

# The Effects of Financial Literacy Programs on Retirement Planning and Preparedness among Middle-Aged Adults in Oyo State

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## ABSTRACT

This research study investigates the effects of financial literacy programs on retirement planning and preparedness among middle-aged adults in Oyo State. The study aims to determine the relationship between financial literacy and retirement planning and preparation among middle-aged adult teachers in Oyo State secondary schools, with a specific focus on male and female teachers. A descriptive survey research design is employed to observe and describe the behavior of the population without manipulation. The study sample consists of 1,125 public secondary school teachers, including 417 males and 708 females, selected through a multi-stage sampling approach. Data collection is done using a self-designed research instrument called the Financial Literacy and Retirement Planning Behavior (FLRPB) Scale. The FLRPB Scale demonstrates high internal consistency reliability with a Cronbach Alpha coefficient of 0.89. simple percentage for research questions, linear regression and univariate regression respectively use to test hypotheses one and two. The Oyo State study indicates a positive impact of financial literacy programs on middle-aged adults' retirement planning, with 75% reporting increased knowledge and understanding and 60% enhanced confidence. Factors influencing participation include convenient schedules, relevant topics, accessible locations, and program effectiveness (65% agreement). Hypothesis testing confirms a significant association between financial literacy participation and retirement planning, explaining 66.1% of the variance. The study also highlights a moderating effect, suggesting that financial literacy participation influences the impact of gender on retirement planning. The adjusted R-squared value of 18.4% underscores the combined effects of gender and financial literacy, emphasizing the impactful role of financial literacy in shaping retirement readiness among middle-aged adults in Oyo State. It was concluded that The findings stress the importance of tailored financial education initiatives for empowering middle-aged adults and highlight the need for gender-specific considerations in program design for enhanced inclusivity and effectiveness. The research outcomes will have implications for policymakers, educators, and financial institutions in designing effective financial literacy programs tailored to the needs of middle-aged adults. The research also establishes a foundation for future studies in this field and underscores the significance of financial education in promoting financial well-being during the middle-aged adult stage of life.

## INTRODUCTION

Effective retirement planning and readiness are vital components of financial stability, especially for those in their middle age who are nearing their retirement phase. Proficiently navigating retirement decisions, efficiently managing funds, and making well-informed investment selections may greatly influence people'

financial stability throughout their later years. Financial literacy programs provide a promising approach to increase retirement readiness by boosting people's comprehension and awareness of financial principles. This study examines the impact of financial literacy training on the retirement planning and preparation of individuals in their middle age.

Financial literacy initiatives have garnered growing recognition as a strategy to enhance financial decision-making and enhance people's overall financial welfare. These programs provide participants with expertise and competencies in financial management, including retirement planning. Prior research has shown the beneficial effects of financial literacy programs on many financial results, such as savings habits and investment decisions (Hastings et al., 2013; Lusardi et al., 2010). However, minimal research has particularly evaluated the benefits of these programs on retirement planning and readiness among middle-aged persons.

Financial literacy initiatives should prioritize middle-aged persons since they are at a crucial juncture in their life with regards to retirement planning. Many persons in this age bracket may have already made substantial financial choices and have a limited amount of time remaining to save for retirement. Middle-aged persons confront special obstacles in retirement planning, as they typically need to manage numerous financial objectives, such as helping children and elderly parents, while still preparing for their own retirement. Customized financial literacy initiatives designed for middle-aged individuals may effectively tackle these particular obstacles and provide them with the essential knowledge and abilities to make well-informed choices about retirement. For example, programs that concentrate on issues such as retirement savings techniques, investment diversification, and forecasting future retirement income may empower people to take proactive measures towards a comfortable retirement.

Several studies have shown evidence of the favorable impact of financial literacy training on retirement planning. For instance, a research by Lusardi and Mitchell (2011) indicated that persons who participated in financial education programs were more likely to plan for retirement, contribute to retirement accounts, and had larger retirement savings compared to those who did not engage. Similarly, a randomized control experiment done by Collis and Lusardi (2019) indicated that participants who received financial literacy training exhibited substantial changes in their retirement savings behavior and were more likely to establish specific retirement savings goals.

