

## CHAPTER V

### CONCLUSION

#### 5.1 Research Conclusion

From the discussion previously described to answer the problem formulation, this research can be concluded as follows:

From the result, it concludes that Financial Literacy of civil servants in West Sumatera, especially from Educational Field have a negative but not significant impact on their Retirement Planning. The better the Financial Literacy, does not impact the civil servant's retirement planning. this can be seen from the results of respondents' answers which show results that the majority still have a low understanding of finances. Respondents' low financial literacy implies that they only prepare for retirement by relying on retirees' finances, even on basic questions about bonds and stocks, 4/5 of respondents answered with the wrong challenge.

From the result, it concludes that Locus of Control of civil servants in West Sumatera, especially from Educational Field have negative but not significant on their Retirement Planning. It means, the locus of control factor has no effect on the anxiety level of individual civil servants in preparing for their retirement. In the context of this study, both individuals who have internal and external locus of control tend to experience anxiety. Anxiety levels tend to be moderate. Anxiety about retirement is not influenced by factors such as the presence or absence of a side job, family members who are already working, leisure activities, social activities and position, gender and anxiety about the upcoming retirement period

From the result, it concludes that Income Level of civil servants in West Sumatera, especially from Educational Field does have a positive and significant

impact on their Retirement Planning. The better the Income Level, the higher the Retirement Planning that they prepared. this can be seen from the answers of respondents who believe that the income level they currently have greatly affects their retirement preparations in the future, the greater their income level, the better their retirement preparations.

From the result, it concludes that Education Level of civil servants in West Sumatera, especially from Educational Field does have a positive and significant impact on their Retirement Planning. The better the Education Level, the higher the Retirement Planning that they prepared.

From the result, it concludes that Age of civil servants in West Sumatera, especially from Educational Field does have a positive and significant impact on their Retirement Planning. The more mature age they have, the higher the Retirement Planning that they prepared.

## **5.2 Research Implication**

### **1. For Community/PNS**

The findings in this study that Income Level, Education Level, and Age affect retirement preparation for civil servants in West Sumatra, so that it is beneficial for people who work as civil servants/ASN and is also very beneficial for young people or people who want a career in this field.

Financial Literacy has a close relationship with the ability of individuals to understand finances, financial sources, financial allocations and how to obtain more sufficient financial resources so that by having high financial knowledge, it is expected to make individuals have a calmer preparation for retirement or old age.

For the financial literacy variable, it is hoped that they will learn more about financial literacy so that knowledge about finance can later help civil servants in investing in the capital market so that civil servants can maximize opportunities and minimize risks. By having an understanding of finance, students will be able to manage finances well. Learning about financial literacy can be obtained by civil servants through seminars or looking for information that can increase knowledge to invest in the capital market.

The Locus of Control is one of the factors that largely determines the behavior of individuals. Simply put, the locus of control is a person's belief in who the heck is the controller of fate and the events he experiences. so that in living the life the individual will rely on the locus of control in facing and deciding every decision they need to make, the higher the locus of control the individual, the better the future behavior and decisions they will take.

Having a high income level is expected to make civil servants more prepared for their retirement well, in addition to good literacy skills, by having a high income, a person can set aside his money for other purposes, even for future finances, civil servants who have high salaries should learn to manage their finances so that they are well applied.

A high level of education identifies that they have a strong desire to learn. In addition to learning how to prepare for a good retirement, civil servants should also learn how to allocate good finances, this can be explored using financial features that have many platforms, through financial seminars, family financial education and taking financial courses, so that it is hoped that it can improve good future financial capabilities, especially after retirement.

Age in this study had a positive relationship with civil servant retirement preparation. Having a mature age should also increase the ability to manage future finances, especially finances after retirement, civil servants should make a list of needs and a list of priorities so that it will help them in preparing for a good retirement.

## **2. For Academics**

The results of this study are expected to be useful in increasing knowledge about financial management especially in increasing financial literacy, for civil servants and are expected to be a reference for further research.

### **5.3 Research Limitation**

Based on the research carried out at civil servants in West Sumatera, in educational field, the researchers realized that this study was still far from perfection and has limitations. Therefore these limitations are expected to be considered for future research. The limitations of this research are as follows:

1. The sample are limited and relatively small because the respondents are only 110 of all civil servants who work in Educational Field in West Sumatera.
2. The data obtained using questionnaire, where it might not show the real condition of respondents. The questionnaire was also distributed online which made it difficult to collect.
3. There are other variables that affect Retirement Planning that are not used in this research such as work motivation, family member, leadership, organization culture, etc.

#### 5.4 Future Research Recommendation

1. Future research is expected to increase the number of sample for more accurate result.
2. The scope of area in the future research is expected to be expanded so that it can be applied broadly.
3. Future research can add other variables related to employee performance.
4. Future research can add interview techniques in data analysis, for more accurate results.

