Cultural Mediation in Retirement Financial Planning: Examining Contextual Determinants of Outcomes

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Abstract

The study seeks to uncover the extent to which clear retirement goals can motivate proactive financial engagement. This study aims to explore the mediating role of culture in shaping the retirement financial planning outcomes, providing a nuanced understanding of how individuals navigate their financial futures. The research employed explanatory research approach to determine the cause and effect relationship between variables. The data were collected by using structured questionnaires from 332 employees who were above 20 years of age. The study applied convenience sampling technique to collect the data. Descriptive statistics, Pearson correlation and regression analysis have been used to analyze the data and validate the generated hypothesis. The mediating analysis were analyzed by using Hayes' PROCESS Macro (Model 4). The analysis from the study demonstrated that there was significantly positive relationship of Retirement Goal Clarity and Financial Risk Tolerance with Financial Planning for Retirement. Additionally, the result indicated that there was no significant relation of Financial Self Efficacy with Financial Planning for Retirement. The research discovered that culture is partially mediating in this relationship, indicating that culture directly and indirectly improves the financial planning for Retirement. The research aimed to investigate the mediating effect of culture on Financial Planning for Retirement. This paper contributed in an area where there is limited study done, exploring how the culture mediates in Financial Planning for retirement, Retirement Goal Clarity, Financial Risk Tolerance and Financial Self-Efficacy.

Keywords - Culture, Financial planning for retirement, Financial risk tolerance, Financial self-efficacy, Retirement goal clarity

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1. Introduction

With governments all around the world enacting laws to encourage retirement savings and guarantee their citizens' financial security, the retirement planning landscape has seen substantial changes in recent years (OECD, 2019). A major turning point in life, retirement signifies the end of a person's working years and the beginning of a time for leisure and pleasure (Asselmann & Specht, 2024; Adhikari et al, 2025). Even though retirement financial planning is crucial, many people do not sufficiently prepare for this important stage of life. A considerable number of people do not save enough for retirement, according to research, which raises questions about their financial security as they age (Munnell et al., 2019; Chaudhary et al, 2025). It is difficult to overestimate the significance of retirement financial planning because it has a direct impact on a person's quality of life in their later years (Nam, 2023; Haveman et al., 2006). Numerous causes, such as a lack of financial literacy, poor retirement planning, and a lack of government support, have been blamed for this problem (Adhikari et al, 2025; Abdullah et al., 2024; Lusardi & Mitchell, 2011).

Cultural influences have a significant impact on how people see retirement and financial planning (Ghadwan et al., 2022). Cultural norms can influence how people see investments, retirement planning, and savings (Hofstede, 2001; Zhang & Zhuang, 2020). A group's common values, beliefs, and customs are referred to as its culture, and they have a significant impact on financial behavior and intention in decision-making (Ghadwan et al., 2022; Pokhrel et al., 2024).

A concerning trend nowadays is the absence of financial planning for retirement (Lusardi & Mitchell, 2011b; Nam & Loibl, 2021). Individuals in industries and emerging economies are forced to make their own investment decisions to improve their financial well-being in retirement due to changes in demographics (e.g., rising life expectancy, declining fertility rate, an aging population, changes in retirement age policy, family/cultural changes, worker types), economics (e.g., rising living expenses and medical costs, the ability of pension coverage) (Jaafar et al., 2019; Liu et al., 2022; Sharma et al, 2024), lifestyle, the standard of living, and the elimination of additional supports like employer-provided medical insurance (SAMA Cares, 2018). Their financial stability will therefore be under jeopardy.

With a population that is aging quickly, Nepal is having a difficult time providing for its citizens' retirement incomes. With the percentage of senior residents (those 60 and above) expected to rise from 8.1% in 2015 to 14.5% by 2030, the demographic landscape of the nation is undergoing a dramatic change (CBS, 2015). Countries' social security system, pension funds, and general economic stability are all significantly impacted by this change. In light of this, retirement planning has become crucial to guaranteeing an aged population in Nepal a safe and respectable life. According to Hanna et al. (2017), financial planning entails developing a thorough strategy to efficiently manage one's resources and guarantee a consistent flow of income in retirement. In Nepal, attitudes on retirement and financial planning are greatly influenced by cultural influences. The nation is known for its collectivist culture, which places a strong importance on social and familial bonds (Hofstede, 2001; Chaudhary et al, 2021). In this situation, retirement financial planning is frequently viewed as a family duty rather than an individual one. For example, a lot of Nepalis think that children should care for their parents as they are old instead depending on pension plans or personal resources.