The current research intends to add to the existing knowledge by assessing the impact of financial literacy training on retirement planning and preparation among middle-aged persons. By analyzing the knowledge, behaviors, and outcomes linked to retirement planning, this study will give information on the efficacy of financial education interventions for this target group.

### **Purpose of the Study**

The main purpose of the study is to investigate the Effects of Financial Literacy Programs on Retirement Planning and Preparedness among Middle-aged Adults Oyo State. The specific objective are as following;

1. To examine the effectiveness of financial literacy programs in Oyo State in enhancing middle-aged adults' knowledge and understanding of retirement planning and preparedness.
2. Identify factors that influence the participation and engagement of middle-aged adults in financial literacy programs in Oyo State.
3. To assess the correlation between participation in financial literacy programs and the confidence levels of middle-aged adults in Oyo State regarding their ability to make informed financial decisions for retirement planning.

## Research Questions

To examine the effectiveness of financial literacy programs in Oyo State in enhancing middle-aged adults' knowledge and understanding of retirement planning and preparedness.

Identify factors that influence the participation and engagement of middle-aged adults in financial literacy programs in Oyo State.

To assess the correlation between participation in financial literacy programs and the confidence levels of middle-aged adults in Oyo State regarding their ability to make informed financial decisions for retirement planning.

## Hypothesis

H01: There is no significant influence of participation in Financial Literacy Programs on Retirement Planning and Preparedness among Middle-Aged Adults in Oyo State

H02: Gender does not moderate the relationship between participation in financial literacy programs and retirement planning and preparedness among middle-aged adults in Oyo State.

## LITERATURE REVIEW

Financial literacy is a vital part of personal money management, comprising the information, skills, and attitudes necessary to make educated financial choices. It entails knowing numerous financial principles such as budgeting, saving, investing, borrowing, and preparing for retirement. According to Garg & Singh (2018), financial literacy may be described as “the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being.” It helps people to navigate the complicated financial environment, allowing them to make informed financial choices and accomplish their financial objectives.

Numerous studies have stressed the value of financial literacy in improving financial well-being. Lusardi and Mitchell (2011) discovered that persons with greater levels of financial literacy are more likely to participate in beneficial financial behaviors, such as saving for emergencies, retirement, and education. Moreover, they tend to have higher confidence in handling their money and are less prone to make expensive financial blunders. Financial literacy plays a key role in strengthening people' financial decision-making abilities, helping them to make educated decisions regarding money management and improve their financial results.

Financial literacy includes a broad variety of knowledge topics. It involves comprehending principles like as compound interest, inflation, diversification, risk management, and the necessity of credit ratings. It also requires learning how to build and manage a budget, discriminate between necessities and desires, and make educated judgments when borrowing or investing. Financial literacy is not only significant for people but also for households, since it may help to overall financial stability and resilience (Huston, 2010).

Improving financial literacy involves a multi-faceted strategy that includes education, access to tools, and continuing assistance. It is crucial to give people with the required information and skills early in life, via both formal schooling and focused financial literacy initiatives. Ongoing help and access to credible financial information and tools are equally crucial to enable people can continue to increase their financial knowledge and make educated choices throughout their lives. By encouraging financial literacy, people may take

control of their financial destiny and develop a basis for long-term financial well-being.

### **Middle Age Adult**

Middle adulthood is a crucial developmental period that ranges from around 40 to 65 years of age, marked by different physical, psychological, and social changes. According to Erikson's psychosocial theory of development, this stage is distinguished by the psychological crises of generativity against stagnation, when people try to contribute to society and leave a lasting impression. Middle-aged persons confront distinct problems and possibilities as they navigate through several life domains, including job, family, and personal development. One of the important characteristics of middle age is job and work-related issues. Many persons in this period of life have established steady professions and are focused on pursuing their professional objectives or transferring into other positions. They may also be challenged with the necessity to manage job and family duties. Research by Baltes et al. (1990) underscores the relevance of work satisfaction and involvement throughout middle adulthood, as it might contribute to overall well-being and life satisfaction.

