



Exploring Retirement Planning Behavior among Male Employees in Sri Lanka's Service Sector: The Role of Financial Literacy, Future Time Perspective, and Goal Clarity in the Western Province

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Abstract

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The catastrophic economic crisis and rising poverty rates among the elderly population in Sri Lanka worsen the challenges surrounding retirement planning. These events have collapsed the economic stability and heightened the financial insecurities within the population, leading to decreased retirement preparedness. There is a dire need for studies to focus on individual-level factors of retirement planning behavior and therefore, this study delves into how financial literacy, future time perspective, and retirement goal clarity impacts the retirement planning behavior of male service sector employees in the Western province of Sri Lanka using Theory of Planned Behavior (TPB) and, Social Learning Theory (SLT). This study utilizes judgmental and snowball sampling methods with an established list of parameters and iterative inclusion of participants meeting these criteria, gathering 392 responses from self-administered questionnaires. A Partial Least Squares-Structural Equation Modelling (PLS-SEM) approach was employed for the data analysis. The results revealed that both future time perspective and retirement goal clarity were found to have a significant positive relationship with retirement planning behavior while, financial literacy had no significant influence on retirement planning. Future research should consider adopting longitudinal study designs to comprehend the evolving thought processes, and behavioral patterns of service sector employees.

Keywords: Financial Literacy, Future Time Perspective, Retirement Goal Clarity, Retirement Planning Behavior, Service Sector

1. Introduction

In a global setting, there emerges a pivotal era where the phase of retirement in an individual's life is now a major transition which mandates meticulous planning due to the surge in the world's elderly population (Vigezzi, et al., 2025; Ibrahim & Wahat, 2023).

Retirement planning behavior has evolved into a vital component of personal financial management because of the ever-changing social dynamics, economic volatility, and demographic transitions (Athira & Kakkakunnan, 2023), serving as the cornerstone for ensuring financial stability, security and well-being post-retirement in several countries across the world (Hershey, et al., 2012; Topa, et al., 2018; Ghadwan, et al., 2023). Retirement preparation entails determining an individual's post-retirement goals in a strategic manner and taking sound financial decisions to attain those objectives with the aid of enough financial resources (Ganguly & Prakash, 2023). This planning process typically spans throughout their employment period and ceases during retirement, comprising of asset and risk management, thereby emphasizing the need for personalized planning based on individual requirements (Thakur, et al., 2023). A lack of financial planning for retirement often results in long-term consequences since, the age of retirement varies and when individuals decide to retire early, they may receive insufficient pension payments (Jimenez, et al., 2019; Anuar, et al., 2023). This is a critical issue as several individuals solely rely on pension schemes designed by the government's social security system. Hence, adequate retirement planning is essential to attain financial freedom post-retirement (Anuar, et al., 2023).

Sri Lanka is confronted with a disastrous challenge pertaining to poor retirement planning, underscored by several alarming figures showing widespread financial instability among the country's ageing population. The country possesses a financial literacy rate of 57.9% in 2021 (Central Bank of Sri Lanka, 2022), outlining that a significant proportion of the population in the country is not equipped with financial knowledge and skills required to make sound financial decisions relevant to their retirement savings. The age dependency ratio sharply rose from 11.43% in 2010 to 17.57% in 2022 with a rise of 6.14% (World Bank, 2023), exacerbating this shortfall. This ratio portrays the issues in the frameworks of retirement planning in Sri Lanka and clearly indicates the growing financial burden upon the working-age population to assist retirees, thereby placing an increasing strain on the social welfare system.

