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Abstract

This research aims to determine the determinants of retirement security (RS) among Malaysian civil servants, identify the "inputs"—retirement literacy, retirement behaviour, and professional financial advice—and the "throughput"—attitudes toward retirement (ATR)—to reach the intended "outputs"—RS. Self-administered questionnaires were utilised to survey Malaysian civil servants regarding their RS. A multi-stage random sampling method was used to draw a representative sample of Malaysian civil servants and 361 completed self-administered questionnaires were received from 25 government departments in 5 regions: North, South, East, West and East Malaysia (Sabah). Covariance-Based Structural Equation Modelling statistically analysed data. With a R square of 0.42, the RS model explains 42% of retirement security variances. ATR and retirement behaviour significantly influence Malaysian civil servants' RS. Partial mediation was depicted in the influence of retirement behaviour; on RS, and full mediation was shown in the influence of retirement literacy and professional financial advice; on RS. This study could help policy-makers, government, and non-government organisations identify Malaysian civil servants' vulnerability to unsecured retirement based on socio-economic attributes and practises. These agencies could design RS programmes for Malaysian civil servants based on retirement literacy, retirement behaviour, professional financial advice, and ATR levels.
Keywords: Attitudes towards Retirement, Civil Servants, Professional Financial Advice, Retirement Behaviour, Retirement Literacy, Retirement Security.

Introduction

In its broadest sense, retirement security refers to the confidence level in the resources we have amassed to take us through retirement with the same standard of living as before we retire. More often than not, it is considered that those who work in the public sector have greater financial security and stability.

However, as of end-February 2018, total outstanding civil servants' debt stood at RM236 billion, equivalent to 20% of total household debt or 17% of GDP, higher than levels observed in 2012 (18% total household debt or 15% of GDP) (Abd Aziz et al., 2018). The debt-service

ratio among civil servants is 60%, double the acceptable debt-service ratio of 30%, which indicates that they use more than half of their salary to pay debts (Nizar & Abdul Karim, 2016). This situation leaves them with insufficient emergency reserves to cope with critical situations.

In addition, according to Abd Aziz et al (2018), about two-thirds of civil servants earn less than RM5,000 per month. After considering their monthly expenditure on basic necessities and debt obligations, they are left with only 15% of their monthly income (equivalent to about RM360 to RM586) available for expenditure on discretionary items and savings.

Data from Bank Negara Malaysia (BNM) recorded that 47% of the total debt was intended to support existing lifestyles and living, such as having a credit card, vehicle and personal financing. In addition, civil servants are also burdened with housing debt which accounts for 49% of their total debt. This situation applies not only to a small number but the majority of civil servants. Surprisingly, the BNM study also revealed that almost all government employees or 97% have various loans (Bank Negara Malaysia, 2018).

The Credit Counselling and Debt Management Agency (AKPK) believes that poor financial planning, lack of financial awareness, and incorrect lifestyle choices contribute to these debt difficulties. The challenge of reaching retirement security for Malaysian civil servants is exemplified by several factors, including indebtedness, high cost of living, low salary offers, and poor lifestyle choices (Bank Negara Malaysia, 2018).

This research focuses on retirement security for civil servants in their retirement years. The limited income they will get every month when they retire calls for a care plan during their pre-retirement years. Their level of retirement literacy, attitude towards retirement, retirement behavioural practices, and preference in seeking professional financial advice will determine their retirement security. Even with the support of the pension scheme for government retirees, it is feared that the pension received would be insufficient to get them through their golden retirement years comfortably.

Literature Review
Retirement Literacy
Retirement literacy could mean the level of understanding of someone who is going to withdraw from their active working life on the expectation and the condition of their life during their retirement years, especially on their financial well-being. Managing retirement savings requires an individual to be proactive in engaging and accessing the right information, processing it well, making rational decisions, monitoring the outcomes and making the necessary course corrections.

The Malaysian Financial Planning Council initiated a survey in 2018 entitled "Financial Capability & Utilization of Financial Advisory Services in Malaysia". The findings showed that many Malaysians with a monthly salary of less than RM 3000.00 could only sustain their basic needs. The majority of Malaysians do not have the capacity to save at least 10% of their income every month (Sabri et al., 2018). The survey also revealed that many Malaysians prefer to enjoy a good standard of living now rather than planning for their retirement, forfeiting

the opportunity to take advantage of the time value of money on investments and inflation (Sabri et al., 2018).

Sabri et al (2019) found that civil servants with income sufficient for most needs are less likely to be in debt than those with insufficient income or income only sufficient for requirements. Government employees need to start saving. If individuals can increase their saving to income ratio, their likelihood of being in debt may decrease.

According to the Tan and Singaravelloo (2019) study, Malaysian government officers generally have a high degree of financial literacy and strong financial habits, with the exception of retirement planning, which is said to be average. The study has additionally revealed that the level of financial literacy among Malaysian government personnel is highly influenced by both personal income level and education level.

H_a1: Retirement literacy is positively correlates with the retirement security of the Malaysian civil servants.

Retirement Behaviour

Personal financial management practice is all about arranging our finances, such as tracking our credit cards, bank accounts, personal loans, mortgages and car loans. It also looks into budgeting our spending's, investing our money, limiting debts to income-producing assets, understanding the risk and diversifying our investments, paying taxes and planning for the unexpected.

Retirement is regarded as an important stage in an individual's life cycle. Retirement is frequently conceived of as a decision-making process that focuses on the timing of retirement. The decision to retire includes not only when to retire but also what to do during the retirement phase. Individuals can prepare for the retirement transition with the help of sound retirement planning. Retirement planning has become a major concern and a prominent issue for individuals as the nature of the social security system changes. Previous research has shown that many people do not begin planning for retirement until late in life and are unable to manage adequate retirement savings. Lack of retirement planning leads to disappointment during retirement, so pre-planning is essential (Yusof & Sabri, 2017; Trivedi, 2020).

