



A Conceptual Framework For Financial Literacy And Retirement Planning Among Youth In Sarawak, Malaysia

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Abstract

Retirement planning is an essential component of personal financial management, especially in the face of rising life expectancy, evolving employment structures, and the gradual shift away from public pension reliance. In Malaysia, despite ongoing national efforts to improve financial literacy, many young individuals, particularly in Sarawak, continue to face challenges in preparing adequately for retirement. Alarming statistics show that 70 percent of EPF contributors in Sarawak have savings below RM10,000, while 60 percent of youth are unable to cover a RM1,000 emergency without resorting to borrowing. These figures highlight the urgency of addressing financial preparedness among this demographic. This study aims to explore the factors that influence personal retirement planning among youth aged 15 to 30 in Sarawak. Specifically, it examines the roles of financial knowledge, computation capability, financial education, and attitudes toward financial products. A cross-sectional survey design will be employed, and data will be analyzed using Structural Equation Modeling to determine the strength and direction of relationships between the identified variables. The questionnaire includes sections on socioeconomic background and validated scales measuring each construct. The expected findings will provide insight into the financial behaviours and literacy levels of Sarawakian youth, identifying key gaps and opportunities for intervention. For practitioners and educators, the study offers guidance on how to develop targeted financial literacy programs that resonate with young people's lived realities. From a policy perspective, the results support the need for region-specific strategies that incorporate financial education into broader development plans. This research contributes to the growing body of knowledge aimed at promoting long-term financial resilience among youth in emerging economies.

Keywords: *financial literacy, personal retirement planning, Sarawak youth*

1. Introduction

The importance of financial literacy as a determinant of sound personal financial management has gained increasing attention globally, particularly in the context of retirement planning. In recent decades, the shift from public pension schemes to individual retirement responsibility has intensified the need for individuals to possess adequate financial knowledge and skills to secure their post-retirement well-being (Bardy, 2025). While numerous studies have examined the relationship between financial literacy and retirement planning in developed economies, there remains a paucity of research addressing this issue within developing regions, particularly in the Malaysian context. Youths in Malaysia are defined in the National Youth Development Policy as those aged 15 to 30; they account for 30.5% of the total population (Ng & Thomas, 2023). In Sarawak, one of Malaysia's largest states, concerns regarding retirement preparedness are growing, especially among the population approaching mid-life and early pre-retirement age. Although Malaysia has introduced financial education initiatives through various governmental and non-governmental platforms, financial literacy levels remain uneven across regions and demographic groups. Sarawak's demographic and economic landscape presents distinct challenges for youth retirement planning. With 42% of rural households lacking access to formal banking services and 52% of youth not engaging in regular savings (Lau, 2025), the state's financial ecosystem contrasts sharply with Peninsular Malaysia's more developed infrastructure. The Employees Provident Fund (EPF), Malaysia's compulsory savings scheme, covers only formal sector workers, leaving 35% of Sarawak's youth in informal occupations without structured retirement vehicles (EPF, 2024; The Edge Malaysia, 2021). Recent initiatives like Bank Negara Malaysia's Financial Education Network (FE Network) and PRS Pewaris' youth engagement programs highlight recognition of these disparities (Sarawak Tribune, 2025; Idris, 2016).

1.2. Problem Statement

Despite Malaysia's upper-middle-income status, Sarawakian youth face a retirement preparedness crisis:

- 70% of EPF contributors in Sarawak have balances below RM10,000, insufficient for basic retirement needs (Lau, 2025; The Edge Malaysia, 2021)



- Only 27% understand compound interest calculations, a foundational financial literacy metric (Lau, 2025).
- 60% would struggle to cover RM1,000 emergencies without borrowing (Lau, 2025).

These issues persist despite the DRC study's confirmation of financial literacy's role in retirement planning, suggesting contextual factors may mediate this relationship in Sarawak (Leong, 2019).

1.3. Research Objectives

The primary aim of this research is to explore the factors influencing personal retirement planning behaviours within the specified age group in Sarawak. Specifically, the objectives were designed to:

1. To determine the levels of Personal Retirement Planning (PRP) among individuals aged 15-30 residing in Sarawak.
2. To evaluate the levels of key financial literacy components, including Financial Knowledge (FN), Computation Capability (CP), exposure to Financial Education (FE), and Attitudes Toward Financial Products (ATFP), among individuals aged 15-30 in Sarawak.
3. To examine the nature and strength of the relationships between each financial literacy component (FN, CP, FE, ATFP) and Personal Retirement Planning (PRP).

