

The Predicting Role of Financial Literacy, Social Support, and Government Retirement Policy Awareness on Retirement Readiness

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INTRODUCTION

Retirement represents a major life transition that significantly influences financial stability, psychological well-being, and social relationships. As life expectancy continues to rise and economic uncertainty intensifies, the need for intentional and comprehensive retirement planning has become increasingly vital. This concern is not only for individuals preparing for their future but also for governments that are responsible for ensuring the long-term welfare of their employees and citizens. Government personnel face unique challenges that stem from limited savings opportunities, continued reliance on pension programs, and the lack of strong institutional systems that support both financial and psychosocial readiness for retirement (Lhaopadchan, Gerrans, and Treepongkaruna, 2025).

Across the world, retirement preparedness has become an important issue as aging populations create greater pressure on public pension systems. Policymakers now recognize that retirement planning should not be treated only as a personal obligation but also as a matter of public policy that calls for coordinated efforts in financial education, social protection, and institutional support (OECD, 2023). Being prepared for retirement involves more than the accumulation of financial assets. It also requires psychological adjustment, social connectedness, and the ability to live a meaningful and fulfilling life beyond one's years of employment (Lhaopadchan et al., 2025).

In the Philippines, retirement planning is governed by a set of laws designed to protect workers in both the private and public sectors. The Labor Code of the Philippines, also known as Presidential Decree Number 442, provides the basic framework for employment and retirement regulations. Republic Act Number 7641, or the Retirement Pay Law, requires private sector employers to provide retirement pay to qualified employees, while the Social Security System ensures income continuity through pension benefits. For government employees, the Government Service Insurance System operates under Republic Act Number 8291, known as the GSIS Act of 1997, which defines the terms and conditions for optional and compulsory retirement. Although these laws are intended to guarantee financial protection, many employees remain unaware of their entitlements and the mechanisms that promote long-term financial security (De Guzman, 2021).

Despite these institutional safeguards, challenges remain. Research has shown that many Filipino workers, including government employees, have limited financial literacy, which affects their ability to make informed decisions about savings, investments, and pension utilization (De Guzman, 2021). In addition, changes in family structure and migration have weakened traditional support systems that once served as safety nets for older adults. As a result, many retirees rely solely on modest pensions or continue to engage in informal work to sustain their basic needs.

Within the national context, differences in retirement readiness are often associated with job classification and income level. Senior officials tend to benefit from structured financial programs, cooperative memberships, and investment opportunities, while rank-and-file employees struggle with everyday financial constraints that limit their capacity to save for the future (Lhaopadchan et al., 2025). These differences reveal issues of equity and inclusion in the implementation of retirement systems and expose the continuing gaps in policy and institutional support.

In Iligan City, the same national issues are evident within the Local Government Unit. Regular employees are covered by the GSIS, and some are members of the Iligan City Government Employees MultiPurpose

Cooperative. While these programs promote saving and mutual financial assistance, they are often short-term in scope and do not address the long-term dimensions of retirement preparedness. Observations show that many employees, particularly those nearing retirement, remain uncertain about their financial capacity, their GSIS benefits under Republic Act Number 8291, and their emotional readiness for life after government service.

Retirement readiness is increasingly recognized as a multidimensional concept that includes financial, psychological, and social aspects. However, there are few empirical studies in the Philippines that explore the connection among financial literacy, social support, and awareness of government retirement policies, especially at the level of local government employees. Since the responsibility of employee welfare has been decentralized to the local government units, there is a growing need for localized and evidence-based insights that can guide the design of more responsive human resource programs.

This study is aligned with the United Nations Sustainable Development Goal Eight (SDG-8), which focuses on Decent Work and Economic Growth. This goal emphasizes the protection of workers' rights and the promotion of sustainable, inclusive, and productive employment. Improving retirement readiness among government employees supports this goal by enhancing financial security, strengthening institutional support, and ensuring a dignified and meaningful transition from active employment to retirement.

Therefore, this study examined the influence of financial literacy, social support, and awareness of government retirement policies on the retirement readiness of Local Government Unit employees in Iligan City. It aimed to provide empirical evidence that can assist human resource managers, policymakers, and employee cooperatives in developing retirement programs that are inclusive, sustainable, and empowering. Ultimately, the study seeks to help public servants prepare for retirement with confidence, financial stability, and a sense of dignity grounded in lifelong well-being.

THEORETICAL FRAMEWORK

This study is anchored on the Life Course Theory (LCT) as its overarching framework. Introduced by Glen Elder Jr. in the 1970s, this theory explains that individuals' behaviors and outcomes develop through a sequence of life stages influenced by personal choices, social relationships, and institutional environments. It underscores that human development is a lifelong process in which early experiences influence later outcomes, including financial and social readiness for retirement. Moreover, a recent application by Brydsten (2025) reinforces that retirement preparedness results from cumulative experiences and decisions shaped by social context and institutional exposure. In this regard, the Life Course Theory provides a holistic lens for understanding how Local Government Unit employees' financial literacy, social support, and policy awareness interact over time to determine their level of retirement readiness.

Supporting this overarching framework are four complementary theories that explain the specific variables of the study: the Theory of Planned Behavior (TPB), the Financial Capability Theory (FCT), the Social Capital Theory (SCT), and the Institutional Theory (IT). These theories collectively clarify the individual, social, and institutional dimensions that influence employees' preparedness for retirement. The Theory of Planned Behavior, developed by Icek Ajzen in 1991, posits that human actions are guided by behavioral intentions influenced by attitudes, subjective norms, and perceived behavioral control. Accordingly, this theory provides a psychological basis for understanding how intention transforms into action. A recent study by She (2024) demonstrated that employees' perceptions and attitudes toward financial management directly shape their intentions and behaviors in preparing for retirement. Thus, TPB fits the present study because it explains how Local Government Unit employees' financial attitudes and perceived control over their resources influence their commitment to save and plan for post-employment life.

The Financial Capability Theory, advanced by Michael Sherraden in 2013, expands financial literacy to include the combination of financial knowledge, skills, confidence, and opportunity. It emphasizes that capability is achieved not only through individual learning but also through institutional access to financial resources. Furthermore, a recent investigation by Sundarasan et al. (2024) affirmed that employees' ability to make sound financial decisions depends on both their knowledge and the enabling environment provided by their organization. Therefore, this theory aligns closely with the independent variable on financial literacy,

recognizing that personal competence and institutional support must complement each other to enhance retirement preparedness.

The social capital theory, conceptualized by Pierre Bourdieu in 1986 and later expanded by Robert Putnam in 2000, explains how social networks, trust, and norms serve as resources that enable individuals to achieve personal and collective goals. Likewise, a contemporary study by Nyqvist et al. (2024) confirmed that social capital fosters engagement and emotional security among older adults, contributing to their overall wellbeing. Hence, the theory is relevant to this study because it clarifies how emotional, informational, and instrumental support from family, colleagues, and community networks helps local government unit employees strengthen their confidence and readiness for retirement.

The Institutional Theory, originally introduced by Philip Selznick in the 1950s and later refined by Richard Scott in 2014, explains how formal rules, systems, and norms shape individual and organizational behavior. In addition, a recent analysis by Christensen and Laegreid (2022) highlighted how institutional structures and government frameworks influence employee compliance and trust in policies. Consequently, the theory supports the variable on government retirement policy awareness by illustrating how employees' understanding and engagement with programs such as the Government Service Insurance System (GSIS) and related national laws are shaped by institutional guidance and policy dissemination.

Taken together, these theories provide a comprehensive and multi-level explanation of retirement readiness. The Life Course Theory serves as the umbrella framework that situates retirement preparation as a lifelong process influenced by cumulative experiences. Within this framework, the Theory of Planned Behavior explains employees' behavioral intentions, the Financial Capability Theory accounts for financial competence and access, the Social Capital Theory highlights the role of social relationships and networks, and the Institutional Theory situates these behaviors within formal policy structures. Collectively, these theoretical perspectives create a cohesive framework demonstrating how individual agency, social interaction, and institutional environments interact across an employee's life course to shape overall retirement readiness.

Conceptual Framework

This study focused on the relationship between the independent variables financial literacy, social support, government retirement policy awareness, and the profile of respondents, and the dependent variable retirement readiness among employees of the Local Government Unit in Iligan City. The framework described how these variables collectively contributed to employees' overall preparedness for retirement in terms of financial stability, emotional readiness, and income continuity.

To begin with, the independent variables define the main areas that shape retirement preparation. Financial literacy, identified as the principal independent variable, refers to an individual's ability to understand, evaluate, and manage financial resources effectively. In this study, it consists of three sub variables: financial knowledge, financial behavior, and financial attitude. Specifically, financial knowledge covers understanding of savings, investment options, and retirement programs, while financial behavior pertains to how individuals translate knowledge into action through budgeting, saving, and responsible spending. Moreover, financial attitude reflects one's disposition toward long term planning and commitment to financial goals.

Social support, on the other hand, represents the interpersonal and relational resources that guide and motivate employees to prepare for retirement. It is composed of three sub variables: emotional, informational, and instrumental support. Emotional support refers to empathy, reassurance, and encouragement from family members, peers, or colleagues. Likewise, informational support deals with sharing knowledge and guidance about financial management and retirement preparation, while instrumental support involves tangible help such as joining cooperatives or attending financial seminars.

Government retirement policy awareness also serves as a vital component of retirement preparation. It pertains to employees' understanding of institutional systems, laws, and programs that promote welfare after employment. This variable is represented by three sub variables: pension programs, financial education, and social security benefits. Pension programs involve familiarity with the Government Service Insurance System and its benefit processes. In addition, financial education covers awareness of initiatives from the Civil Service

Commission and cooperative based programs that enhance financial capability. Furthermore, social security benefits refer to knowledge of national laws such as Republic Act No. 8291, the Government Service Insurance System Act of 1997, and Republic Act No. 9994, the Expanded Senior Citizens Act of 2010, which safeguard retirees' welfare.

Meanwhile, the profile of respondents, which includes sex, marital status, educational background, income level, and job classification, serves as a descriptive variable that helps explain variations in access to financial information, investment opportunities, and participation in institutional programs. These characteristics may also influence the extent to which employees engage in activities that contribute to retirement readiness.

The dependent variable, retirement readiness, signifies the overall condition of being prepared for life after employment. It is defined through three sub variables: financial preparedness, psychological readiness, and income continuity. Financial preparedness refers to maintaining stability through savings, pensions, and investments. Similarly, psychological readiness involves emotional adjustment, resilience, and acceptance of post-employment life, while income continuity focuses on sustaining financial resources sufficient to support one's lifestyle after retirement.

The structure of this framework is supported by previous studies and theories. Hasler and Lusardi (2019) and Xiao and Porto (2023) emphasized the role of financial literacy in promoting responsible decision making and long-term planning. In the same manner, Li and Ma (2022) identified that social support systems strengthen psychological readiness and confidence in retirement. Likewise, Christensen and Laegreid (2022), through institutional theory, highlighted that awareness of government policies enhances compliance and trust in formal programs. Moreover, Lusardi and Mitchell (2023) and Vieira (2023) explained that retirement readiness combines both financial capability and psychological adjustment, ensuring stability and well-being in later years.

Consequently, this framework assumes that employees who demonstrate higher financial literacy, stronger social support, and greater awareness of government retirement policies, along with favorable characteristic of respondent's profile, are more likely to achieve higher retirement readiness. Therefore, understanding these relationships provides a basis for identifying which factors most strongly predict preparedness and for designing institutional strategies that enhance the retirement planning of Local Government Unit employees in Iligan City

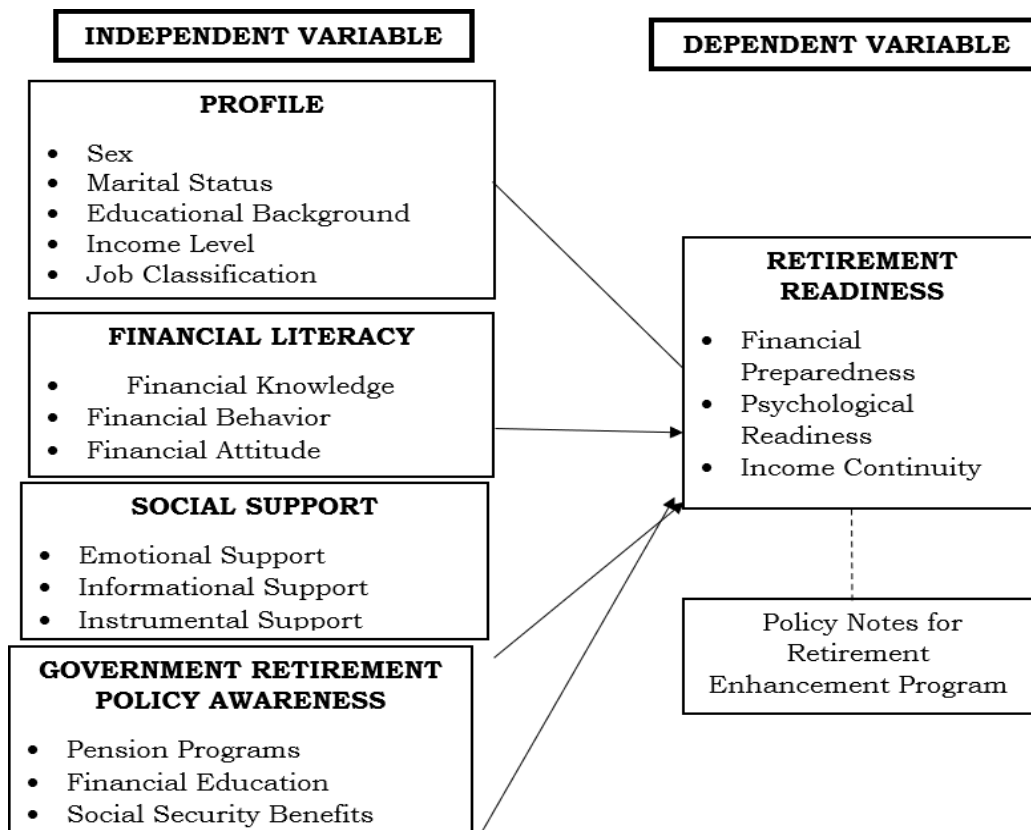


Figure 1 Schematic Diagram of the Study

Statement of the Problem

This study, titled “The Predicting Role of Financial Literacy, Social Support, and Government Retirement Policy Awareness on Retirement Readiness,” investigated how these three factors influenced and related to the retirement readiness of Local Government Unit employees aged 40 and above. Guided by this purpose, the study aimed to determine the extent to which individual capabilities, social networks, and policy awareness shaped employees’ preparedness for retirement. In line with this direction, it sought to answer the following questions:

What is the profile of the respondents in terms of:

Sex;

Marital Status;

Educational Background;

Income Level; and

Job Classification?

What is the level of financial literacy among Local Government Unit employees in terms of:

Financial Knowledge;

Financial Behavior; and

Financial Attitude?

1. What is the level of social support received by Local Government Unit employees in terms of:

1. Emotional Support;

2. 2. Informational Support; and 3. 3. Instrumental Support?

2. What is the level of awareness regarding government retirement policies in terms of:

3. 1. Pension Programs;

4. 2. Financial Education; and

4. 3. Social Security Benefits?

3. What is the level of retirement readiness among Local Government Unit employees in terms of:

4. 1. Financial Preparedness;

5. 2. Psychological Preparedness; and

5. 3. Income Continuity?

4. Is there a significant difference in retirement readiness when respondents are grouped according to their profile?

5. Does Financial Literacy significantly influence retirement readiness?

6. Does Social Support significantly influence retirement readiness?

7. Does Government Retirement Policy Awareness significantly influence retirement readiness?

8. Which among the three variables, namely financial literacy, social support, and government retirement policy awareness, best influenced the retirement readiness of employees?

9. What policy notes can be proposed for intervention to retirement readiness among Local Government Unit employees?

Statement of Hypotheses

The following null hypotheses were tested at a 0.05 level of significance.

H₀₁ There is no significant difference in retirement readiness when respondents are grouped according

to the profile.

H₀₂ Financial literacy does not significantly influence retirement readiness among Local Government Unit employees

H₀₃ Social support does not significantly influence retirement readiness among Local Government Unit employees.

H₀₄ Government retirement policy awareness does not significantly influence retirement readiness among Local Government Unit employees.

Significance of the Study

The results of this study provided valuable insights that guided stakeholders across employee groups, policymakers, human resource practitioners, families, social networks, and academic researchers. By identifying the key factors affecting retirement readiness, the study laid the foundation for more strategic, evidence-based decisions on intervention programs for financial security, especially for those working in the Local Government Unit.

Local Government Unit Human Resource (HR) Practitioners. The results of this study serve as a baseline reference for understanding the current perspectives of municipal employees regarding their preparedness for retirement. The findings help the Human Resource Department develop and implement programs and interventions that assist employees in planning and preparing effectively for their retirement. Through this, the department is guided in formulating policies and initiatives that enhance financial literacy, strengthen social support systems, and increase awareness of government retirement policies. Moreover, the study provided a foundation for evidence-based planning and decision-making in workforce development and employee welfare management, promoting a more proactive and sustainable approach to retirement readiness within the Local Government Unit.

Local Government Unit Employees. The study benefits employees by increasing their awareness of the factors that influence retirement readiness, such as financial literacy, social support, and government policy awareness. The findings encourage them to take a more active role in managing their finances, participating in institutional programs, and planning for long-term stability. Likewise, the study enables employees to assess their current level of preparedness and identify areas for improvement in their financial and psychological readiness. Ultimately, it empowers them to make informed decisions that ensure a secure and fulfilling life after retirement.

Local Government Administrator. This study provides valuable insights for local government administrators in formulating responsive and sustainable employee development policies. The results help administrators understand the existing gaps and strengths in the organization's support systems for retirement preparedness. Consequently, this knowledge allows them to allocate resources more effectively, design evidence-based welfare initiatives, and align organizational practices with national retirement and social protection programs. In turn, the study supports administrative efforts toward building a competent, financially literate, and well-prepared workforce that continues to uphold productivity and well-being even beyond public service.

Future Researchers. The study serves as a useful reference for future researchers who wish to explore similar or related topics concerning retirement preparedness, financial literacy, and social support among employees in the public sector. The study offers empirical evidence and a conceptual framework for expansion, replication, and comparison across various organizational or geographical contexts. Moreover, it opens opportunities for further investigation into other factors affecting retirement readiness, such as organizational culture, policy implementation, or psychological interventions. Thus, the study contributes to the growing body of literature that aims to promote employee well-being and sustainable retirement planning.

