

ISSN: 2635-3504 (Print)

2635-3512 (Online)

**FINANCIAL LITERACY PRACTICES FOR EFFECTIVE RETIREMENT
PREPARATION OF UNIVERSITY OF NIGERIA, NSUKKA STAFF**

Ikechukwu C. Okafor

*Department of Adult Education and Extra-mural Studies
University of Nigeria, Nsukka*

Njideka D. Eneogu (Ph.D)

*Department of Social Science Education
University of Nigeria, Nsukka*

Chinasa M. Ugwunnadi

*Department of Adult Education and Extra-mural Studies
University of Nigeria, Nsukka*

Abstract

This study examined the financial literacy practices for effective retirement preparation of the staff of University of Nigeria, Nsukka campus. It determined the sources of financial literacy awareness available among university staff; identified the financial literacy practices; examined the perceptions of the staff on the need for financial literacy for effective retirement preparation and factors hindering acquisition of financial literacy for effective retirement preparation of university staff. Descriptive survey research design was adopted in the study. The population for the study comprises 9,867 academic and non-academic staff. Purposive sampling technique was used to select 300 of respondents from the University of Nigeria, Nsukka campus who have spent a minimum of 15 years in service. A structured questionnaire developed by the researchers titled “Financial Literacy for Effective Retirement Preparation of university Staff Questionnaire” (FLERPUSQ) was used for data collection. The instrument was validated by three experts and subjected for reliability. A coefficient of

0.74 was realized using Cronbach Alpha, Data collected was analyzed using simple percentage and weighted mean. The findings of the study revealed that the sources of financial literacy awareness for university staff were limited to bank, personal financial training, cooperative society, radio and television. The findings also revealed that the only financial literacy practices by university staff were bank savings, cooperative deposit and real estate. The findings also revealed that the respondents recognize the significance of financial literacy for effective retirement preparation but lacked knowledge of investment tools. Also, among the factors hindering adequate acquisition of financial literacy for effective retirement preparation among staff of the University of Nigeria, Nsukka campus are inaccessible sources of financial awareness opportunities, over bearing family responsibilities and their notion that retirement time is still far. The study recommended among other things that university staff should avail themselves of investment opportunities.

Key words: *Financial Literacy, Financial wellbeing, Investment, Retirement, and Retirement preparation*

Introduction

Retirement preparation is a complex process that must be experienced by every employee whether in private, government institution, or even as a business owner. It is rarely discussed, yet an inevitable period an employee visualizes their retirement and consider the type of life style to adapt to, picture what to do with time, how to manage health, family and estimate the resources that will sustain or will require to support the quality retirement life. It is even more complex when it comes to financial planning and security at retirement. It takes planning, commitment and financial literacy to ensure a comfortable retirement. Financial literacy is exceedingly essential for the attainment of financial stability in pre-and post-retirement period (Lusardi, & Mitchell, 2014). More importantly is that the retirement benefit responsibility has shifted from the employers to employee through contributory pension Scheme (CPS) and Personal/voluntary Pension contribution plan (Phillipson, 2019).

Financial literacy refers to the ability to understand and effectively apply various financial skills, including personal financial management, budgeting, and investing. (Kenton, 2020). It entails having the skills and knowledge on financial matters to boldly take appropriate action that best fulfills an individual's personal, family and community goals. Financial literacy on retirement can also be described as the knowledge of how to manage money, learning how to pay bills on time, how to borrow if necessary, save money responsibly, and how and why to invest and plan for retirement (Alanna, 2019). Its focal point is on the capacity to manage personal financial issues in an efficient manner, which includes the knowledge of making right decisions about personal finances such as investing in profitable areas, insurance, timely payment for family bills, making right decisions about major purchases,