Waga et al (2021) also discovered that retirees in Kenya live miserable lives after retirement due to a lack of forward planning for their retirement phase. This is due to the unfavourable financial behaviour displayed during the pre-retirement period. Many people's lack of financial discipline and self-control during their productive years exacerbates the problem during retirement.

Males who reach the age of 15 in 2022 are expected to live another 56.9 years, according to data retrieved from the Department of Statistics Malaysia (DOSM, 2022). Females who reach the age of 15 in 2022 are expected to live an additional 61.3 years. Males and females turning 60 in 2022 are expected to live an additional 17.5 and 20.1 years, respectively. Thus, males aged 60 in 2022 are expected to live to the age of 77.5 years, and females to the age of 80.1 years. Males and females reaching the age of 65 in 2022 are expected to live an additional 14.2 and 16.4 years, respectively. Thus, in 2022, males aged 65 are expected to outnumber

females (DOSM, 2022). Due to this age issue and the increasing cost of living especially medical costs, retirement planning will have to be done during the early years of employment. *Ha2: Retirement behaviour is positively correlates with the retirement security of the Malaysian civil servants.*

Professional Financial Advice

Managing money can be challenging because not many of us have the knowledge, skills and expertise to sort out the more complicated stuff. Most Malaysians are unfamiliar with the current role that Independent Financial Advisors can play in securing their financial freedom. The experts or the so-called professional financial advisor can greatly help individuals set and achieve their short-term or long-term financial goals through investments, tax planning, asset allocation, risk management, retirement planning and estate planning. The financial advisor will try to help the individual to find ways to increase the individual's net worth and ultimately try to accomplish all the financial goals and objectives.

According to Burke and Hung (2021) financial advice, particularly from a fiduciary, may be beneficial to households making important financial decisions, but financial advice usage is relatively low. Despite this, few empirical studies have looked into who seeks financial advice.

Some financial issues that most Malaysian civil servants face today are an unhealthy obsession with technology and online shopping, living in debt, poor investment appetite, and adopting the instant gratification culture. Seeking financial advice from friends and family members might not be sufficient and reliable to overcome the issues mentioned earlier. Therefore, in the current economic environment and increasing burden, Malaysians must have financial management guidance and assistance in order for them to make good financial decisions on retirement, risk management, credit management and savings.

According to a study by economists Brucker and Leppel (2013) in the US, people who have spoken to a financial planner tended to be well prepared for their retirement, not just because they acquired good advice but because the act of speaking to a planner in itself, gets them into thinking about the importance of planning for their retirement.
Ha3: Professional financial advice is positively correlates with the retirement security of the Malaysian civil servants.

Attitudes toward Retirement

The attitude of civil servants who depend on their pension for their post-retirement expenses puts them at risk of not having enough due to the high cost of living and inflation. Twenty-five years ago, the 1997 Asian Financial Crisis sent Malaysia and other Asian nations into the turmoil of a currency crisis that swept across the continent, battering countries, pushing millions into poverty and forcing governments to seek emergency aid. This 1997 Asian Financial Crisis will likely play an important role in shaping human attitudes towards retirement, making them more cautious and pragmatic in some ways.

According to Kruger et. al (2020) The results of the research revealed that retirement provisions and retirement attitudes exert the most influence on the retirement funding adequacy of black South Africans. This suggests that black South Africans should focus on

amassing retirement savings and fostering a positive attitude towards retirement to ensure that they reach retirement age with adequate financial resources for retirement.

H_a4: Attitudes toward retirement is positively correlates with the retirement security of the Malaysian civil servants.

Retirement Security

One of the most important life events that most us will experience is, retirement. Some may see it as a gift, while others consider it a challenge. The thought of running out of money in retirement is dreading for most of us. The quality of our retirement may depend, in part, on our existing circumstances, our attitude and, in particular, the enthusiasm, energy and resourcefulness that we can channel into shaping our secured retirement years.

Working people should begin planning for retirement as soon as they enter the labour force. Workers must try to answer two key questions: how much to save before leaving the workforce and how long they will live after retirement (Yusof et al., 2018). Preparing for retirement at those two points in time is vastly different. How much to save also depends on the type of retirement lifestyle desired or planned.

The average Malaysian's main financial concerns are meeting current living expenses such as home and car maintenance, repaying education loans, and saving for retirement. Longer life expectancy, rising living costs, smaller urban families, and rising inflationary pressures have increased public interest in knowing how to manage the situation.

Increasing longevity and rising out-of-pocket costs for health care and long-term services and supports (LTSS) among older persons pose the greatest risk to adequate retirement assets. Throughout retirement, older persons must stretch fixed incomes and assets to support longer life expectancies, while eventually succumbing to the relentless erosion of escalating out-of-pocket health-care expenditures and unplanned long-term care costs (Atkins, 2020).

Mediating Role of Attitudes Toward Retirement

Attitude is the perception, outlook, or stance toward a person, concept, thing, or circumstance. Ajzen (1991) shows that someone with a good attitude toward particular conduct is likelier to engage in that behaviour. Following this approach, several past research indicates a favourable correlation between an individual's attitudes toward retirement and retirement planning (Zeka et al., 2020).

A sample survey of 1,979 retired workers in a Beijing neighbourhood was conducted to examine the influence of the community environment on older persons' retirement outlook. It is found that older people's satisfaction with the community environment has a positive and direct effect on their retirement attitudes; community participation plays a mediating role in the relationship; and the mediating effect of community participation is moderated by a higher level of self-efficacy (Xin et al., 2022).