The necessity of creating culturally aware financial planning techniques that address the particular requirements of Nepal highlights the importance of this study. Understanding how cultural influences impact financial practices and retirement planning techniques is crucial as the nation's population ages. By emphasizing the significance of cultural factors in retirement financial planning in Nepal, this study would add to the body of information already in existence and eventually promote more successful tactics for both individuals and communities.

2. Literature Review and Hypotheses Development

Theoretical Background

In the context of financial planning for retirement, Theory of Planned Behavior (TPB) can provide a framework for understanding how cultural factors mediate these components. Theory of Planned Behavior (TPB), developed by Ajzen (1991), posits that individual behavior is primarily driven by intention, which is influenced by attitudes, subjective norms, and perceived behavioral control. Attitudes towards saving and investment can vary significantly across cultures, affecting individuals' perceptions of the importance of retirement planning (Ingale & Paluri, 2025). For instance, cultures that emphasize collectivism may prioritize family support in old age over individual savings, thereby shaping attitudes towards financial planning (Hofstede, 2001).

Subjective norms, or the perceived social pressures to engage in certain behaviors, are also culturally contingent; in cultures where financial independence is valued, individuals may feel a stronger obligation to save for retirement (Yeo et al., 2024). Furthermore, perceived behavioral control, which refers to the perceived ease or difficulty of performing a behavior, can be influenced by cultural beliefs about financial literacy and access to resources. For example, in cultures with limited financial education, individuals may feel less capable of effectively planning for retirement, thus impacting their intentions and subsequent behaviors (Sharma et al., 2019). By integrating TPB with cultural dimensions, researchers can better understand the complexities of financial planning for retirement, highlighting the need for culturally tailored interventions that enhance financial literacy and encourage proactive retirement planning. This approach not only acknowledges the role of individual agency but also emphasizes the importance of cultural context in shaping financial behaviors, ultimately contributing to more effective retirement planning strategies across diverse populations (Ajzen, 1991; Hofstede, 2001; Sharma et al., 2019).

Relationship between Variables

Retirement Goal Clarity and Financial Planning for Retirement

One of the critical variables that play a significant role in retired life is the apparent goal before retirement. Goal clarity has been defined as a method of measurement for individual goals (Kerry, 2018) through explicit and coherent planning provisions and activities (Jiménez et al., 2019). When individuals have a set of clear and specific retirement goals, they usually use several tools to reformulate their tasks (Bavelas & Lee, 1978) to perform learning strategies under a variety of circumstances in order to provide better opportunities to achieve their retirement needs (Lusardi & Mitchell, 2011; Rasiah et al., 2020). Retirement goal clarity shapes individuals' retirement plans through expectations of future requirements (Jiménez et al., 2019; Zhu & Chou, 2018). Having an obvious and realistic purpose increases the intentions and saving levels of individuals (Stawski et al., 2007). It improves financial planning practices and savings behaviors in the long term (Hershey et al., 2010). It also motivates individuals to start planning and saving in their golden age before it is too late, giving workers the confidence to retire without facing financial problems. Conspicuously, Stawski et al. (2007), M. Wang and Shultz (2010), and Aluodi and Njuguna (2017) showed a significant relationship between retirement goal clarity and retirement preparation. Specifically, it was found that retirement goal clarity performed positively in FPR (França & Hershey, 2018; Hershey et al., 2010; Jiménez et al., 2019; Schuabb et al., 2019; Tomar et al., 2021). However, Chou et al. (2015) found no direct relationship between retirement goal clarity and planning activities among older participants.