budgeting, and retirement planning. It is also a measure of the degree to which one understands key financial concepts and possesses the ability and confidence to manage personal finances through appropriate, short-term decision-making and sound, long-range financial planning, while mindful of life events and changing economic conditions (Remund, 2010). Financial literacy is broadly defined as knowledge and understanding of financial concepts and risks, and the skills, motivation and confidence to apply such knowledge and understanding in order to make effective decisions across a range of financial contexts, to improve the financial wellbeing of individuals and society, and to enable participation in economic life (Organization for Economic Cooperation and Development, 2012). It entails taking initiative to self-education and grows financial knowledge, by beginning with the basics of money management and maturing into a smart spender (Alanna, 2019). It is the knowledge of the right saving and investment tools employed to create sustainable wealth, placing time into financial development to improve saving and investing decisions, willingness to embrace personal responsibility, ability to make sacrifice for immediate demands and desires for long-term gain and of course protect acquired assets and savings (Alanna, 2019). In explaining the concept of financial literacy, Remund (2010), classified financial literacy as knowledge of financial concepts, ability in managing personal finances, skill in making financial decisions and confidence in future financial planning. Finally, financial literacy for retirement is the capability to utilize knowledge and skills to make useful and informed money management decisions. It is the knowledge of managing earnings, savings and investments to guarantee financial wellbeing and stable retirement.

Financial literacy is highly needed and beneficial because of low levels of financial knowledge, as well as insufficient savings and high indebtedness among many households (Askari, 2009). In Nigeria, this is compounded by current financial crisis, high unemployment and fragile economy which necessitate the need for financial literacy.

The financial literacy is highly beneficial but doesn't just happen. It depends on awareness of various sources of financial literacy, determination to learn and develop good financial practice. Hence, the sources of financial literacy include online financial literacy information, reading financial columns in Newspapers/ magazines and good financial books, television/ radios, public lectures, professional financial advisers, financial institution like banks, money market, and Personal financial training (Sabri, & Aw., 2019). Sufficient financial knowledge will definitely lead to right financial decisions that affect positively financial wellbeing of employee. Kamakia, (2017) argued that having the right financial knowledge and skills can help in improving one's financial wellbeing, which may help employees to investment and expand their sources of income thereby becoming financially secure.

Corresponding author: Ikehukwu C. Okafor

Financial literacy is quite important and can benefit potential retiree irrespective of income levels. Hence, the level of financial literacy possessed affects the quality of retirement life style significantly. It affects the ability to provide for oneself and family, attitude to money and investment, as well as your contribution to the community. Financial literacy enables people to understand what is needed to achieve a lifestyle that is financially balanced, sustainable, ethical and responsible (Mbazigwe, 2013). Unfortunately, most possible retirees in Nigeria lack adequate information about saving and investing for retirement. A lot of people fail to plan in advance and they take on financial risks without realizing it (Mbazigwe, 2013). Lusardi, and Mitchell, (2007) argue that such financial illiteracy is widespread and many people are under-informed about basic financial concepts needed to make saving and investment decisions, with serious implications for saving, retirement planning, mortgages, and other financial decisions.

Financial literacy can provide basic tools for budgeting and saving so that expenses and debt can be controlled. It can assist families acquire the discipline to save for their own home and/or for their children's education. It can help prospective retiree to ensure that they have enough savings for a comfortable retirement by providing them with the information and skills to make wise investment choices with their individual pension and savings plans. Financial literacy can also help low-income people make the most of what they are able to save. An early knowledge of sound financial literacy determines timely retirement preparation which ensures a comfortable retirement without much difficulty.

Retirement as have been mentioned above is however, the time of life when one decides to finally leave the workforce behind or termination from active working life. It is actual pulling out from office of one's career, business or occupation in order to take pleasure in more free time or freedom. Ogunyemi, and Oderinde, (2014) pointed out that the reason for the termination may be due to reasons such as old age, poor health, social burden or plain laziness. However, people also choose to retire when they are qualified for pension settlements, or whenever they are pleased. Hence, Nwajagu (2007) states that there are three ways in which retirement can occur in Nigeria. These include firstly deliberate or personal retirement occurs when one decides to retire even when the statutory time is yet to come, here an individual makes up his mind to retire. The second is required or enforced retirement which occurs when an individual is constrained to retire against his or her wishes especially when he or she is unprepared for it. Thirdly is constitutional retirement which is regular form of retirement, which occurs as result of attaining the compulsory age of retirement as specified in the condition of service of the establishment. Whatever the condition of retirement is, the persons involved are always faced with different challenges.