Retirement attitude can apply to attitudes toward retirement (the role state of being retired), the act of retiring, and attitudes toward retirees (Newman et al., 2012). Attitudes toward retirement are typically created during the pre-retirement phase before the actual retirement (Pinquart & Schindler, 2007). Anson et al (1989) stated that workers typically engage in

anticipatory socialisation as they near retirement (Merton, 1958) and modify their attitudes and expectations regarding their retirement in light of the coming event.

According to Lee and Jung (2016), the retirement attitudes of journalists working in Gwangju, Jeonnam had a substantial effect on life satisfaction during retirement planning, and retirement planning had a substantial effect on life satisfaction. In addition, the retirement of the journalists was mediated by attitudes that are prepared to optimise retirement life satisfaction.

Ha5: Attitudes toward retirement mediates the relationship between retirement literacy and retirement security
Ha6: Attitudes toward retirement mediates the relationship between retirement behaviour and retirement security
Ha7: Attitudes toward retirement mediates the relationship between professional financial advice and retirement security

Theories Applied
Deacon and Firebaugh (1988) introduced the Family Resource Management Model, which explains how a family manages its resources to achieve its goals. The four stages of the model are inputs, throughputs, outputs, and the feedback loop, which describe how families make financial decisions and develop financial behaviours. The model states that the inputs move through throughput, resulting in observable output. Previous research has shown that the Family Resource Management Model can be used to explain financial issues that individuals face. For instance, Sabri et al (2021) investigated the financial health drivers for Malaysians to achieve their future life goals. Mehta (2021) conducted research on how to manage personal finances in order to save money. As a result, the Family Resource Management Model was chosen as the theoretical framework's foundation, and retirement literacy, retirement behaviour, and professional financial advice are the current study's external inputs, which are executed through the throughput; which is attitudes toward retirement, to yield the output; retirement security.

A study conducted by da Silva et al (2021) aims to investigate how the life cycle influences the retirement choices of Brazilian adults, using the Modigliani and Brumberg Life Cycle Hypothesis (LCH) to explain the individual's consumption patterns. It states that the individual reduces their consumption over time, saving money during their productive working stage in order to cover their expenses in old age. During this process, an individual's retirement preferences change over time, and a portion of his or her earnings or income is set aside for future retirement. Saving and investing for retirement can be especially challenging because it requires large long-term commitments in an area in which many people will never develop significant expertise. Many people, particularly those with limited financial resources, may find financial decisions to be overwhelming (Da Silva et al., 2021)

Buying luxury goods is becoming more popular in Asia, particularly among young people (Zakaria et al., 2021). Consumption, according to Efendioku (2022), can be defined as satisfying human desires and needs with goods and services produced in exchange for a certain price. Consumption has become an activity that people engage in not only to meet their biological needs, but also to gain a place in society and a certain status. Today, social

media is a useful platform for conspicuous consumption. Furthermore, the study found that sharing in order to gain appreciation and social status is also observed in lower income groups.

This research's conceptual framework is based on three theories. To explain the retirement security of government employees, the Family Resource Management Model, the Life Cycle Hypothesis Theory, and the Conspicuous Consumption Theory are utilised.

Family Resource Management Model

The Family Resource Management Model (Deacon & Firebaugh, 1988) was the foundation for this study's research framework. In particular, the three important components of the family resource management model, namely input, throughput, and output, serve as the theoretical basis for selecting independent variables (i.e., retirement literacy, retirement behaviour, professional financial advice, and attitudes toward retirement) in this study.

This study aims to determine the determinants of retirement security among Malaysian civil servants by identifying the "inputs" of retirement literacy, retirement behaviour, and professional financial advice, as well as the "throughput" of attitudes toward retirement, in order to achieve the desired "outputs", i.e., retirement security.

Life Cycle Hypothesis

This theory developed a theory of spending based on the premise that people make informed decisions about how much they want to spend at each age, constrained only by the resources available throughout their lifetimes. By accumulating and depleting assets, employed individuals can save for retirement and, more generally, customise their consumption patterns to their requirements at various ages, regardless of their salaries at each age. This can be explained by retirement attitudes and retirement behaviour, in which respondents identify their level of preparedness for retirement in terms of their savings and expenditure to fulfil their retirement objectives.

Conspicuous Consumption Theory

Status and prestige motives play a large role in determining preferences for a variety of things that may appear to be acquired for their direct utility but, in reality, serve primarily to display affluence and purchasing power (Mason, 1984). It is an extravagant or unwise expenditure believed to boost social standing. In 1899, the economist and sociologist Thorstein coined "conspicuous consumption."

The current economic condition in Malaysia does not let many Malaysians buy expensive products to flaunt their money, except for those in the high-income bracket with a monthly salary of RM 20,000 or more. As a means of connecting oneself with material lifestyles, conspicuous consumerism may be everyone's ambition. However, given the current scenario in Malaysia, even high-income individuals are reverting to unseemly consumption behaviour.

This can be explained by retirement literacy, in which respondents were questioned about their comprehension of the effect of interest rates on loans taken, selecting investment vehicles to generate future passive income, and monitoring current and future spending and liabilities.

Research Methodology

Data and Sample

The survey was used to obtain responses from civil servants in Malaysia, which constituted respondents of the study. Only permanent staffs from Grade 11 to Grade 56 from various service departments were respondents of the study. A multi-stage stratified random sampling method was performed to draw a representative sample of Malaysian civil servants from 5 different regions in Malaysia, namely the North, South, East, West and East Malaysia (Sabah) regions. Secondly, one state was randomly selected from each region through a ballot. As a result, Kedah (Northern), Negeri Sembilan (Southern), Pahang (Eastern), Selangor (Central) and Sabah (East Malaysia) were determined to be the chosen states for the study location. The head of the departments was briefed via telecommunications, and they were to distribute the questionnaires randomly to 25 permanent staff from Grade 11 to Grade 56 within their department.