Higher Education Institution (HEI) Educators. The study offers helpful conclusions for HEI educators who teach courses in management, human resources, and organizational development. It enriches classroom discussions by offering practical and research-based examples that connect theory with real-world applications in workforce planning and employee welfare. In addition, the study points to the value of integrating topics such as financial

literacy, career adaptability, and retirement readiness into academic curricula to prepare future professionals for holistic development. Through this, educators receive a helpful tool that supports their role in shaping socially responsible and financially capable graduates.

Scope and Limitations of the Study

This study examined the influence of financial literacy, social support, and awareness of government retirement policies on the retirement preparedness of employees from the Local Government Unit (LGU) of Iligan City, a lone district located in Northern Mindanao. It specifically focused on understanding how these three factors influenced an individual's ability to plan for and attain a financially secure and emotionally stable post-retirement life. Financial literacy was assessed through the dimensions of financial knowledge, financial behavior, and financial attitude; social support was examined in terms of emotional, informational, and instrumental forms; and government retirement policy awareness included understanding of pension schemes, financial education initiatives, and social security benefits.

The participants of this study were regular employees of the Iligan City LGU who were aged 40 to 55 years old, as this age group is considered to be in the critical stage of financial and psychological preparation for retirement. This group was chosen because regular employees are qualified members of the Government Service Insurance System (GSIS) and are therefore entitled to pension and retirement benefits upon completion of their public service. Job-order and contractual workers were excluded since their employment status is temporary and they are not covered by GSIS pension benefits, making their retirement circumstances substantially different from those of regular employees.

Retirement readiness was viewed as a multidimensional construct encompassing financial preparation, psychological readiness, and income stability. The results and findings of this study were limited to the responses gathered through the researcher's self-administered survey questionnaire, which served as the primary datagathering instrument. Consequently, the accuracy of the findings depended on the honesty, understanding, and recall of the respondents. Furthermore, the scope of the results was confined to the Iligan City LGU context and may not be generalized to other government units or private-sector organizations.

In addition, the study recognized possible sources of bias, including recall bias and social desirability bias, which are inherent in self-reported data. It also did not account for macroeconomic factors such as inflation, fiscal policy shifts, or national economic conditions, as the main focus was on individual characteristics and the level of awareness of institutional retirement programs within the local government framework.

Despite these limitations, the study provides valuable insights into the financial, social, and institutional factors that contribute to the retirement preparedness of Local Government Unit employees and serves as a baseline for developing more targeted retirement readiness programs in the public sector.

Definition of Terms

The study employed several key terms to facilitate understanding of the research and its implications. The following were operationally defined to provide clarity and context for these terms:

Financial Literacy. Refers to one of the main independent variables of the study, describing the ability of Local Government Unit (LGU) employees to understand, manage, and apply financial knowledge in their everyday decision-making. Moreover, this construct emphasizes how employees use their financial understanding to make informed choices about saving, spending, and long-term planning. Likewise, it reflects their capacity to interpret financial information, evaluate options, and adopt responsible financial practices that contribute to economic security and retirement preparedness.

Financial Knowledge. This refers to one of the sub-variables of financial literacy, focusing on the dimension that measures the extent to which LGU employees possess and internalize essential concepts of money management. It encompasses critical aspects such as saving, budgeting, investing, inflation, insurance, taxation, and risk management. Moreover, this dimension reflects how employees acquire and apply factual information that guides their financial understanding and decision-making. A higher level of financial knowledge indicates a

stronger cognitive grasp of these concepts, which contributes to making informed financial decisions and, consequently, influences their overall retirement readiness.

Financial Behavior. This refers to one of the sub-variables of financial literacy, focusing on the dimension that assesses the extent to which LGU employees demonstrate responsible and consistent financial practices in managing their resources. It involves observable actions such as budgeting, saving, investing, controlling expenses, and maintaining financial discipline. Furthermore, this dimension reflects how employees translate their financial understanding into actual decision-making and routine financial activities. A higher level of financial behavior indicates more prudent and goal-oriented financial management, which contributes to better financial stability and positively influences retirement readiness.

Financial Attitude. This refers to one of the sub-variables of financial literacy, focusing on the dimension that evaluates the mindset, values, and disposition of LGU employees toward financial management and decision-making. It reflects their outlook on saving, spending, investing, and managing financial risks, as well as their confidence in handling long-term financial responsibilities. Moreover, this dimension captures employees' level of optimism, self-control, and commitment to achieving financial goals. A more positive financial attitude suggests a forward-looking and disciplined approach to managing finances, which fosters responsible planning and contributes significantly to employees' retirement readiness.

Government Retirement Policy Awareness. This is referring to one of the main independent variables of the study, describing the level of awareness and familiarity that LGU employees in Iligan City have regarding public sector retirement programs, systems, and policies. It encompasses their knowledge of institutional provisions such as pension schemes, financial education initiatives, and social security benefits administered by government agencies like the Government Service Insurance System (GSIS) and the Civil Service Commission. Furthermore, this variable gauges how well-informed employees are about the procedures, eligibility requirements, and benefits linked to these government retirement programs. A higher level of policy awareness indicates that employees possess sufficient information about the institutional mechanisms ensuring postemployment welfare, thereby enhancing their capacity to plan effectively and improving their overall retirement readiness.

Pension Programs. This is a sub-variable under Government Retirement Policy Awareness, which measured the extent to which LGU employees are aware of and familiar with government-mandated pension systems designed to provide income security after retirement. It includes knowledge of the Government Service Insurance System (GSIS) and its related policies, benefits, and procedures for claiming retirement entitlements. Moreover, it considers employees' familiarity with contribution requirements, service credit rules, and benefit computation processes. A higher level of awareness of pension programs indicates that employees are better informed about their post-employment benefits, which supports effective financial planning for retirement.

Financial Education. This is another sub-variable under Government Retirement Policy Awareness, which focused on the degree of exposure and participation of LGU employees in financial literacy or retirement planning programs organized by government agencies or affiliated institutions. It reflects their engagement in orientations, workshops, and capacity-building activities aimed at improving financial management skills and retirement preparedness. Furthermore, this dimension captures how such initiatives shape employees' financial attitudes and confidence in planning for long-term financial stability. A higher level of engagement in financial education initiatives contributes to improved awareness and preparedness for retirement.

Social Security Benefits. This refers to a sub-variable under Government Retirement Policy Awareness, which assessed the extent to which LGU employees are aware of government provisions and protective measures that ensure their welfare after retirement. It includes familiarity with laws such as Republic Act No. 8291 (Government Service Insurance System Act of 1997) and Republic Act No. 9994 (Expanded Senior Citizens Act of 2010), along with other relevant institutional programs. In addition, it considers awareness of entitlements such as survivorship benefits, healthcare assistance, and other postretirement support. A higher level of awareness of social security benefits signifies stronger institutional trust and readiness to transition into retirement with financial and emotional stability.

Profile of the Respondents. This is one of the independent variables of the study, which presents the socio-demographic characteristics of LGU employees in Iligan City. It includes measurable factors such as sex, marital

status, educational attainment, income level, and job classification. This variable provides contextual information that helps describe the respondents and allows the researcher to determine whether differences in these characteristics influence the employees' level of retirement readiness. Moreover, analyzing the respondents' profile supports the interpretation of relationships among the main variables by revealing patterns or variations that may affect financial literacy, social support, and government retirement policy awareness.

Sex. It is a sub-independent variable under the profile of the respondents, which identifies the biological classification of LGU employees as either male or female. This variable is included to determine whether differences in sex influence the level of employees' retirement readiness.

Marital Status. This refers to a sub-independent variable under the profile of the respondents, which categorizes LGU employees based on their civil status such as single, married, separated, and widowed. This variable helps determine whether marital circumstances influence preparedness for retirement.

Educational Attainment. It refers to a sub-independent variable under the profile of the respondents, which indicates the highest level of formal education completed by LGU employees. It identifies seven classifications, namely, high school level, high school graduate, college level, college graduate, postgraduate level, postgraduate degree holder, and vocational or technical graduate. This variable provides insight into how educational background may influence employees' level of retirement readiness by shaping their capacity to make informed decisions, interpret institutional policies, and plan for financial and psychological stability after employment.

Monthly Income Level. It is a sub-variable under the profile of the respondents, which represents the average monthly income or salary range of LGU employees. This variable determines whether variations in income influence employees' level of retirement readiness, particularly in terms of their ability to plan financially, sustain savings, and secure long-term financial stability. Moreover, the classification of income levels follows the Philippine Statistics Authority (PSA) income bracketing, which serves as the standard reference for categorizing socio-economic status in the country.

Job classification. This refers to a sub-independent variable under the profile of the respondents, which identifies the employment category of LGU personnel based on their job position. It is classified into rank-and-file, supervisory, and managerial levels. This variable examines whether nature and level of position influence employees' retirement readiness, particularly in terms of access to benefits, exposure to institutional information, and participation in retirement planning activities. This variable refers to the hierarchical grouping of regular Local Government Unit (LGU) employees in Iligan City, categorized by their roles, responsibilities, and level of authority. This study utilizes it to investigate whether an employee's position affects their financial literacy, social support, awareness of government retirement policies, and retirement readiness.

Retirement Readiness. This is the main dependent variable of the study, which represents the overall condition and capability of Local Government Unit (LGU) employees to transition into retirement with financial security, emotional stability, and confidence. It reflects how well employees are prepared to maintain their wellbeing and quality of life after leaving active government service. This study finds that financial literacy, social support, and knowledge of government retirement policies all affect how ready employees are for retirement. Moreover, to provide a comprehensive assessment, retirement readiness is examined through three sub-variables: financial preparedness, psychological readiness, and income continuity. Each dimension captures a unique yet interrelated facet of retirement readiness, providing a comprehensive view of employees' capacity to navigate financial, emotional, and income-related challenges in later life.

Financial Preparedness. This is a sub-dependent variable under retirement readiness, which measures the extent to which LGU employees have accumulated sufficient financial resources and developed sound financial practices to sustain their desired standard of living after retirement. It encompasses aspects such as savings, investments, pension contributions, and access to other financial assets that ensure long-term stability. A higher level of financial preparedness indicates stronger financial security and readiness to manage post-retirement expenses without dependence on external assistance.

Income Continuity. It refers to a sub-dependent variable under retirement readiness, which evaluates the stability and consistency of financial resources available to LGU employees after retirement. It focuses on the presence

of steady income streams such as pension benefits, cooperative dividends, or other post-employment earnings that support daily living expenses. A higher level of income continuity indicates stronger financial independence and the ability to maintain a stable standard of living throughout the retirement period.

Psychological Readiness. This refers to a sub-dependent variable under retirement readiness, which assesses the emotional and mental preparedness of LGU employees to adapt to lifestyle changes associated with retirement. It includes feelings of acceptance, life satisfaction, a sense of purpose, and emotional resilience in facing the transition from active employment to retirement. Moreover, this dimension reflects the extent to which employees perceive retirement positively and are mentally equipped to sustain well-being and social engagement after leaving the workforce.

Social Support. This served as one of the key independent variables of the study. It referred to the perceived assistance, encouragement, and resources derived from interpersonal and institutional relationships that helped ease the transition toward retirement. The overall interpretation was high, suggesting that strong social linkages and supportive interactions existed in both the workplace and community settings.

Emotional Support. This sub-component referred to empathy, care, and reassurance extended by others, which strengthened emotional well-being and confidence during retirement preparation. Its interpretation was higher than the other forms of support, indicating that emotional understanding and compassion played a particularly vital role in fostering psychological readiness.

Informational Support. This area involved sharing guidance, advice, and relevant information to support retirement decision-making. It was high, indicating that access to information and advisory interactions were common, although there was still room for more organized communication.

Instrumental Support. This sub-variable represented the tangible or practical assistance provided, including help in fulfilling retirement requirements, participation in programs, or access to material resources. The high level indicated that concrete, action-oriented forms of support were consistently available, helping ensure smoother retirement preparation.

Social Support. This refers to one of the main independent variables of the study, which describes the perceived amount and quality of assistance, encouragement, and resources that Local Government Unit (LGU) employees receive from their social and professional networks. It encompasses the interpersonal and institutional relationships that help employees cope with challenges and ease their transition toward retirement. This variable assesses the degree to which colleagues, family, friends, and community institutions enhance employees' confidence, emotional stability, and readiness for retirement. A higher level of social support indicates stronger linkages and cooperative interactions in both the workplace and community, which positively influence retirement readiness.

Emotional Support. This refers to a sub-independent variable under Social Support, which measures the extent to which LGU employees receive care, empathy, and reassurance from family, colleagues, and peers. It captures expressions of concern, understanding, and motivation that help reduce anxiety or stress associated with retirement and life transitions. A higher level of emotional support indicates greater emotional security and confidence, contributing to stronger psychological readiness for retirement.

Informational Support. This is a sub-independent variable under Social Support, which assesses the degree to which LGU employees receive advice, guidance, and retirement-related information from mentors, peers, or institutional programs. It reflects the availability of relevant and accurate information that helps employees make informed financial and life decisions in preparation for retirement. A higher level of informational support signifies better access to practical knowledge that facilitates planning and informed decision-making.

Instrumental Support. This refers to a sub-independent variable under Social Support, which pertains to the tangible or practical assistance available to LGU employees that supports retirement preparation. It includes help in processing requirements, participating in financial or retirement programs, or accessing material and financial resources. A higher level of instrumental support reflects stronger institutional and social mechanisms that enable employees to prepare more effectively and confidently for retirement.

REVIEW OF RELATED LITERATURE AND STUDIES

This chapter provides a comprehensive review of existing literature to establish both the theoretical and empirical bases of retirement readiness. It examines the complex aspects of retirement preparedness, including not only financial factors but also psychological and social elements. The review further analyzes how financial literacy, social support, and awareness of government retirement policies influence an individual's ability to plan effectively for life after employment. By synthesizing current scholarly works, this chapter emphasizes key factors that contribute to retirement security and overall well-being in later years.

The primary objective of this literature review is to systematically investigate the dependent variable, retirement readiness, in relation to three key independent variables: financial literacy, social support, and awareness of government retirement policies. By engaging with both theoretical perspectives and empirical studies, this section highlights the importance of early, proactive retirement planning and provides practical, policy-oriented insights to enhance retirement outcomes across diverse settings.

Retirement Readiness

Retirement readiness has been a central theme in global research, with scholars consistently emphasizing that financial literacy, social support, and awareness of government programs are critical determinants of successful retirement planning (Lusardi & Mitchell, 2017; OECD, 2019). It is regarded as an essential component of long-term financial planning, yet researchers now acknowledge that readiness extends far beyond the ability to save. It is a dynamic and multidimensional concept shaped by financial preparedness, psychological adjustment, and income continuity. It is increasingly regarded as a result of the interplay between an individual's financial competencies, social environment, and institutional support systems (Tomlinson et al., 2020).

Globally, extensive evidence shows that early and proactive retirement planning enhances long-term outcomes. Lusardi and Mitchell (2017) established that individuals with higher financial literacy were more capable of making sound financial decisions, participating in structured savings programs, and engaging in investment activities that secured their post-retirement years. Similarly, Clark, Lusardi, and Mitchell (2020) found that well-structured and systematic retirement plans significantly reduced the likelihood of financial hardship in later life. Collectively, these studies reinforced that equipping individuals with financial knowledge and decision-making skills is essential for achieving sustainable retirement security.

However, retirement readiness extends beyond financial capability. Takagi and Saito (2021) revealed that retirees in Germany and Japan who maintained strong social connections through family ties, peer networks, and community programs experienced higher levels of emotional well-being and resilience. Their findings affirmed that retirement is not merely an economic event but a life transition encompassing social and psychological dimensions. The presence of supportive interpersonal relationships and active community engagement fosters confidence, purpose, and satisfaction during retirement.

In the Philippine context, preparing for retirement remains challenging due to economic constraints and underdeveloped pension systems. Gamboa (2019) noted that many Filipino workers lack long-term financial plans, often because of limited income and poor awareness of retirement options. Although institutions such as the Government Service Insurance System (GSIS) and the PAG-IBIG Fund offer financial security, the adequacy and sustainability of these programs remain in question. Workers in the informal sector, excluded from these benefits, face significant financial vulnerability and often depend on family or informal work to sustain themselves.

For government employees, retirement preparedness also varies by job classification. Topa et al. (2018) found that managerial and supervisory employees are often better prepared due to higher salaries and access to benefits, while rank-and-file workers face limited saving opportunities. This disparity highlights how workplace hierarchy influences not only professional life but also readiness for retirement.

At the local level, studies among Local Government Unit (LGU) employees highlighted these realities. Reyes et al. (2020) and Dela Cruz (2021) found that most LGU employees rely heavily on their pensions, which are often insufficient to cover basic expenses. Torres (2022) proposed that continuous financial education, policy

reinforcement, and early pre-retirement counseling could mitigate these gaps. In Iligan City, the same issues persist, with employees expressing the need for structured local initiatives to improve financial awareness and retirement confidence.

Taken together, the literature demonstrates that retirement readiness is an evolving process that requires the integration of financial, emotional, and institutional support systems. For LGU employees, retirement readiness directly affects post-employment stability, making it a practical and policy-relevant concern. The following sections explore the key sub-domains, financial preparedness, psychological readiness, and income continuity, that collectively define this variable.

Financial Preparedness

Financial preparedness is the foundation of retirement readiness. It means that a person can save, invest, and build up enough money to live on after they stop working. According to Lusardi and Mitchell (2017), individuals with higher financial literacy are more likely to demonstrate proactive saving behavior and participate in informed financial planning. Clark et al. (2020) emphasized that introducing financial education early in one's career is crucial to reducing financial vulnerability later in life.

Lusardi and Mitchell (2019) also found across OECD countries that individuals who understand basic financial concepts—such as inflation, compounding, and investment risk are more likely to engage in long-term saving and achieve financial independence. Conversely, lack of awareness contributes to inadequate savings and greater old-age insecurity. Chia and Tsui (2015) observed that workers in developing Asian countries frequently underestimate their future retirement needs, underscoring the importance of employer-supported pension programs and diversified investment portfolios.

While Ballesteros et al. (2017) observed that in the Philippines, even retirees from the public sector frequently encounter financial difficulties despite having access to defined benefit pension plans. This gap stems from insufficient pre-retirement planning and limited supplemental savings.

Hence, Llanto (2019) further stressed that financial preparedness can be improved through institutional initiatives such as retirement counseling, cooperative savings schemes, and provident funds. These interventions uphold the principles of disciplined budgeting, debt management, and early investment habits, which are the hallmarks of financially prepared individuals.