In addition, the elderly population was seen to exhibit the highest rate of poverty in comparison to other age groups in Sri Lanka. In 2021, 17.7% of the individuals aged 65 years and above living below the poverty line, with an intensity of 42.5% and the highest Multidimensional Poverty Index (MPI) recorded at 0.076 in the same year (Department of Census and Statistics, 2021; Schoch, 2023). These figures highlight the depth of the deprivation among the retired population in the country and emphasizing the extreme poverty suffered by this segment due to the lack of informed financial decisions pertaining to their retirement savings plan. This is further emphasized by the hike in the ageing population over the years, as the percentage of people 65 years and older rose gradually from 8% in 2012 to 11.54% in 2022 (O'Neill, 2023). This notable demographic shift in the composition of population imposes an extensive amount of strain on the retirement planning systems, requiring rigorous measures to protect the finances of the senior population. The catastrophic economic environment adds another layer of the complexity to this critical issue, as inflationary pressures stemming from the economic recession since 2022 (Perera, 2023) have aggravated the financial risks faced by the aged population. The Colombo Consumer Price Index (CCPI) increased drastically from 4% in December 2023 to 6.4% in January 2024 (Central Bank of Sri Lanka, 2024), indicating an upsurge in the living expenses. In the same time frame, inflation associated with food soared to 3.3% and non-food inflation climbed to 7.9% (Central Bank of Sri Lanka, 2024). This significantly impairs the purchasing powers of

the elderly individuals and thereby, demonstrates how critical it is to address the inadequate retirement planning behavior in Sri Lanka.

Furthermore, prior research has predominantly focused on the macroeconomic factors like population ageing and the effectiveness of government retirement plans on the retirement planning behavior (Vodopivec & Arunatilake, 2008; Agrawal, et al., 2009; Heenkenda, 2016). However, there is clearly a notable gap in the exploration of factors at an individual level within the Sri Lankan context, particularly regarding factors such as the clarity of retirement goals and future time perspective, especially in the post-pandemic environment. Given the significance of these factors, particularly considering Sri Lanka's disastrous economy (Wijewardena, 2024), it is essential to investigate them in order to comprehend and resolve the intricacies of retirement planning behaviour in the country. Further, the examination of factors influencing the retirement planning on the broader service sector in Sri Lanka is limited, especially in the Western province. Previous studies had primarily concentrated on individual industries such as agricultural (Heenkenda, 2016), educational (Alles, et al., 2021), public and private sector (Wewala & Ediriweera, 2021) and, public sector (Madhuwanthi, 2020) neglecting to address the entire service sector. This oversight is significant considering that the service sector comprises most of the employed population in Sri Lanka. Thus, this study endeavors to investigate the relationships between financial literacy, future time perspective, retirement goal clarity and retirement planning behavior among professionals working in the service sector of the Western province in Sri Lanka.

2. Literature Review

2.1 Theoretical Framework

This study used the Theory of Planned Behavior (TPB) and the Social Learning Theory (SLT) as its fundamental theories to underpin the associations between financial literacy, future time perspective and retirement goal clarity. TPB, developed by Ajzen (Ajzen, 1991), aids to explain and predict human behavior, particularly in the context of retirement planning behavior. It implies that intentions and, under some circumstances, perceived control over behaviors are the main factors influencing behaviour. These intentions are converged by a blend of three elements which are attitudes towards behavior, subjective norms and perceived behavior control (Kan & Fabrigar, 2017). In this context, TPB offers a structured lens to assess the cognitive processes that drive people's intentions to plan for their retirement. These factors include attitudes regarding retirement planning, the subjective norms that are driven through social influences, and the perception of control over one's own actions related to retirement planning. These aspects of intention creation can be directly impacted by financial literacy, perspective on the future, and clarity of retirement goals and these provide insights into the psychological processes behind decision-making.

Conversely, according to (Bandura, 1971), SLT states that individuals learn via social observation and imitation of modelled behavior, where individuals gain knowledge and skills by observing the behavior and the results others reaped through the particular behavior, thus enabling them to imitate or avoid certain behaviors in the society (Lyons & Berge, 2012). This aspect of SLT complements TPB to form a more comprehensive theoretical framework, as TPB alone does not account for the social context and observational learning mechanisms that guide human behavior. In the setting of retirement preparedness among service sector employees, SLT provides insightful knowledge on the ways in which social interactions, role models, and contextual elements impact the opinions and behaviors of individuals. This also

emphasizes how social networks, educational initiatives, and encouraging surroundings may help service industry workers become more prepared for retirement.

2.2 Retirement Planning Behavior

Retirement planning behavior involves being prepared for the day when an individual will exit from their employment and will no longer receive any work-related income from their job (Tomar, et al., 2021). The lifecycle of an individual is directly linked to retirement planning, and it is a straightforward method for individuals to anticipate and address their future financial risks with clear planning. This is often seen as a long-term strategy where an individual is required to maintain a balance between strategic spending in the present and saving for a secured retirement fund, thus relieving financial anxiety and boosting the stability and financial confidence of the individual during the post-retirement period (Liu, Bai, & Knapp, 2022). The goal of this planning for retirement is to provide a seamless transition into the desired retirement lifestyle by addressing several financial, social, and psychological aspects (Bode, et al., 2006).