2. Literature Review

2.1. Theoretical Framework

This study is based on the life cycle hypothesis (Modigliani, 1950s), which states that rational actors smooth their consumption across time through savings and investments. According to the Life Cycle Hypothesis (LCH), people plan their spending and saving habits based on their predicted lifetime income rather than just their current earnings. Key assumptions of the theory include:

1. **Income Variability Over a Lifetime:** Earnings do not remain constant; they normally climb in the early working years, peak in mid-career, and fall after retirement.
2. **Consumption Smoothing:** Individuals prefer stable consumption levels throughout their lives, adjusting savings and borrowing to maintain consistent living standards.
3. **Rational Financial Planning:** People make optimal financial decisions by forecasting future income, expenses, and retirement needs.

According to LCT, individuals accumulate wealth during their working years (accumulation phase) and draw down savings post-retirement (decumulation phase). The theory suggests that effective retirement planning requires early savings to ensure financial stability in later years when income diminishes. However, Safari et al.'s DRC findings revealed structural limitations to this theory in developing economies:

- Only 2/4 financial literacy constructs (computation capability, financial knowledge) significantly impacted retirement planning (Leong, 2019). Financial education programs showed no measurable effect, attributed to low baseline literacy rates (Leong, 2019).

2.2. Personal Retirement Planning (PRP)

Financial literacy and personal retirement planning (PRP) among youth in Sarawak, Malaysia, remain critical yet underexplored areas. Empirical evidence suggests that financial literacy has a positive influence on youths' financial decision-making, including their saving habits and retirement planning (Sim et al., 2025; Rahayu et al., 2024). However, rural youth in Sarawak face unique challenges such as limited internet access and lower exposure to digital financial tools, which hinder effective financial education and PRP engagement (Rahayu et al., 2024). National initiatives, such as Malaysia's Financial Education Network (2019–2023), have integrated financial literacy into school curricula to prepare youth for complex financial challenges. However, localized data indicate persistent gaps in Sarawak (Financial Education Network, 2019; Prudential, 2023). Despite government-mandated savings plans such as the Employees Provident Fund, many young Sarawakians lack adequate retirement savings, with nearly 70% having less than RM10,000 in their accounts. (Prudential, 2023). Cultural factors and socio-economic constraints further



complicate youth engagement in PRP (Sim et al., 2025). Recent interventions targeting Sarawak’s youth, including workshops on budgeting and investment, show promise but require scaling and adaptation to regional contexts (Prudential, 2023). Future research should focus on longitudinal impacts of financial literacy programs and culturally sensitive strategies to enhance PRP among Sarawak’s youth.

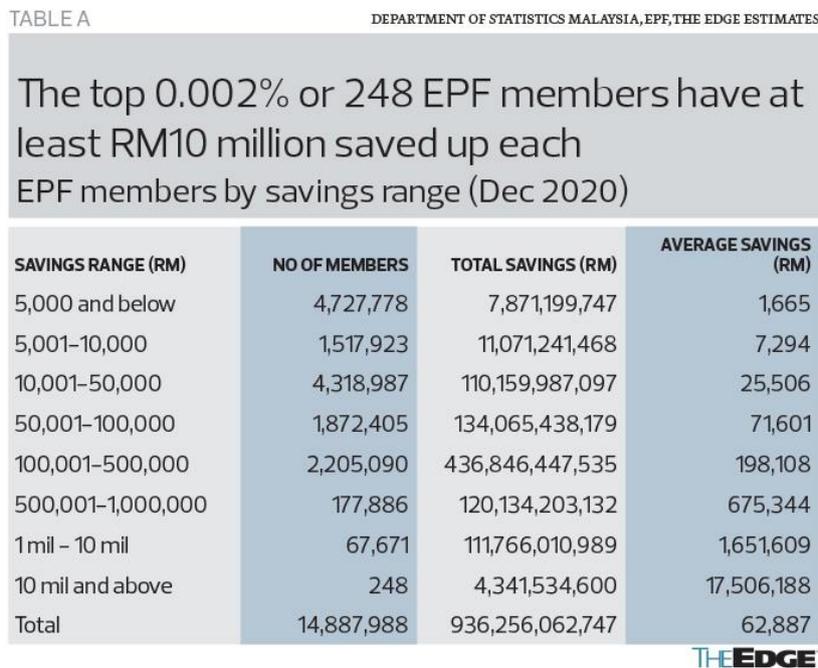


Figure 1 – Savings of EPF Members (The Edge Malaysia, 2021)