Psychological Readiness

Psychological readiness reflects an individual's emotional and cognitive ability to adapt to the life changes brought about by retirement. It involves accepting one's new role, maintaining confidence, and identifying purposeful activities beyond employment. Wang and Shultz (2010) emphasized that psychological readiness is a major determinant of life satisfaction and mental health during the retirement transition. People who mentally prepare and have a clear idea of what they want to do after they retire tend to adjust better.

Moreover, Topa et al. (2018) explained that factors such as career satisfaction, perceived control, and participation in transition programs shape psychological readiness. International evidence also highlights that pre-retirement workshops, mentoring, and volunteer activities improve emotional well-being. In the Philippine setting, Castillo et al. (2020) observed that many government employees nearing retirement experience anxiety due to uncertainty about financial stability and loss of professional identity.

In addition, according to Ofreneo (2018), added that lack of psychological readiness often leads to feelings of loneliness, purposelessness, or depression, particularly among retirees without strong social ties. Therefore, preparing for retirement should not only address financial planning but also include psychological counseling and lifestyle development.

Hershey and Henkens (2016) concluded that emotional readiness complements financial readiness by promoting holistic well-being and a positive outlook toward life after work.

Income Continuity

Income continuity refers to the sustainability of financial resources after retirement. It is the assurance that retirees can maintain stable income streams from pensions, savings, investments, and other sources. Kim and Moen (2020) emphasized that income stability is vital for retirees' overall well-being, as irregular income can cause emotional stress and delay retirement decisions.

In the Philippines, the GSIS and Social Security System (SSS) remain the main pension providers, yet research shows that their benefits are often insufficient to cover retirees' essential living expenses (Ballesteros et al., 2017). To address this, many retirees seek supplementary income through cooperatives, part-time work, or small businesses (Ofreneo, 2018). Lusardi and Mitchell (2017) noted that individuals who begin planning early and diversify their income sources experience greater financial security in old age.

Llanto (2019) advocated for financial programs that encourage multiple income streams, such as cooperative investments and employer-matched savings schemes. Beyond financial implications, Hershey and Henkens (2016) highlighted that confidence in income stability enhances retirees' emotional well-being and reduces anxiety, reinforcing the interdependence between financial and psychological aspects of readiness.

Financial Literacy

Financial literacy has long been recognized as a critical determinant of retirement readiness, serving as the foundation for effective financial planning. Research by Lusardi and Mitchell (2017) highlights that understanding key concepts, such as compounding and inflation, strongly predicts an individual's preparedness for retirement. Similarly, the OECD (2018) reported that individuals with higher financial knowledge are better equipped to evaluate financial tools and make informed decisions regarding saving and investing.

In the Philippine context, studies indicated mixed levels of financial knowledge among government employees. Mendoza et al. (2022) found that while employees demonstrated awareness of inflation and basic savings, their understanding of financial products and technical computation skills remained limited. Apostol et al. (2025) emphasized that addressing these gaps through targeted financial education can significantly enhance employees' confidence and preparedness for retirement. These findings underscore the importance of assessing financial literacy among Local Government Unit employees as a key factor influencing retirement readiness.

Financial literacy encompasses three primary dimensions: knowledge, attitude, and behavior (Lusardi & Mitchell, 2019). It involves the understanding and practical application of personal finance skills, including budgeting, investing, and managing resources, which are essential competencies for planning a secure retirement. Globally, research consistently links higher financial literacy to improved financial well-being and retirement outcomes. Lusardi and Mitchell (2017) found that individuals with stronger financial literacy were more likely to plan for retirement, save appropriately, and make prudent investment choices. Supporting this, the OECD (2020) noted that countries with higher levels of financial literacy tend to have citizens better prepared to cope with economic shocks and achieve long-term financial goals. In the Asian context, Chen and Volpe (2016) observed that insufficient financial education often leads to poor financial decision-making and increased vulnerability during retirement, particularly in developing economies. Their findings suggest that financial literacy is closely tied to income levels and the ability to understand financial products, manage debt, and plan for financial contingencies. Further evidence from the Health and Retirement Study indicates that individuals with greater financial knowledge are more likely to engage in retirement planning and accumulate wealth, reinforcing the link between financial literacy and financial security.

In the Philippines, financial literacy remains a pressing concern across all demographics and professions. Gamboa (2019) emphasized that many Filipino workers struggle with fundamental financial concepts, such as inflation, interest rates, and risk diversification, which are crucial for effective retirement planning. To address this, institutions such as the Bangko Sentral ng Pilipinas (BSP) have implemented nationwide financial literacy initiatives to educate and empower citizens. Despite these efforts, challenges in retirement planning remain. For example, Jala (2024) found that public-school teachers frequently lacked sufficient financial knowledge, which hindered their ability to plan for retirement. Her study advocated for educational programs that not only provided information but also fostered practical financial habits and attitudes. Likewise, a recent study of public sector

workers in LGUs by Abad, Angelito, Arceno & Sumicad Jr. (2025) revealed that even though financial literacy among Generation X government employees in the Philippines was rated high, levels of retirement preparedness varied significantly, indicating that knowledge alone did not automatically translate into effective retirement planning.

Nationwide surveys revealed similar patterns. The BSP (2021) highlighted that many Filipinos still lack a clear understanding of interest rates, inflation, and investment strategies. Valerio et al. (2019) further reported that this knowledge gap leads many individuals to rely heavily on government pensions, a situation fraught with uncertainty given the limited scope and sustainability of public support systems. Collectively, these studies suggest that enhancing financial literacy is crucial for enhancing retirement readiness among Filipino employees, including those in the Local Government Unit.

Zooming in on Iligan City, the situation reflected a comparable trend at the local level. Santos (2022), in her study on the financial preparedness of Iligan City LGU employees, reported that many personnel demonstrated limited awareness of existing financial planning tools, savings mechanisms, and investment options. Although several banks and government institutions have attempted to conduct financial literacy and pre-retirement seminars in the area, Torres (2022) observed that these efforts were often hindered by limited accessibility, inconsistent program delivery, and low employee participation. These findings underscored the pressing need for more inclusive, sustained, and institutionally supported financial education initiatives to ensure that LGU employees in Iligan City are better informed and empowered to make sound retirement decisions.

For this study, financial literacy was assessed through three key components: financial knowledge, financial behavior, and financial attitude. Understanding where Local Government Unit employees in Iligan City stand on these aspects is vital for interpreting their level of retirement readiness.

Financial Knowledge

Financial knowledge plays a central role in shaping individuals' capacity to make sound financial decisions and achieve long-term financial well-being. It represents a person's understanding of essential financial concepts such as interest, inflation, and investment risk, which guide informed decision-making and prudent financial behavior. Lusardi and Oggero (2022) emphasized that individuals with strong financial knowledge are more capable of planning for their future, saving consistently, and avoiding financial mistakes that lead to instability. They further explain that understanding fundamental principles like interest and inflation enhances the ability to evaluate savings and investment options, thus supporting financial preparedness and retirement planning.

At the heart of sound retirement planning lies financial knowledge, encompassing concepts such as savings, investments, risk management, and budgeting. Lusardi and Mitchell (2014) found that people with substantial financial knowledge tend to make better investment decisions, plan for retirement more proactively, and understand core concepts such as compound interest. This trend holds across various countries, including Germany, the United States, Japan, and Sweden, underscoring the global relevance of financial knowledge in fostering long-term economic stability. Similarly, Kaiser and Menkhoff (2017) revealed that individuals with higher financial knowledge tend to exhibit more responsible financial behavior and better resource management, demonstrating that conceptual understanding directly influences practical financial outcomes.

In the Philippine context, financial knowledge continues to be a vital focus of financial inclusion and education efforts. The Bangko Sentral ng Pilipinas (BSP, 2023), through its National Strategy for Financial Inclusion 2022–2028, affirms that strengthening financial knowledge enhances citizens' ability to make informed decisions about saving, borrowing, investing, and retirement. Earlier reports from the BSP (2021) also indicate that many Filipino workers across sectors still struggle with basic financial terms and strategies, showing that despite awareness campaigns, gaps in applied financial understanding persist. The OECD (2020) likewise emphasizes that financial knowledge enables individuals to make prudent decisions about money and enhances their capacity to adapt to changing economic environments.

Recent empirical evidence supports this concern. Jala (2024) found that while many Filipino teachers demonstrate adequate financial awareness, they often face challenges in translating that awareness into concrete financial action, particularly in planning for retirement. This reflects a disconnect between financial knowledge

and behavior, which must be addressed through targeted financial education programs. Similarly, Valerio et al. (2019) confirmed that insufficient financial knowledge is correlated with inadequate retirement savings and a reliance on state support.

Local research also reflects similar patterns. In Iligan City, Santos (2022) and Torres (2023) reported that Local Government Unit employees possess limited knowledge of retirement options and financial instruments. Although local financial institutions and government agencies have initiated awareness campaigns, these efforts are often short-term and lack consistent implementation. These findings underscore the need for sustained, context-based financial education programs tailored to the needs of government employees.

Overall, the reviewed literature demonstrates that financial knowledge is not only a theoretical construct but also a practical necessity for achieving long-term financial stability and retirement readiness. A strong foundation in financial knowledge enables individuals to make rational and informed choices, manage their resources efficiently, and respond effectively to economic challenges. For local government unit employees, financial knowledge serves as a crucial factor that enhances their ability to plan strategically for financial security and prepare confidently for retirement.

Financial Behavior

Financial behavior refers to how individuals apply their financial knowledge in managing money, budgeting, saving, handling debt, and making investment decisions. It represents the translation of financial literacy into practical action. According to Xiao and Porto (2017), financial behavior serves as the link between financial knowledge and actual outcomes, showing how what individuals know is reflected in their decisions and actions. Positive financial behavior, therefore, demonstrates an individual's ability to manage resources responsibly and plan for future financial security.

Research consistently shows that healthy financial habits contribute to successful retirement outcomes. Farrell, Fry, and Risse (2016) found a strong connection between positive financial behavior and financial preparedness for retirement, emphasizing that consistent saving, budgeting, and debt control directly influence long-term financial stability. Similarly, Klapper, Lusardi, and Panos (2019) revealed that individuals who engage in financial education programs are more likely to build wealth through regular saving and long-term investment. Lusardi and Tufano (2015) also stressed that debt management and steady saving habits are essential foundations for achieving financial well-being.

In the Philippines, the Bangko Sentral ng Pilipinas (BSP, 2023) underscored that responsible financial behavior, such as regular saving and prudent borrowing, is one of the key pillars of the National Strategy for Financial Inclusion 2022–2028. However, despite efforts to promote these practices, challenges remain. Gamboa (2019) noted that many Filipino workers still prioritize immediate needs over long-term financial security, often neglecting consistent saving for retirement. In urban areas such as Makati, workplace financial wellness programs have shown promise in improving saving and investment habits, though their reach remains limited.

Within Iligan City, local research by Dela Cruz (2021) and Torres (2022) reported varied financial behaviors among Local Government Unit employees. Some employees demonstrated active saving practices and retirement planning, while others depend solely on government pensions. Rimando (2021) similarly found that LGU workers who save from their regular income and avoid unnecessary debt exhibit greater household stability and preparedness for retirement. These studies highlighted the continuing need for structured financial programs—complete with workshops, incentives, and personalized guidance—to promote more consistent and responsible financial behavior among government employees.

Collectively, these findings affirmed that financial behavior is a critical dimension of financial literacy and a strong determinant of financial well-being. As emphasized by Lusardi and Oggero (2022), individuals who apply their financial knowledge through disciplined saving, budgeting, and mindful spending are better equipped to achieve long-term financial stability. For local government unit employees, such behaviors ensure not only day-to-day financial discipline but also readiness for future economic responsibilities, including retirement.

Financial Attitude

An individual's mindset about money and long-term planning has a significant impact on their financial decisions. Financial attitude, which encompasses values, beliefs, and perceptions about financial management, is increasingly recognized as a critical determinant of financial well-being and retirement preparedness. The Organization for Economic Co-operation and Development (OECD, 2025) and OECD/INFE (2023) emphasized that cultivating a positive attitude toward saving, long-term planning, and responsible spending is a cornerstone of global financial literacy efforts. These attitudes shape how individuals approach budgeting, investing, and future financial planning, ultimately influencing their ability to achieve economic stability.

Research supports that individual with proactive and positive attitudes toward managing their finances are more likely to engage in saving, invest in retirement plans, and maintain long-term financial stability. Xiao and Porto (2019) explained that financial attitudes guide motivation and persistence in achieving financial goals, while Aydin and Akben Selcuk (2021) found that optimism and confidence in financial decision-making contribute significantly to responsible money management. Similarly, Munnell and Walters (2016) argued that individuals who maintain a positive financial outlook tend to make better investment choices, manage spending carefully, and prepare earlier for retirement.

In the Philippine setting, sociocultural and economic conditions play a key role in shaping financial attitudes. David (2021) observed that many Filipino workers rely on family or institutional support for financial security rather than developing independent saving and investment practices. Despite national efforts to promote financial literacy, Teehankee (2020) noted that shifting attitudes toward long-term financial responsibility remain a persistent challenge. The Bangko Sentral ng Pilipinas (BSP, 2023) continues to advocate for the development of positive financial attitudes as part of its National Strategy for Financial Inclusion 2022–2028, emphasizing that mindset transformation is essential for encouraging responsible financial behavior among Filipino workers.

At the local level, Reyes (2022) documented varying financial attitudes among employees of the Local Government Unit in Iligan City. While some respondents expressed motivation to plan and save for retirement, others reported difficulty setting aside savings due to budget limitations. Programs that encourage proactive financial attitudes, especially those that consider local realities, could significantly strengthen financial planning and saving habits. Moreover, Lusardi (2020) highlighted that financial confidence enables individuals to make informed and deliberate decisions about savings and investment, which are vital for sustaining financial readiness. In larger urban areas such as Makati, employer-led financial workshops have proven effective in promoting positive attitudes toward money management and retirement preparation. Adapting similar initiatives for public sector employees in Iligan City may foster more constructive attitudes and strengthen long-term financial preparedness.

Taken together, these studies affirm that financial attitude serves as the emotional and cognitive foundation of financial literacy. It influences not only how individuals perceive financial responsibility but also how they act upon it. For Local Government Unit employees, maintaining a positive financial attitude fosters confidence, discipline, and foresight, which are indispensable qualities for achieving financial stability and preparing for retirement.

Social Support

Social support is a critical factor influencing retirement readiness, encompassing emotional, informational, and instrumental resources received from one's social networks.

Emotional support, encompassing empathy, care, and reassurance, reduces stress and promotes psychological well-being during retirement (Taylor, 2019; Ng & Feldman, 2017). Research shows retirees in support groups have lower anxiety and better emotional adjustment (Qorbani et al., 2024). Support from family and friends eases uncertainty and boosts confidence (Hutchinson et al., 2024). The Groups 4 Retirement program demonstrated that structured, group-based emotional support increases confidence and preparedness (La Rue et al., 2024). These findings underscored the pivotal role of emotional networks in promoting resilience and wellbeing among retirees.

Informational support encompasses guidance, advice, and access to knowledge necessary for making informed decisions about retirement, including managing finances, maintaining health, and adjusting lifestyle (Taylor, 2019).

Meanwhile, instrumental support refers to tangible help, such as aid with administrative tasks, financial planning, or daily activities, which makes the transition into retirement smoother (Ng & Feldman, 2017). Though less visible than emotional support, instrumental support complements other types by addressing specific challenges retirees face.

Globally, social support is associated with improved mental health, increased life satisfaction, and reduced depressive symptoms among retirees. For instance, Noone, O'Loughlin, and Kendig (2018) found that retirees with strong support networks experience higher well-being, while Uchino (2020) reported that perceived support enhances both longevity and life satisfaction. In countries such as Japan and South Korea, community-based programs aim to reduce loneliness among seniors, promoting emotional and psychological well-being (Takagi & Saito, 2021).

In the Philippine context, support systems traditionally revolve around extended family and close community ties. However, modernization and urban migration have weakened these bonds, leading to increased social isolation among older adults (Cruz & Alampay, 2020).

Research in Cebu further demonstrated that emotional and informational support increases retirement confidence, while practical assistance enhances overall well-being. In Iligan City, retirees often rely on barangay groups, churches, and senior citizen associations for support. Yet, these community networks are often inconsistent and loosely connected with formal government services (Dela Cruz, 2021). Strengthening these informal systems through better integration with official welfare programs can provide more secure and satisfying retirements.

In conclusion, social support—especially emotional support—is a crucial factor in retirement preparedness. Employees with strong social networks are more capable of handling the psychological, financial, and practical challenges of retirement, emphasizing the significance of both organizational efforts and community-based programs to create supportive environments.

Emotional Support

Emotional support is essential for psychological well-being during retirement. Studies worldwide indicate that retirees who receive emotional encouragement and companionship from family and friends have better mental health and greater life satisfaction (Anttonen & Kallio, 2019). European senior programs that promote emotional connectedness have been successful in easing the transition into retirement (Huxhold & Fiori, 2021).

The traditional close-knit family system in the Philippines provides significant emotional support to retirees (David, 2021). However, increasing urbanization and economic pressures have reduced the availability of family-based emotional support (Teehankee, 2020). As a result, retirees often seek companionship and assistance from community and religious organizations, especially in areas like Iligan City (Villanueva, 2022).

Expanding formal emotional support initiatives could improve retirees' mental health and help promote social integration. Emotional support also enhances financial planning, as retirees with strong emotional backing tend to approach retirement decisions more confidently (Antonucci, Fiori, Birditt, & Jackey, 2017; Kim & Moen, 2021).

Informational Support

Informational support, which encompasses advice from financial experts, retirement workshops, and access to credible resources, is a crucial component of retirement preparedness. It enables individuals to make informed decisions about retirement savings, investments, and overall financial planning. According to Hershey, Henkens, and Van Dalen (2018), individuals who received financial education through workplace programs or social networks are significantly more likely to make sound retirement decisions. Access to reliable information

empowers individuals to navigate the complexities of retirement planning and respond effectively to retirement-related challenges (Wang, 2021).

Globally, research shows that providing financial education and retirement planning resources can significantly improve retirement preparedness. A study by Lusardi and Mitchell (2014) found that individuals with higher levels of financial literacy are more likely to engage in retirement planning and are better at managing their savings to ensure financial security in retirement. The authors also noted that people who receive financial education, whether from employers, government programs, or social networks, tend to make better financial decisions and are more confident in their ability to plan for retirement.

In the United States, informational support has been crucial for retirement readiness. The U.S. government and private sectors have heavily invested in programs aimed at increasing workers' financial literacy. For example, workplace retirement seminars, tax-advantaged savings plans like 401(k)s, and resources offered by organizations such as the AARP and the National Endowment for Financial Education (NEFE) assist individuals in better preparing for retirement (Lusardi & Mitchell, 2014). Research by Wang (2021) highlights the effectiveness of these programs in helping employees make informed decisions and reduce the risks associated with inadequate retirement planning.