Data Collection

Thirty-one government servants from three government departments were selected for the pilot test analysis. The Cronbach's Alpha value was checked, and further adjustments and improvements were made by deleting and rephrasing items in the questionnaire to fulfil the Cronbach's Alpha coefficient before distributing the survey. The questionnaire was developed in English and then translated into Bahasa Malaysia to ensure all potential respondents could understand and answer the questions efficiently. The questionnaire distributed through google form for the field study obtained a response rate of 97% usable responses after the screening process for data analysis, whereby 361 duly filled responses were received through a self-administered questionnaire gathered from 25 government departments

Instruments and Measurements of Variables

In obtaining information on the retirement security of Malaysian civil servants, the data collection instrument used is the survey method with self-administered questionnaires. There are four major sections in the questionnaire. Section A collects the respondent's demographic and socioeconomic details. This section obtains information on the individual characteristics of all respondents in terms of gender, ethnicity, educational background, household size, employment grade, years in service, income level and monthly household income and expenses. Section B represents the factors determining the current financial status drawing the information on the amount of savings done for retirement, the income adequacy, the credit rating and the existing assets and liabilities. Section C is on the current retirement schemes that civil servants have. Section D is on the constructs, namely, retirement literacy, attitude towards retirement, professional financial advice, retirement behaviour and retirement security, with eight questions designed for each construct. Respondents were to respond to each question on a Likert-type scale of one to five. The head of each of the selected government departments was contacted to ask for their permission and cooperation. A discussion was held between researcher and the head of the selected government department.

Retirement Literacy

The retirement Literacy of civil servants was measured by the instruments consisting of 8 items adopted from (Shanmugam et al., 2010). Respondents were required to tick the box on a five (5) point Likert-type scale (1=strongly disagree; 2=disagree; 3=not sure; 4=agree; 5=

strongly agree) indicating the respondent's extend to which they agree with the financial aspect's statements.

Retirement Behaviour

Retirement behaviour questions were formatted to determine civil servants' retirement behaviour levels. This was measured by instruments adopted from Moorthy et al (2012) consisting of 8 questions. Respondents were asked to tick the box on a five (5) point Likert-type scale (1=very unlikely; 2=unlikely; 3=not sure; 4=likely; 5= very likely) when thinking of their overall retirement behaviour.

Professional Financial Advice

Professional financial advice of civil servants was evaluated by the instruments consisting of 8 statements adopted from (Iannicola and Parker, 2010). Respondents were asked to tick the box on a five (5) point Likert-type scale (1=very unlikely; 2=unlikely; 3=not sure; 4=likely; 5= very likely), indicating the respondent's level of acceptance in securing the professional financial advice.

Attitudes Toward Retirement

Attitudes toward the retirement of civil servants were assessed by the instruments consisting of 8 questions adopted from (Hassan et al., 2016). Respondents were asked to tick the box on a five (5) point Likert-type scale (1=strongly disagree; 2=disagree; 3=not sure; 4=agree; 5= strongly agree), indicating the respondent's extend to which they agree with their goals set for their retirement years.

Retirement Security

The retirement security of civil servants was determined by the instruments consisting of 8 questions (Mokhtar et al., 2015). Respondents were asked to tick the box on a five (5) point Likert-type scale (1=very unlikely; 2=unlikely; 3=not sure; 4=likely; 5= very likely), indicating the respondent's extent to which they agree with their level of confidence in their retirement security.

Reliability Test

The Cronbach alpha values from the IBM SPSS were utilised to determine this study's instruments' reliability coefficients. The reliability coefficients for the five constructs ranged between 0.78 to 0.93 according to Cronbach's alpha, meeting the criteria of above 0.7 (Nunnally, 1967). The Cronbach alpha value for retirement security is 0.79, whereas the Cronbach alpha value for attitudes towards retirement and retirement literacy constructs are 0.87 and 0.78, respectively. On the other hand, Cronbach's alpha for retirement behaviour was 0.93, whereas Cronbach's alpha for professional financial advice was 0.89.

Findings and Discussion
Data Analysis

There were five main stages to the analysis of the data. Initially, the researchers used descriptive statistics to identify the univariate characteristics of socio-economic constructs. Next, Cronbach's alphas were calculated to show the internal consistency of all the different constructs. Then the researcher investigates the assessment of discriminant validity among

constructs and the unidimensionality of the model. Lastly, the researchers then used a CB-SEM analysis to check the model fitness of the retirement security and the mediation model.

Profile of Respondents

This study was conducted amongst Malaysian civil servants aged between 21 and 62. According to Table 1.0, it was found that the more than one third, 38 per cent of the respondents, were aged between 31 and 40 years old, followed by respondents aged between 41 and 50, comprising 27.1 per cent. Meanwhile, 21.1 per cent of the respondents aged between 21 to 30 years old and 51 and above accumulated 13.9 per cent. Notably, the youth category aged between 20 to 40 hit the majority of the respondents, 59.1 per cent, compared to middle age between 41 to 60 years old, 40.7 per cent. In terms of gender, about 51.4 per cent of the respondents were female, while 48.6 per cent were male.

The majority of the respondents were Malay (92.8%), followed by others (4.2%), Indians (1.7%), and Chinese (1.4%). More than three-quarters of the respondents (81.2%) were married, 16.3 per cent were single, and 13.6 per cent were divorced or separated from their partners. Amongst the civil servants who had a tertiary level of education, 33.1 per cent of the respondents had a bachelor's degree, 28.1 per cent had a diploma holder, master and doctorate, 7.8 and 2.8 per cent, respectively. On the other hand, 28.3% of respondents reported holding professional certificates and the remaining 28.3 per cent had secondary education. Regarding monthly income, most respondents (38.8 per cent) report earning between RM 1,501 and RM 3,000. Following that, 36.8 per cent reported having an income ranging from RM 3,001 to RM 5,000.00.