Figure 1 presents data on EPF members classified by savings range as of December 2020, attributed to the Department of Statistics Malaysia, EPF, and The Edge Estimates. It provides crucial insights into the distribution of retirement savings among Malaysian workers contributing to the EPF. The most striking statistic highlighted is that "The top 0.002% or 248 EPF members have at least RM10 million saved up each." This immediately points to a significant concentration of wealth at the very top tier of EPF contributors. The table itself breaks down the distribution across various savings ranges. We can observe that the largest number of members, totaling 4,727,778, fall into the lowest savings category of RM5,000 and below, with an alarmingly low average savings of just RM1,665. Even the next category, RM5,001-RM10,000, includes 1,517,923 members with an average of RM7,294. Cumulatively, this means a substantial portion of EPF members had very modest savings as of late 2020. Moving up the ranges, while the number of members decreases, the average and total savings increase significantly. For instance, the 67,671 members in the RM1 million to RM10 million range had an average of over RM1.6 million. The small group at RM10 million and above, while only 248 individuals, held a total of over RM4.3 billion, averaging over RM17.5 million each. From a financial literacy perspective, this data is quite revealing. The large number of members with minimal savings suggests potential issues related to financial knowledge, budgeting, consistent contributions, or perhaps low income levels that limit savings capacity. The wide disparity between the lowest and highest savings ranges underscores inequality in retirement preparedness. This infographic serves as a compelling piece of evidence highlighting the scale of the challenge faced by a large segment of the population in accumulating sufficient funds for retirement, an issue directly relevant to the effectiveness of financial education initiatives and policies aimed at refining retirement security.

2.3. Financial Knowledge (FN)

Financial knowledge (FN) refers to an individual’s understanding of financial concepts such as interest rates, inflation, risk diversification, and investment strategies (Ying & Jamal, 2023). FN among youth in Sarawak, Malaysia, is critical for effective retirement planning and long-term financial security. Despite initiatives like Malaysia’s National Strategy for Financial Literacy 2019-2023, which integrates financial education into school curricula, many youths face financial challenges, with about 73% affected by debt, insufficient savings, and lack of emergency funds as of 2023 (Prudential Malaysia, 2023). Studies show a positive correlation between financial knowledge and prudent financial behaviours such as saving and debt management, which are essential for retirement readiness (Sim et al., 2025). However, socioeconomic inequities, rural-urban divides, and restricted access to digital resources create obstacles, particularly for rural youngsters. (Rahayu et al., 2024). Gender inequalities also exist, with males being more confident



in financial knowledge. However, saving habits are similar across genders. (Sabri et al., 2024). The impact of social media and consumer culture complicates financial decisions. Despite improvements, addressing these difficulties will require tailored, practical financial literacy programs. More research is needed to determine how financial knowledge translates into long-term retirement planning habits, as well as the impact of psychological factors in determining financial literacy outcomes among Sarawak's youth.

2.4. Computation Capability (CP)

Financial computation capability (CP) is a vital aspect of financial literacy influencing retirement planning among youth in Sarawak, Malaysia. Also known as numeracy skills, CP captures a person's ability to perform basic mathematical calculations required for financial decision-making (Sunderaraman et al., 2022). Recent studies from 2019 to 2024 reveal that young adults in Sarawak demonstrate limited proficiency in basic financial computations, such as understanding compound interest and inflation effects, which are crucial for effective retirement planning (Sim et al., 2023). For example, only 58% of youths correctly answered questions related to inflation-adjusted savings growth, indicating gaps in their ability to perform essential financial calculations (Sim et al., 2023). This deficiency hampers their capacity to make informed decisions about saving, investing, and managing debt, thereby affecting their future financial security. The Malaysian government, through initiatives like Bank Negara Malaysia's School Adoption Program and the integration of financial education into the national curriculum, has sought to improve youths' financial skills, including computation abilities (Bank Negara Malaysia, 2024). However, disparities persist, especially among rural youths in Sarawak, due to limited access to financial resources and digital tools (MEITD Sarawak, 2023). The 2024 Financial Capability and Inclusion Survey reported stagnant financial literacy levels, underscoring the need for targeted interventions focusing on computational skills to enhance retirement planning readiness (Bank Negara Malaysia, 2024).