In Europe, especially in the United Kingdom and Germany, informational support is an important part of retirement readiness. The UK's Money Advice Service provides free financial advice, while Germany's pension system offers educational resources to help people understand their retirement options. According to Huxhold and Fiori (2021), financial education programs in these countries have been shown to enhance the financial well-being of retirees, enabling individuals to understand complex pension systems better and make informed decisions about retirement savings.

In the Philippines, support for retirement readiness through information is gaining increasing attention for its role in promoting retirement readiness. Various government initiatives, such as the Personal Equity and Retirement Account (PERA), aim to improve financial literacy and retirement planning. However, the reach and impact of these programs remain limited. Cruz and Alampay (2020) argue that, although financial literacy campaigns are in place, they have not been universally effective, especially among informal sector workers who lack access to formal financial education. Additionally, programs like the Social Security System (SSS) pension seminars provide information about benefits and savings plans. However, many workers still do not understand the details of these plans and their long-term benefits (Chavez, 2021).

Locally, in Iligan City, there is increasing recognition of the importance of informational support for retirees. Local organizations frequently organize workshops to educate older adults about managing finances after retirement, focusing on budgeting, savings, and available pension programs. However, the consistency and effectiveness of these programs are often hindered by limited funding and resources (Dela Cruz, 2021). Additionally, retirees in Iligan City often depend on informal social networks for financial advice and support, but the quality of this information varies significantly (Villanueva, 2022). Expanding access to credible, well-structured retirement planning workshops and resources could play a crucial role in improving retirement readiness in the region.

In conclusion, informational support is integral to retirement readiness. Research indicates that individuals with access to credible information about retirement options are better equipped to plan for a secure post-retirement life. Expanding access to financial education programs at both national and local levels is essential for improving retirement outcomes, particularly in developing countries like the Philippines, where retirement literacy is still emerging.

Instrumental Support

Instrumental support includes tangible assistance such as financial help from family, caregiving, and employer-sponsored retirement benefits. Research by Kim et al. (2019) demonstrates that access to financial support mechanisms, such as pension schemes and employer-matching contributions, leads to improved financial security in retirement. Moreover, workplace policies that encourage early saving and investment habits significantly strengthen retirement outcomes.

In the Philippine context, although some retirees benefit from government pensions or family financial assistance, many face challenges due to limited or inconsistent instrumental support. In Iligan City, local initiatives could bridge these gaps by integrating instrumental support with broader social welfare programs. This review defines the social support variable in terms of its key dimensions—emotional, informational, and instrumental—and will guide both the operationalization of the concept and the interpretation of study results. Understanding how different levels and types of social support influence retirement readiness is crucial for identifying effective strategies to improve retirees' well-being.

Social support plays a crucial role in retirement readiness by offering emotional, informational, and practical assistance that eases the transition into retirement. Research consistently indicates that retirees with strong social ties experience better mental health and higher life satisfaction during this period. Emotional backing from family and friends provides a sense of belonging and alleviates the anxiety associated with this significant life change. Additionally, informational support, such as advice on retirement planning, helps individuals make more confident and informed decisions about their future. Practical assistance, including caregiving and financial help, also enhances retirees' overall quality of life.

Social support encompasses both the perception and reality of being cared for, having access to assistance, and feeling connected to a supportive community. Globally, researchers emphasize its crucial role in building emotional resilience and lowering psychological issues related to retirement. For example, Noone, O'Loughlin, and Kendig (2018) found that retirees with strong social connections face fewer mental health problems and enjoy higher life satisfaction. Similarly, Uchino (2020) highlighted that perceived social support is positively associated with longevity and improved quality of life, underscoring its essential role in ensuring a successful and fulfilling retirement.

In East Asian countries such as Japan and South Korea, where aging populations are a significant concern, social integration is prioritized in public policies to help reduce elderly isolation (Takagi & Saito, 2021). Community-based programs for seniors have significantly improved their mental and emotional well-being.

In the Philippines, extended families and community relationships often provide informal social support; however, modernization and urbanization have weakened these traditional systems. Cruz and Alampay (2020) reported that older adults, particularly in urban areas, are increasingly vulnerable to social isolation. Despite strong familial norms, not all retirees receive adequate emotional or instrumental support from family members. Additionally, social support systems in the Philippines play a crucial role in the well-being of retirees. A study examining the lived experiences of college instructors at Cebu's state university found that emotional support from family and colleagues significantly enhanced retirement confidence. Informational support, such as workshops on financial management, and instrumental support like assistance with daily tasks, were also identified as crucial components of retirement security.

In Iligan City, informal support systems—such as barangay networks, religious groups, and senior citizens' associations—play a crucial role in helping retirees maintain a sense of belonging and purpose.

However, these are often inconsistent and lack formal integration with Local Government Unit welfare programs (Dela Cruz, 2021).

Emotional support is a critical factor in retirement well-being. Studies have shown that retirees who receive emotional support from family and friends experience better psychological well-being and overall life satisfaction (Anttonen & Kallio, 2019). In Europe, structured senior support programs help retirees transition smoothly into post-employment life (Huxhold & Fiori, 2021).

Filipino retirees heavily depend on family members for emotional support. The traditional close-knit family structure offers companionship and assistance (David, 2021). However, changing economic dynamics have diminished the availability of family-based support, necessitating alternative sources of emotional support, such as community groups (Teehankee, 2020).

From a local perspective, retirees in Iligan City often seek emotional support from social organizations and religious groups (Villanueva, 2022). Expanding formal emotional support programs could enhance the

psychological well-being and social integration of retirees. Support from family, friends, and colleagues can significantly reduce financial stress and enhance confidence in retirement planning (Antonucci, Fiori, Birditt, & Jackey, 2017). Studies indicate that individuals who receive emotional support are more likely to engage in proactive retirement planning and experience improved psychological well-being in retirement (Kim & Moen, 2021).

Another important aspect of social support is informational support, which can include professional financial advice or access to retirement workshops. According to Hershey, Henkens, and Van Dalen (2018), those who receive financial education through social networks or workplace programs are more likely to make prudent retirement decisions. Individuals' ability to plan for retirement can be significantly enhanced by access to reliable information sources such as financial advisors or online resources (Wang, 2021).

Instrumental support, like financial assistance from family members or employer-sponsored retirement benefits, can also impact an individual's retirement preparedness. Research by Kim et al. (2019) highlights that individuals with access to financial support mechanisms, such as pension plans or employer-matching contributions, have better financial security in retirement. Additionally, workplace policies promoting saving and investment can significantly improve employees' retirement outcomes (Lusardi & Mitchell, 2020). This literature defines social support as emotional, informational, and instrumental, which helps interpret how perceived support levels influence retirement readiness.

Government Retirement Policy Awareness

Understanding government retirement policies is essential to ensuring financial preparedness and longterm economic security. These policies serve as institutional mechanisms that provide workers with structured programs for pensions, social protection, and financial education. Government initiatives not only guarantee income continuity after retirement but also empower employees through awareness and access to information on benefits and planning tools. The Organisation for Economic Co-operation and Development (OECD, 2020) emphasizes that retirement policy frameworks are most effective when supported by inclusive financial literacy programs and mandatory savings schemes that encourage consistent participation. Similarly, the World Bank (2020) highlights that well-designed pension and social protection systems help mitigate poverty in old age and strengthen resilience against financial shocks.

In the Philippines, awareness of government retirement programs remains a crucial aspect of financial readiness. Institutions such as the Government Service Insurance System (GSIS), the Social Security System (SSS), and the PAG-IBIG Fund serve as the primary providers of pensions, savings programs, and social benefits for employees (Bautista, 2019; Lopez & Francisco, 2021). However, despite these available mechanisms, studies reveal that many workers lack comprehensive knowledge of policy updates, eligibility rules, and investment options (Cayanan, 2020). The Bangko Sentral ng Pilipinas (BSP, 2023), under its National Strategy for Financial Inclusion 2022–2028, underscores that promoting awareness of retirement policies is a national priority, as understanding benefits directly enhances confidence, planning behavior, and post-retirement well-being.

Pension Programs

Pension programs are the most important part of the government's retirement policy. They make sure that retirees have a steady income and protect them from financial problems. The OECD (2019) identifies public pensions as fundamental to maintaining living standards after retirement, especially in middle-income countries where private savings remain insufficient. Globally, pension systems such as Singapore's Central Provident Fund (CPF) and Malaysia's Employees Provident Fund (EPF) have demonstrated that structured, mandatory savings schemes foster financial self-reliance and sustainability (Asher, 2019). These systems not only offer predictable income streams but also integrate healthcare and housing benefits, promoting holistic retirement security.

In the Philippines, the GSIS provides public sector employees with defined-benefit pensions based on years of service and salary grades, serving as the main financial safety net upon retirement (GSIS, 2021). However, research shows that, despite its comprehensive structure, many employees remain unaware of how contributions translate to benefits or how to optimize payout options (Asian Development Bank [ADB], 2020). At the local level, Bautista (2019) observed that LGU employees depend almost entirely on GSIS pensions due to limited

alternative investments, making awareness of pension mechanisms essential to retirement planning. Thus, the level of pension awareness directly influences both the financial and psychological readiness of employees to transition into retirement.

Financial Education

Programs Government-led financial education initiatives complement pension and social security systems by equipping workers with the knowledge to manage finances effectively and plan for the future. According to the OECD (2020), countries with sustained financial literacy campaigns report higher rates of savings and investment for retirement. Programs such as workplace seminars and national literacy drives help bridge the gap between awareness and practical financial behavior (Lusardi & Mitchell, 2017). Fernandes, Lynch, and Netemeyer (2016) similarly found that taking part in structured financial education programs greatly boosts long-term saving habits and confidence in planning for retirement.

In the Philippine context, both the Bangko Sentral ng Pilipinas (BSP) and the Civil Service Commission (CSC) have implemented programs to improve financial literacy among public sector employees. The BSP (2023) promotes workplace financial learning as part of its inclusion agenda, while the CSC (2020) mandates pre-retirement seminars that help employees understand their pension and investment options. Despite these efforts, participation rates remain inconsistent, particularly among rank-and-file employees, due to limited access and follow-up initiatives (ADB, 2020). At the LGU level, awareness of financial education opportunities often depends on institutional initiatives and cooperative partnerships, which vary by locality (Bautista, 2019). Strengthening these programs can ensure that employees not only know their benefits but can also make informed decisions about their long-term financial security.

Social Security Benefits

Social security programs reinforce government retirement policy by offering health, disability, and survivorship benefits that provide comprehensive protection during retirement. The International Labour Organization (2018) stresses that social protection programs make people less likely to be poor and help retirees get the benefits they need. In developed economies, such as Canada and Germany, these benefits are integrated with healthcare and welfare systems, ensuring retirees' quality of life (Beehr & Bennett, 2015). Similarly, Gruber and Wise (2019) assert that access to social security programs substantially decreases post-retirement financial insecurity and dependency.

In the Philippines, the SSS and PAG-IBIG Fund complement GSIS by providing multiple benefit layers for both public and private sector workers. The SSS delivers pensions, disability, and survivorship benefits, while PAG-IBIG supports voluntary savings through the Modified PAG-IBIG II program (Lopez & Francisco, 2021). These institutions collectively form a comprehensive safety net, yet awareness gaps remain. A study by Ramos (2019) revealed that many Filipino workers underutilize available benefits due to limited understanding of eligibility rules and claim processes. Moreover, the Philippine Statistics Authority (2020) noted that retirees still face substantial health-related expenses despite existing government programs, suggesting the value of policy awareness in maximizing benefits and reducing financial stress. Torres (2022) discovered that employees of the Iligan City LGU benefit from social protection programs at the local level; however, they need clearer communication and more reliable access to updates and counseling services.

Profile of the Respondents

Understanding the profile of respondents provides essential demographic and occupational context that helps explain how background factors influence perceptions, attitudes, and decision-making. In research involving government employees, characteristics such as sex, marital status, educational background, income level, and job classification determine role distribution, access to opportunities, and the way individuals manage both professional and personal responsibilities. According to Hair et al. (2020), demographic characteristics provide a fundamental framework for analyzing subgroups within a population and interpreting behavioral tendencies that are relevant to organizational research.

In the Philippine public sector, the composition of employees demonstrates a relatively balanced participation between men and women. The Philippine Statistics Authority (2019) reported that women comprise about 61.66 percent of the total civil service workforce, particularly in administrative and clerical functions. This reflects the

continuing efforts of the government to promote inclusivity and gender balance in public employment. Likewise, the Civil Service Commission (CSC, 2025) reiterates its commitment to gender-responsive human resource policies under its Gender and Development (GAD) initiatives, which ensure equal opportunities and representation for both sexes across occupational levels. Within local government units, women often occupy administrative and office-based positions, while men tend to serve in technical or field-oriented roles. This illustrates the functional diversity and complementary contributions of male and female employees in the delivery of public services.

Marital status is another important characteristic that provides insight into the social and family contexts of employees, which in turn influence financial priorities and work perspectives. The Philippine Statistics Authority (2020) reported that married individuals represent a large proportion of the regional labor force, particularly among middle-aged employees in stable careers. Similarly, Lusardi and Mitchell (2017) emphasized that married individuals often display stronger financial planning behavior, higher saving discipline, and greater consideration for long-term economic security. This relationship between marital status and financial decisionmaking highlights the significance of family-oriented responsibilities in shaping employee perspectives, particularly in the context of career stability and retirement preparedness.

Educational background remains a critical determinant of employability and promotion within the Philippine civil service. The Civil Service Commission (2025) specifies that qualification standards for government positions depend on the level and nature of the role. First-level positions may accept senior high school or vocational graduates, while second- and third-level positions typically require a bachelor's or postgraduate degree. Consequently, the prevalence of college-educated employees in Local Government Units reflects adherence to the CSC's merit-based employment framework, which promotes education, competence, and performance as foundations of professional advancement. Furthermore, this supports the Philippine Statistics Authority's (2024) findings that tertiary-educated individuals dominate professional and administrative employment categories nationwide, indicating the increasing importance of formal education in maintaining efficiency and accountability in government service.

Income level likewise serves as an indicator of employees' economic stability and occupational classification. The Department of Budget and Management (2023), through the implementation of the Salary Standardization Law of 2019 (Republic Act No. 11466), standardized compensation across salary grades to ensure equity and recognition of the level of responsibility attached to each position. In most local government units, a large portion of employees belong to lower and mid-salary grades ranging from Salary Grade 4 to 12, representing clerical, administrative, and technical roles. In contrast, higher income brackets correspond to supervisory and managerial positions, reflecting the hierarchical pay structure of the public sector. This distribution aligns with national data indicating that the majority of government employees earn less than Php 40,000.00 per month, consistent with middle-level salary grades.

Job classification further defines employees' roles and responsibilities within the organizational hierarchy. The Compensation and Position Classification Act of 1989 (Republic Act No. 6758) provides the foundational structure for classifying positions according to duties and accountability. However, more recent reforms under CSC Memorandum Circular No. 12, s. 2022 updated the guidelines for the establishment of staffing patterns and qualification standards in Local Government Units. This circular ensures that rank-and-file employees form the operational base of the workforce, while supervisory and managerial personnel perform leadership and policy implementation functions. As Alday and Pereda (2021) explained, such clear position classification promotes efficiency, accountability, and equitable distribution of responsibilities across the organizational hierarchy.

Taken together, the reviewed literature highlights that demographic and occupational characteristics such as sex, marital status, educational attainment, income level, and job classification play a vital role in shaping the work attitudes, financial behaviors, and policy awareness of government employees. Married individuals tend to exhibit stronger planning tendencies, those with higher education and income levels demonstrate greater financial literacy and organizational competence, and employees in supervisory or managerial roles show broader policy awareness and professional maturity (Lusardi and Mitchell, 2017). Within the structure of Local Government Units, these characteristics reflect a workforce molded by the Civil Service Commission's merit-based employment system and the Salary Standardization Law, both of which promote fairness, professional growth, and institutional integrity. Therefore, understanding the respondents' profile provides not

only descriptive information but also a meaningful analytical foundation for interpreting how personal and institutional factors influence financial literacy, policy awareness, and retirement readiness among Local Government Unit employees.

Financial Literacy and Retirement Readiness

Across the literature, financial literacy consistently emerges as a foundational driver of retirement readiness, shaping how individuals understand, plan, and act on their long-term financial goals. Lusardi (2019) explains that financially literate individuals are better able to grasp key concepts such as interest compounding, inflation, and risk, and are therefore more likely to plan for retirement and cope with financial shocks. Similarly, large-scale surveys using the Personal Finance (P-Fin) Index show that workers with higher financial literacy scores are significantly more likely to save regularly, own retirement accounts, and demonstrate indicators of retirement readiness (Yakoboski et al., 2020). These findings suggest that financial literacy does not merely add knowledge; it equips individuals with the confidence and skills needed to translate intentions into concrete retirement behaviors.

Recent empirical studies deepen this link by showing how financial literacy influences specific aspects of retirement preparedness, such as savings behavior, investment decisions, and perceived retirement confidence. For instance, a 2024 study in India found that financial literacy explained 62% of the variance in retirement savings behavior, indicating that those who understand financial products and risks are more likely to contribute regularly to retirement accounts and diversify portfolios (Sharma & Verma, 2024). Likewise, research in Zimbabwe found that higher financial literacy significantly improved retirement financial preparedness among formally employed workers, highlighting budgeting, saving, and risk management as central competencies (Chikanda & Mhlanga, 2021). In Indonesia, studies among entrepreneurs and expatriates also show that financial literacy, combined with sound financial behavior, positively influences retirement planning by improving investment decisions and establishing emergency funds (Rahman et al., 2022).

However, literature also revealed that the relationship between financial literacy and retirement readiness is not always linear or uniformly positive. For example, research among university employees in the Philippines found that although staff members possessed relatively high financial literacy, this did not always translate into consistent retirement planning or participation in retirement programs (Gonzales et al., 2020). Another Philippine study even reported a negative correlation between financial literacy and retirement preparedness, suggesting that some employees prepare adequately for retirement even without deep knowledge of complex financial instruments, often relying instead on familiar options such as savings accounts, time deposits, or cooperatives (De Guzman & Patalinghug, 2019). These mixed findings suggest that financial literacy may interact with other factors, such as income, institutional support, and cultural attitudes, to influence retirement readiness.