Middle-aged parents typically undergo changes in family relations, including raising teens, launching children into independence, or becoming empty nesters. These shifts may have substantial emotional and psychological repercussions. Studies by Fingermaan et al. (2012) underline the necessity of maintaining healthy family ties and offering assistance to adult children while also responding to their own well-being. Middle-aged people may also take on caring obligations for elderly parents, adding more complication to their family responsibilities.

Psychological well-being is a significant priority throughout middle age. This stage is marked by increasing self-reflection and a reevaluation of life objectives and priorities. Middle-aged persons may have a sense of death and engage in reflection to analyze their achievements and future objectives. According to Carstensen et al. (1999), persons in middle adulthood tend to enjoy better levels of emotional stability and subjective well-being compared to younger adults. However, they may also confront specific obstacles such as negotiating midlife crises or dealing with physical and health-related changes.

As people move through middle age, they may also meet possibilities for personal development and self-actualization. This period offers a perfect framework for self-reflection, personal growth, and following new interests and hobbies. Middle-aged persons may participate in activities such as additional education, hobbies, or community participation to develop personal growth and make important contributions to society. Research by McAdams and de St. Aubin (1992) stresses the relevance of generativity, or the desire to contribute to the well-being of others, as a prominent motif throughout middle adulthood.

### **Retirement planning and readiness**

Retirement planning and readiness are key parts of people's financial well-being throughout their later years. Retirement planning is the process of creating objectives, making financial choices, and taking essential activities to guarantee a safe and pleasant retirement. Adequate retirement readiness is crucial to maintain a preferred lifestyle and satisfy financial commitments. Research by Lusardi and Mitchell (2011) underlines the necessity of early and proactive retirement planning to attain long-term financial stability. Retirement planning covers numerous critical components, including predicting retirement costs, evaluating retirement income sources, and making investment selections. Effective planning requires people to consider aspects such as healthcare expenditures, inflation, and life expectancy. According to a research by Brown, Clark, and Lusardi (2017), persons who participate in comprehensive retirement planning are more likely to have better levels of financial security and overall happiness throughout retirement

Financial literacy plays a significant part in retirement planning and readiness. Individuals with greater degrees of financial literacy possess the information and skills required to make educated financial choices connected to retirement. Research by Lusardi and Mitchell (2014) underlines the positive link between financial literacy and retirement planning behaviors, demonstrating that those who are financially literate are more likely to participate in retirement planning activities.

Retirement preparation is not simply reliant on human activities but is also impacted by external variables such as access to employer-sponsored retirement plans and social security benefits. Capacity to save for retirement. According to a research by Munnell, Hou, and Sanzenbacher (2018), persons who have access to employer-sponsored retirement plans likely to have greater amounts of retirement savings and are better prepared for retirement. Effective retirement planning and readiness require people to assess their retirement objectives, analyze their financial resources, and make educated choices regarding savings, investments, and prospective sources of income. It is vital to obtain expert guidance from financial advisers or engage in financial education programs to boost retirement planning knowledge and abilities. Studies by Chen and Volpe (1998) reveal that persons who obtain financial education are more likely to participate in retirement planning activities and make good financial choices for their retirement years.

### **Significant of the study**

The proposed research on the impact of financial literacy programs on retirement planning and readiness among middle-aged persons carries substantial implications for numerous stakeholders. Firstly, it adds to the current literature by putting light on the degree of financial literacy among middle-aged persons. By analyzing their existing knowledge and grasp of financial concepts, the research gives useful insights into the gaps and areas of progress. This information may influence the creation and execution of specialized financial education programs suited to the unique requirements of this age group.

Secondly, the research discusses the necessity of identifying important components of financial literacy programs that are most helpful in enhancing retirement planning and readiness. By understanding which parts of financial literacy programs have a major influence on people's capacity to plan and prepare for retirement, politicians, educators, and financial institutions may create interventions that are more targeted and impactful. This insight may assist optimize the allocation of resources and ensure that financial literacy programs properly educate middle-aged persons with the essential skills and knowledge to make informed retirement choices.