Table 1.0
Socio demographic Characteristics of Respondents (N=361)

Respondents Characteristics		Pooled Sample (N=361)	
		Frequency	Percent
Gender			
	Male	175	48.6
	Female	185	51.4
Age			
	21 – 30 years old	76	21.1
	31 – 40 years old	137	38.0
	41 – 50 years old	98	27.1
	51 – 60 years old	49	13.6
	61 – 70 years old	1	0.3
Ethnicity			
	Malay	333	92.8
	Chinese	5	1.4
	Indian	6	1.7
	Others	15	4.2
Marital Status			
	Single	59	16.3
	Married and have children	253	70.1
	Married with no children	40	11.1
	Divorced / Widowed	9	2.5
Education Level			

	Secondary School	102	28.3
	Diploma	101	28.1
	Bachelor Degree	119	33.1
	Master Degree	28	7.8
	Doctorate	10	2.8
	Others	102	28.3
Monthly Income			
	Below RM 1,500.00	12	3.3
	RM 1,501.00 – RM 3,000.00	140	38.8
	RM 3,001 – RM 5,000.00	133	36.8
	RM 5,001 – RM 10,000.00	69	19.1
	More than RM 10,000.00	7	1.9

The Assessment of Discriminant Validity among Constructs

The discriminant validity of the model is an important aspect of validity that needs to be evaluated as part of this investigation. The discriminant validity evaluation aims to check that the model does not contain any redundant constructs. When two constructs in a model have a high degree of correlation, redundant constructs occur. Therefore, the discriminant validity index summary, as given in Table 2.0, is developed to evaluate the discriminant validity. The bold diagonal values represent the square root of the AVE of the respective constructions, whereas the other values represent the correlation coefficient between the respective constructs.

Table 2.0
The Discriminant Validity Index Summary for all Constructs

	Retirement Security	Attitudes towards Retirement	Retirement Literacy	Retirement Behaviour	Professional Financial Advice
Retirement Security	**0.789**				
Attitudes towards Retirement	0.39	**0.790**			
Retirement Literacy	0.28	0.54	**0.754**		
Retirement Behaviour	0.64	0.71	0.41	**0.802**	
Professional Financial Advice	0.18	0.35	0.32	0.27	**0.804**

Referring to Table 1.0, the Discriminant Validity of the respective construct is met when the square root of its AVE is greater than its correlation value with other constructs in the model (Awang, 2015; Baistaman, 2020). The values listed in Table 1.0 meet the Discriminant Validity

criteria. Thus, the analysis indicates that Discriminant Validity has been obtained for all constructs.

Model Fit

Influential factors for retirement security were determined using the Structural Equation Modelling, in which retirement security was the outcome construct. The model comprised retirement literacy, retirement behaviour, and professional financial as predictor construct with attitudes towards retirement as a mediator. The fitness of the retirement security model was analysed using fitness indexes as shown in Table 3.0. The results indicated that the absolute fit of RMSEA was 0.057 while incremental fit comprising of CFI achieved 0.941, TLI 0.935 and NFI 0.896. Parsomonious fit presented by chisq/df displayed an index value of 2.174. Thus, these concluded that all the index categories achieved the requirement of a fit model.

Table 3.0
Index Category and the Level of Acceptance

Category	Name of Index	Index Value	Result
1. Absolute fit	RMSEA	0.057	Achieved the requirement
2. Incremental fit	CFI	0.941	Achieved the requirement
	TLI	0.935	Achieved the requirement
	NFI	0.896	Achieved the requirement
3. Parsimonious fit	Chisq/df	2.174	Achieved the requirement