Nonetheless, when financial literacy is combined with supportive environments and accessible financial products, its influence becomes more evident. In the Philippine context, initiatives by the Bangko Sentral ng Pilipinas emphasized that improved financial literacy helps workers maximize retirement schemes like PERA, GSIS benefits, and life insurance products (Bangko Sentral ng Pilipinas [BSP], 2020). Additional work focusing on Filipino women shows that financial literacy significantly enhances retirement planning behavior, especially when targeted training and tools are provided to strengthen savings and investment decisions (Santos & Rañeses, 2021). Taken together, these studies suggested that financial literacy is a critical, though not exclusive, predictor of retirement readiness: it shapes financial preparedness and income continuity, but its full impact is realized only when supported by favorable policies, workplace programs, and socio-cultural conditions.

Social Support and Retirement Readiness

Contemporary literature emphasizes that social support, whether emotional, informational, or instrumental, is a crucial contributor to retirement readiness, particularly because it nurtures psychological wellbeing and strengthens individuals' capacity to plan for life transitions. Studies consistently show that workers who perceive greater family, peer, and organizational support are more confident and better emotionally prepared for retirement (Kim & Moen, 2016; Carter & Cook, 2018). Social support encourages individuals to view retirement

not as a period of loss or uncertainty, but as a meaningful life stage that becomes more manageable through shared experiences and relational resources.

Recent empirical evidence demonstrates that perceived social support is a significant predictor of retirement preparedness. For instance, Weijaya (2022) found that older workers with strong family and peer support were more likely to report higher readiness across emotional, financial, and behavioral dimensions of retirement. Similarly, research among pre-retirement employees in East Asia indicates that informational support, particularly guidance about pensions, timelines, and benefit systems, reduces ambiguity and increases preparedness for post-employment life (Lee & Law, 2016). Because retirement decisions can be complex, employees who receive advice, encouragement, or technical assistance from knowledgeable peers or colleagues are more likely to engage in proactive planning.

Social support also plays a central role in enhancing psychological readiness, an integral component of holistic retirement readiness. A systematic review by Tavares et al. (2021) highlighted that retirees with strong emotional and relational support systems experience fewer psychological difficulties, greater life satisfaction, and a more positive adjustment during the transition to retirement. Likewise, group-based interventions have proven effective in improving well-being by strengthening social identity, providing shared learning environments, and offering emotional reassurance during the retirement transition (Steffens et al., 2016). These findings indicate that social support not only reduces pre-retirement anxiety but also enhances the motivation to prepare and adapt.

In government settings, social support becomes particularly critical. Research involving Southeast Asian public-sector employees reveals that workers with strong family and institutional support demonstrate higher confidence and preparedness for retirement, even when financial resources are limited (Serrano & de Guzman, 2021). Support from colleagues and supervisors helps employees understand complex benefit structures, navigate policy procedures, and feel emotionally anchored as they anticipate major life changes. This shows that social support extends beyond emotional comfort; its presence influences planning behaviors, strengthens decision-making, and promotes adaptive retirement orientations.

Overall, the literature confirms that social support meaningfully enhances retirement readiness by improving psychological resilience, encouraging proactive planning, and mitigating uncertainties associated with financial and emotional transitions. As such, social support serves as a vital complement to financial literacy and awareness of government policies, helping build a holistic foundation for retirement readiness among workers.

Government Retirement Policy Awareness and Retirement Readiness.

Government retirement policy awareness refers to how well employees understand and trust retirement programs such as pensions and Social Security, as well as government-led financial education. Worldwide, research shows that clear communication about retirement policies significantly enhances individuals' preparedness. For example, the study "The Effects of Pension Communication on Knowledge, Attitudes, and Behaviour" (2023) found that when pension systems provide transparent details about benefits, eligibility, and contribution methods, individuals are more likely to save and have greater confidence in their retirement plans. Additionally, the OECD's Pensions Outlook 2024 states that policy awareness is a key part of strong pension systems, especially as more people take responsibility for their income after leaving work.

In the Philippines, awareness of policies also plays a crucial role. A recent study by Apostol et al. (2025) showed that government employees with higher awareness of retirement policies tend to have better financial literacy, more proactive financial behaviors, and higher retirement readiness. Meanwhile, the InLife survey (2025) found that many Filipinos worry about not having enough funds for retirement, and a lack of understanding of government benefit details adds to their anxiety and low participation in planning. These findings suggest that although pension systems and retirement policies exist, gaps in awareness often limit their effectiveness in promoting readiness. Awareness of government retirement benefits and entitlements has been shown to influence employees' preparedness for retirement. In Jala (2024), it was highlighted that government employees who are informed about their entitlements feel more optimistic about retirement, suggesting that knowledge of benefits promotes a sense of security and confidence in facing life after work. This aligns with the view of the OECD (2020), which noted that while social security systems provide vital financial protection, their adequacy often depends on complementary savings and financial planning.

Locally, among public sector employees and LGU workers, awareness of retirement policies has been linked directly to retirement readiness. For instance, in a 2025 study of government employees in Cateel, Davao Oriental, Apostol et al. found that those with better knowledge of pensions and social security programs rated their retirement preparedness markedly higher than those without such awareness. Consequently, institutions that invest in policy communication and employee education (such as seminars, simplified policy briefs, or counseling) help employees move beyond mere awareness into tangible readiness. Taken together, the global, national, and local evidence underscore that government policy awareness is not optional but essential. Without it, even well-designed programs may fall short of significantly boosting retirement readiness.

Synthesis

The collective body of literature paints a clear and compelling picture: retirement readiness is a multidimensional journey, shaped not only by what individuals know about finances but also by the people who support them and the policies that guide their decisions. At the individual level, financial literacy provides the foundation for retirement preparedness. Studies consistently show that when employees understand financial concepts, know how to manage money, and recognize long-term financial risks, they are more confident in planning for their future and more intentional in building financial security (Lusardi, 2019; Sharma & Verma, 2024). Financial literacy empowers workers to translate knowledge into action, saving regularly, reviewing investment choices, and preparing for the lifestyle changes that retirement brings.

Yet knowledge alone does not guarantee readiness. The literature emphasizes that social support adds a profoundly human dimension to retirement planning. Encouragement from family, advice from colleagues, and emotional reassurance from peers help sustain motivation and reduce the anxieties often associated with leaving government service (Kim & Moen, 2016; Weijaya, 2022). Social support provides a safe emotional space where workers can discuss their worries, seek clarification, and share retirement experiences. It serves as a reminder that preparing for retirement is not a solitary responsibility, but a shared journey where relationships play a powerful role in shaping confidence and emotional readiness.

Completing this picture is awareness of government retirement policies, which gives employees the structural clarity needed to make informed decisions. Many public-sector workers rely heavily on institutional programs such as GSIS benefits, PERA, mandatory retirement rules, and available financial education initiatives.

When employees clearly understand these policies, they become more strategic in their planning, better able to maximize benefits, and more confident in their retirement timeline (Mendoza et al., 2022; Serrano & de Guzman, 2021). Policy awareness reduces uncertainty, eliminates misconceptions, and helps employees align their financial behaviors with the institutional pathways that support retirement security.

When viewed together, these three factors, financial literacy, social support, and government retirement policy awareness, form a holistic ecosystem that nurtures actual retirement readiness. Financial literacy strengthens capability, social support nurtures emotional preparedness, and policy awareness provides the structural roadmap. Their combined influence suggests that employees are most prepared for retirement when they are well-informed, well-supported, and well-guided. This integrated perspective reinforces the idea that retirement is not merely a financial event but a life transition that requires knowledge, relationships, and institutional clarity. Ultimately, readiness becomes both an economic and human outcome, one that grows stronger when personal competence, social connections, and government systems work together.

RESEARCH METHODOLOGY

This chapter presents the methods and procedures employed in conducting the study titled “The Predicting Role of Financial Literacy, Social Support, and Government Retirement Policy Awareness on Retirement Readiness.” It outlines the overall research design, the locale of the study, and the sampling design used in selecting the respondents. Furthermore, it describes the profile of the respondents, the research instrument utilized for data collection, and the procedures undertaken to ensure the instrument’s validity and reliability. The chapter also details the data-gathering process, the scoring and statistical procedures used to analyze the results, and the ethical considerations observed throughout the conduct of the research. Collectively, these components provide

a systematic framework that guided the study in achieving its objectives and ensuring the accuracy, credibility, and integrity of the findings.

Research Design

This study employed a quantitative descriptive-correlational, and predictive research design to determine the extent to which financial literacy, social support, and government retirement policy awareness influence the retirement readiness of Local Government Unit (LGU) employees in Iligan City. The quantitative approach was utilized because it involved the collection and analysis of numerical data derived from structured survey responses, allowing for objective measurement and statistical interpretation of variable relationships (Barroga et al., 2023). The descriptive design was utilized to delineate and characterize the respondents' attributes, including sex, marital status, educational attainment, income level, and job classification, as well as to articulate the levels of the principal variables, such as financial literacy, social support, policy awareness, and retirement readiness. The correlational design facilitated the analysis of the interrelationships among these variables without alteration (Bhandari, 2021).

Furthermore, the predictive aspect of the design sought to determine the extent to which the independent variables, namely financial literacy, social support, and government retirement policy awareness, predict the dependent variable, retirement readiness. This predictive analysis was tested using Ordinary Least Squares (OLS) multiple regression, which identified which among the independent variables' best influences employees' preparedness for retirement.

This combination of research designs was deemed appropriate because it allowed the researcher to systematically measure existing conditions, examine associations, and establish predictive patterns among variables. Through this approach, the study was able to test the hypotheses formulated in Chapter 1 and achieve its objective of determining the predictive role of the selected independent variables for retirement readiness.

Research Locale

This research was conducted in Iligan City, a highly urbanized city located in the province of Lanao del Norte, within Region X, or Northern Mindanao, Philippines. The name Iligan originates from the Higaonon term "Ilig," meaning "to go downstream" or "flowing water." Known as the "City of Majestic Waterfalls," Iligan is home to more than twenty waterfalls, including the iconic Maria Cristina Falls, which serves as a primary source of hydroelectric power for Mindanao (Department of Tourism, 2023). Strategically located on the northwest coast of Mindanao, Iligan serves as a major gateway between Northern and Central Mindanao. It was officially established as a chartered city on June 16, 1950, through Republic Act No. 525, and later constituted as a lone legislative district under Republic Act No. 9724, enacted on October 20, 2009 (Republic Act No. 9724, 2009). Today, it stands as one of the most progressive and industrialized urban centers in Northern Mindanao, combining natural beauty with a growing industrial base and robust public service structure.

According to the 2020 Census of Population and Housing conducted by the Philippine Statistics Authority (PSA), Iligan City has a total population of 363,115 residents, covers 813.37 square kilometers, and consists of 44 barangays (Philippine Statistics Authority, 2020; Department of Trade and Industry, 2019). Its large population and expanding economic activity make it an ideal setting for research that explores workforce behavior and retirement readiness among public servants.

The Local Government Unit (LGU) of Iligan City functions as the administrative arm of local governance and is responsible for implementing development programs, providing essential services, and enforcing local and national laws. The Iligan City Hall, located in Barangay Pala-o, serves as the central hub for administration and houses key offices such as the City Mayor's Office, the City Administrator's Office, the City Human Resource Management Office (CHRMO), the City Budget Office, and the City Planning and Development Office (Department of Trade and Industry, 2019). These offices represent the main operational structure of the LGU and are supported by regular, contractual, and job order employees.

This study specifically focused on regular employees who hold permanent civil service positions, including rank-and-file, supervisory, and managerial personnel. These employees are eligible for retirement benefits under the Government Service Insurance System (GSIS) and actively participate in institutional programs that promote financial literacy, social support, and awareness of government retirement policies.

Iligan City was selected as the research locale because it exemplifies the organizational structure and human resource practices typical of highly urbanized local government units in the Philippines. Its centralized administrative setup, accessible offices, and functional human resource management systems facilitated efficient coordination and data gathering. Furthermore, Iligan’s balance of industrial growth and strong governance makes it a practical environment for examining how financial literacy, social support, and policy awareness influence employees’ readiness for retirement.

Sampling Design

This study employed a proportionate stratified random sampling technique to ensure fair and representative participation of employees across job classifications. The total population consisted of 731 regular employees of the Local Government Unit (LGU) of Iligan City. To determine the sample size, the study used Cochran’s formula for sample size determination, resulting in a base requirement of 253 respondents. This sample size was considered sufficient to represent the population while maintaining statistical reliability and minimizing sampling error (Israel, 2013).

To ensure equitable representation, the population was stratified according to job classification, which included rank-and-file, supervisory, and managerial personnel. Within each stratum, a proportionate allocation method was used to distribute the number of respondents based on their actual representation in the LGU workforce. This procedure ensured that no employment group was overrepresented or underrepresented, thereby improving the generalizability and fairness of the findings (Etikan & Bala, 2017).

After stratification, simple random sampling was applied within each group to select the respondents. This method guaranteed that every employee had an equal chance of being chosen while maintaining the proportional structure of the population. The combination of proportionate stratification and random selection enhanced both the accuracy and validity of the data gathered for this study, providing a reliable basis for analyzing the influence of financial literacy, social support, and government retirement policy awareness on retirement readiness.

The Respondents

The respondents in this study were the regular employees of the Local Government Unit (LGU) of Iligan City, situated in Northern Mindanao, Philippines. To ensure that the research included individuals who were actively preparing for or nearing retirement, only employees aged 40 to 65 years were considered eligible. This range covered those in both the early retirement and pre-retirement phases, consistent with the eligibility criteria for benefits under the Government Service Insurance System (GSIS) Act of 1997 (Republic Act No. 8291).

The total population consisted of 731 regular employees within this age bracket, based on records from the City Human Resource Management Office (CHRMO). These personnel were distributed across various offices and departments of the LGU, representing administrative, technical, and operational functions essential to local governance.

To ensure fair representation, the respondents were stratified by job classification into three categories: managerial, supervisory, and rank-and-file. The population distribution consisted of 95 managerial employees (13.0%), 224 supervisory employees (30.6%), and 412 rank-and-file employees (56.4%). Using proportionate stratified random sampling, the study determined the corresponding number of respondents per stratum: 33 managerial, 78 supervisory, and 142 rank-and-file employees, for a total of 253 respondents.

Table 1 presents the Proportionate Distribution of Respondents by Job Classification. The stratification ensured that each employment level was represented in proportion to its share of the total population, thereby enhancing the validity, reliability, and generalizability of the study results.

Table 1 Proportionate Distribution of Respondents by Job Classification

Classification	Number of Employees	Sample Size
Rank-and-File level	412	143

Supervisory level	224	77
Managerial Level	95	33
TOTAL	731	253

Source: Human Resource Management Office (HRMO), Local Government Unit of Iligan City, as of March 2025

Research Instrument

This study employed a researcher-made survey questionnaire to quantitatively explore the factors influencing retirement readiness among Local Government Unit employees in Iligan City. Anchored in the study’s conceptual framework, the instrument examined three key independent variables, which are financial literacy, social support, and awareness of government retirement policies, and their predictive relationship with retirement readiness.

The questionnaire was structured to align with the study’s objectives. The first part collected profile and work-related information, including sex, marital status, educational background, income level, and job classification, providing context for subgroup analysis.

The instrument focused on four primary constructs: financial literacy, social support, awareness of government retirement policies, and retirement readiness. Each construct was assessed through specific subdimensions, where financial literacy was measured in terms of knowledge, behavior, and attitude; social support was evaluated based on emotional, informational, and instrumental assistance; government retirement policy awareness was examined through pension programs, financial education, and social security benefits; and retirement readiness was determined through financial preparedness, psychological readiness, and income continuity. The instrument contained a total of sixty items that were evenly distributed across these key variables.

The research instrument used a four-point Likert scale, with one corresponding to Strongly Disagree, two to Disagree, three to Agree, and four to Strongly Agree. This scale was selected to promote clear, transparent, and decisive responses from participants. The questionnaire was validated by experts in human resource management, public administration, and quantitative research, and revisions were made based on their feedback.

Furthermore, the survey instrument was specifically developed for Local Government Unit employees who are approaching retirement. It was designed to facilitate structured data collection and to support a comprehensive analysis using descriptive and regression methods, ensuring that the gathered data would serve as a sound basis for policy formulation and the enhancement of retirement planning programs. Likewise, the detailed alignment between each survey item and its theoretical foundation is presented in the Conceptual Alignment Matrix of Survey Questionnaire Items with Theoretical Sources, which is provided in Appendix C. This matrix illustrates how each statement in the instrument was developed and anchored on established concepts and literature to ensure construct validity and theoretical consistency, while the survey questionnaire sample is labeled as Appendix C.

Validity and Reliability of Instrument

This section outlines the procedures undertaken to ensure the validity and reliability of the research instrument. The questionnaire was subjected to expert validation to confirm that each item accurately measured the constructs in the conceptual framework and was appropriate for the study’s context. A panel of three qualified experts—a research methodologist, a specialist in public administration and human resource management, and a psychometrician—reviewed the instrument for content relevance, clarity of language, and alignment with the intended variables and sub-variables. Their assessment helped ensure that the tool was conceptually sound, clearly written, and suitable for full deployment in the study.

Table 2 presents the academic backgrounds and areas of specialization of the three validators who assessed the research instrument for clarity, relevance, and content validity.

Table 2 Academic and Professional Qualifications of Research Instrument Validators

Validator	Academic Qualification	Field of Specialization
1	Juris Doctor and Administrative Officer of the Human Resource Management office in Iligan City	Public Administration, Local Governance, Civil Service Policies, and Ethics
2	Doctor of Psychology and a Professor at a State University in Iligan City	Human Behavior, Counseling, Psychological Assessment and Psychometrics, Employee Training, and Capacity Building
3	Doctor in Business Administration and Human Resource Development officer at the public sector in Iligan City	Human Resource Management, Organizational Development, Leadership and Behavior, Strategic HR and Financial Management Planning, Personnel Administration

The instrument was evaluated by three expert validators. The first validator, a Juris Doctor, ensured alignment with public administration and civil service standards. The second validator, a Doctor of Psychology, assessed the behavioral soundness, clarity, and psychological appropriateness of the items. The third validator, a Doctor of Business Administration, reviewed the relevance of the statements to workplace practices, human resource management, and retirement processes.

Overall, the combined expertise of the validators ensured that the instrument was rigorously examined from legal, psychological, administrative, and organizational perspectives. Their multidisciplinary backgrounds strengthened the validity of the instrument, ensuring that it captures the intended constructs accurately and is suitable for use among Local Government Unit employees.

Based on the validators’ comments and ratings, several revisions were made to refine wording, remove redundancies, and strengthen theoretical coherence. This process ensured that each item corresponded accurately to its conceptual definition and was appropriate for the target respondents. The final instrument thus reflected strong alignment between theory and context, satisfying both academic and practical standards. The details of the validation process, including the validators’ summary evaluations, are provided in Appendix D.