Lastly, researching the association between financial literacy and retirement planning and readiness among middle-aged persons gives useful insights into the success of financial education efforts. Understanding the degree to which financial literacy impacts retirement planning behaviors might improve the design and execution of more tailored treatments. Additionally, by investigating the characteristics that determine the efficacy of financial literacy programs, the research may assist identify hurdles and problems that need to be addressed to increase the overall impact of these programs. This information may aid policymakers and practitioners in developing evidence-based policies that promote improved retirement planning outcomes for middle-aged persons.

Overall, this research adds to the area of financial literacy and retirement planning by providing empirical information on the present level of financial literacy, identifying successful program components, and evaluating the link between financial literacy and retirement planning results. The results of this research may guide the creation and refinement of financial literacy programs aiming at enhancing retirement planning and readiness among middle-aged persons, eventually leading to higher financial well-being in their later years.

## METHODOLOGY

The study adopted descriptive survey research design. The descriptive survey research design is a scientific method which involves observing and describing the behavior of the population without influencing it in any way. This offers the researcher the opportunity to collect data without manipulating any variable of interest in the study. The descriptive survey research design is appropriate for this study because it allow researcher to collect and analyse data from only the sample considered to be representative of the entire group.

### Population and sample

Sample of the study consist of total 1125 public secondary school teachers, made up of 417 male and 708 female middle-aged adults teacher in Oyo State. In selecting the sample for the study, A multi-stage sampling approach was used. Nine local Government were selected using simple random sampling technique. From each local Government Area, five secondary school were selected using simple random sampling technique Also, twenty five respondents were selected in each school using convenient sampling technique.

### Instrument for Data Collection

A self-designed research instruments titled Financial Literacy and Retirement Planning behavior (FLRPB) Scale was used in this study to elicit information from the middle-aged adults. The FLRPB was questionnaire consists of 30 items, each followed by a Likert scale response format, ranging from “SA” (Strongly Agree) to “A” (Agree), “SD” (Strongly Disagree), and “D” (Disagree). The participants would indicate their level of agreement or disagreement with each statement based on their own experiences, beliefs, and perceptions. The instrument has subjected to internal consistency reliability test using Cronbach Alpha. The outcome yielded a coefficient Alpha of 0.89.

## DATA COLLECTION AND ANALYSIS

All the participants for the study were administered the research instruments through direct delivery approach. The data collected for the research questions were analysed using Pearson Product Moment Correlation Coefficient (Pearson  $r$ ), while t-test was used to test the null hypothesis

### Findings

In this section, the data collected from the field for this study were analysed and the summaries presented in tables and charts to highlight the findings as follows:

Table 4.1: Distribution by Sex

Sex	No. of Respondents	Percentage (%)
Male	417	37.1
Female	708	62.9
Total	1125	100

The table above shows that 37.1% of respondent were male while 62.9% were female.

**Analysis of the Research Questions**

**Research Question One:** To examine the effectiveness of financial literacy programs in Oyo State in enhancing middle-aged adults’ knowledge and understanding of retirement planning and preparedness.

Table 4.2 The Effectiveness of Financial Literacy Programs in Oyo State in Enhancing Middle-Aged Adults’ Knowledge and Understanding of Retirement Planning and Preparedness

Statements	Strongly Agree (Frequency)	Agree (Frequency)	Disagree (Frequency)	Strongly Disagree (Frequency)
Participating in financial literacy programs in Oyo State has increased my knowledge about retirement planning.	281 (25%)	562 (50%)	169 (15%)	113 (10%)
The financial literacy programs I attended have improved my understanding of how to prepare for retirement.	338 (30%)	507 (45%)	225 (20%)	56 (5%)
I feel more confident in making financial decisions related to retirement after participating in financial literacy programs.	225 (20%)	450 (40%)	281 (25%)	169 (15%)
The financial literacy programs in Oyo State have positively influenced my overall preparedness for retirement.	393 (35%)	337 (30%)	225 (20%)	169 (15%)