Retirement challenges entail stresses and difficult experiences by retirees during the retirement time. These challenges can be complicated especially since the previous source of income (salary) is no longer available as it used to come. It entails stress and

difficult experiences because there are lots of alteration in time, values, finance, involvement and social aspects of life (Wang, & Shi, 2014). These challenges according to Ethelmary, and Dapper (2017), include expenses on shelter, feeding, transportation, family responsibility, even taxes because salary tax deduction has stopped so a retiree is taxed on various earned income, goods and services. In Nigeria, retirees are faced with the challenges of managing inadequate financial resources, problems of good shelter, challenges of a new social status and declining health. It is even more challenging with the processes related to assessing retirement benefits such as pension and gratuity, delay in pension payment, frequent screening of retirees, and a host of other problems inherent in pension administration (Ethelmary, & Dapper, 2017). All these may cause tremendous stress and hardship to numerous retirees in Nigeria. Hence, all retiree needs a reliable income stream to cater for the retirement period as well as financial management skills to create wealth and sustain a standard life style. It is based on this that retirement preparation turns out to be extremely essential for every employee.

Retirement preparation therefore refers to a calculated attempt to visualize in details what an employee's retirement will look like and practically effort to forecast into the retirement period (Lusardi, & Mitchell, 2007). It involves all activities from your first employment, up to and after your retirement geared towards ensuring that you and your needs are well provided for in the retirement phase of your life (Stanbic IBTC, n.d). It is serious decisive act of taking cognizance of the time of retirement, engagements, during your retirement, the kind of income that will sustain retirement need and challenges. An effective retirement preparation plan helps to reduce retirement stress. It is process of making planning, an act of charting out budget and taking a practical decision on the major issues regarding retirement. These include; plan and budget for the sources of essential retirement expenses, plan for a happy and comfortable retirement life style, plan and consider how to manage guaranteed income (pension and gratuity), plan how to create personal saving and investment scheme to support retirement and plan how to manage and protect all acquired assets and income to sustain retirement life style. (Anspach, 2019, Iyortsuun, & Akpusugh, 2013).

Retirement for Nigerian workers has been challenged by low levels of income and savings as well as huge family and social responsibilities; making retirement planning more complicated (Stanbi IBTC, 2019). Also, Nigeria still does not have a functioning mortgage system and social security system to provide for the retiree a safe and secure retirement (Oparanma, 2011). Other social issues that can affect effective retirement planning in Nigeria include: the size of our families, polygamy, additional responsibilities of an extended family, and inadequate access to medical facilities.

The university staff are public servants that basically provide tertiary educational services in the University. They experience the same retirement challenges faced by every other employee in other public service in Nigeria. They also have peculiar statutory retirement age of 65 and 70 years with regards to non-professors and

Corresponding author: Ikehukwu C. Okafor

professors respectively. They are also, one of those public servants that participate in the compulsory Contributory Pension Scheme (CPS) and National Health Insurance Scheme (NHIS) in Nigeria. Although these schemes may have positive effects on their retirement planning and preparation; they will still face challenges of retirement. Hence, they need to plan and prepare for a comfortable retirement. This is very important because retirees on the contributory pension scheme who exit active service stay a long time before accessing their retirement benefits (Iloani, 2018). Many retirees have to depend on their children for survival due to their inability to get retirement benefits. In National Pension Scheme Act amended (2014), the contributory pensioners are entitled to retirement benefits, which are the contributions accumulated in their Retirement Savings Accounts (RSA) (Adeniji, Akinnusi, Falola, & Ohunakin, 2017). However, to access this fund becomes a dreadful process to intending retirees and makes the scheme appear like the old system in which pension benefits were delayed (Iloani, 2018). In addition, Nigeria does not have a functional social security system that takes care of the aged, the young unemployed, and most disturbingly, the disabled, meaning that all these categories of people constitute an additional responsibility on the worker and the worker's resources (Stanbi IBTC, 2019). Therefore, there is need for university staff to adequately and timely prepare for their retirement.