2.5. Financial Education (FE)

Financial education encompasses formal or informal learning experiences related to financial management (Lim & Jamal, 2023). Financial education can be acquired through academic courses, workplace training, or public awareness campaigns (Rahim et al., 2023). Financial literacy and retirement planning among youth in Sarawak, Malaysia, are critical areas of study, particularly due to the expanding gig economy and limited institutional retirement coverage for self-employed individuals. Alam and Chen (2021) found that financial awareness positively correlates with retirement preparedness among Malaysian self-employed youth, though gaps remain in understanding financial products and savings targets. Kaiser et al. (2019) showed that financial education (FE) significantly enhances financial literacy and behaviour, with lasting impacts on retirement planning. Similarly, Fernandes et al. (2022) highlighted FE's role in reducing high-cost credit reliance and promoting long-term financial resilience. Experiential learning methods, like virtual simulations, have also been identified as effective tools to bridge theoretical knowledge and practical application in digital financial environments (Sutter et al., 2024). Despite global evidence supporting FE, challenges persist in adapting curricula to diverse socioeconomic contexts, particularly in Sarawak. Local initiatives, such as the 2024 Sarawak Graduate Financial Convention by Bank Negara Malaysia, aim to address financial challenges through workshops on budgeting and debt management. However, research focusing specifically on Malaysian youth remains sparse. Future studies should prioritize localized financial education programs to assess their efficacy within Sarawak's unique cultural and institutional context (Alam & Chen, 2021).

2.6. Attitudes Toward Financial Products (ATFP)

Attitude toward financial products reflects individuals' perception, beliefs, and predisposition toward using financial instruments such as savings accounts, insurance, credit cards, and investments (Ying & Jamal, 2023). The literature on attitudes toward financial products (ATFP) among youth in Sarawak, Malaysia, indicates that financial literacy is a key component in determining young adults' financial behaviours and their approach to retirement planning. Several studies have examined the effect of financial education and awareness on youth attitudes toward financial products, including savings, insurance, and credit cards. For instance, Lim and Jamal (2023) observed that while Malaysian youth demonstrate strong knowledge of savings and insurance products, they often lack a clear understanding of credit card usage. This gap in financial literacy is linked to varying attitudes toward financial planning, with greater awareness correlating to more favorable views on products like life insurance for family protection (Ying & Jamal, 2023). Furthermore, Tulpule and Chougule (2020) highlight a cultural shift from saving to spending among Malaysian youth, emphasizing the need for enhanced financial education to foster better credit management. Plata-Gómez and Caballero-Márquez (2023) provide evidence that financial education programs effectively improve young people's financial behaviours, particularly in relation to savings and retirement planning. Additionally, Rahim et al. (2023) argue that financial literacy, influenced by both educational and social factors, significantly shapes financial attitudes, suggesting



that targeted educational interventions are essential for promoting more informed financial decision-making (Plata-Gómez & Caballero-Márquez, 2023).

2.7. Key Financial Literacy Challenges faced by Youth in Sarawak

Sarawakian youth face multifaceted financial literacy challenges shaped by geographical, cultural, and structural factors:

2.7.1. Structural Access Barriers

A significant hurdle for Sarawakian youth lies in structural access barriers, primarily stemming from geographical isolation and the digital divide. Due to Sarawak's vast and often challenging terrain, approximately 42% of rural households lack basic banking access. This forces individuals to rely on informal savings methods, such as cash or barter systems, thereby limiting their exposure to formal financial tools and products (Lau, 2025; Lu et al., 2024). Compounding this is the digital divide; only about 68% of rural households have reliable internet access. This disparity is stark when compared to urban areas, which boast 95% internet penetration, creating unequal access to digital banking services and essential online financial education resources (Lau, 2025; Lu et al., 2024).

2.7.2. Educational Deficits

Educational systems in Sarawak, particularly in rural areas, often exhibit deficits in financial literacy instruction. Many rural schools lack dedicated financial literacy modules in their curriculum. This is reflected in academic performance, with 35% of students scoring below average in numeracy, a foundational skill necessary for effective budgeting and understanding concepts like interest calculations (Lau, 2025; Lu et al., 2024). Furthermore, comprehension rates for complex financial concepts are low among Sarawakian youth; only 27% understand compound interest. Nationally, the picture is also concerning, with 62% of Malaysian youth demonstrating low financial literacy, which significantly impairs their ability to undertake long-term planning, such as retirement savings, and manage debt effectively (Lau, 2025; Suhaimi, 2024).