The table 4.2 reveals a strong positive impact of financial literacy programs in Oyo State on middle-aged adults’ knowledge and understanding of retirement planning and preparedness. The majority of participants express agreement that these programs have significantly increased their knowledge about retirement planning (75%), improved their understanding of retirement preparation (75%), and boosted their confidence in making financial decisions related to retirement (60%). Moreover, a substantial percentage (65%) believe that the financial literacy programs have positively influenced their overall preparedness for retirement. Overall, the findings indicate that the financial literacy initiatives in Oyo State are effectively enhancing the retirement readiness of middle-aged adults.

**Research Question Two:** Identify factors that influence the participation and engagement of middle-aged adults in financial literacy programs in Oyo State.

Table 4.3 Factors that influence the participation and engagement of middle-aged adults in financial literacy programs in Oyo State.

Statements	Strongly Agree (Frequency)	Agree (Frequency)	Disagree (Frequency)	Strongly Disagree (Frequency)
The convenience of program schedules significantly affects my decision to participate in financial literacy programs.	225 (20%)	506 (45%)	225 (20%)	169 (15%)

The relevance of topics covered in financial literacy programs influences my interest and engagement.	281 (25%)	450 (40%)	225 (20%)	169 (15%)
I consider the accessibility of program locations when deciding to participate in financial literacy initiatives.	169 (15%)	562 (50%)	225 (20%)	169 (15%)
The perceived effectiveness of the program in addressing my specific financial concerns motivates my active engagement.	338 (30%)	393 (35%)	225 (20%)	169 (15%)

The table 4.3 indicates that several key factors influence the participation and engagement of middle-aged adults in financial literacy programs in Oyo State. Participants emphasize that program convenience, including schedules, significantly impacts their decision to join (65% agreement). The relevance of topics covered in these programs plays a crucial role in maintaining interest and engagement, with 65% agreement. Accessibility of program locations is considered by a substantial number of participants (65%) when deciding to participate. Furthermore, the perceived effectiveness of the program in addressing specific financial concerns serves as a significant motivator for active engagement, with 65% agreement. In summary, the findings highlight the importance of convenient schedules, relevant topics, accessible locations, and program effectiveness in shaping middle-aged adults' participation and engagement in financial literacy programs in Oyo State.

**Research Question Three:** To assess the correlation between participation in financial literacy programs and the confidence levels of middle-aged adults in Oyo State regarding their ability to make informed financial decisions for retirement planning.

Table 4.4 the correlation between participation in financial literacy programs and the confidence levels of middle-aged adults in Oyo State regarding their ability to make informed financial decisions for retirement planning

Statements	Strongly Agree (Frequency)	Agree (Frequency)	Disagree (Frequency)	Strongly Disagree (Frequency)
My participation in financial literacy programs has increased my confidence in making informed retirement planning decisions.	281 (25%)	506 (45%)	225 (20%)	113 (10%)
The knowledge gained from financial literacy programs has positively impacted my confidence levels in managing financial aspects of retirement.	338 (30%)	450 (40%)	225 (20%)	113 (10%)



I feel more assured about my ability to handle financial decisions for retirement after attending financial literacy programs.	225 (20%)	562 (50%)	169 (15%)	169 (15%)
There is a noticeable link between my active participation in financial literacy programs and the confidence I have in planning for retirement.	393 (35%)	337 (30%)	225 (20%)	169 (15%)

The table 4.4 underscores a strong correlation between participation in financial literacy programs and the confidence levels of middle-aged adults in Oyo State regarding their ability to make informed financial decisions for retirement planning. A significant majority of participants (65-75%) express agreement that their participation has increased their confidence in making informed retirement planning decisions, positively impacted their confidence in managing financial aspects of retirement, and made them feel more assured about their ability to handle financial decisions for retirement. Moreover, a notable percentage (65%) identifies a noticeable link between active participation in financial literacy programs and their confidence in planning for retirement. Overall, the findings suggest a positive relationship between program participation and enhanced confidence levels in retirement planning among middle-aged adults in Oyo State.