Hypothesis (H1): Retirement Goal Clarity has a significant positive relationship with financial planning for retirement.

Financial Risk Tolerance and Financial Planning for Retirement

Financial risk tolerance is the most crucial variable for those planning their financial operations and is, at the same time, the most challenging variable to evaluate (Cooper et al. 2014). A recent study found that financial risk tolerance is essential for retirement planning and financial counseling (Bayar et al. 2020). Grable (2000) found that people's financial risk tolerance levels differed based on age, educational background, marital status, occupation, cultural background, and economic expectations. Hence, the determination of personal financial risk tolerance demonstrates the degree to which individuals are able to choose financial investments within their portfolios (Bayar et al. 2020). The literature indicates that the studies have demonstrated a positive and a negative relationship between financial risk tolerance and FPR. Jacobs-Lawson and Hershey (2005) and Larson et al. (2016) illustrated that higher levels of financial risk tolerance are positively significant with savings behavior, while Tomar et al. (2021) concluded that the relationship between them was negative. Meanwhile, Croy et al. (2010), Koposko et al. (2015), Hershey et al. (2017),Ghimire and Adhikari (2023), Alkhawaja and Albaity (2020), and Larisa et al. (2020) stated that the relationship between risk tolerance and saving practices was not significant.

Hypothesis (H2): Financial Risk Tolerance has a positive relationship with financial planning for retirement.

Financial Self Efficacy and Financial Planning for Retirement

Financial literacy in and of itself is not sufficient to manage its financial resources. Hence, people need financial literacy and a sense of confidence in their ability to make the right financial decision. This sentiment is known in the psychological literature as self-efficacy (Farrell et al., 2016). Self-efficacy has been defined as a sense of individual skill to control, manage, and affect several aspects of life to accomplish goals (Bandura, 2006) within a wide variety of assignments and topics (Stajkovic & Luthans, 1998). Consumer behaviors are influenced by self-efficacy (Lown, 2011), and it is considered a significant ingredient in managing stress (Robb, 2017). Bandura (1977) has demonstrated that self-efficacy motivates people to promote the desired behavior in several areas of life and deal with adversity without being overwhelmed. It was suggested that the higher an individual's self-efficacy, the greater one's ability to defeat difficulties to attain efficacy expectations.

Financial self-efficacy makes individuals confident in achieving financial goals, managing their assets, and making their life better (Mindra et al., 2017). According to the literature, individuals with a high degree of financial self-efficacy have better financial well-being (Robb, 2017) and a low sense of financial stress (Heckman et al., 2014). Also, they could provide the self-confidence to conduct financial planning activities successfully. When markets become unpredictable, investors who were found to control their long-term financial situation were those with a high level of financial self-efficacy (Asebedo & Payne, 2019) and tended to make low-risk investment decisions (Cho & Lee, 2006). Farrell et al. (2016) showed that a higher level of financial self-efficacy among women increases their self-assuredness in managing their financial assets as well as decreases their debt. At the same time, they became more able to handle various investments and savings products.

In the same vein, Asebedo and Payne (2019) indicated that a high level of financial self-efficacy supports financial behaviors necessary for retirement financial planning. For instance, people with high FSE are founded to be more professional in evaluating risk investment for their retirement plans (Dulebohn, 2002), to get ready for early retirement (Wöhrmann et al., 2013), and more likely to put their knowledge into action, which indicates a positive impact between FSE and investment decision making (Husnain et al., 2019; Lunceford, 2017).

Hypothesis (H3): Financial Self-efficacy has a positive relationship with financial planning for retirement

Culture and Financial Planning for Retirement

The planning process is different from one country to another, not only because of the country's rules and pension system, but also because of the people's culture. Thus, it is considered complicated. Previous cross-cultural studies looking at retirement had derived some interesting findings. They illustrated that culture-specificities could lead to different preparations regarding retirement planning among the people (Koposko et al. 2016; Weisfeld-Spolter et al. 2018), even with well-developed pension schemes (Lusardi and Mitchell 2011b). For instance, Koposko et al. (2016) compared subjects in the United States and Mexico to see how they behaved in their FPR. Their findings have shown that future time perspective and parental influence on savings were higher among American students than Mexican students. However, retirement goal clarity was higher for Mexican students than US students. Another study investigated the differences in employees' retirement attitudes between the United States and The Netherlands (Hershey et al. 2007). The results have indicated that people in The Netherlands had lower levels of retirement goal clarity and retirement-planning activities. However, their perception of retirement savings was higher when compared to people in the United States.

