings, and in life, you will feel much better.
- **Keep yourself honest** - Being honest with yourself can be painful but highly rewarding. When honesty meets your willingness to change, there is no telling the ways you can grow and improve.
- **Be realistic** - One final way to be more practical is not to protect your blunders, mistakes, and failures. Be prompt to recognize your mistakes, to share how they occurred and how you learned from them. Don't be frightened of losses; by preventing the same, use them to your advantage, and help others. Your accomplishments and character will be much more realistic when you are willing to admit your mistakes.

#### 4.2.4 Running out of Money

Many people worry about running out of money in retirement. Is that worry, however, justified? We look at which social and economic variables put people at danger, how to stretch your money, and programs that help retirees avoid slipping into poverty (Ramsey, 2021).

- **Create a passive income stream** - Continuing to deliver profits is the best way to overcome a retirement fund deficit. But it's time to find new ways to make money if you don't want to sit at work forever. Cash can be created from both your assets and your hobbies.
- **Build an emergency fund** - If you don't already have a healthy emergency fund, start planning today for one, plan to stockpile living expenses worth three to six months. By transferring amounts automatically on each payday to your emergency fund, you can make things simpler for yourself.
- **Use insurance to protect against significant expenses** - Minimize your risk of a financially devastating accident by keeping your homeowner's or renter's active insurance policy that carries enough insurance for your vehicle. And if you intend to rent out your home or car for extra cash, look at an umbrella scheme as well.

- **Create a passive income stream** - Continuing to deliver profits is the best way to overcome a retirement fund deficit. But it's time to find new ways to make money if you don't want to sit at work forever. And you can build cash from your savings and your hobbies in this digital age and gig economy.

## 5. Conclusions

The majority of the respondents were female professors who were married. They have worked in the institution with the highest educational attainment of a master's degree for a longer period and have a current median salary.

In terms of retirement readiness, employee respondents still require more income for a longer period of time in order to save and invest appropriately. In terms of wealth, employees' respondents are aware of how much money they still need to save by the time they retire. Furthermore, responders have a regular check-up to save money on healthcare and become more conscious of their health.

The correlation analysis showed that the respondents' profile variables were significantly correlated with the extent of readiness of WU-P employees towards retirement. Likewise, the respondents' profile and the challenges faced by WU-P employees towards retirement are significantly correlated.

A conceptual framework for pre-retirement was created to focus on components of retirement readiness and some wellness dimensions.

It can be concluded that the majority of those surveyed were not prepared to retire. As a result, a Pre-Retirement Conceptual Framework for Employees has been created to assist respondents in preparing for retirement.

## 6. Recommendations

Preparation towards retirement is not an easy task since the concept of retirement may elicit different reactions in many people. Some may look forward to a leisurely time, while others fear retirement.

This study revealed that most employees of the institutions are not ready to retire. However, there are dimensions of retirement that need further strengthening and preparation.

The proposed pre-retirement conceptual framework may guide designing a pre-retirement program for employees in education institutions. They may adopt from this framework or formulate their strategies to enhance their faculty and staff's quality of life, resulting in long-term benefits such as increased productivity and employee satisfaction. This can also provide a clear direction towards a balanced sense of readiness, which is the key to a successful retirement.

In light of the results of the study, it is recommended to: (1) adopt the proposed pre-retirement conceptual framework; (2) re-evaluate current retirement incentive programs of the university (3) involve and support retired employee's activities like alumni events, and (4) adjust the compulsory retirement age of employees to 65 instead of 60 years.

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