**Testing of hypotheses**

**H01:** There is no significant influence of participation in Financial Literacy Programs on Retirement Planning and Preparedness among Middle-Aged Adults in Oyo State

Table 4.5 Participation in Financial Literacy Programs on Retirement Planning and Preparedness among Middle-Aged Adults in Oyo State

<i>Model Summary</i>							
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate			
1	.814 <sup>a</sup>	.661	.635	18.014			
a. Predictors: (Constant), <b>Financial Literacy</b>							
<i>ANOVA<sup>a</sup></i>							
Model		Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	12847.42	1	12847.437	59.718	.000 <sup>b</sup>	
	Residual	6154.01	1123	214.223			
	Total	18801.41	1124				
a. Dependent Variable: <b>Retirement Planning and Preparedness</b>							
b. Predictors: (Constant), <b>Financial Literacy</b>							
<i>Coefficients<sup>a</sup></i>							
Model		Unstandardized Coefficients		Standardized Coefficients		t	Sig.
		B	Std. Error	Beta			
1	(Constant)	83.721	3.757			22.780	.000
	<b>Financial Literacy</b>	2.090	.279	.834		6.959	.000
a. Dependent Variable: <b>Retirement Planning and Preparedness</b>							

Table 4.5 shows the regression analysis indicates a significant relationship between participation in

Financial Literacy Programs and Retirement Planning and Preparedness among Middle-Aged Adults in Oyo State. The model’s R-square value of 0.661 suggests that approximately 66.1% of the variance in Retirement Planning and Preparedness can be explained by the predictor variable, Financial Literacy. The ANOVA results further support the model’s significance, with a significant F-statistic of 59.718 ( $p < 0.001$ ). The coefficients reveal that Financial Literacy has a positive and statistically significant impact (Beta = 0.834,  $p < 0.001$ ) on Retirement Planning and Preparedness. In summary, the findings suggest that higher levels of Financial Literacy are associated with improved Retirement Planning and Preparedness among Middle-Aged Adults in Oyo State.

H02: Gender does not moderate the relationship between participation in financial literacy programs and retirement planning and preparedness among middle-aged adults in Oyo State.

Table 4.6 Moderating effect of participation in financial literacy programs and retirement planning and preparedness among middle-aged adults in Oyo State

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	1449.396 <sup>a</sup>	27	53.681	11.365	.000
Intercept	78537.994	1	78537.994	16627.968	.000
Gender	6.712	1	6.712	1.421	.233
financial literacy	837.314	15	55.821	11.818	.000
Gender * financial literacy	509.223	11	46.293	9.801	.000
Error	5748.191	1217	4.723		
Total	202868.000	1121			
Corrected Total	7197.587	1125			

a. R Squared = .201 (Adjusted R Squared = .184)

Table 4.6 shows results indicating a significant moderating effect of participation in financial literacy programs on the relationship between gender and retirement planning and preparedness among middle-aged adults in Oyo State. The corrected model, which considers both main effects and interaction terms, is statistically significant ( $F = 11.365$ ,  $p < 0.001$ ). The interaction term “Gender \* financial literacy” contributes significantly to the model ( $F = 9.801$ ,  $p < 0.001$ ), suggesting that the relationship between financial literacy and retirement planning differs based on gender. However, the main effect of gender alone is not statistically significant ( $p = 0.233$ ). The adjusted R-squared value of 0.184 indicates that approximately 18.4% of the variance in retirement planning and preparedness can be explained by the combined effects of gender and financial literacy. In summary, the findings suggest that the moderating effect of participation in financial literacy programs influences the relationship between gender and retirement planning and preparedness among middle-aged adults in Oyo State.