2.7.3. Cultural and Economic Practices

Cultural practices and economic realities also influence financial habits. Significant festival expenditures, particularly during celebrations like Gawai and Hari Raya, are important cultural obligations but can strain household budgets and divert funds that might otherwise be allocated to long-term savings (Lau, 2025). Economically, a considerable portion of the youth, estimated at 35%, are engaged in the informal sector. These individuals typically lack access to formal, structured retirement savings plans like the Employees Provident Fund (EPF), leaving them financially vulnerable in their later years (Lau, 2025; Seng, 2024). Additionally, young entrepreneurs in Sarawak often face challenges with basic bookkeeping and financial management skills, which can hinder their ability to secure necessary funding or scale their businesses (Seng, 2024).

2.7.4. Financial Vulnerability

These factors contribute to significant financial vulnerability among Sarawakian youth. A high percentage of Malaysian youth, specifically 73%, report facing debt challenges. The rise of easily accessible credit options, such as predatory Buy Now, Pay Later (BNPL) schemes, is exacerbating this issue and increasing overall indebtedness (Suhaimi, 2024). The lack of emergency preparedness is also stark: 60% of youth cannot cover an unexpected RM1,000 expense without needing to borrow funds. Furthermore, a concerning 70% of EPF contributors in Sarawak have account balances below RM10,000, an amount widely considered insufficient for a comfortable retirement (Lau, 2025; Sim et al., 2023). These statistics paint a concerning picture of financial fragility among Sarawakian youth, underscoring the urgent need for targeted financial literacy interventions, responsible credit education, and long-term savings strategies to build a more resilient and financially secure younger generation.

2.7.5. Policy and Systemic Gaps

Finally, existing policy and systemic gaps perpetuate these challenges. Many financial education initiatives, including those from national bodies like Bank Negara Malaysia's Financial Education Network (FE Network), tend to be urban-centric. They often have limited reach in rural areas and may fail to address the need for dialect-specific or culturally tailored educational content that resonates with diverse communities across Sarawak (Lau, 2025; Lu et al., 2024). It is also important to acknowledge that financial literacy levels can vary across different ethnic groups, often influenced by factors like parental financial socialization and differing levels of access to financial resources (Wee & Goy, 2022). These deeply embedded challenges mentioned previously naming structural, educational, cultural, economic, and



systemic contribute to the cycles of poverty and financial instability among Sarawakian youth. Addressing them effectively will necessitate hybrid solutions that include expanding digital infrastructure, integrating culturally relevant financial education into school curricula, and designing policies that are specifically tailored to bridge the significant urban-rural divides (Lau, 2025; Lu et al., 2024).

2.8. Empirical Gaps in Existing Research

Let's now shift our focus from the challenges faced by Sarawakian youth to the state of academic research in this domain and identify key empirical gaps that need to be addressed. Understanding where the research falls short is essential for guiding future studies and informing effective policy.

2.8.1 Geographical Bias

A significant empirical gap is the pronounced geographical bias in financial literacy research. Globally, a disproportionate 78% of studies tend to focus on OECD nations, while only a mere 12% are dedicated to Southeast Asia (Leong, 2019). This creates a clear deficit in understanding financial literacy within our specific regional context. More locally, despite the Employees Provident Fund (EPF) managing substantial assets totaling RM1.01 trillion as of 2024, there is a notable absence of structural equation modeling (SEM)-based analyses specifically examining financial literacy among Malaysian youth, which could provide deeper insights into the complex interplay of factors influencing their financial behaviour (EPF, 2024).

2.8.2. Measurement Inconsistencies

Furthermore, the field suffers from inconsistencies in how financial literacy is defined and measured. For example, Safari et al. utilized a four-construct model encompassing knowledge, computation, education, and attitudes (Leong, 2019). In contrast, a study by Nur Baiti et al. in Malacca (2018), as cited by Shafee et al. (2018), found that only "intention" was a significant predictor of financial behaviour, seemingly dismissing the role of literacy itself. This lack of standardized measurement hinders comparability across studies and the development of robust theoretical frameworks. More recently, the Sarawak Tribune (2025) has highlighted digital literacy as a critical, yet often unmeasured, variable in understanding contemporary financial capabilities, particularly relevant in a rapidly digitizing financial landscape (Lau, 2025).