A study by Ghadwan et al. (2022) revealed that retirement varies from country to country because of each society's different customs and traditions. In terms of cultural approaches to retirement, for example, working people in Britain start planning for retirement at 28, Chinese at about 37, and Europeans at about 32 years old. The monthly retirement savings plans in France were 13%, in Australia 37%, and in Belgium 25%. Regarding social approaches to retirement, the report indicated that working individuals in Spain and Germany anticipate retiring at 63, Americans at about 64, and Chinese at about 55 years old. Moreover, it indicated that 34%, 80%, 68%, and 65% of retirees retired before the legal minimum age in France, Italy, Canada, America, and Australia, respectively. Likewise, Imamoglu et al. (1993) examined aging and retirement attitudes between Sweden and Turkey. The findings revealed that Turkish people became more sociable as they came close to retirement compared to the Swedish people. However, Turkish individuals were less life satisfied in retirement when compared to their Swedish counterparts. Such studies implied that FPR behaviors among various cultures and nations need further investigation in order to establish a more precise picture (Koposko et al. 2016).

H4a: Culture has a significant positive relationship with financial planning for retirement.

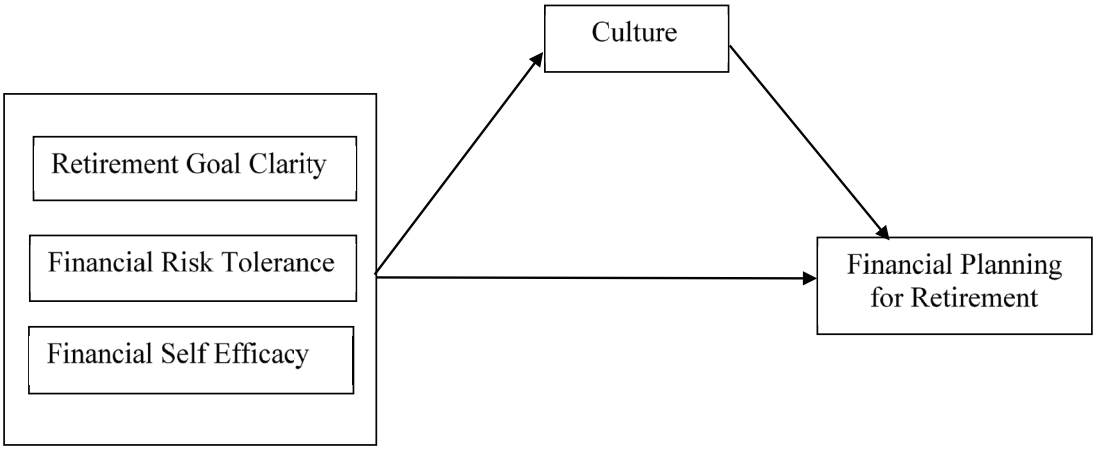
H4b: Culture mediates the relationship between retirement goal clarity and financial planning for retirement.

H4c: Culture mediates the relationship between financial risk tolerance and financial planning for retirement.

H4d: Culture mediates the relationship between financial self-efficacy and financial planning for retirement.

Figure 1

Research Framework



(Source: Ghadwan et al., 2022; Ghadwan et al., 2023)

3. Research Method

This study has adopted quantitative research approach and employed causal research design. It was a cross-sectional survey research. The respondents for the study were the employees working in Rastriya Banijya Bank, Nepal Investment Bank, NIC Asia Bank, Global IME Bank and Agricultural Development Bank Limited within Lalitpur district of Nepal. All the employed individuals were above the age of 20 years. The questionnaires were distributed to the 385 respondents, however, the actual sample used for the study was 332. Non-probability sampling method was adopted in this study. Individual unit of analysis is used in this research as questionnaire was distributed to each of the employed individuals. Responses were collected from the structured questionnaire distributed to the selected sample of employed individuals.