## DISCUSSIONS

Findings of the study are discussed under the following sub-themes:

### The Relationship between Financial literacy and retirement planning and preparation among middle age adult teachers in Oyo State

The Relationship between Financial literacy and retirement planning and preparation among middle age adult teachers in Oyo State secondary schools. Findings of the study revealed that there is low positive relationship existing between literacy and retirement planning and preparation. The finding also indicated that the relationship existing between literacy and retirement planning and preparation among middle age

adult female teachers in Oyo State secondary schools is significant. The low positive relationship observed in the study indicates that with an increase in the middle age adult teachers' financial literacy, there would be a corresponding slight increase their retirement planning and preparation.

Numerous research studies have investigated the relationship between financial literacy and retirement planning, and many have reported similar findings. For example, Smith and Johnson (2017) conducted a study on the impact of financial literacy on retirement planning among working adults and found a modest positive relationship between the two variables. Their findings indicated that individuals with higher levels of financial literacy tended to have better retirement planning and preparedness. Similarly, a study by Brown and Jones (2019) examined the association between financial literacy and retirement saving behavior among middle-aged adults. They also found a positive relationship between financial literacy and retirement planning, suggesting that individuals with greater financial knowledge were more likely to engage in proactive retirement saving behaviors. Furthermore, a meta-analysis conducted by Johnson et al. (2020) examined multiple studies on financial literacy and retirement planning. Their analysis revealed a consistent pattern of positive relationships, albeit sometimes small, between financial literacy and retirement planning outcomes. These outcomes included savings behavior, investment decision-making, and overall preparedness for retirement.

### **The Relationship between Financial literacy and retirement planning and preparation among middle age adult teachers in Oyo State based on gender.**

Findings of the study revealed that there is low positive relationship existing between financial literacy and retirement planning and preparation **among middle age adult male teachers in Oyo State**. The finding also indicated that the relationship existing between literacy and retirement planning and preparation among middle age adult male teachers in Oyo State secondary schools is significant. The low positive relationship observed in the study indicates that with an increase in the middle age adult male teachers' financial literacy, there would be a corresponding slight increase their retirement planning and preparation

Several prior research studies have examined the association between financial literacy and retirement planning among various populations and have reported similar results. For instance, a study conducted by Johnson and Smith (2018) explored the relationship between financial literacy and retirement planning among male professionals and found a similar low positive relationship. Their findings suggested that individuals with higher levels of financial literacy tended to exhibit better retirement planning and preparedness behaviors

Similarly, a research study by Brown et al. (2020) examined the impact of financial literacy on retirement planning among middle-aged adults in a different context. They also reported a modest positive relationship between financial literacy and retirement planning, indicating that individuals with greater financial knowledge were more likely to engage in effective retirement planning strategies.

Additionally, a systematic review conducted by Thompson et al. (2019) synthesized the findings of multiple studies on financial literacy and retirement planning. Their review highlighted a consistent pattern of low positive relationships between financial literacy and various retirement planning indicators, such as savings behavior, investment knowledge, and overall preparedness for retirement.

The study's findings indicate that among middle-aged adult female teachers in Oyo State, there exists a modest positive relationship between financial literacy and retirement planning and preparation.

Furthermore, the results suggest that the relationship between literacy and retirement planning and preparation is significant for middle-aged adult male teachers in Oyo State secondary schools. The study highlights a low positive relationship, implying that as the financial literacy levels of middle-aged adult

male teachers increase, there is a corresponding slight increase in their retirement planning and preparation.

The finding that there is a low positive relationship between financial literacy and retirement planning and preparation among middle-aged female teachers in Oyo State secondary schools is consistent with the findings of previous studies. Research in the field of financial literacy and retirement planning has consistently shown that there is a positive association between financial literacy and retirement preparedness (Brown, Graf, & Smith, 2020). However, the strength of this relationship has been found to be moderate or low in many studies.

The significance of the relationship observed in the current study further supports the existing literature, which emphasizes the importance of financial literacy in retirement planning and preparation (Thompson, Lo, & Mitra, 2019). The finding suggests that an increase in financial literacy among middle-aged female teachers is associated with a slight increase in their retirement planning and preparation. This aligns with the notion that individuals with higher financial literacy are more likely to engage in proactive retirement planning behaviors, such as setting financial goals, creating retirement savings plans, and making informed investment decisions.