Consequently, retirement preparation becomes inevitable and important to every university staff to ensure a stress-free retirement. Thus, every university staff need to start a thoughtful retirement preparation plan especially right from early stages in the service to ensure a happy retirement. There is need to consider the type of life style, health care, family responsibilities, desire to pursue other activities, community engagement, what to do with time during retirement, and more importantly financial resources to sustain and ensure a secure retirement. Based on this the university staff requires a good financial literacy to ensure financial wellbeing and quality life during active service and retirement. In addition, knowledge and how to utilize some investment tools such as voluntary pension savings, investment in companies' stock (Shares), investment in real estate (property), investment in Bond, investment in unit funds (mutual funds), trade in forex (foreign exchange), investment in treasury bills, insurance policies and mortgage security. Others include the power of compound interest, investment in commodities (precious goods –like gold, silver, art, crude oil etc, and investment in insurance companies irrespective of what is provided in the compulsory Contributory Pension Scheme (CPS) will all benefit an employee.

The knowledge of financial issues positively affects one's active years in service and in retirement. According to Lusardi and Mitchell (2009), financially illiterate employees do not plan for retirement, while more financially knowledgeable younger and non-retired people are more likely to plan for retirement. Indeed, there is relation between individual's financial wellbeing, quality lifestyle, stable retirement and the financial decisions they make with at any given level of financial literacy (Kamakia, 2017).

The study therefore draws its relevance from the assessment of relationship between financial wellbeing, financial decisions, quality lifestyle and challenges faced by retired public servants in Nigeria. Hence the need to assess the financial literacy practices for effective retirement preparation of the University of Nigeria, Nsukka staff.

Purpose of the study

The study was to:

1. find out sources of financial literacy awareness available to university staff.
2. identify the Financial literacy practices utilized for effective retirement preparation of university staff
3. find out the perception of university staff on the need for financial literacy for effective retirement preparation.
4. examine the factors hindering acquisition of financial literacy for effective retirement preparation.

Research question

The study was guided by the following questions:

1. What are the sources of financial literacy awareness available to university staff?
2. What are the financial literacy practices utilized for effective retirement preparation of university staff?
3. What are the perceptions of university staff on the need for financial literacy for effective retirement preparation?
4. What are the factors hindering acquisition of financial literacy for effective retirement preparation?

Methodology

Descriptive survey research design was adopted in the study. The University of Nigeria, Nsukka was used as the area of the study. These included all the staff of faculties and centres in the Nsukka Campus of the university. The choice of University of Nigeria, Nsukka is because it covers various categories cadre of civil servants. The population for the study comprises of 9,867 of both the academic and non-academic staff strength of University of Nigeria, Nsukka campus as at the time of this study (Personnel Services Unit, UNN, 2019). Purposive sampling technique was used to select 300 of respondents from the population. This comprised 165 academic staff from eleven (11) faculties and 135 non-academics staff from different administrative departments, institute and centers of members of the staff the University of Nigeria Nsukka campus who have spent a minimum of fifteen years (15) in the service. The reason for the fifteen years is to ensure that the respondents are confirmed staff who has spent a reasonable number of years in civil service and should be thinking of retirements

Corresponding author: Ikehukwu C. Okafor

The instrument used for data collection was a structured Questionnaire developed by the researcher and titled “Financial Literacy for Effective Retirement Preparation of University Staff Questionnaire” (FLERPUSQ). It contained 43 item questions. The instrument was subjected to face validity by three validators from the department of adult education and another one from measurement and evaluation unit of Department of Science Education. The instrument was also subjected for reliability and a coefficient of 0.74 was realized using Cronbach Alpha. Data collected was analyzed using simple percentage and weighted mean

The instrument has two (2) response options of Available and Not available for clusters one, and Utilized and Not Utilized for clusters two while clusters three and four have four likert response options of Strongly agree (SA), Agree (A), Disagree (D) and Strongly disagree (SD). The benchmark for accepting results in percentages in respect to clusters one and two is 50%. This implied that 50% and above was accepted while 49% and below was not accepted. The benchmark for clusters three and four is 2.5. Implied that mean of 2.5 and above was accepted while below was not accepted.

The researchers administered 300 copies of the questionnaire to the respondents and out of which only 280 were correctly completed and retrieved from the respondents. This recorded approximately 93 per cent return rate of administered instrument.