Influential factors for retirement security were determined using the Structural Equation Modelling, in which retirement security was the outcome construct. The model comprised retirement literacy, retirement behaviour, and professional finances as predictor constructs with attitudes towards retirement as a mediator. The fitness of the retirement security model was analysed using fitness indexes, as shown in Table 3.0. The results indicated that the absolute fit of RMSEA was 0.057 while incremental fit comprising of CFI achieved 0.941, TLI 0.935 and NFI 0.896. The parsimonious fit presented by chisq/df displayed an index value of 2.174. Thus, these concluded that all the index categories achieved the requirement of a fit model.
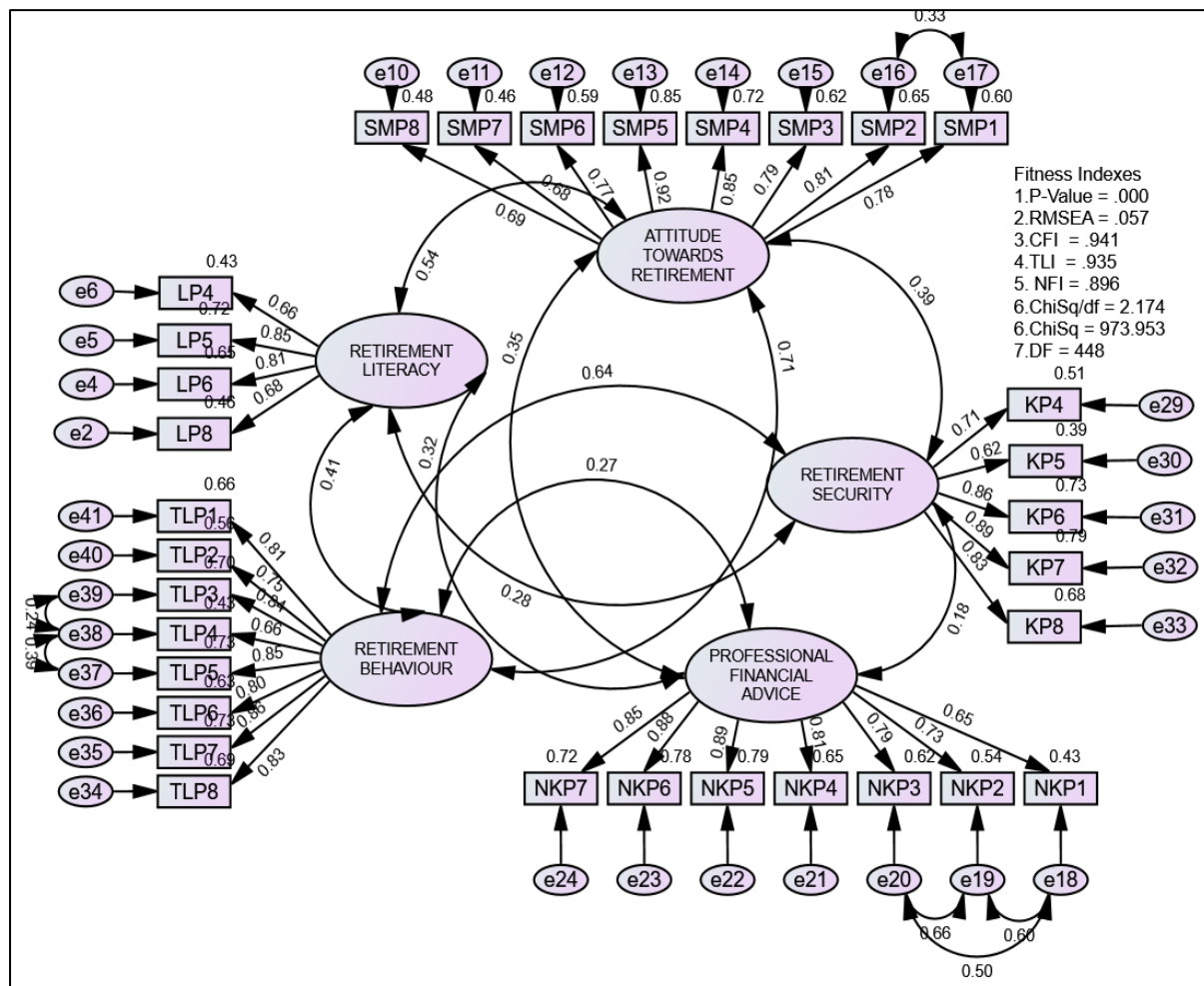
Figure 1.0   Unidimensionality of model

Discriminant validity is attained when the correlation between the exogenous construct and the dependent variable is low, as shown in Table 4.0.

The construct reliability value of at least 0.6 showed that the model achieved construct reliability (C.R. = 0.890 for retirement security; 0.929 for attitudes towards retirement; 0.839 for retirement security, 0.935 for retirement behaviour; and 0.927 for professional financial advice). The average variance extracted (AVE) displaying a value of at least 0.5 is required for a fit model. The values achieved in this model were 0.622 for retirement security; 0.624 for attitudes towards retirement; 0.569 for retirement security, 0.644 for retirement behaviour; and 0.646 for professional financial advice). According to Fornell and Larcker (1981), if the composite reliability is more than 0.6, then a value of 0.4 for AVE can be accepted.

Table 4.0

Convergent Validity And Reliability For The Constructs

Construct	Item	Factor Loading	CR	AVE
	KP4	0.71	0.890	0.622
	KP5	0.62		
Retirement Security	KP6	0.86		
	KP7	0.89		
	KP8	0.83		
	SMP1	0.78	0.929	0.624
	SMP2	0.81		
Attitudes towards	SMP3	0.79		
Retirement	SMP4	0.85		
	SMP5	0.92		
	SMP6	0.77		
	SMP7	0.68		
	SMP8	0.69		
Retirement Literacy	LP4	0.66	0.839	0.569
	LP5	0.85		
	LP6	0.81		
	LP8	0.68		
	TLP1	0.81	0.935	0.644
Retirement Behaviour	TLP2	0.75		
	TLP3	0.84		
	TLP4	0.66		
	TLP5	0.85		
	TLP6	0.80		
	TLP7	0.86		
	TLP8	0.83		
Professional Financial	NKP1	0.65		
Advice	NKP2	0.73	0.927	0.646
	NKP3	0.79		
	NKP4	0.81		
	NKP5	0.89		
	NKP6	0.88		
	NKP7	0.85		