2.8.3. Policy-Research Disconnect

Finally, there appears to be a disconnect between policy implementation and empirical research. While initiatives like Bank Negara Malaysia's Financial Education Network (FE Network) were launched as early as 2016 (Idris, 2016), there is a noticeable lack of baseline impact studies preceding or accompanying their 2025 programmatic efforts. Without such studies, evaluating the effectiveness of these large-scale initiatives becomes challenging. Similarly, guidelines like EPF's Belanjawanku 2024/25 provide valuable budgeting advice but often assume a uniform level of financial access and infrastructure across all regions of Malaysia, failing to empirically account for the significant urban-rural disparities we discussed earlier (EPF, 2024). This highlights the need for research that can directly inform and evaluate the assumptions underpinning financial policies.

Conceptual Framework

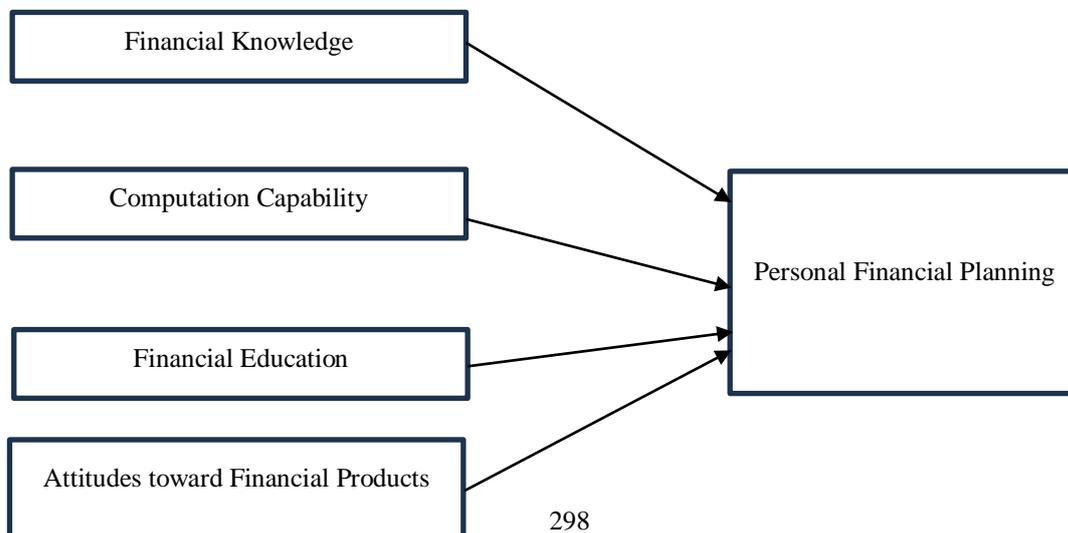




Figure 2. The Conceptual Framework (Adopted from Safari et al., 2021)

The framework illustrates the relationship between four key independent variables and the dependent variable of Personal Financial Planning. This framework aims to understand how various dimensions of financial literacy and behaviour influence individuals' capacity and propensity to engage in effective personal financial planning. The framework posits that individuals with higher financial knowledge are better equipped to make informed financial decisions, thereby enhancing their financial planning. The model assumes that individuals with strong computational skills can better analyze financial options, budgets, and investment returns, supporting more accurate and strategic financial planning. The framework suggests that exposure to financial education positively influences personal financial planning by equipping individuals with the tools and knowledge to manage their finances effectively. Positive attitudes are hypothesized to foster engagement with financial products, which is an essential component of comprehensive financial planning. Below is the summary of hypotheses:

H1: Financial Knowledge (FN) is positively related to Personal Retirement Planning (PRP).

H2: Computation Capability (CP) is positively related to Personal Retirement Planning (PRP).

H3: Exposure to Financial Education (FE) is positively related to Personal Retirement Planning (PRP).

H4: Attitudes Toward Financial Products (ATFP) are positively related to Personal Retirement Planning (PRP).