Moreover, the effectiveness of financial planning for retirement remains consistent across diverse income brackets, regardless of whether they belong to higher or lower income levels (Rameli & Marimuthu, 2018). Some retirement planning elements that might affect households with children include expected retirement age, length of retirement, expected lifestyle, and sources of income. These issues can also be impacted by cultural influences. Proactive retirement planning can help individuals minimize financial uncertainty and assure an ideal retirement. Consequently, understanding the factors that significantly impact retirement planning behavior becomes imperative in the modern day. Therefore, this study focuses on how financial literacy, future time perspective, and retirement goal clarity influence the retirement planning behavior in Sri Lankan service sector.

2.3 Financial Literacy (FL)

Financial literacy refers to the ability of an individual to acquire important financial information, distinguish between various financial possibilities, and effectively prepare for and respond to situations that have an impact on day-to-day financial decision-making (Ediriweera & Herath, 2023). In other words, it revolves around the notion of gaining a grasp of financial concepts and strategically utilizing them to make sound financial decisions.

Empirical evidence suggested that significant and positive relationships were discovered by (Kimiyaahlam, et al., 2019) in Malaysia between financial literacy and retirement planning behavior. Also, studies like (Tomar, et al., 2021) in India and others in Thailand, China, and Sri Lanka (Sirisdakul & Khornjamnong, 2020; Chen & Chen, 2023; Ediriweera & Herath, 2023) underscore the positive relationship among them, highlighting on the critical importance of tailored financial education initiatives across a myriad of cultures. In Indonesia (Patrisia & Fauziah, 2019) in South Africa (Antoni, et al., 2020), and in Malaysia (Tan & Singaravelloo, 2020) on the other hand, dispute this, arguing that background variables could have a greater influence than financial literacy.

Existing studies depicted the gaps present in the empirical literature concerning financial literacy and retirement planning in the Sri Lankan service sector. Previous research has mostly concentrated on developed countries and general populations, disregarding specific challenges faced by Sri Lankan employees in the service industry after facing an economic recession. There is a need for empirical research to explore on the association between financial literacy and retirement planning behavior. It is seen that higher financial literacy

rates are commonly associated with increased retirement preparedness, including higher retirement savings rate and effective retirement income strategies. Hence, the following hypothesis is proposed:

H1: Financial Literacy positively impacts Retirement Planning Behavior.

2.4 Future Time Perspective (FTP)

Future time perspective is defined as people's attitudes and views about their future, shaped by factors like age, experiences in life, and the environment in which they live in. This particularly highlights on how motives, objectives, and psychological well-being can be driven by perspectives of time frames that change depending on one's proximity to death (Hyman, et al., 2023). This suggests that individuals may prioritize different goals and lifestyle based on their perception of the time they have left in life, which can impact their overall retirement planning behavior.

Multiple research studies conducted in diverse countries have demonstrated a strong correlation between retirement planning behaviour and future time perspective (Hershey & Mowen, 2000; Jacobs-Lawson & Hershey, 2005; Alkhawaja & Albaity, 2020; Rokhman, 2021; Sani, et al., 2022; Xia, et al., 2023). The association between future time perspective and retirement planning may be relatively universal, transcending cultural and geographic barriers, as seen by this consistency across a variety of cultural situations. Conversely, few studies conducted in Indonesia and India (Larisa, et al., 2021; Tomar, et al., 2021) produced conflicting results, with emphasis on the observation that retirement planning was not significantly predicted by future time perspective, and thus, underscoring the importance of considering local nuances and other factors when exploring retirement planning behavior.

Notably, Prior research indicates that future time perspective may conceptually overlap with retirement goal clarity, as individuals with a stronger future orientation tend to develop clearer retirement goals. However, while both are positively related, future time perspective reflects one's motivational focus on the future, whereas retirement goal clarity concerns the specificity of those goals, highlighting their unique yet complementary roles in shaping retirement planning behavior.