Measurement

The questionnaire of variables (Financial Planning for Retirement, Financial Risk Tolerance and Culture) was adopted from Ghadwan et al. (2022) and remaining variables (Financial Self-efficacy and Retirement Goal Calrity) was adopted from Ghadwan et al. (2023). All of the variables are measured by using ordinal scale i.e. Likert scale. The Likert scale consists of the following five responses categories: 1= Strongly Agree, 2= Agree, 3=Neutral, 4=Disagree and 5=Strongly Disagree. The characteristics of the variables were analyzed by using descriptive statistics. The relationship between independent variables (Financial Risk Tolerance, Financial Self-efficacy, Retirement Goal Clarity), dependent variable (Financial Planning for Retirement) and mediating variable (Culture) was analyzed using correlational and regression analysis expressed through tables and diagrams. The overall analysis of the data was done with the help of SPSS (Statistical Package for Social Science) software and Microsoft Excel, which was used in data entry and data cleaning process.

Table 1

Reliability Statistics

Variables	Cronbach's Alpha	No. of Items
Retirement Goal Clarity	0.816	5
Financial Risk Tolerance	0.712	5
Financial Self Efficacy	0.747	6
Culture	0.774	7
Financial Planning for Retirement	0.745	6

Table 1 presents a reliability analysis of a set of variables related to retirement planning. Cronbach's Alpha was calculated to assess internal consistency, which indicates how well the items within each variable measure the same underlying construct. Overall, the results suggested good reliability for all variables. Retirement Goal Clarity exhibit Cronbach's Alphas above 0.80, indicating strong internal consistency.

4. Results

This section focuses on analyzing and describing the data by using descriptive, inferential and mediating analysis.

Demographic Profile of the Respondents

The respondent profile encompasses key demographic characteristics, including gender, marital status, age group, employment sector and education level. To facilitate data analysis, both the percentage and frequency of each characteristic have been calculated.

Table 2

Frequency Distribution of Demographic Variables

Demographic Variables	Categories	Frequency	Percent (%)
Gender	Male	192	57.83%
	Female	140	42.17%
Marital Status	Single	187	56.33%
	Married	117	35.24%
	Divorced	28	8.43%
Age Group (Years)	20-30	175	52.71%
	31-40	72	21.69%
	41-50	65	19.58%
	Above 50	20	6.02%
Employment Sector	Academic	219	65.96%
	Administrator	113	34.04%
Education Level	+2	46	13.86%
	Bachelor	181	54.52%
	Master Degree	78	23.49%
	Above Master	27	8.13%

The table presents the frequency distribution of demographic variables for a sample of individuals. Gender was almost evenly split, with 57.83% male (n=192) and 42.17% female (n=140). The majority of respondents was single (56.33%, n=187), followed by married (35.24%, n=117), with a small percentage divorced (8.43%, n=28). Age-wise, the largest group falls between 20-30 years old (52.71%, n=175), decreasing in frequency in the subsequent age brackets: 31-40 years (21.69%, n=72), 41-50 years (19.58%, n=65), and above 50 years (6.02%, n=20). The dominant employment sector is academic (65.96%, n=219) compared to administration (34.04%, n=113). Education levels show a range from +2 (13.86%, n=46) to Bachelor's degree (54.52%, n=181), Master's degree (23.49%, n=78), and above Master's (8.13%, n=27). This data provides a snapshot of the demographic characteristics of the surveyed population.