Mediation Analysis

In the current investigation, CB-SEM was used to investigate the mediation hypotheses. Referring to Figure 1.0, the mediation model demonstrates exogenous constructs' indirect or direct influence on the underlying endogenous construct. The direct effect occurs when no other factor can influence the effect of X on Y. The indirect effect exists when other variable influences (or mediates) the interaction between X and Y. The direct effect is determined by the estimated link between X and Y. Multiplying the estimates for the X-mediator and X-mediator-Y relationships yield the indirect effect.
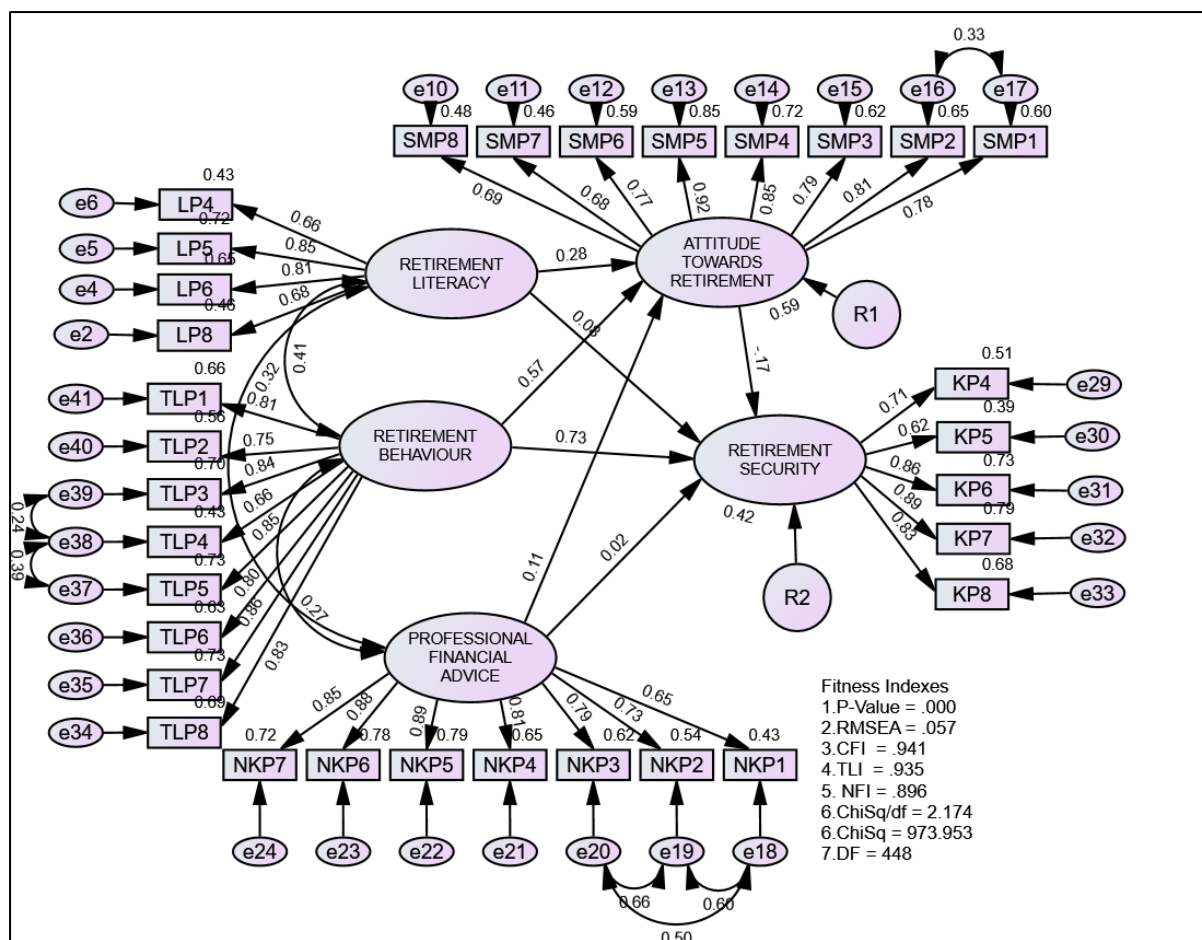
Figure 1.0 | Structural equation modelling of Retirement Security.

The outcomes of the mediation model used in this analysis are shown in Table 4. For hypothesis Ha1, retirement literacy negatively influences the attitudes towards the retirement of Malaysian civil servants, the table displays a significant influence (Estimate = .305; p-value = .001), and Ha1 is supported. Therefore, the regression weight for retirement literacy in predicting attitudes towards retirement is statistically significant at the 0.001 level. A literate retirement civil servant would tend to display a positive attitude towards retirement. This result is concurrent with previous studies (Krüger, 2020; Mahdzan, 2017 & Ricci & Caratelli, 2017).

Table 4
Direct And Indirect Effect For The Path Model of Retirement Security

			Estimate	S.E.	C.R.	P
Indirect Effect (A)						
Attitude Towards Retirement	<---	Retirement literacy	.305	.058	5.302	***
Attitude Towards Retirement (M)	<---	Retirement behaviour	.415	.042	9.937	***
Attitude Towards Retirement (M)	<---	Professional financial advice	.088	.035	2.489	.013*
Indirect Effect (B)						

Retirement Security	<---	Attitude towards retirement	-.211	.095	-2.219	.026*
Direct Effect (C)						
Retirement Security	<---	Retirement literacy	.103	.082	1.258	.208
Retirement Security	<---	Retirement behaviour	.644	.069	9.344	***
Retirement Security	<---	Professional financial advice	.020	.050	.395	.693

Retirement behaviour positively influences the attitudes towards the retirement of Malaysian civil servants. Thus, Ha2 of this influence is supported (Estimate= .042; p-value=0.001). Those civil servants with good retirement behaviour would be able to demonstrate a positive attitude towards retirement (Davies et al., 2017 & Topa et al., 2018). Good retirement behaviour is always related to positive in managing their activities regarding finances.

The engagement of professional financial advice, Ha3, on retirement security exhibit a positive influence on the retirement security of Malaysian civil servants, supported by the result (Estimate= .088; p-value= .013). Civil servants that proactively take the initiative to seek professional financial advice would likely benefit and improve their retirement security. This result is similar to previous research by Burke and Hung (2021) that examined the links between financial trust and behaviours, attitudes, knowledge, and preferences regarding using professional financial advice.

The fourth hypothesis, Ha4, on the attitudes towards retirement on retirement security, stating that attitudes towards retirement positively influence the retirement security of Malaysian civil servants, is also supported by the result (Estimate= -.211; p-value= .026). Practising a good attitude towards retirement would lead to better retirement security (Foster, 2017). In other words, making good decisions in financial matters and choosing the right financial products would elevate one's retirement security has been proven to be a contributing factor in the study research.