Based on the above empirical evidence, there is a dire need to fill the gaps pertaining to this association. There is a scarce number of studies that focus on the relationship between future time perspective and retirement planning behavior, particularly on the service sector in the Western province of Sri Lanka after the nation faced its worst economic crisis. In this regard, when individuals always have a long-term outlook concerning finances, it will lead them to prioritize saving and investing for retirement in attempts to achieve their long-term goals and make informed financial decisions, ultimately resulting in effective retirement planning behavior. Consequently, we posit the following hypothesis:

H2: Future Time Perspective positively impacts Retirement Planning Behavior

2.5 Retirement Goal Clarity (RGC)

Retirement goal clarity is the ability of an individual to clearly and concisely grasp one's own goals and desires during the years leading up to retirement (Ghadwan, et al., 2023). It entails outlining precise retirement objectives, such as financial security, well-being, recreational pursuits, and personal fulfilment. They serve as benchmarks for progress, allowing them to track their successes and adjust their tactics as needed (Stawski, Hershey, &

Jacobs-Lawson, 2007). This provides people the clarity and direction they need to make wise decisions and seize opportunities that are consistent with their dreams.

Various studies affirm a strong positive correlation between retirement goal clarity and retirement planning behavior. Significant positive correlations were discovered by (Isa & Daukin, 2023; Ramli & Shariff, 2023) in Malaysia, (Ghadwan, et al., 2023) in Saudi Arabia. Furthermore, (Sailaja & Madhavi, 2023) stressed the critical need of well-defined retirement objectives, especially for Indian professionals. Although there are conflicting results about this relationship being an insignificant association in (Awang & Abdullah, 2021) and (Chou, et al., 2015), most empirical literature confirms the positive association in a variety of societal contexts and settings.

Drawing from the existing empirical evidence, it is evident that a critical examination is needed to bridge the existing voids in understanding the relation between retirement goal clarity and retirement planning behavior. The correlation between retirement goal clarity and retirement planning behaviour is still not well explored in the current research, particularly within the context of the service industry in the Western province of Sri Lanka amidst the catastrophic economic crisis. As a result, those who have a clear vision of what they want out of retirement are more likely to take a proactive approach to retirement planning, which includes careful saving and investing techniques aimed at ensuring their ideal retirement standard of living. Thus, we propose the following hypothesis:

H3: Retirement Goal Clarity positively impacts Retirement Planning Behavior

2.6 Conceptual Framework

Figure 1 outlines the conceptual framework of this research study, illustrating the 3 determinants of retirement planning behavior which are financial literacy, retirement goal clarity and future time perspective. It also indicated the 3 hypotheses on the research model.

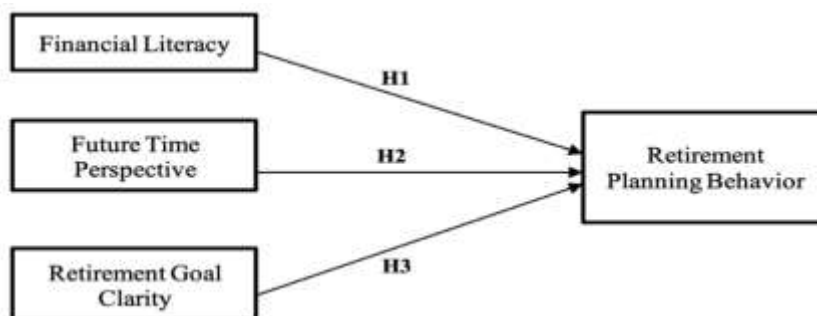


Figure 1. Conceptual Framework

3. Methodology

3.1 Sampling and Data Collection

The quantitative primary data were collected using self-administered questionnaires from male individuals actively working in the service sector of the Western Province in Sri Lanka. This study focused solely on the males since; they account 70.5% of the employed population in the service sector of the country. Participation in this study was voluntary, with informed consent obtained from all respondents, ensuring strict anonymity, confidentiality, and adherence to ethical research standards involving human participants. This study utilized

the non-probability sampling method due to the absence of a complete sample frame or readily accessible databases containing a list of all the employees working in the service sector of the Western province in Sri Lanka. This approach was vital given the lack of an established sampling frame (Galloway, 2005).