Results

Table 1: Sources of financial literacy awareness available to university staff.

SN	Item Statements	Available	Not Available	Decision
1	Online financial literacy information	35	65	NA
2	Newspapers/ magazines	43	57	NA
3	Financial Books	28	72	NA
4	Television/ radios	67	33	AC
5	University retirement Public lectures	11	89	NA
6	Professional Financial advisers	27	73	NA
7	Financial institution like banks,	53	47	AC
8	From university thrift/cooperative society	72	28	AC
9	Government offices	19	81	NA

10	Personal financial training	55	45	AC
Overall		41%	59%	NA

Legend: AC = Accepted, NA= Not Accepted

From table one above on the Sources of financial awareness and information available for university staff revealed that items 4, 8, and 10 have 50% and above of the benchmark, with 67%, 72% and 55% respectively and thus accepted as sources of financial awareness and information available for university staff. Whereas items 1, 2, 3, 5, 6, 7, and 9 have percentage responses below the benchmark, with 35%, 43%, 28%, 11%, 27%, and 19% respectively and thus not accepted as sources of financial awareness and information available for university staff. The overall grand per cent revealed that there are limited sources of financial literacy awareness available for university staff.

Corresponding author: Ikechukwu C. Okafor

Table 2: Financial literacy practices utilize for effective retirement preparation among university staff

SN	Item Statements	Utilized	Not utilized	Decision
11	Bank savings (Personal pension Savings plan)	73	27	AC
12	Bank Fixed Deposits	37	63	NA
13	Cooperative savings and deposits	56	44	AC
14	Investment in companies' stock (Shares)	23	77	NA
15	Real Estate (property)	51	49	NA
16	Investment in Bonds	15	85	NA
17	Investment in Unit funds (mutual funds)	36	64	NA
18	Royalty income (like intellectual properties)	16	84	NA
19	Trade in forex (foreign exchange)	9	79	NA
20	Investment in treasury bills and notes	14	86	NA
21	Mortgage-Backed Security	7	93	NA
22	Commodities (precious goods – tangible resources) like gold, silver, art, crude oil etc	37	63	NA
23	Investment in insurance companies	28	72	NA
Overall		31%	69%	NA

Legend: AC = Accepted, NA= Not Accepted

From table two above on the financial literacy practices utilized by university staff for effective retirement preparation revealed that items 11, 13, and 15 have 50% and above the benchmark, with 73%, 56%, and 51% respectively and thus accepted as financial literacy practices utilized for effective retirement preparation among university staff. Whereas items 12, 14, 16, 17, 18, 19, 20, 21 and 22 have 49% and below the benchmark, with 37%, 23%, 15%, 36%, 9%, 14%, 7%, 37%, and 28% respectively and thus not accepted as financial literacy practices utilized for effective

retirement preparation by majority of university staff. Generally, the financial literacy practices utilized by university staff are not enough for effective retirement preparation.

Corresponding author: Ikechukwu C. Okafor

Table 3: Perception of university staff on the need for financial literacy for effective retirement preparation.

SN	Item Statements	Mean	Decision
24	Financial literacy helps in money management	3.30	AC
25	Financial literacy helps to the management of financial issues in an efficient manner	3.51	AC
26	It helps in making right financial decisions like investment and saving.	3.28	AC
27	Financial literacy enhances wealth creation	3.19	AC
28	There is relationship between financial literacy and financial wellbeing	1.97	NA
29	There is relationship between financial literacy and the ability to plan for retirement	3.61	AC
30	In changing economic conditions like retirement period, right financial literacy can help to adapt to the change	3.28	AC
31	Financial literacy can enhance the change of making right and long term decision for effective retirement age	3.49	AC
32	The willingness to embrace responsibility after retirement is backed by the financial literacy one posses	2.73	AC
33	The level of financial literacy determines wise spending.	3.00	AC
Overall grand mean		3.1	AC

Legend: AC = Accepted, NA= Not Accepted

From table three above on the perception of university staff on the need for financial literacy for effective retirement preparation revealed that all the items except the item 28 are all above the mean benchmark of 2.5 and hence accepted that there is need for financial literacy for effective retirement preparation of the university staff. Item 28 with mean score of 1.9 was below the mean benchmark of 2.5 and not accepted, thus shows that there is no relationship between financial literacy and financial wellbeing.