3. Methodology

Our study will employ a cross-sectional survey-based design. This approach will be chosen to effectively capture simultaneous data on financial literacy levels and personal retirement planning behaviours among the target demographic in Sarawak at a specific point in time. For the empirical model, we will adopt a framework from previous research (Safari et al., 2021), focusing on the key constructs relevant to our investigation. The model will examine the relationship between Personal Retirement Planning (PRP) and several hypothesized predictors: Financial Knowledge (FN), Computation Capability (CP), Financial Education (FE), and Attitudes Toward Financial Products (ATFP). The data collection procedure will involve the administration of a structured questionnaire. This instrument will be systematically divided into two main parts. The first part will gather information on the socioeconomic profile of the participants, including demographic details such as age, gender, income level, and educational attainment. The second part will contain specific measures designed to assess the financial literacy constructs (FN, CP, FE, ATFP) and the dependent variable, Personal Retirement Planning (PRP). Participants for the study will be recruited from various sectors across Sarawak, including individuals working in government and private organizations, to ensure a diverse representation within the sample. Before the commencement of data collection, ethical clearance for this study will be obtained from the Research Ethics Committee of Universiti Teknologi MARA. The application will include all relevant documentation, including the research proposal, survey instruments, consent forms, and data protection procedures. This step ensures that the study complies with institutional and national ethical standards, particularly in safeguarding the rights, privacy, and confidentiality of all participants involved.

In terms of operationalization and measurement of variables, PRP will be measured using a series of Likert scale questions designed to capture individuals' engagement in retirement savings and investment decisions. FN will be assessed through questions probing knowledge of fundamental financial concepts such as budgeting, interest rates, and inflation. CP items will evaluate participants' numerical abilities and their understanding of basic financial calculations and concepts. FE will be operationalized by measuring the level of participants' exposure to formal financial education programs or initiatives. Lastly, ATFP will be gauged through questions exploring participants' attitudes and perceptions regarding specific retirement products like pension plans and insurance schemes.

4. Analysis of Findings

Upon completing data collection and analysis, we will summarize the socioeconomic characteristics of the respondents. The sample will be broken down to show distributions by age groups, gender, educational levels, and income brackets, providing a demographic context for our findings. We will then conduct a descriptive analysis of the study variables. This will provide an initial overview of the general financial literacy levels observed within the sample and will characterize the typical personal retirement planning behaviours reported by the participants. The core of our analysis will involve Structural Equation Modeling (SEM). Using SEM, we will test the hypothesized relationships between the financial literacy constructs (FN, CP, FE, ATFP) and Personal Retirement Planning (PRP). We will conduct rigorous tests for internal consistency and reliability, assessing measures such as Cronbach's alpha and composite reliability for our constructs. Furthermore, we will evaluate the convergent and discriminant validity of the constructs to ensure they



are measuring what they intend to measure and are distinct from other constructs in the model. Finally, we will assess the predictive power of our model and its overall fit to the data. The predictive power test will indicate how well the combined financial literacy constructs explain the observed variations in personal retirement planning behaviours among the respondents. We will also evaluate the model's goodness of fit using various indices (e.g., GoF), confirming whether our hypothesized model provides a reasonable representation of the relationships within the data.

5. Conclusion and Recommendations

Based on the empirical findings, several key conclusions will emerge regarding the influence of financial literacy on retirement planning among individuals aged 15–30 in Sarawak. Our results will summarize which specific dimensions of financial literacy naming Financial Knowledge, Computation Capability, Financial Education, and Attitudes Toward Financial Products to show a significant influence on individuals' engagement in Personal Retirement Planning. These findings will carry important practical implications. We will propose recommendations for policymakers in both Sarawak and at the federal level in Malaysia, emphasizing the need to enhance financial literacy programs. Specifically, these programs should be targeted towards individuals within the 15–30 age range, given their proximity to long-term financial decisions and the identified gaps in their planning behaviours. Furthermore, we will suggest avenues for both the public and private sectors to collaborate on improving access to and the effectiveness of retirement planning resources and tools available to this demographic. We acknowledge certain limitations inherent in our study, including potential constraints related to sample size and the cross-sectional nature of the data collection, which limit our ability to infer causality or capture changes over time. Recognizing these limitations, we provide recommendations for future research on financial literacy and retirement planning in Malaysia. These suggestions include the potential benefits of employing longitudinal study designs to track changes in financial behaviour over time and exploring other potential factors that may influence retirement planning beyond those included in our current model.

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