Initially, a judgmental sampling technique was employed, choosing individuals based on a list of criteria which includes male professionals ranging from managerial to front-line positions within the service sector from a wide range of industries such as tourism, education, healthcare, finance, banking, retail, transportation, Information Technology (IT), arts, entertainment, professional services, telecommunications and real estate. This was followed using snowball sampling that used an iterative strategy of accessing participants meeting the pre-determined criteria by leveraging existing connections within the network of the sampled individuals. The minimum sample size was 384 according to the sample size determination table by (Krejcie & Morgan, 1970) for the study population of 1,682,621 male employees in the service sector of the Western province in Sri Lanka (Department of Census and Statistics, 2023). A total of 470 questionnaires were distributed to the sample, and 392 questionnaires were returned, resulting in a response rate of 83.4% which surpassed the acceptable range 50%-80% commonly observed in the research on business management (Baruch & Holtom, 2008; Ali, et al., 2021).

This study utilized 26 items in total for the self-administered questionnaire to measure Financial Literacy, Retirement Goal Clarity, Future Time Perspective and Retirement Planning Behavior. Multiple choice questions were used to assess the variable of financial literacy. Also, a five-point Likert scale ranging from 1 “strongly disagree” to 5 “strongly agree” was considered for retirement goal clarity, future time perspective and retirement planning behavior. Financial literacy was evaluated with 8 multiple choice questions developed by (Tomar, et al., 2021). Retirement goal clarity was assessed using 5 items adapted from (Stawski, et al., 2007; Tomar, et al., 2021), while future time perspective adapted 5 items from (Koposko & Hershey, 2014; Tomar, et al., 2021). Finally, retirement planning behavior was measured with 8 items adapted from the measurement scale developed by (Koposko & Hershey, 2014; Tomar, et al., 2021).

3. Results

The data were analyzed with the aid of two software. Firstly, a descriptive analysis was conducted on the gathered demographics of this study using the SPSS Version 27. Table 2 depicts the demographic profile of the respondents. It was seen that the majority of the male professionals belonged to the age group between 20-30 years with 27.6%, earning a monthly income more than Rs.100,000 with 27%. Most of them were married having a 42.6% proportion along with the highest percentage of 37% having a bachelor's degree as their highest educational level and lastly, a significant proportion of the respondents worked for more than 20 years with a 29.1%.

The data was then evaluated using the PLS-SEM (Partial Least Squares-Structural Equation Modelling technique through SmartPLS 4 software. This helps to enhance the validity, accuracy, and reliability of research findings by offering a strong and adaptable framework for examining intricate reflective relationships in research models and hence, enabling to conceptually develop a model with constructs (Guenther et al., 2023). PLS-SEM is also useful for forecasting correlations between variables, which in turn improves the comprehension of multifaceted systems (Hair, et al., 2019). This technique is composed of

measurement model and structural model where, a measurement model examines the latent constructs while, a structural model aids in investigating the hypothesized relationships through path analysis (Fan, et al., 2016).

3.1. Measurement Model

The measurement model was assessed based on factor loadings, Cronbach alpha, composite reliability and average variance extracted (AVE) as illustrated in Table 2. Factor loadings provide an excellent indicator of the correlation between a factor and an item (Tavakol & Wetzel, 2020). Four items (FL2, FL3, FL4 and FL5) were removed from the measurement model due to loadings below the acceptable criterion of 0.7 (Guenther, et al., 2023) and contribution to low composite reliability and AVE (Hair, et al., 2012). This resulted in a total of 22 items which all had loadings ranging from 0.772 to 0.961 which surpassed the acceptable threshold. Cronbach alpha and composite reliability are great measures of internal reliability of the model according to (Dilekli & Tezci, 2019). The Cronbach alpha values ranged between 0.840 to 0.968 and composite reliability were between 0.893 and 0.973, exceeding the recommended threshold of 0.7 (Cheung, et al., 2023). The convergent validity was examined using AVE which varied from 0.676 to 0.868 and hence, higher than the acceptable criterion of 0.5 (Cheung, et al., 2023).