Table 3

Descriptive Statistics of Dependent, Independent and Mediating Variables

Variables	Mean	Std. Deviation
Financial Self Efficacy	2.43	0.692
Retirement Goal Clarity	2.15	0.750
Financial Risk Tolerance	2.41	0.741
Culture	2.34	0.687
Financial Planning for Retirement	2.30	0.663

Note: 1= Strongly Agree, 2= Agree, 3= Neutral, 4= Disagree, 5= Strongly Disagree

Table 3 presents descriptive statistics for variables relevant to understanding the mediating role of culture in financial planning for retirement. The mean score for Financial Self Efficacy is 2.43 with a standard deviation of 0.692, indicating that respondents generally "Agree" with having confidence in their ability to manage finances. Retirement Goal Clarity has a mean of 2.15 (SD=0.750), suggesting respondents tend to "Agree" that they have clear retirement goals. Financial Risk Tolerance shows a mean of 2.41 (SD=0.741), implying a tendency to "Agree" with being tolerant of financial risk. Culture, a central variable in this study, has a mean of 2.34 (SD=0.687), reflecting a general "Agree" response, potentially suggesting a cultural inclination towards financial planning. Finally, Financial Planning for Retirement has a mean of 2.30 (SD=0.663), indicating that respondents generally "Agree" that they engage in financial planning for retirement. The relatively low standard deviations across all variables suggest that the responses were clustered closely around the mean, indicating a degree of consistency in the perceptions and behaviors of the respondents. The fact that all means are closer to "Agree" rather than "Strongly Agree" or "Neutral" may suggest a general positive sentiment towards financial planning, but with room for improvement.

Table 4

Correlation between Independent and Dependent Variables

	Retirement Goal Clarity	Financial Risk Tolerance	Financial Self Efficacy	Culture	Financial Planning for Retirement
RGC	1				
FRT	.459** (.000)	1			
FSE	.377** (.000)	.602** .602**	1		
Culture	.362** (.000)	.341** (.000)	.597** (.000)	1	
FPR	.461** (.000)	.405** (.000)	.449** (.000)	.582** (.000)	1

**. *Correlation is significant at the 0.01 level (2-tailed)*

Table 4 presents a correlation matrix examining the relationships between key variables in the study of "financial planning for retirement: the mediating role of culture." Retirement Goal Clarity shows significant positive correlations with Financial Risk Tolerance ($r = .459$, $p < .000$), Financial Self Efficacy ($r = .377$, $p < .000$), Culture ($r = .362$, $p < .000$), and Financial Planning for Retirement ($r = .461$, $p < .000$). This suggests that individuals with clearer retirement goals are more likely to exhibit higher risk tolerance, confidence in their financial abilities, a positive cultural orientation, and engagement in retirement planning. Financial Risk Tolerance is also positively correlated with Financial Self Efficacy ($r = .602$, $p < .000$), Culture ($r = .341$, $p < .000$), and Financial Planning for Retirement ($r = .405$, $p < .000$). Financial Self Efficacy, similarly, correlates positively with Culture ($r = .597$, $p < .000$) and Financial Planning for Retirement ($r = .449$, $p < .000$). Culture demonstrates a positive correlation with Financial Planning for Retirement ($r = .582$, $p < .000$). All correlations are statistically significant at the $p < .000$ level, indicating strong relationships between the variables and supporting the investigation into the mediating role of culture in financial planning for retirement.

Table 5

Model Summary

Model	R	R-Squared	Adjusted R-Squared	Std. Error of the Estimate	Durbin-Watson
1	.653 a	.426	.419	.505	2.113

The Table 5 presents a model summary from a regression analysis examining the relationships between retirement planning, retirement goal clarity, financial risk tolerance, financial self-efficacy, and the mediating role of culture. The R value of .653 indicates a moderately strong positive correlation between the independent variables and financial planning for retirement. The R-squared value of .426 suggests that approximately 42.6% of the variance in retirement planning can be explained by the predictors in the model. The adjusted R-squared of .419, which is close to the R-squared, indicates that the model generalizes reasonably well to the population. The standard error of the estimate is .505. Finally, the Durbin-Watson statistic of 2.113 suggests that there might be some autocorrelation in the residuals, which warrants further investigation to ensure the validity of the model's assumptions. However, without further context about the

specific variables and model specification, it's challenging to provide a more in-depth analysis, especially regarding the mediating role of culture.