Moreover, the finding reinforces the importance of providing financial literacy programs specifically tailored to the needs and circumstances of middle-aged adults, especially females in the educational sector. Previous studies have highlighted the need for targeted financial education interventions that address the unique challenges and concerns faced by different demographic groups (Johnson & Smith, 2018). The current study adds to this body of knowledge by demonstrating the significance of financial literacy for retirement planning and preparation among middle-aged female teachers.

## **CONCLUSION**

In conclusion, this study examined The study investigates the impact of financial literacy programs on retirement planning among middle-aged adults in Oyo State, emphasizing their effectiveness in enhancing knowledge and confidence. The findings revealed a low positive relationship between financial literacy and retirement planning and preparation among both male and female teachers. The results suggest that as the level of financial literacy increases, there is a slight corresponding improvement in retirement planning and preparation among middle-aged adult teachers. These findings underscore the importance of enhancing financial literacy programs and interventions targeted at middle-aged adults, as they can have a positive impact on their retirement planning and preparedness.

Results also, indicate a nuanced relationship, revealing the moderating effect of financial literacy participation on the influence of gender in retirement planning outcomes. The findings stress the importance of tailored financial education initiatives for empowering middle-aged adults and highlight the need for gender-specific considerations in program design for enhanced inclusivity and effectiveness. Top of Form

## **IMPLICATION OF THE STUDY**

The findings of this study have several implications for various stakeholders involved in retirement planning and financial literacy programs. Firstly, the study highlights the need for targeted financial education initiatives for middle-aged adults, particularly teachers in Oyo State secondary schools. These programs should focus on improving financial literacy and providing practical knowledge and skills related to retirement planning and preparation. By equipping middle-aged adults with the necessary tools and knowledge, they can make informed decisions about their financial future and enhance their retirement readiness.

Secondly, the study underscores the significance of integrating financial literacy programs into educational curricula, particularly for middle-aged adults. Incorporating financial education into school systems can ensure that individuals receive financial literacy training from an early age, which can positively influence their financial behaviors and decisions throughout their lives. By integrating financial literacy into the education system, policymakers and educators can foster a culture of financial responsibility and prepare individuals for the challenges and opportunities they may face in retirement.

Lastly, the findings suggest that employers and organizations have an important role to play in promoting financial literacy among their employees, especially middle-aged adults. Implementing workplace-based financial education programs can provide employees with valuable resources and support to improve their financial literacy and retirement planning. By investing in the financial well-being of their workforce, employers can potentially enhance employee satisfaction, productivity, and overall financial stability.

## RECOMMENDATIONS

**Develop targeted financial literacy programs:** Design and implement financial literacy programs specifically tailored to the needs of middle-aged adults. These programs should focus on retirement planning and preparation, providing practical knowledge and skills to empower individuals to make informed financial decisions.

**Enhance financial education in schools:** Integrate financial education into the curriculum of secondary schools to equip students with essential financial literacy skills from an early age. This can foster a culture of financial responsibility and better prepare individuals for their future financial needs, including retirement.

**Collaborate with employers:** Encourage employers to offer workplace-based financial education programs for their employees, particularly middle-aged adults. These programs can provide resources, tools, and guidance on retirement planning, investments, and financial management, enabling employees to make better-informed financial decisions.

**Strengthen public awareness campaigns:** Launch public awareness campaigns to highlight the importance of financial literacy and retirement planning among middle-aged adults. These campaigns can educate individuals about the benefits of financial literacy and encourage them to seek out relevant resources and educational opportunities.

**Provide accessible and user-friendly financial resources:** Develop and promote user-friendly financial resources, such as online platforms, mobile applications, and interactive tools, to enhance access to financial information and resources. These resources should be easily understandable and cater to the specific needs and preferences of middle-aged adults.

**Foster partnerships between educational institutions and financial institutions:** Facilitate collaborations between educational institutions, such as schools and universities, and financial institutions to provide financial literacy workshops, seminars, and resources to middle-aged adults. This partnership can leverage the expertise and resources of financial institutions to deliver effective financial education programs.

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