Table 2. Factor Loadings, Internal Construct Reliability and Convergent Validity

	Items	Factor Loading	Cronbach Alpha	Composite Reliability	Average Variance
Financial Literacy (FL)	FL1	0.772	0.840	0.893	0.676
	FL6	0.780			
	FL7	0.872			
	FL8	0.860			
Future Time Perspective (FTP)	FTP1	0.926	0.957	0.967	0.853
	FTP2	0.935			
	FTP3	0.961			
	FTP4	0.922			
	FTP5	0.872			
Retirement Goal Clarity (RGC)	RGC1	0.936	0.962	0.971	0.868
	RGC2	0.912			
	RGC3	0.961			
	RGC4	0.955			
	RGC5	0.894			
Retirement Planning Behavior (RPB)	RPB1	0.930	0.968	0.973	0.821
	RPB2	0.935			
	RPB3	0.949			
	RPB4	0.904			
	RPB5	0.930			
	RPB6	0.785			
	RPB7	0.926			
	RPB8	0.877			

The Fornell-Larcker criterion is one measure of discriminant validity, comparing the square root of AVE values to the correlation between constructs (Fornell & Larcker, 1981). Table 3 demonstrates that discriminant validity was corroborated through Fornell-Larcker criterion with square root of AVE values ranging from 0.822 to 0.932, transcending the correlations across construct pairs.

Table 3. Discriminant Validity (Fornell-Larcker Criterion)

	FL	FTP	RGC	RPB
FL	0.822			
FTP	0.205	0.924		
RGC	0.261	0.806	0.932	
RPB	0.190	0.777	0.798	0.906

Note: Bold text indicates the square root of AVE values

One of the other methods to evaluate discriminant validity is Heterotrait-Monotrait ratio (HTMT), introduced by (Henseler, et al., 2015). This is satisfied when two variables are theoretically anticipated to have no correlation and empirical evidence confirms this absence of correlation (Sekaran & Bougie, 2016). As highlighted in Table 4, all of the HTMT values are well below the threshold of 0.90 suggested by (Gold, et al., 2001). This indicates that discriminant validity was achieved in this measurement model.

Table 4. Discriminant Validity (Heterotrait-Monotrait Ratio)

	FL	FTP	RGC	RPB
FL				
FTP	0.227			
RGC	0.291	0.841		
RPB	0.203	0.802	0.822	

Further, the variance inflation factor (VIF) was examined in order to assess the formative collinearity among indicators of the model (Purwanto & Sudargini, 2021). Table 5 indicates that, all of the VIF values were lower than the threshold of 5.0 which highlights that there is no multicollinearity present in this model (Hair Jr., et al., 2021).

Table 5. Values of Variance Inflation Factor (VIF)

	Retirement Planning Behavior (RPB)
FL	1.073
FTP	2.857
RGC	2.938

3.2. Structural Model

The R Square value determines the variance and depicts the explanatory power of a model (Hair, Risher, Sarstedt, & Ringle, 2019). In this structural model, it was 0.688 which outlines that, 68.8% of the change in retirement planning behavior can be explained by the independent variables.

Table 6 illustrates the results derived from the path analysis. Two hypotheses namely H2 (relationship between Future Time Perspective and Retirement Planning Behavior) and H3 (relationship between Retirement Goal Clarity and Retirement Planning Behavior) were supported since, they were found to be statistically significant at $p < 0.001$ (Hair, et al., 2019) with medium effect sizes (Nieminen, 2022) and t-statistics higher than the threshold of 1.96 (Jr., et al., 2021). The hypothesis 1 which investigates the relationship between Financial Literacy and Retirement Planning Behavior was rejected since the p value of 0.483 was above threshold of 0.001 (Hair, et al., 2019) and therefore, it was not statistically significant. Hypothesis 3 was seen to have the highest effect size among the rest and hence, it had the most significant correlation with retirement planning behavior out of 3 variables. Thus, H2 and H3 were accepted while, H1 was rejected.