After the validation stage, the instrument underwent pilot testing among thirty (30) non-sample respondents who shared similar characteristics with the study participants. The purpose of the pilot test was to determine the internal consistency of the items using Cronbach’s alpha.

The results revealed that all variables obtained reliability coefficients within the acceptable to excellent range. Specifically, the independent variable Financial Literacy yielded a Cronbach’s Alpha of 0.76, signifying acceptable reliability, while Social Support achieved an Alpha of 0.76, indicating acceptable internal consistency. The second independent variable, Government Retirement Policy Awareness, recorded a Cronbach’s Alpha of 0.79, which also falls within the acceptable reliability range. Meanwhile, the dependent variable Retirement Readiness obtained an Alpha of 0.83, likewise denoting good reliability. These findings confirm that the items measuring each construct were internally consistent and stable across indicators.

Furthermore, to ensure theoretical and contextual coherence, a Conceptual Alignment Matrix of Survey Questionnaire Items with Theoretical Sources was developed and is included in the Appendix. This matrix demonstrates how each statement was anchored on established theories and empirical evidence, ensuring that the instrument was both theoretically grounded and relevant to the context of Local Government Unit employees.

Overall, the processes of validation and reliability testing established that the instrument is both academically rigorous and statistically dependable. The involvement of qualified validators ensured content and construct validity, while the results of the reliability analysis confirmed high internal consistency across all variables. With these procedures, the instrument can be confidently utilized for full-scale data collection, providing credible and meaningful results that reflect the study's core dimensions.

Data Gathering Procedure

The data-gathering process was initiated after the successful completion of the proposal defense. Following the finalization of the research proposal, the complete research protocol was submitted to the Research Ethics Board for ethical review and approval. Once ethical clearance was granted, the researcher sought formal endorsement from the dissertation adviser and obtained approval from the Graduate School Dean to proceed with the conduct of the study.

Prior to the actual data collection, the research instrument underwent validation and reliability testing. A pilot test was administered, and the results were carefully evaluated to verify that the instrument accurately measured the intended variables and demonstrated internal consistency. This preliminary process ensured that the tool was both contextually relevant and psychometrically sound.

Upon securing all necessary approvals, the researcher forwarded a formal request to the City Mayor of Iligan, who granted permission for the conduct of the study. After approval was issued, the researcher personally administered the structured survey questionnaire to qualified respondents. The participants were limited to regular employees aged 45 to 55 years old who met the inclusion criteria.

The distribution of the questionnaires was directly supervised by the researcher to promote truthful, conscientious, and unbiased responses. A data validation check was performed prior to retrieval to ensure that the questionnaires were fully completed and that no items were left unanswered. This systematic procedure helped safeguard the accuracy, integrity, and ethical compliance of the data collected for the study.

During the retrieval of the accomplished questionnaires, the researcher verified that each respondent had duly signed the informed consent form as part of ethical compliance. All collected data were managed with stringent confidentiality and anonymity. The completed questionnaires were securely kept and used solely for research purposes.

After the collection phase, the researcher proceeded with data tallying, organization, and encoding. The processed data were then subjected to statistical analysis to derive meaningful results aligned with the research objectives.

Scoring Procedure

This section describes the method used to score and interpret the responses gathered through the survey questionnaire. A standardized scoring system was applied to ensure uniformity and objectivity in evaluating all variables included in the study. The use of a Likert-type scale allowed the researcher to quantify qualitative perceptions and translate them into measurable data for analysis.

A four-point Likert scale was used to measure all of the study's variables. The respondents rated each statement according to the degree of their agreement, ranging from strongly agree to strongly disagree. The same verbal interpretation was applied across all variables to maintain consistency and comparability in responses. In addition, the qualitative descriptions corresponding to the numerical scores were uniformly categorized from Very High to Very Low, indicating the extent to which each dimension was manifested among the respondents.

For the dependent variable Retirement preparedness, a distinct qualitative interpretation was used to reflect the respondents' level of readiness. The four descriptive categories were Highly Prepared, Moderately Prepared, Minimally Prepared, and Unprepared. These classifications provided a clearer understanding of how prepared the respondents were in relation to the study's objectives.

The detailed scoring and corresponding verbal interpretations for each variable were presented in tabular form and labeled as Table 3 to Table 6. These tables served as references for interpreting the quantitative data and were used as the basis for the subsequent statistical analyses.

Table 3 presents the scoring scale and verbal interpretation used for assessing financial literacy, including its sub-variables of financial knowledge, financial attitude, and financial behavior. Respondents rated their level of agreement with each statement using a four-point Likert scale ranging from Strongly Agree to Strongly Disagree. The corresponding qualitative descriptions range from Very High to Very Low, reflecting how strongly each financial literacy dimension was manifested among respondents **Table 3**

Scoring Matrix for Financial Literacy

Scale	Verbal Interpretations	Mean Range	Qualitative Description
4	Strongly Agree	3.25 – 4.00	Very High
3	Agree	2.51 – 3.24	High
2	Disagree	1.75 – 2.50	Low
1	Strongly Disagree	1.00 – 1.74	Very Low

A four-point scale was chosen to minimize neutrality and prompt respondents to make more decisive judgments about their financial habits and perceptions. The use of consistent qualitative categories ensures comparability across all indicators. A Very High interpretation indicates well-established knowledge, attitude, or behavior, while a Low or Very Low rating implies limited application or awareness of financial literacy concepts.

Table 4 displays the scoring guide for evaluating social support, measured through emotional, informational, and instrumental support dimensions. Respondents rated their agreement with each statement using the same four-point Likert scale. The qualitative descriptions from Very High to Very Low reflect the strength and consistency of social support experienced by employees.

Table 4 Scoring Matrix for Social Support

Scale	Verbal Interpretations	Mean Range	Qualitative Description
4	Strongly Agree	3.25 – 4.00	Very High
3	Agree	2.51 – 3.24	High
2	Disagree	1.75 – 2.50	Low
1	Strongly Disagree	1.00 – 1.74	Very Low

The uniform rating scale allows direct comparison between the types of support received by employees. A Very High interpretation reflects strong emotional and practical assistance from family, peers, and workplace networks. In contrast, a Low or Very Low score indicates limited perceived support, suggesting areas for organizational or social intervention.

Table 5 provides the rating scale used to assess awareness of government retirement programs, including pension schemes, financial education initiatives, and social security benefits.

Table 5 Scoring Matrix for Government Retirement Policy Awareness

Scale	Verbal Interpretations	Mean Range	Qualitative Description
4	Strongly Agree	3.25 – 4.00	Very High
3	Agree	2.51 – 3.24	High
2	Disagree	1.75 – 2.50	Low
1	Strongly Disagree	1.00 – 1.74	Very Low

The four-point Likert scale ensures consistent interpretation of awareness levels across respondents. Qualitative categories from Very High to Very Low denote how familiar employees are with government-led financial and retirement policies.

A Very High rating signifies that respondent is highly aware of government programs and how to access them, while Low or Very Low ratings indicate knowledge gaps. This scoring method facilitates identifying which programs (e.g., GSIS, PAG-IBIG, or cooperative savings) require stronger promotion or education at the local government level.

Table 6 outlines the distinct scoring and qualitative descriptions used for the dependent variable, Retirement Readiness. Instead of using general strength categories, readiness levels were classified as Highly Prepared, Moderately Prepared, Minimally Prepared, and Unprepared. These categories reflect how well employees perceive their preparedness across financial, psychological, and income-related aspects.

Table 6 Scoring Matrix for Retirement Readiness of Local Government Unit Employees

Scale	Verbal Interpretation	Mean Range	Qualitative Description
4	Strongly Agree	3.25 – 4.00	Highly Prepared
3	Agree	2.51 – 3.24	Moderately Prepared
2	Disagree	1.75 – 2.50	Minimally Prepared
1	Strongly Disagree	1.00 – 1.74	Unprepared

This tailored interpretation provides a clearer understanding of the employees’ overall retirement status. A Highly Prepared rating indicates strong financial and emotional stability, while Moderately Prepared implies ongoing preparation with some gaps in planning or income continuity. The separate interpretation scale for readiness ensures precision in measuring the dependent variable distinct from the other constructs.

Statistical Treatment of the Data

This section presents the statistical methods used to analyze the data collected in the study. The choice of statistical treatment depends on the nature of the research problems, the level of measurement of each variable, and the distribution of the data as determined by the test of normality. Both descriptive and inferential statistics were applied to interpret the data accurately and meaningfully. Each method was selected to ensure analyses align with the study’s objectives and to provide valid, reliable, and contextually grounded results. The collected data were analyzed using appropriate statistical methods that align with the objectives of the study and the nature

of the research problems. Each statistical tool was carefully selected based on the measurement levels of the variables and the hypotheses being tested, to ensure the analysis provides valid and meaningful results.

For Problem 1, which focused on the profile of respondents, frequency counts and percentages were used to describe their demographic and employment characteristics. These descriptive measures provided a clear picture of how respondents are distributed across different categories. The mode was also applied as the measure of central tendency because it identifies the most frequently occurring category for each profile variable (Nolan & Heinzen, 2020).

For Problems 2 to 5, which assessed the levels of financial literacy, social support, awareness of government retirement policies, and retirement readiness, the study employed the mean and standard deviation as primary descriptive statistics. Although Likert-type items are ordinal when considered individually, their aggregation into composite scores allows them to be treated as interval-level data. This practice is widely accepted in social science research and supports the use of parametric descriptive measures (Sullivan & Artino, 2013). In this context, the mean provided a summary of respondents' overall assessment, while the standard deviation indicated the extent of variation in their perceptions.

Before determining the appropriate inferential tools, the study first assessed whether the data met the assumption of normality. Establishing normality is a methodological prerequisite for many statistical procedures, as it ensures the validity and robustness of subsequent analyses. To evaluate this assumption, the Shapiro–Wilk test was conducted, and the results are presented in Appendix H. All four variables, financial literacy, social support, government retirement policy awareness, and retirement readiness, yielded p-values below .05, indicating significant deviation from a normal distribution.

Given the non-normal distribution of the variables, the study utilized nonparametric techniques for group comparison analyses. Specifically, the Kruskal–Wallis test was used to address the sixth research question, which examined whether retirement readiness differed significantly across demographic categories. When significant results were observed, the DSCF post hoc test was used to identify which groups showed meaningful differences.

It is important to emphasize that the non-normality of the observed variables did not affect the validity of the regression analyses presented in later sections. Regression analysis requires that the residuals, rather than the raw variables, meet the assumption of normality—a condition that was fully satisfied in this study. The complete statistical output of the normality assessments, including tables and software-generated reports, is provided in Appendix H for transparency and reference.

For Problems 6–10, suitable inferential statistical techniques were selected based on the results of the normality test. When the data were normally distributed, parametric tests were used. The Pearson Product–Moment Correlation Coefficient (Pearson r) determined the significant relationships among the key variables of the study, including financial literacy, social support, awareness of government retirement policies, and retirement preparedness. Meanwhile, when the objective involved identifying the combined influence of multiple independent variables on a dependent variable, multilinear regression analysis was applied. These statistical procedures assumed that the variables were measured on an interval or ratio scale and that the residuals are normally distributed (Field, 2018).

Conversely, when the test of normality indicated that the data were not normally distributed, nonparametric tests were utilized to ensure the robustness of the results. Specifically, the Spearman Rank-Order Correlation Coefficient (Spearman ρ) served as an alternative to Pearson r to examine the strength and direction of associations between ranked or non-normally distributed variables. When prediction or comparative analyses were required, equivalent nonparametric techniques were selected based on the data characteristics and the research objectives (Pallant, 2020).

In all inferential tests, the level of significance was set at 0.05. A p-value less than or equal to 0.05 indicated that the relationship between variables was statistically significant, whereas a p-value greater than 0.05 suggested that the relationship was not statistically significant. All data analyses were processed using appropriate statistical software to ensure accuracy, precision, and replicability of the results.

Overall, the selected statistical treatments ensured that the data analysis aligned with the objectives, hypotheses, and scope of the study. Each method is systematically applied according to the measurement level and distribution of data to produce valid and reliable findings. The combination of descriptive and inferential techniques enabled the researcher to provide an accurate summary of the respondents' characteristics, determine the levels of key variables, and examined their significant relationships. Through this comprehensive approach, the study guaranteed that the interpretation of results was both statistically sound and contextually grounded.

Ethical Considerations

This study strictly adhered to the highest ethical standards by prioritizing respondent protection, maintaining integrity throughout all phases of the research, and ensuring responsible data handling. Ethical principles are embedded in every stage of the process to uphold fairness, respect, and accountability, consistent with institutional policies and the Philippine Data Privacy Act of 2012 (Republic Act No. 10173).

Protection of Respondents. The welfare, rights, and dignity of respondents were given utmost importance. Before taking part in the study, each respondent received a detailed informed consent form explaining the study's objectives, procedures, potential risks, and expected benefits. Respondents were informed that they may decline or withdraw at any point without penalty. Their participation was voluntary and free of any coercion, ensuring respect for their autonomy and freedom of choice.

Special care was taken to prevent psychological, social, or professional harm. The study limited data collection to information necessary for analysis, avoiding questions that were discriminatory, intrusive, or distressing. Respondents were assured that their responses will not affect their employment or professional standing.

Ethical Conduct of the Research Process. The research was conducted transparently, professionally, and fairly. Data collection followed approved research protocols and had received prior approval from the institutional ethics review board. The researcher remained impartial throughout the process, avoiding bias or manipulation in administering the survey and interpreting the data.

The principles of justice and beneficence were observed by giving all qualified respondents equal opportunity to take part and by ensuring that the findings contribute to meaningful policy and practice improvements. The study sought not only to achieve academic objectives but also to promote the well-being of Local Government Unit employees through practical insights that support their retirement readiness.

Informed Consent Process. All respondents received complete information about the study through an Informed Consent Form (ICF), which outlined the purpose, procedures, duration, data privacy measures, right to withdraw, and assurance of no personal benefit or harm. Consent was obtained before participation, and respondents were free to review or withdraw their responses at any point during data collection. A sample of the informed consent form is provided in Appendix B.

Recruitment. Respondents were recruited ethically through coordination with Local Government Unit offices. The recruitment process was conducted respectfully, and only individuals who met the inclusion criteria, regular employees of the Local Government Unit of Iligan City, were invited to take part in the study. No coercive or persuasive tactics were employed. Potential respondents were given sufficient time to read and understand the consent form before voluntarily agreeing to participate.

Confidentiality and Data Management. Strict confidentiality measures were implemented to protect respondents' privacy. Responses were anonymized using unique codes, and personally identifiable information such as names, job titles, or contact details was excluded from reports and analyses.

All data were securely stored in password-protected digital files and locked physical storage accessible only to the principal investigator and authorized personnel. In compliance with the Philippine Data Privacy Act of 2012, all procedures related to data collection, processing, storage, and disposal follow approved ethical standards. Dissemination of results, whether through presentations or publications, ensured that respondent anonymity is preserved. Only aggregated data were reported to prevent individual identification.

Conflict of Interest. The researcher declared that there were no conflicts of interest, financial, familial, institutional, or otherwise, that could influence the conduct or interpretation of the study. This declaration guaranteed the impartiality and integrity of the research process.

Risks. Participation in this study was not expected to involve any physical risk. However, some respondents may experience mild psychological or emotional discomfort when reflecting on financial behavior or retirement planning. These potential effects were minimal and were managed with sensitivity and professional care.

Benefits. Although respondents did not receive direct personal benefits or financial incentives, their involvement contributed to the development of data-driven policies, improved financial education initiatives, and stronger support systems for retirement preparedness among local government unit employees.

Incentives or Compensation. No monetary compensation, material incentive, or honorarium was provided to respondents. Their voluntary participation reflected their willingness to support scholarly research and institutional growth.

Community Considerations. The study contributed to community development by addressing issues relevant to public sector employees. Findings were intended to guide policy formulation and organizational improvement, helping to build a more financially secure and well-prepared government workforce.

Collaborative Study Terms of Reference. The researcher agreed to respect all intellectual property and publication rights in any future collaboration with local or international partners. Prior notification and coordination with relevant stakeholders were undertaken before the sharing or publication of any data or results derived from this study.

Presentation, Analysis And Interpretation Of Data

This chapter presents, analyzes, and interprets the data gathered from the respondents. The presentation of data focuses on organizing and displaying the results collected through the survey, using tables and figures to provide a clear and systematic overview of the respondents' profile and responses to each variable. The analysis of data explains what the numerical results mean by identifying patterns, variations, and relationships among the variables. The interpretation of data, meanwhile, goes beyond the figures to derive insights and implications that address the research objectives. It connects the findings to existing theories and previous studies discussed in the Review of Related Literature, allowing for a deeper understanding of how financial literacy, social support, and awareness of government retirement policies influence the retirement readiness of Local Government Unit employees.

Through this comprehensive approach, the chapter transforms raw data into meaningful conclusions that not only validate the study's assumptions but also provide a foundation for policy recommendations and further research.

Problem 1. What is the profile of the respondents in terms of:

1. 1. Sex;

1. 2. Marital Status; 1. 3. Educational Background;

1. 4. Income Level;

1. 5. Job Classification?

Profile of the Respondents

This section presents the profile of the respondents based on the data gathered from 253 employees of the Local Government Unit. The results showed that the majority of respondents were female, indicating a higher representation of women in the workforce. Most respondents were married, suggesting that many were already in a stable family and career stage. In terms of educational background, a significant portion were college

graduates, reflecting that most employees possess the educational qualifications typically required in government service. The data further revealed that a large number of respondents belonged to the lower- and middle-income brackets, consistent with the salary grades commonly assigned to administrative and technical positions. Moreover, the majority of respondents occupied rank-and-file positions, followed by supervisory and managerial roles. Overall, the findings described a workforce that was predominantly female, educated, and composed mainly of regular employees who performed essential administrative and operational functions within the Local Government Unit.

Sex

Table 7 shows the frequency and percentage distribution of respondents in terms of sex. The results revealed that 179 respondents, or 70.75 percent, were female, while 74 respondents, or 29.25 percent, were male.

Table 7 Frequency and Percentage Distribution of Respondents in terms of Sex

Sex	Frequency	Percentage (%)
Female	179	70.75
Male	74	29.25
Total	253	100.00

The data showed that the majority of respondents were women, representing more than two-thirds of the total number of employees included in the study. This finding revealed that female employees were more represented in the respondent population of the Local Government Unit, suggesting that most of the workforce was biologically classified as female. This distribution may be explained by the fact that many administrative, clerical, and technical positions in local government offices are predominantly held by women, reflecting a longstanding employment pattern in public service.