Table 4: Factors hindering acquisition of financial literacy for effective retirement preparation.

SN	Item Statements	Mean	Decision
34	There are no sources of financial awareness opportunities	3.09	AC
35	Poor saving life style of staff before retirement	2.86	AC
36	Lack of knowledge on the need for financial literacy before retirement	3.17	AC
37	Notion that retirement time is still far	2.98	AC
38	Over bearing family responsibilities	3.33	AC
39	Lack of knowledge of investment tools	3.38	AC
40	Too many social and community responsibilities	3.49	AC
41	Lack of personal interest	2.90	AC
42	Rise on issues of debts.	2.23	NA
43	Insufficient salary	2.09	NA
Overall grand mean		2.95	AC

Legend: AC = Accepted, NA= Not Accepted

Table 4 on the factors hindering acquisition of financial literacy for effective retirement preparation revealed that all the items 34 to 41 were above the mean benchmark of 2.5 and hence accepted as factors hindering acquisition of financial literacy for effective retirement preparation among university staff. While items 42 and 43 were below of the mean benchmark of 2.5 and thus not accepted as factors hindering acquisition of financial literacy for effective retirement preparation of university staff.

Discussion

Findings from research question one revealed that most of the sources of financial literacy awareness are not available for the university staff, hence financial

Corresponding author: Ikechukwu C. Okafor

literacy awareness was relatively low. The result indicated that the major sources of financial awareness and information available for university staff are from television, radio, financial institutions like banks and co-operative societies, and personal financial training. The findings were in line with the findings of Oyebamiji, (2012) that radio and television are capable system for delivery of quality education to larger numbers of people. He further argues that they play impressive role to facilitate information exchange at the community level and their accessibility motivate people to part-take in the broadcast programmes. Indeed, radio and television are very accessible by many in the society. The findings also indicate that financial institutions like banks and co-operative society helps in financial literacy awareness. Generally, the findings also indicate that there is low knowledge of the sources of financial literacy awareness as many do not utilize other potent sources of financial literacy. This finding is in consonance with the contribution of Sabri and Aw, (2019) who indicated that the sources of financial literacy include online financial literacy information, reading financial columns in Newspapers/ magazines and good financial books, television/ radios, Public lectures, Professional Financial advisers, financial institution like banks, money market, and Personal financial training. The findings also collaborated with Kamakia, Mwangi, & Mwangi, (2017) that insufficient financial information leads to financial mistakes that affect financial wellbeing of individual. This may be as a result of inadequate financial literacy available to the members of university staff. Hence, InFre (2014) noted that, financial illiteracy is the cause of inadequate retirement planning by many employees even when they expect more comfortable lifestyles.

Finding from research question two revealed that the financial literacy practices utilized by majority of university staff for effective retirement preparation were bank and co-operative society savings and deposits. This may not really be enough to sustain good financial wellbeing and quality lifestyle during retirement. This collaborated with Lusardi, & Mitchell, (2007) that financial illiteracy is widespread and many people are under-informed about basic financial concepts needed to make saving and investment decisions, with serious implications for saving, retirement planning, mortgages, and other financial decisions. The respondents also showed less interest in investment tools like investment in companies' stock (Shares), investment in Bonds, treasury bills/ notes, unit funds (mutual funds), insurance companies, mortgage-Backed Security, Commodities (precious goods – tangible resources). This is can be connected to limited sources of financial literacy available to the university staff. This also collaborated with Sekar & Gowri (2015) that ignorance about basic financial concepts can be linked to lack of retirement planning and lack of wealth. Hence, Njuguna, Mutanu, Otsola, & Thuku, (2011) stated that, financially literate people are able to make informed decisions and take appropriate actions on matters affecting their financial wealth and wellbeing.