Table 6. Path Analysis

Hypothesis	Relationship	Path Coefficient (β)	T-statistic	P-value	Result
H1	FL $\rightarrow$ RPB	-0.037	0.701	0.483	Not Supported
H2	FTP $\rightarrow$ RPB	0.382	6.080	0.000	Supported
H3	RGC $\rightarrow$ RPB	0.495	8.211	0.000	Supported

Note: $p < 0.001$; t-value > 1.96

4. Discussions

The results in Table 6 indicated that the proposed hypotheses “H2” and “H3” were confirmed while, “H1” was not supported. This study found that retirement goal clarity has the highest path coefficient (0.495) and is the strongest predictor of retirement planning behavior in the service sector of Sri Lanka. This is consistent with the previous empirical evidence highlighting the significant influence on retirement planning in diverse contexts (Isa & Daukin, 2023; Ramli & Shariff, 2023; Ghadwan, et al., 2023; Sailaja & Madhavi, 2023). Consistent findings indicate that well-defined retirement goals improve retirement planning behavior universally, thus strengthening the reliability and generalizability of the findings. This demonstrates the importance of setting clear retirement goals, which encourages individuals to plan effectively.

Secondly, the result validates the study's findings, supporting the hypothesis that future time perspective and retirement planning behavior are positively correlated, and this is supported by the findings from previous literature (Hershey & Mowen, 2000; Jacobs-Lawson & Hershey, 2005; Alkhawaja & Albaity, 2020; Rokhman, 2021; Sani, et al., 2022; Xia, et al., 2023). This implies that Sri Lankan individuals who proactively envision and prepare for their future are more inclined to adequately prepare for retirement, driven by the long-term perspective.

In this study, financial literacy had no substantial impact on retirement planning behavior in the Western province of the Sri Lankan service sector. Prior research revealed this finding was corroborated by (Patrisia & Fauziah, 2019; Antoni, et al., 2020; Tan & Singaravelloo, 2020) since, they explain that additional background factors could have a larger impact and this may result from unique socioeconomic circumstances and influences from Sri Lankan culture like cultural norms, familial obligations and support systems.

The integrated use of TPB and SLT theories facilitated a comprehensive analysis of retirement planning across the Sri Lanka's service industry. TPB underscored retirement goal

clarity and future time perspective's significance whereas, SLT aided in emphasizing the larger impact of socio-cultural aspects, resulting in no discernible influence of financial literacy in this context. The study fills the gap and contributes to the empirical literature by confirming the significance of retirement goal clarity and future time perspective, contributing nuanced insights into the interplay of these factors in retirement planning behavior of service sector male employees in the Western province of Sri Lanka. Therefore, this research has accomplished the objectives and validated all the hypotheses.

5. Conclusion

One significant contribution is the emphasis of how crucial individual-level elements like future time perspective and retirement goal clarity are in shaping retirement planning behaviour among employees in the service sector in Sri Lanka's Western province. Also, this underscores the limited influence of financial literacy in this context. This study contributes to practitioners since they prioritize elements like future time perspective and retirement goal clarity in policy development for service industry employees, potentially leading to targeted initiatives to strengthen retirement planning practices in Sri Lanka. Policymakers and organizational leaders should implement financial awareness programs to enhance employees' retirement goal clarity and future orientation, while human resource departments integrate retirement planning into wellness initiatives to strengthen post-retirement preparedness.

Moreover, this study contributes from a theoretical standpoint due to its integration of the TPB and SLT theories within the context of retirement planning behavior among service sector employees in Sri Lanka. Although both theories are well-known and have been used in numerous fields, their usage in this context is novel. It provides an enhanced understanding of the social and cognitive elements influencing retirement planning decisions by amalgamating TPB and SLT. This integration boosted the study's explanatory power and uncovered the interplay between beliefs and social factors, which enhances the knowledge of retirement planning behavior. Applied to Sri Lankan service sector employees, it extends TPB and SLT to varied contexts, expanding their applicability and deepening insights into retirement planning globally.

The current study presents certain limitations that could be effectively addressed through future research endeavors. While this study concentrated exclusively on male individuals due to their majority representation in the service sector, future research could explore potential gender differences in retirement planning behavior. Examining gender disparities in financial literacy, future time perspective, and retirement goal clarity could reveal crucial insights for developing policies that are specifically suited to each gender. Additionally, this is a quantitative study, and future research could complement these quantitative findings with qualitative research methods through interviews or focus groups. This qualitative approach would offer a deeper insight and reveal underlying motivations, barriers, and decision-making processes. Thirdly, future research could adopt a longitudinal study design, which will help monitor changes in individuals' retirement planning behavior over long periods of time.

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