Moreover, this trend aligned with the broader national composition of the Philippine civil service. According to the Civil Service Commission (2025), of the 1,857,504 career service employees nationwide, 67.09 percent were biologically female. When localized to Region X, the proportion was slightly higher, with 68.77 percent of career service employees identified as female. These figures substantiated the present study’s results, confirming that the predominance of female respondents in the sample accurately reflects the actual composition of the civil service workforce in Region X.

In a wider context, this finding affirmed the consistent presence and contribution of women to public administration in the Philippines. It supported the Philippine Statistics Authority (2025) report, indicating that female representation in public institutions continues to rise, in line with policies promoting equitable participation in the civil service. Therefore, the present data confirmed that the respondent profile in this study accurately represented the biological composition of employees within Local Government Units in Region X and across the country.

Marital Status

Table 8 presents the frequency and percentage distributions of respondents by marital status. The results showed that 160 respondents, or 63.24 percent, were married, followed by 70 respondents, or 27.67 percent, who were single, 12 respondents, or 4.74 percent, who were separated, and 11 respondents, or 4.35 percent, who were widowed.

Table 8 Frequency and Percentage Distribution of Respondents in terms of Marital Status

Marital Status	Frequency	Percentage (%)
Single	70	27.67
Marital Status	Frequency	Percentage (%)

Married	160	63.24
Separated	12	4.74
Widowed	11	4.35
Total	253	100.00

The data revealed that married employees comprised the majority of respondents in the Local Government Unit, indicating that a large proportion of employees were in family-based or partnered households. The smaller proportions of single, separated, and widowed respondents reflected a common employment demographic where many workers were already settled into long-term family or social arrangements.

The predominance of married respondents in this study corresponded with the general demographic structure of Region X, as reported by the Philippine Statistics Authority (2020). Specifically, PSA data indicated that out of 3,894,449 individuals aged ten years and over in the region, 1,596,970, or approximately 41 percent, were married, while 1,548,277, or 40 percent, were single. This distribution showed that married individuals slightly outnumbered single persons in the overall regional population. In comparison, the present study recorded a higher proportion of married respondents at 63.24 percent, suggesting that the Local Government Unit workforce comprised more married individuals than the general population of Region X.

This variation may be explained by employment maturity and the age composition of civil service workers, many of whom were in later stages of adulthood when marriage was more prevalent. Furthermore, the finding aligned with the PSA’s (2024) report noting that 23,456 marriages were registered in Region X in 2022, representing a 28.1 percent increase from 2021. Taken together, these observations underscored the continuing prominence of marriage as a social institution in the region. Therefore, the study’s results were both consistent with and slightly elevated from the regional trend, confirming that the respondent profile accurately reflected the demographic pattern of Region X, where married individuals remained more highly represented within the population and particularly within the local government workforce.

Educational Background

Table 9 presents the frequency and percentage distribution of respondents according to educational background. The results showed that the highest proportion of respondents were college graduates, totaling 161, or 63.64 percent of the sample. This was followed by 15.42 percent who were high school graduates and 13.04 percent who held postgraduate degrees. Meanwhile, the lowest proportion belonged to vocational or technical graduates, comprising only 20 respondents, or 7.90 percent of the total.

Table 9 Frequency and Percentage Distribution of Respondents in terms of Educational Background

Educational Background	Frequency	Percentage (%)
High School Graduate	39	15.42
College Graduate	161	63.64
Postgraduate	33	13.04
Vocational/Technical	20	7.90
Educational Background	Frequency	Percentage (%)
Total	253	100.00

The data revealed that college graduates comprised the majority of respondents in the Local Government Unit, suggesting that most employees possessed the educational qualifications typically required in public service. In addition, the presence of postgraduate degree holders indicated that a portion of the workforce had pursued

advanced studies to enhance professional competence and career advancement. Conversely, the smaller proportions of vocational and high school graduates may represent employees occupying clerical, technical, or support-based positions within the organization. Taken together, these findings portrayed a workforce that was largely composed of formally educated individuals who met the civil service’s merit-based employment standards (*Civil Service Commission [CSC], 2025*).

Moreover, the educational composition of respondents aligned with the broader national pattern reported by the Philippine Statistics Authority (2024), which found that college-educated individuals represented the largest segment of the employed population, particularly in administrative and professional occupations. Similarly, this result corresponded with the qualification standards set by the CSC (2025), which emphasized that educational attainment depended on the level and nature of the government position. Specifically, entry-level or first-level positions may accept applicants with secondary, vocational, or technical education, while professional and technical roles generally required at least a bachelor’s degree or higher.

Therefore, the predominance of college graduates among respondents reflected the educational benchmarks established by the CSC and underscores the continuing importance of formal education as a foundation for competence, merit, and advancement in public service.

Income Level.

Table 10 shows that most respondents belonged to the low-income group, with 87 employees (34.40%) earning between ₱9,520.00 and ₱19,040.00. This was followed by 74 respondents (29.20%) who fell within the ₱38,081.00 to ₱66,640.00 range and 64 respondents (25.30%) earning ₱19,041.00 to ₱38,080.00. The smallest group consisted of employees earning ₱66,641.00 to ₱114,240.00, representing only 28 respondents or 11.10% of the sample. This distribution suggested that a significant portion of the workforce earned within the lower income brackets, which was typical of many LGU positions that fell under entry- to mid-level salary grades. The data also indicated that higher-income groups were relatively fewer, reflecting the smaller proportion of supervisory and managerial roles within the Local Government Unit.

Table 10 Frequency and Percentage Distribution of Respondents in Terms of Income Level

Income Level	PSA Equivalent Income Class	Frequency	Percentage (%)
Between PhP 9520 – 19,040	Low Income	87	34.40
Between PhP 19,040 – 38,080	Lower Middle Income	64	25.30
Between PhP 38,081 – 66,640	Middle Income	74	29.20
Between PhP 66,640 – 114,240	Upper Middle to High Income	28	11.10
Total		253	100.00

Legend: monthly income level, classified based on the Philippine Statistics Authority (PSA) income categories. Income levels from ₱9,520–₱19,040 fall under Low Income; ₱19,040–₱38,080 under Lower Middle Income; ₱38,081–₱66,640 under Middle Income; and ₱66,640–₱114,240 under Upper Middle to High Income.

Source: Philippine Statistics Authority (PSA). (2023). Updated Income Classification of Filipino Families Based on the 2021 Family Income and Expenditure Survey (FIES). Quezon City: PSA.

Table 10 shows that the majority of respondents fell within the Low Income and Lower Middle-Income brackets, earning between ₱9,520 and ₱38,080 per month. These income levels generally corresponded to Salary Grades (SG) 1 to 9 under the Salary Standardization Law of 2019 (RA 11466) and were typical of clerical, administrative, and technical positions commonly found in Local Government Units. This indicated that most respondents occupied entry- to mid-level roles with modest to moderate compensation.

Respondents earning ₱38,081 to ₱66,640, categorized under the Middle-Income bracket, aligned with (SG) 10 to SG 18, which usually corresponded to higher technical or junior supervisory roles. Meanwhile, the small proportion of employees earning ₱66,640 to ₱114,240 represented the Upper Middle to High Income group, equivalent to SG 19 and above, often associated with senior supervisory and managerial positions. This distribution reflected the hierarchical nature of government salary structures, where a larger share of the workforce occupies lower to mid-salary grade levels, and only a limited number hold higher-paying managerial role.

This income pattern was consistent with national trends reported by the Department of Budget and Management (DBM, 2023), showing that most government employees in the Philippines earned below ₱40,000 per month, indicative of mid-level salary grades. Likewise, the pattern aligned with the Philippine Statistics Authority (PSA, 2024) findings that regional government personnel outside Metro Manila typically received lower compensation due to cost-of-living adjustments and regional pay differentials. Overall, the income distribution of respondents accurately mirrored the standardized government pay scales in Region X, confirming that their earnings were aligned with both national and regional compensation standards for LGU employees.

Job Classification

Table 11 presents the frequency and percentage distribution of respondents according to job classification. The results showed that the largest group of respondents were rank-and-file employees, comprising 143, or 56.50 percent of the total. This was followed by 30.40 percent who held supervisory positions and 13.00 percent who occupied managerial roles. The data revealed that the majority of respondents belonged to the rank-and-file category, indicating that most employees performed operational or support functions essential to daily government service delivery.

Table 11 Frequency and Percentage Distribution of Respondents in Terms of Job Classification

Job Classification	Frequency	Percentage (%)
Rank-and-File	143	56.50
Supervisory	77	30.40
Managerial	33	13.00
Total	253	100.00

In contrast, smaller proportions were found in supervisory and managerial levels, reflecting the hierarchical structure typical of Local Government Units, where leadership positions were fewer. This pattern illustrated that the organizational workforce was heavily concentrated at the operational level, consistent with the employment pyramid defined under Republic Act No. 6758, otherwise known as the Compensation and Position Classification Act of 1989, which served as the foundational framework for the classification of government positions based on duties, responsibilities, and salary grades.

Moreover, this distribution aligned with the updated guidelines of the Civil Service Commission Memorandum Circular No. 12, s. 2022, which provided standards for establishing organizational structures and staffing patterns in Local Government Units. The circular reinforced the merit-based system of public employment by ensuring that each position classification corresponds to its defined function and level of responsibility. Hence, the observed concentration of rank-and-file employees and smaller proportion of supervisory and managerial

personnel reflected the structured composition prescribed in government offices, promoting efficiency, accountability, and a clear delineation of roles across position levels (Civil Service Commission, 2022)

Problem 2. What is the level of financial literacy among Local Government Unit employees in terms of:

- 2. 1. Financial knowledge;
- 2. 2. Financial behavior; and
- 2. 3. Financial attitude?

Financial Literacy

The results indicated that the respondents obtained an overall mean

score of 3.26, which corresponded to a high level of financial literacy. The overall standard deviation of 0.30 indicated that the responses were relatively consistent among the respondents. Among the sub variables, financial behavior recorded the highest mean of 3.32, interpreted as very high, followed by financial knowledge with a mean of 3.24 and financial attitude with a mean of 3.23, both interpreted as high. These results presented a summary of how the respondents performed across the three dimensions of financial literacy, namely knowledge, attitude, and behavior, as measured in the study.

Financial Knowledge

Table 12 presents the mean and standard deviation of the respondents’ level of financial literacy in terms of financial knowledge. The results showed that the overall mean score of 3.24 indicated a very high level of financial literacy knowledge among Local Government Unit respondents. While the overall standard deviation of 0.43, the highest mean score of 3.40 was obtained in the indicator “I understand fundamental financial concepts, including inflation, interest rates, and investment risks,” while the lowest mean score of 3.07 was recorded in “I can accurately calculate interest and returns on savings or investments.”

Table 12 Mean and Standard Deviation of Financial Literacy in Terms of Financial Knowledge

Statements	Mean	SD	Qualitative Description
1. I understand fundamental financial concepts, including inflation, interest rates, and investment risks.	3.40	0.56	Very High
2. I know different financial instruments like stocks, bonds, and mutual funds.	3.18	0.66	High
3. I can accurately calculate interest and returns on savings or investments.	3.07	0.48	High
4. I am aware of the impact of inflation on retirement savings.	3.31	0.54	Very High

Legend: 3.25-4.00 very High: 2.

Overall	3.24	0.43	Very High
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51–3.24; High: 1.75–2.50; Low: 1.00–1.74; Very Low.

The standard deviation measured the degree of variation in the respondents’ answers from the mean. A smaller standard deviation indicated that responses were more consistent, while a larger value reflected greater variability in understanding. In this study, the relatively low standard deviation values across all indicators signified that respondents’ answers were generally consistent, suggesting that they shared similar levels of financial literacy knowledge.

Among the indicators, the statement “I understand fundamental financial concepts, including inflation, interest rates, and investment risks” obtained the highest mean score of 3.40, interpreted as very high, showing that employees had a strong grasp of essential financial principles relevant to savings, investment, and retirement planning. In contrast, the statement “I can accurately calculate interest and returns on savings or investments” received the lowest mean score of 3.07, interpreted as high, indicating that while employees can perform basic financial computations. This skill was slightly less developed than their conceptual understanding. The overall mean of 3.24 further confirmed a high level of financial literacy knowledge, reflecting a workforce that was generally well informed and financially aware.

The qualitative responses from the key informant interviews strongly aligned with these quantitative results. Respondents described having adequate awareness of core financial concepts, particularly in understanding the importance of saving and familiarity with pension and investment mechanisms such as GSIS and PAG-IBIG programs. However, some acknowledged that their financial knowledge remained developing and that continued education and exposure to financial literacy programs would help deepen their understanding. This consistency between survey and interview findings suggested that while employees possessed a solid conceptual foundation, they also recognized the need for ongoing learning to enhance practical applications of their knowledge.

These findings supported the assertion of Lusardi and Mitchell (2014) that understanding fundamental financial concepts formed the cornerstone of sound financial behavior and future financial security. Likewise, the Bangko Sentral ng Pilipinas (BSP, 2023) under the National Strategy for Financial Inclusion emphasized that knowledge of essential economic and financial principles enabled individuals to make informed decisions regarding saving, investment, and retirement planning.

Overall, the alignment between the quantitative and qualitative data indicated that the respondents’ high level of financial literacy knowledge served as an important asset for prudent money management and long-term financial readiness. Their strong conceptual awareness provided a foundation for rational decision-making and strategic planning, enabling Local Government Unit employees to adapt effectively to changing economic conditions and to prepare confidently for retirement.

Financial behavior

Table 13 presents the mean and standard deviation of the respondents’ level of financial literacy in terms of financial behavior. The results disclosed that the overall mean score of 3.32 corresponded to a very high level of financial behavior among the Local Government Unit respondents. With the overall standard deviation of 0.39, the highest mean score of 3.43 was recorded in the indicator “I avoid unnecessary debt and manage credit responsibly,” while the lowest mean score of 3.02 was obtained in “I compare financial products before making a decision.”

Table 13 Mean and Standard Deviation of Financial Literacy in Terms of Financial Behavior

Statements	Mean	SD	Qualitative Description
1. I actively save a portion of my income for retirement.	3.34	0.57	Very High
2. I create and adhere to a personal budget for expenses and savings.	3.40	0.65	Very High
3. I avoid unnecessary debt and manage credit responsibly.	3.43	0.54	Very High
4. I compare financial products before making a decision.	3.02	0.79	High
5. I regularly review and adjust my retirement plans based on financial goals.	3.40	0.62	Very High
Overall	3.32	0.39	Very High

Legend: 3.25-4.00 Very High; 2.51–3.24; High: 1.75–2.50; Low: 1.00–1.74; Very Low.

The standard deviation values indicated that respondents’ answers were consistent across all statements, reflecting similar behavioral patterns in managing personal finances. The very high overall mean (3.32) revealed that Local Government Unit employees generally demonstrated responsible and well-disciplined financial behavior. The highest-rated statement showed that employees practiced financial discipline by avoiding unnecessary debt and managing credit responsibly, signifying maturity and prudence in financial decisionmaking. Similarly, respondents adopted structured and goal-oriented financial habits, as indicated by their very high mean scores for creating a budget, saving for retirement, and regularly reviewing financial plans. The lowest mean, recorded in comparing financial products before making decisions, implied that while employees were responsible with their finances, they may still need to enhance their capacity to evaluate complex investment options.

The qualitative results from the key informant interviews strongly aligned with these quantitative findings. Respondents consistently described how they consciously manage their income by budgeting, saving, and tracking expenses. They also talked about how important it is to stick to a budget and save some of their income for long-term goals like retirement. However, several informants admitted difficulty sustaining consistent saving habits due to competing financial obligations, family responsibilities, and fluctuating income. These admissions supported the quantitative indication that although employees generally demonstrated high levels of financial behavior, there remained areas where practical challenges hindered consistent application of financial discipline.

This convergence between quantitative and qualitative results underscored that employees’ financial literacy was effectively translated into behavior, even if some encounter barriers that limit full consistency. It affirmed the view of Lusardi and Oggero (2022) that individuals with higher financial knowledge were more likely to engage in responsible financial behaviors such as saving, budgeting, and avoiding debt. Similarly, the Bangko Sentral ng Pilipinas (BSP, 2023) emphasized that responsible financial behavior anchored in mindful spending and disciplined saving enhances financial inclusion and long-term security.

Overall, the alignment between the survey and interview data highlighted a financially conscious and proactive workforce. Even when they were under financial stress, employees used financial ideas in real life by saving, making budgets, and managing credit. For Local Government Unit employees, these behavioral patterns reflected not only awareness but also a growing sense of responsibility toward financial stability and retirement preparedness.

Financial Attitude

Table 14 presents the mean and standard deviation of the respondents’ level of financial literacy in terms of financial attitude. The overall mean score of 3.23 indicated a very high level of financial attitude among the Local Government Unit respondents, with a standard deviation of 0.43. The highest mean of 3.46 corresponded to the statement “I believe that financial literacy plays a crucial role in retirement preparedness,” while the lowest mean of 2.94 pertained to “I feel confident in making financial decisions about my retirement.”

Table 14 Mean and Standard Deviation of Financial Literacy in Terms of Financial Attitude

Statements	Mean	SD	Qualitative Description
1. I believe that financial planning is essential for a secure retirement.	3.34	0.59	Very High
2. I feel confident in making financial decisions about my retirement.	2.94	0.82	High
3. I prioritize long-term financial goals over short-term expenses.	3.17	0.59	High
4. I am willing to seek financial advice when needed.	3.25	0.57	High

5. I believe that financial literacy plays a crucial role in retirement preparedness.	3.46	0.61	Very High
Overall	3.23	0.43	Very High

Legend: 3.25-4.00 Very High; 2.51–3.24; High: 1.75–2.50; Low: 1.00–1.74; Very Low.

The standard deviation values indicated that responses were generally consistent, showing that most respondents shared similar views about the importance of financial attitudes toward financial management and retirement. The overall very high mean suggested that respondents possessed positive financial attitudes, reflecting a belief in the value of planning, knowledge, and preparation for their financial future.

The highest-rated statement, which emphasized the importance of financial literacy in retirement preparedness, implied that Local Government Unit employees recognized the connection between financial understanding and long-term security. This awareness reflected a proactive and responsible mindset toward financial management, consistent with the findings of Lusardi and Mitchell (2014), who stated that positive financial attitudes fostered planning and prudent decision-making for retirement. On the other hand, the lowest-rated statement about confidence in financial decision-making indicated that while employees acknowledged the value of financial planning, some may still lack the assurance or experience needed to make independent financial choices.