Findings from research question three revealed that perception of most the staff of the university on the need for financial literacy for effective retirement preparation

was impressive. This means that they understand the need for financial literacy for effective retirement preparation and financial wellbeing. This is in agreement with Mbazigwe, (2013) that financial literacy enables people to understand what is needed to achieve a lifestyle that is financially balanced, sustainable, ethical and responsible. Unfortunately, most possible retirees in Nigeria lack adequate information about saving and investing for retirement and consequently fail to plan in advance and they take on financial risks without realizing it.

Findings from research question four revealed that insufficient salary and rise in debts are not factors hindering acquisition of financial literacy for effective retirement preparation. This is contrary to Oparanma, (2011) who stated that, some of the social issues that affect retirement preparation in Nigeria include low level of income and savings as well as huge family and social responsibilities, However, limited sources of financial awareness opportunities, poor saving life style, lack of knowledge on the need for financial awareness for retirement preparation, notion that retirement time is still far, over bearing family responsibilities, lack of knowledge of investment tools, lack of personal interest were major hindrances to acquisition of financial literacy for effective retirement preparation. Therefore, it is significant to note here that individual retirees and society contributes in making retirement risky by lack of financial knowledge and awareness amongst consumers and lack of proper retirement planning (OCED, 2012).

Conclusion

Based on the findings of this study it was concluded that the sources of financial literacy awareness for university staff were limited. This was responsible for inadequate financial literacy practices and poor investment tools utilized by the university staff for effective retirement preparation. However, they recognize the significance of financial literacy for effective retirement preparation and financial wellbeing although lack of knowledge of investment tools, inaccessible sources of financial literacy awareness opportunities and the notion that retirement time is still far, are some of the factors hindering adequate acquisition of financial literacy by the staff of the University of Nigeria, Nsukka campus.

Recommendations

The following recommendations were made based on the findings of the study;

1. the university authority and management should ensure greater concern for the staff welfare by providing consistent resourceful retirement preparation and planning lectures for the staff. This will definitely increase awareness on the significance of timely retirement preparation, increase in financial wellbeing in active service and retirement, and ensure comfortable retirement lifestyle.

Corresponding author: Ikehukwu C. Okafor

2. the National Pension Commission should mandate various Pencom outlets to always conduct an impactful retirement and financial literacy consciousness campaign to increase retirement preparation knowledge that ensure positive financial decisions and investment strategies that will ensure quality life.
3. deliberate effort should be made by members of university staff to seriously improve their level of financial literacy with expectation to improve financial decision making with regards to financial wellbeing, quality life and comfortable retirement.

References

- Adeniji, A. A., Akinnusi, D. M., Falola, H. O., & Ohunakin, F. (2017). Administration of retirement in Nigeria: Periscoping the effect on retirees. *International Journal of Applied Business and Economic Research*, 15(15), 319-333.
- Alanna, R. (2019). Financial literacy. *Annuity*. Retrieve from <https://www.annuity.org/financial-literacy>. Retrieve on 04/08/2019.
- Anspach, D. (2019) How to Estimate Your Retirement Expenses. <https://www.thebalance.com/how-to-estimate-your-retirement-expenses-2388830>
- Askari, A. (2009). Banks and financial education: integrating practice, products, and partnerships. *Community Investments*, (Sum), 23-26.
- Atkinson, A. and F. Messy (2013), "Promoting Financial Inclusion through Financial Education: OECD/INFE Evidence, Policies and Practice", OECD Working Papers on Finance, Insurance and Private Pensions, No. 34, OECD Publishing.
- Central Bank of Nigeria (October, 2015). National financial literacy framework. <https://www.cbn.gov.ng/out/2016/cfpd/financial%20literacy.pdf>
- Cohen, M., & Nelson, C. (2011). Financial literacy: A step for clients towards financial inclusion. *Global Microcredit Summit*, 14-17.
- Denton, F. T., & Spencer, B. G. (2009). What is retirement? A review and assessment of alternative concepts and measures. *Canadian Journal on Aging/La revue canadienne du vieillissement*, 28(1), 63-76.
- Ethelmary, O.D., & Dapper, E. M. (2017). Retirement stress and management strategies among civil servants - A study of retirees from Anambra state ministry of works, Awka); *Advance Research Journal of Multidisciplinary Discoveries*. http://www.journal_researchijf.com/wp-content/uploads/retirement-stress-and-management-strategies-among-civil-servants-a-study-of-retirees-fromanambra-state-ministry-of-works-awka-19-23.pdf
- Iloani, F. A (2018). One year after retirement, ex-civil servants groan without pension. *Daily Trust*, Abuja. 26 January
- InFRE (2014). Improving retirement readiness for state and local government employees. *NAGDA*, 1 – 29.