Table 6

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	61.957	4	15.489	60.776	.000 b
	Residual	83.339	327	.255		
	Total	145.296	331			

The Table 6 presents ANOVA results examining the influence of retirement goal clarity, financial risk tolerance, and financial self-efficacy (independent variables) on financial planning for retirement (dependent variable), with culture as a mediator. The significant F-statistic (60.776, p<.000) for the overall model indicates that the independent variables, collectively, significantly predict financial planning for retirement. The R-squared value (calculated as 61.957/145.296 = .426) suggests that approximately 42.6% of the variance in financial planning for retirement is explained by the model. The individual contributions of the independent variables and the mediating role of culture are not directly shown in this table, requiring further analysis (e.g., separate regression analyses or structural equation modeling) to fully understand their specific effects. However, this ANOVA result provides initial evidence that the model as a whole is statistically significant and warrants further investigation into the relationships between the variables.

Table 7

Regression Analysis

Model		B	Std. Error	t	Sig.	Hypothesis
1	(Constant)	.526	.121	4.335	.000	
	Retirement Goal Clarity	.204	.043	4.759	.000	Accepted (H1)
	Financial Risk Tolerance	.125	.050	2.524	.012	Accepted (H2)
	Financial Self Efficacy	.013	.059	.217	.828	Rejected (H3)
	Culture	.426	.051	8.290	.000	Accepted (H4a)

The Table 7 presents regression coefficients examining the relationships between financial planning for retirement and its predictors, with culture as a mediator. Retirement goal clarity (B=.204, p<.001) and financial risk tolerance (B=.125, p<.05) significantly and positively predict financial planning, indicating that individuals with clearer retirement goals and higher risk tolerance are more likely to plan for retirement. However, financial self-efficacy does not show a significant relationship (B=.013, p>.05). The significant impact of culture (B=.426, p<.001) on financial planning suggests its importance in retirement planning. While the table provides the direct effects of the independent variables, it doesn't explicitly show the mediating role of culture, which would typically involve examining the indirect effect (path from independent variables through culture to financial planning), requiring further analysis not presented in this table. The constant represents the baseline level of financial planning when all predictors are zero.

Table 8

Mediation Effect

Relationship	Total Effect	Direct Effect	Indirect Effect	Confidence Interval		t-statistics	Conclusion
				Lower Bound	Upper Bound		
RGC→C→ FPR	.4070	.2543	.1526	.1009	.2164	9.429	Partial Mediation
P-value	0.000	0.000					
FRTFPR→C → FPR	.3622	.2091	.1530	.0983	.2121	8.044	Partial Mediation
P-value	0.000	0.000					
FSE→ C → FPR	.4298	.1511	.2787	.2024	.3600	9.119	Partial Mediation
P-value	0.000	0.000					

Note: RGC= Retirement Goal Clarity, FRT= Financial Risk Tolerance, FSE= Financial Self Efficacy, C= Culture, FPR= Financial Planning for Retirement

Table 8 presents a mediating analysis examining the relationship between various factors and Financial Planning for Retirement (FPR), with Culture (C) as the mediator. The analysis reveals partial mediation effects for all three relationships tested: Retirement Goal Clarity (RGC), Financial Risk Tolerance (FRT), and Financial Self-Efficacy (FSE).

Specifically, Retirement Goal Clarity shows a total effect of .4070 on Financial Planning for Retirement, with a direct effect of .2543 and an indirect effect of .1526 through culture. Similarly, Financial Risk Tolerance demonstrates a total effect of .3622, a direct effect of .2091, and an indirect effect of .1530. Lastly, Financial Self Efficacy exhibits a total effect of .4298, a direct effect of .1511, and a substantial indirect effect of .2787. All relationships are statistically significant at $p< .000$, supporting the hypothesis that culture partially mediates the influence of Retirement Goal Clarity, Financial Risk Tolerance, and Financial Self Efficacy on financial planning for retirement. The confidence intervals and t-statistics further validate these findings.