In assessing the hypothesis on the mediation effect of attitudes towards retirement, Ha5: attitudes towards retirement mediate the association between retirement literacy and retirement security of civil servants in Malaysia, full mediation result is revealed. The type of mediation is full mediation, since the direct effect of retirement literacy on retirement security is not significant (Estimate= .103; p-value= .208). Instead, the indirect effect of retirement literacy on retirement security (Estimate= .305; p-value= .001) and attitude towards retirement on retirement security were found significant (Estimate= -.211; p-value= .026). This mediation result in attitudes towards retirement is consistent with (Tomar et al., 2021). With the significant indirect and insignificant direct effect, hypothesis 5 was supported. This analysis proved that attitudes towards retirement were a mediating construct in the influence of retirement literacy on retirement security. Thus, it also explains that the retirement literacy of civil servants in Malaysia is indirectly associated with their retirement security through its influence on attitudes towards retirement.

On the other hand, in evaluating the hypothesis on the mediation effect of attitudes towards retirement, Ha6: attitudes towards retirement mediate the association between retirement behaviour and retirement security of civil servants in Malaysia, partial mediation result is revealed. Since the direct influence of retirement behaviour on retirement security is significant (Estimate=.644; p-value=.001), the type of mediation is partial mediation. It was observed that the indirect effect of retirement behaviour on retirement security (Estimate= .415; p-value= .001) and attitude towards retirement on retirement security were found significant (Estimate= -.211; p-value= .026). The mediated effect of attitudes towards retirement is consistent with prior Tomar (2021). As a result, hypothesis 6 was validated and accepted by the statistically significant findings for both the indirect and direct effects. This investigation demonstrated that attitudes toward retirement were a mediator in the influence of retirement behaviour on retirement security. As a result, it also explains that the retirement behaviour of civil servants in Malaysia is indirectly significantly associated with their retirement security through its influence on attitudes towards retirement.

Finally, the seventh hypothesis (Ha7) concerning the mediating effect of attitudes towards retirement in the influence of professional financial advice on the retirement security of civil servants in Malaysia also exhibits a full mediation result. The type of mediation is full mediation since the direct effect of professional financial advice on retirement security is not significant (Estimate= .020; p-value= .693). Instead, the indirect effect of professional financial advice on retirement security (Estimate= .088 ; p-value= .013) and attitude towards retirement on retirement security were found significant (Estimate= -.211; p-value= .026). This mediation result in attitudes towards retirement is consistent with scarce past studies (Foster, 2017). This finding explains that the professional financial advice of civil servants in Malaysia was indirectly associated with their retirement security through its influence on attitudes towards retirement.

Conclusion and Implications
Research indicates that retirement literacy may be contributed to better cash flow management, savings, and investing habits. This study found, however, that retirement literacy has no direct and significant effect on retirement security. In particular, individuals prepare inadequately for retirement. Literature suggests that financial literacy influences households' propensity to plan for retirement positively. In the context of developing nations, where households are more likely to be financially illiterate and their retirement well-being is at greater risk, financial literacy is an issue (Niu et al., 2020). Retirement illiteracy can be costly to individuals and society, suggesting that a programme should be developed to assist consumers and plan providers in realizing their retirement security needs.

According to Hj et al (2020), some retirement concerns include determining the amount needed to save for retirement and developing a new retirement plan. The prevalence of receiving retirement advice highlights the importance of receiving quality retirement advice in order to maximise retirement savings. There is a need for the young to better understand the relationship between retirement planning, home ownership, and financial literacy, particularly in light of rising home costs. The slightly more concerning context is for those approaching retirement in the next ten years, as there is a need to consider strategies for managing their retirement needs.

Their findings, Hung and Yoong (2011) demonstrate that, in terms of behavioural consequences, receiving unsolicited counsel has no impact on investment behaviour. However, despite negative selection on financial ability, people who actively seek help ultimately perform better. Expanding access to assistance can be beneficial (especially for those who are less financially literate), but more broad mandatory programmes of financial counselling might end up being counter-productive. This is an intriguing conclusion for policy-makers.

Any working adult adopting positive attitudes towards retirement should have defined goals and objectives that are practical or viable, geared toward a pleasant and secure retirement. These goals and objectives should be incorporated into retirement plans. In addition, professional financial advice could be sought when there are problems faced when preparing for retirement plans.

One of the goals of the 2018 MFPC survey was to understand Malaysians' preferences for financial advisory services. The survey's results showed that only a small portion of respondents had a thorough understanding of financial products, and the majority had little faith in financial planners and did not keep up with changes in the financial landscape (Sabri, 2018). A financial advisor or educator who emphasises the importance of financial management could assist working adults in enhancing their knowledge of financial management to enjoy a fulfilling and secured retirement. Receiving professional advice may help change their attitudes toward retirement because they are more aware of the consequences of failing to plan for their retirement early in order to achieve secure retirement years.

Constantly, the government should organise workshops to prepare civil servants nearing retirement for a successful retirement. In addition, the dissemination of financial education programmes through mainstream media and reputable financial experts could also contribute to the spread of financial literacy among the populace. At the same time, it may improve civil servants' attitudes toward retirement, encouraging them to use the information to plan for a comfortable and enjoyable retirement.

Limitations and Recommendations
Similar to prior research, the present study contains several limitations. The questionnaire was distributed via an online Google form. It is suggested that in the future, the questionnaire might be physically distributed to aid responders in appropriately answering the questions to minimise biased results. The study is also a cross-sectional study. Consequently, the causal link between the variables is questionable.

This study was conducted during the transition from pandemic to endemic. However, the same study can be conducted to analyse the post-pandemic effect on Malaysian civil servants' retirement security. Second, this research might be expanded to include Sarawak. Thirdly, studies might also focus on Gen Y civil servants to assess the impact of the younger generation on retirement. Lastly, research for this subject could be diversified by combining qualitative and quantitative methods.

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