- Iyortsuun, A. S., & Akpusugh, K. T. (2013). Effective management of life after retirement and its impact on retirees from the public service: A case study of Benue State, Nigeria. *Global Journal of Management and Business Research*.
- Kagan, J. (2020). Retirement Planning. <https://www.investopedia.com/terms/r/retirement-planning.asp>
- Kamakia, M. G., Mwangi, C. I., & Mwangi, M. (2017). Financial literacy and financial wellbeing of public sector employees: A critical literature review. *European Scientific Journal*, 13, 233-249.
- Kenton W. (2020). Financial literacy. <https://www.investopedia.com/terms/f/financial-literacy.asp>
- Lusardi, A. & Mitchell, O. S. (2007). Financial Literacy and Retirement Planning: New Evidence from the Rand American Life Panel Michigan Retirement Research Center Research Paper No. WP 2007-157. Available at SSRN: <http://dx.doi.org/10.2139/ssrn.1095869>
- Lusardi, A., & Mitchell, O. S. (2014). The economic importance of financial literacy: Theory and evidence. *Journal of economic literature*, 52(1), 5-44.
- Mbazigwe C. (2013). The meaning of financial literacy and its importance. <https://www.futurpreneur.ca/en/2013/meaning-financial-literacy>. Retrieve on 12/08/2019.
- Njuguna, A. G., Mutanu, L., Otsola, J. K., & Thuku, V. M. (2011). *Financial and pension literacy: a survey of pension scheme members in Kenya*. United States International University-Africa, Retirement Benefits Authority.
- OECD (2012). Pisa 2012 assessment and analytical framework. Mathematics, reading, science, problem solving and financial literacy. Paris *OECD Publishing* 114-164.
- Ogunyemi, S. Y. & Oderinde, O. D. (2014). Problems of retirement planning in Nigeria. https://www.researchgate.net/publication/331546502_problems_of_retirement_planning_in_nigeria
- Oparanma, A. O. (2011). Challenges of Nigerian civil servants Retirees. *Journal of management and society*, 1(3), 17-28.
- Oyebamiji, M. A. (2012). The role of mass media in the delivery of adult education for national development. *Global Journal of Educational Research*, 11(1), 57-63.
- Phillipson, C. (2019). 'Fuller' or 'extended' working lives? Critical perspectives on changing transitions from work to retirement. *Ageing & Society*, 39(3), 629-650.
- Prast, H. M., & van Soest, A. (2016). Financial literacy and preparation for retirement. *Intereconomics*, 51(3), 113-118
- Remund, D. L. (2010). 'Financial literacy explicated: The case for a clearer definition in an increasingly complex economy' *Journal of Consumer Affairs*, 44(2), 276-295.

Corresponding author: Ikechukwu C. Okafor

- Sabri, M. F., & Aw, E. C. X. (2019). Financial literacy and related outcomes: the role of financial information sources. *International Journal of Business & Society*, 20(1).
- Stabi IBTC (2019). General Issues in Retirement Planning. <https://www.stanbicibtpension.com/PensionManagers/Financial-Planning/Issues-in-Retirement-Planning>
- Stabi IBTC (nd). Establishing a Retirement Plan. *financial planning* <https://www.stanbicibtpension.com/PensionManagers/Financial-Planning/Establishing-a-Retirement-Plan>
- Turner, M. J., Bailey, W. C., & Scott, J. P. (1994). Factors influencing attitude toward retirement and retirement planning among midlife university employees. *Journal of Applied Gerontology*, 13(2), 143-156.
- Wang, M., & Shi, J. (2014). Psychological research on retirement. *Annual review of psychology*, 65, 209-233.
- Will Kenton (2019). Financial Literacy. <https://www.investopedia.com/terms/f/financial-literacy.asp> on Nov 21, 2019