5. Discussion

This study explores the ways in which cultural elements impact people's retirement planning strategies. The results implied that attitudes and financial behaviors related to retirement savings were strongly influenced by cultural values. In contrast to individualistic cultures, which place more emphasis on personal responsibility, collectivist cultures may place a higher value on family support networks than on individual savings, resulting in distinct financial planning techniques (Hofstede, 2001). This is consistent with research by Joo and Grable (2004), who discovered that cultural background influences financial literacy and planning practices, suggesting that people from various cultural backgrounds may be differently prepared for retirement.

The study emphasizes how cultural norms influence how people save money as well as how important they believe retirement planning is. Because they anticipate family support, people in cultures where elder care is typically given by family may feel less pressure to save for retirement (Choi et al., 2018). On the other hand, proactive financial planning and retirement account investing are more common in cultures that value independence and self-sufficiency, like many Western civilizations (Lusardi & Mitchell, 2011). This disparity emphasizes how crucial it is to comprehend cultural context when creating financial education initiatives meant to increase retirement readiness.

Furthermore, the study shows that cultural perspectives on risk and investing are also quite important when it comes to retirement planning. People from risk-averse cultures, for instance, might favor safer investing options, which could eventually result in poorer returns than those from risk-taking cultures (Giri & Adhikari, 2023; Guiso et al., 2008). This result is in line with the larger body of research that indicates cultural factors, such avoiding ambiguity, can have a big impact on how people make financial decisions (Hofstede, 2001). The study's conclusions on the influence of peer pressure and social norms highlight the moderating function of culture in retirement financial planning. People may not have the knowledge and assistance they need to make wise retirement planning decisions in societies where talking about money is frowned upon (Bucher-Koenen et al., 2017). In contrast, environments that promote candid conversations about money can result in improved financial results and retirement readiness. Research on retirement financial planning emphasizes how important culture is in influencing people's financial attitudes and behaviors. It is clear from contrasting these results with previous research that cultural context is crucial to comprehending retirement planning techniques.

6.Conclusion

This study offers important new information about how people's attitudes about retirement planning are influenced by cultural influences. It emphasizes how important cultural factors are in determining financial behaviors and attitudes towards retirement investment and saving, including risk tolerance, long-term orientation, and collectivism versus individualism. According to the study, people from individualistic cultures might be more concerned with achieving personal financial independence, whereas people from collectivist cultures might place a higher value on family responsibilities than on saving money.

Furthermore, the efficacy of retirement planning techniques may be impacted by cultural differences in financial knowledge. The results indicate that in order to appeal to a wide range of demographics, financial education and advising services need to be culturally sensitive and address particular values, beliefs, and social conventions that affect financial decision-making. Financial planners and legislators can create more successful plans that support improved retirement outcomes by recognizing the mediating influence of culture. This study emphasizes how crucial it is to incorporate cultural factors into financial planning procedures, which will ultimately increase participants' participation and financial literacy among those getting ready for retirement.

7. Implication

The study emphasizes how cultural variables have a big impact on how people approach retirement planning. It implies that attitudes and financial behaviors related to retirement savings are influenced by cultural values, beliefs, and customs. Financial planning techniques,

for example, may be impacted by cultures that place a higher value on family support than on personal savings. Individualistic cultures, on the other hand, could promote proactive money management and personal accountability. In order to effectively address the diverse needs of different populations, financial planning programs and policies need to be culturally sensitive. Comprehending these cultural nuances can result in more specialized financial education and resources, which will ultimately improve retirement readiness across a range of demographic groups. This approach can increase the effectiveness of financial planning initiatives by making sure they resonate with the cultural contexts of the people they are intended to serve.

8. Limitations and Direction for the Future Research

A small sample size and possible biases in the data gathering techniques are two of the study's drawbacks. These elements might have an impact on how broadly the results can be applied. To improve the robustness of the findings, future researchers are urged to increase the sample size and include a variety of populations. Furthermore, using mixed-method approaches could yield more in-depth understanding of the topic. Investigating longitudinal studies to evaluate changes over time is also advised since this could provide a more thorough knowledge and practical consequences.

Conflict of Interest

Authors declare no conflict of interest while preparing this article.

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