The qualitative findings from the key informant interviews closely aligned with these quantitative results. Informants described having a positive and future-oriented mindset toward saving and retirement preparation. They viewed financial management as an act of stewardship and personal responsibility, driven by self-discipline and the goal of long-term financial security. One respondent emphasized continuous improvement by seeking financial information from institutions such as the GSIS. Overall, the interviews portrayed employees who were aware, proactive, and optimistic about managing their financial lives, though some acknowledged challenges in maintaining consistent financial discipline.

Furthermore, the high means in statements about seeking financial advice (3.25) and prioritizing long-term goals (3.17) revealed that respondents were open to professional guidance and capable of balancing immediate needs with future objectives. This aligned with Kaiser and Menkhoff (2017), who observed that positive financial attitudes encouraged individuals to take informed actions and remained consistent in saving and investment practices. Similarly, the Bangko Sentral ng Pilipinas (BSP, 2023) underscored that cultivating positive financial attitudes enhanced individuals’ capacity to make sound financial judgments, which was essential for achieving long-term financial well-being and security.

Overall, both quantitative and qualitative findings demonstrated that respondents maintained a constructive and future-focused attitude toward managing their finances and preparing for retirement. Their belief in the importance of financial literacy and planning suggested that they valued informed decision-making and responsible resource allocation. This strong financial attitude served as a critical foundation for sustaining effective financial behavior and ensuring preparedness for future financial responsibilities.

Financial Literacy with its Sub-variable

Table 15 presents the summary of mean and standard deviation of local government unit employees’ level of financial literacy, as well as the scores for its three sub-variables: financial knowledge, financial attitude, and financial behavior. The results showed that the respondents obtained an overall mean of 3.26, which corresponded to a high level of financial literacy.

Table 15 Summary of Mean and Standard Deviation of Local Government Unit Employees’ Level of Financial Literacy

Sub-Domain of Financial Literacy	Mean	SD	Qualitative Description
Financial Knowledge	3.24	0.43	High

Financial Attitude	3.23	0.43	High
Financial Behavior	3.32	0.39	Very High
Overall	3.26	0.30	High

Legend: 3.25–4.00 Very High; 2.51–3.24; High: 1.75–2.50; Low: 1.00–1.74; Very Low.

Among the sub-variables, financial behavior recorded the highest mean of 3.32 (very high), followed by financial knowledge with a mean of 3.24 (high) and financial attitude with a mean of 3.23 (high) with a standard deviation of 0.30.

The results of the study revealed that Local Government Unit employees demonstrated a generally high level of financial literacy, reflected in their performance across its three sub-variables: financial knowledge, financial behavior, and financial attitude. The overall mean of 3.26, interpreted as high, indicated that respondents possessed not only a conceptual understanding of financial principles but also applied these in practical ways through responsible financial habits and positive attitudes toward money management and retirement planning.

The consistency of responses, shown by the relatively low standard deviation of 0.306, suggested that most employees shared similar levels of financial literacy and exhibited a stable pattern of financial awareness and behavior. Among the three dimensions, financial behavior registered the highest mean (3.32), implying that respondents actively practiced saving, budgeting, and responsible spending. Financial knowledge followed with a mean of 3.24, showing strong comprehension of fundamental concepts such as interest, inflation, and investment risk. Financial attitude obtained a mean of 3.23, reflecting a future-oriented mindset grounded in planning and discipline.

Qualitative findings from the key informant interviews reinforced these results. Respondents described themselves as financially literate, with adequate awareness of financial concepts and familiarity with savings, pension, and investment mechanisms. They emphasized the importance of responsible spending, consistent saving, and disciplined budgeting as part of daily financial practice. Many viewed financial management as both a duty and a form of stewardship that requires foresight and accountability. At the same time, several acknowledged that maintaining consistency in saving remained a challenge due to family obligations, fluctuating expenses, and competing financial priorities. This alignment between quantitative and qualitative results underscored that while employees possessed solid financial knowledge and positive attitudes, structural and personal constraints sometimes limited their ability to sustain long-term financial habits.

The overall pattern aligned with the framework of Lusardi and Mitchell (2017), who asserted that financial literacy integrates knowledge, attitude, and behavior as mutually reinforcing components of sound financial decision-making. Likewise, Kaiser and Menkhoff (2017) found that positive financial attitudes drive informed actions and improve consistency in saving and investment practices. The Bangko Sentral ng Pilipinas (BSP, 2023) under the National Strategy for Financial Inclusion 2022–2028 further emphasized that strengthening knowledge, fostering positive attitudes, and supporting responsible behaviors are essential to improving financial capability among Filipino workers.

Taken together, both sets of data confirmed that the respondents’ financial literacy is comprehensive, combining cognitive understanding with behavioral and attitudinal components. Employees demonstrated the ability to apply financial principles in practice while maintaining a proactive outlook on financial stability and retirement readiness. Although challenges persist in sustaining disciplined saving and evaluating complex financial products, the respondents’ overall financial literacy reflected a workforce that was informed, self-aware, and moving toward greater financial empowerment.

Problem 3. What is the level of social support received by Local Government Unit employees in terms of:

3. 1. Emotional support;

3. 2. Informational support; and

3. 3. Instrumental support?

Social Support

The data indicated that employees of the Local Government Unit reported a high overall level of social support, with a mean of 3.12 and a standard deviation of 0.376. Among the three dimensions, both emotional support and instrumental support obtained the highest mean of 3.18, indicating that respondents felt encouraged and assisted by family members, peers, and their workplace. Meanwhile, informational support recorded the lowest mean of 2.99, though still interpreted as high, suggesting that while employees received adequate guidance and information about financial and retirement matters, opportunities for structured financial learning remain limited.

Emotional Support

Table 16 presents the mean and standard deviation of the respondents' level of social support in terms of emotional support. The results indicated that the respondents obtained an overall mean of 3.18, which corresponded to a high level of social support. The overall standard deviation of 0.45 indicated that the responses were relatively consistent across the group. Among the statements, the highest mean of 3.19 was shared by three items: "I receive encouragement from family and friends regarding my retirement plans," "I feel supported when discussing financial concerns with close friends and family," and "I have someone who reassures me when I feel uncertain about my financial future." The statement "I feel emotionally secure knowing I have a financial support system" had the lowest mean of 3.15.

Table 16 Mean and Standard Deviation of Social Support in Terms of Emotional Support

Statements	Mean	SD	Qualitative Description
1. I receive encouragement from family and friends regarding my retirement plans.	3.19	0.60	High
2. My peers/co-workers motivate me to save for my future financial security.	3.17	0.67	High
3. I feel supported when discussing financial concerns with close friends and family.	3.19	0.51	High
4. I have someone who reassures me when I feel uncertain about my financial future.	3.19	0.64	High
5. I feel emotionally secure knowing I have a financial support system.	3.15	0.53	High
Overall	3.18	0.45	High

Legend: 3.25-4.00 Very High; 2.51-3.24; High; 1.75-2.50; Low; 1.00-1.74; Very Low.

The standard deviation values revealed that respondents' answers were consistent across all indicators, signifying that most employees shared similar perceptions of emotional support within their personal and professional circles. The overall high level of emotional support indicated that employees felt understood, encouraged, and reassured by the people around them, allowing them to manage emotional stress more effectively and maintain a sense of social belonging.

The highest mean scores emphasized the importance of emotional reassurance and motivation from family, peers, and friends. Such relationships enhanced confidence and foster emotional stability, especially in managing financial or career-related challenges. This finding supported Lakey and Orehek (2016), who emphasized that perceived emotional support strengthens self-efficacy and buffers individuals from the effects of stress.

Likewise, Morelli et al. (2017) found that receiving empathy and validation from trusted individuals increased emotional resilience and overall well-being.

The slightly lower mean of 3.15 for feeling emotionally secured with one’s support system suggested that while most employees experienced steady emotional backing, a small number may still perceived gaps in consistency or depth of support. However, the consistently high mean values for all items showed that the people who answered the questions have strong relationships with each other that were based on trust and empathy.

Overall, the findings indicated that Local Government Unit employees benefit from a healthy level of emotional support that nurtured psychological well-being, fostered confidence, and enhanced their ability to cope with both professional and personal demands. Such support played an essential role in sustaining employee morale, promoting mental health, and strengthening workplace relationships.

Informational Support

Table 17 presents the mean and standard deviation of the respondents’ level of social support in terms of informational support. The results showed that the respondents got an overall mean of 2.99 and a standard deviation of 0.43, which was considered high. This indicated that Local Government Unit employees generally experienced a good level of informational support, meaning they have access to relevant financial knowledge, updates, and advice that assist them in making informed financial decisions.

Among the indicators, the statement, “I am familiar with financial policies and programs through my social networks,” obtained the highest mean score of 3.11, suggesting that employees often rely on peer networks, colleagues, and community connections to stay updated on financial programs and opportunities. The lowest mean score of 2.92 was recorded for the statement, “I participate in workshops or training sessions on retirement planning,” indicating that, while employees recognized the importance of learning opportunities, participation in formal training remained less frequent.

Table 17 Mean and Standard Deviation of Social Support in terms of Informational Support

Statements	Mean	SD	Qualitative Description
1. I can access financial education programs through my workplace or community.	3.02	0.58	High
2. I seek financial advice from reliable sources like mentors and financial advisors.	2.96	0.66	High
3. I participate in workshops or training sessions on retirement planning.	2.92	0.67	High
4. I get updates on financial opportunities and risks.	2.96	0.62	High
5. I am familiar with financial policies and programs through my social networks.	3.11	0.64	High
Overall	2.99	0.43	High

Legend: 3.25-4.00 Very High; 2.51–3.24; High: 1.75–2.50; Low: 1.00–1.74; Very Low.

The standard deviation values showed that the responses were relatively consistent, indicating that most respondents shared similar perceptions about their access to financial information. The high overall mean implied that informational support played a significant role in promoting awareness and preparedness for retirement among Local Government Unit employees.

Insights from the key informant interviews reinforced these findings. Respondents shared that they were aware of their GSIS, PAG-IBIG, and cooperative benefits and often learned about them through orientations, seminars, and HR-led capacity-building activities. Some people said they were actively looking for financial advice from trustworthy mentors or agencies, while others said they did not have easy access to structured financial education programs. While employees valued information sharing, they can further enhanced institutional systems for continuous financial learning, as evidenced by the convergence of quantitative and qualitative results.

These findings were consistent with the study of Li et al. (2015), who emphasized that access to timely and accurate financial information supports individuals' ability to make informed decisions and prepare effectively for retirement. Similarly, Kaiser and Menkhoff (2017) stressed that financial education programs strengthen responsible saving and investment practices. In the local context, the Bangko Sentral ng Pilipinas (BSP, 2023) advocated for regular workplace-based financial literacy sessions to promote informed financial decision-making and increase confidence in managing financial resources.

Overall, both the quantitative data and key informant responses affirmed that employees received adequate informational support through various channels such as peers, HR offices, and social networks. However, the findings also suggested the need for sustained institutional programs that provided consistent and structured financial learning. By enhancing access to accurate financial information and training, Local Government Unit employees can make better-informed decisions, further improving their financial stability and retirement readiness.

Instrumental Support

Table 18 presents the mean and standard deviation of the respondents' level of social support in terms of instrumental support. The results indicated that the respondents obtained an overall mean of 3.18 with a standard deviation of 0.49, interpreted as high. This indicated that Local Government Unit employees generally received substantial instrumental support from their employers, communities, and personal networks that helped them in planning and preparing for financial stability and retirement.

Table 18 Mean and Standard Deviation of Social Support in terms of Instrumental Support

Statements	Mean	SD	Qualitative Description
1. My employer offers financial support or programs for retirement planning.	3.22	0.69	High
2. My community provides financial assistance or pension plans for retirees.	3.12	0.68	High
3. I have resources available in case of unforeseen financial hardships.	3.01	0.71	High
4. I believe instrumental support contributes to my financial readiness.	3.36	0.58	Very High
Overall	3.18	0.49	High

Legend: 3.25-4.00 Very High; 2.51-3.24; High; 1.75-2.50; Low; 1.00-1.74; Very Low.

Among the statements, the item “I believe instrumental support contributes to my financial readiness” obtained the highest mean score of 3.36, interpreted as very high, suggesting that respondents strongly recognized the importance of material and institutional support in achieving financial preparedness. Meanwhile, the lowest mean score of 3.01 was noted for “I have resources available in case of unforeseen financial hardships,” indicating that while respondents perceived existing support systems, some may still experience gaps in emergency resources or accessible assistance during financial difficulties.

The standard deviation values indicated that responses were relatively consistent, showing that most respondents shared similar perceptions about the availability of instrumental support in their workplaces and communities. The overall high level of instrumental support implied that employees have access to financial programs, community assistance, and institutional mechanisms that helped them plan for retirement and address financial contingencies.

Findings from the key informant interviews complemented these results. Respondents emphasized that the Local Government Unit and affiliated agencies, such as GSIS, PAG-IBIG, and cooperatives, provided avenues for savings, loan programs, and pre-retirement seminars that contributed to their financial security. Some people, on the other hand, said that these programs often focus more on lending than on long-term savings, and that delays in the process can make it hard to get benefits on time. Despite these challenges, most informants recognized the value of institutional support and recommended enhancing financial literacy and retirement programs within the workplace to further strengthen readiness.

These results aligned with the conclusions of Farrell, Fry, and Risse (2016), who found that institutional financial support systems significantly influenced individuals’ ability to plan and prepare for retirement. Similarly, Klapper, Lusardi, and Panos (2019) highlighted that when organizations provided structured financial support and education, employees demonstrated stronger commitment to saving and improved financial confidence. In the Philippine context, the Bangko Sentral ng Pilipinas (BSP, 2023) advocated that access to institutional support, such as financial programs and cooperative initiatives, enhances workers’ overall financial inclusion and long-term stability.

Overall, both quantitative and qualitative findings revealed that Local Government Unit employees benefited from available financial and institutional support systems that promoted retirement readiness. While current programs and policies are perceived as advantageous, strengthening resource accessibility, minimizing procedural barriers, and expanding financial education opportunities would further enhance the instrumental support needed to sustain financial preparedness among employees.

Social Support and its Sub-variable

Table 19 presents the overall mean and standard deviation of the respondents’ level of social support and its three dimensions: emotional, informational, and instrumental support. The results showed that the respondents obtained an overall mean of 3.12, interpreted as high, with a standard deviation of 0.37. This means that Local Government Unit employees generally experienced a high level of social support.

Among the three dimensions, emotional support and instrumental support both registered the highest mean of 3.18, interpreted as high, while informational support recorded the lowest mean of 2.99, also interpreted as high. This indicated that employees received consistent encouragement and assistance from their family, peers, and workplace, although formal access to financial education and information-sharing programs was slightly less prevalent.

Table 19 Summary of the Mean and Standard Deviation of Local Government Unit Employees’ Level of Social Support

Sub-Domain of Social Support	Mean	SD	Qualitative Interpretation
Emotional Support	3.18	0.45	High
Informational Support	2.99	0.43	High
Instrumental Support	3.18	0.49	High
Overall	3.12	0.37	High

Legend: 3.25-4.00 Very High; 2.51–3.24; High: 1.75–2.50; Low: 1.00–1.74; Very Low.

The standard deviation values indicated that responses were consistent across all dimensions, meaning that most employees shared similar experiences of social support. The overall high mean signified that social support plays an important role in strengthening the employee's confidence and readiness for retirement.

Insights from the key informant interviews reinforced this result.

Respondents agreed that encouragement and reassurance from family and co-workers motivated them to plan for their future. They also emphasized that emotional and moral support from peers helped reduce worries about retirement. However, several mentioned that institutional support in terms of workshops, mentoring, and access to clear financial information remained limited and could be improved.

These findings corresponded with the assertion of Farrell, Fry, and Risse (2016) that social relationships fostered confidence and a positive outlook toward retirement. Similarly, Klapper, Lusardi, and Panos (2019) observed that individuals embedded in supportive social networks are more likely to adopt proactive financial behaviors and long-term saving practices. In the Philippine context, the Bangko Sentral ng Pilipinas (BSP, 2023) recognized that peer and organizational support enhances financial inclusion by encouraging collective awareness and responsible financial actions.

The implication of these findings is that maintaining strong emotional and instrumental support systems within the workplace and community can strengthen employees' confidence and motivation to plan for retirement. Institutional initiatives, such as regular orientation programs and mentorship networks, could further enhance informational support, ensuring that employees have both the emotional encouragement and the technical knowledge needed for long-term financial readiness.

Problem 4. What is the respondents' level of awareness regarding government retirement policies, specifically in terms of:

- 4. 1. Pension Programs;**
- 4. 2. Financial Education; and**
- 4. 3. Social Security Benefits?**

Government Retirement Policies Awareness

The results indicated that the respondents obtained an overall mean score of 3.10, interpreted as high, suggesting that Local Government Unit employees demonstrated substantial awareness and understanding of government-led retirement programs. The overall standard deviation of 0.42 showed that responses were consistent among the respondents. Among the sub-variables, the Pension Program recorded the highest mean of 3.21, interpreted as high, followed by Social Security Benefits with a mean of 3.15 and the Financial Education Program with a mean of 2.93, both interpreted as high. These results summarized the employees' performance across the three dimensions of awareness regarding government retirement policies, pension schemes, financial education programs, and social security benefits as measured in the study.

Pension Programs

Table 20 presents the overall mean and standard deviation of the respondents' level of awareness of pension programs under government retirement policies. The results indicated that the respondents got an overall mean of 3.21, which was considered high, and a standard deviation of 0.50. This means that Local Government Unit (LGU) employees were generally well-informed about the pension schemes and actively engaged in government-mandated retirement programs.

Among the four statements, the highest mean of 3.26 was observed in the item "I understand how pension plans help ensure my retirement security," interpreted as high. This suggested that the majority of employees acknowledged the significance of pension plans in providing post-employment stability. The statement "I actively participate in government-mandated pension programs" had the lowest mean of 3.17, which was also considered high. Although participation levels remained high, the figure suggested room for improvement in sustaining consistent contributions or engagement in retirement-related initiatives.

Table 20 Mean and Standard Deviation of the Respondents’ Level of Awareness of Pension Programs under Government Retirement Policies.

Statements	Mean	SD	Qualitative Description
1. I am knowledgeable about government pension schemes (GSIS, Pag-ibig etc.).	3.22	0.59	High
2. I understand how pension plans help ensure my retirement security.	3.26	0.68	High
3. I actively participate in governmentmandated pension programs.	3.17	0.57	High
4. I am aware of the benefits and limitations of my pension plan.	3.21	0.60	High
Overall	3.21	0.50	High

Legend: 3.25-4.00 Very High; 2.51–3.24; High: 1.75–2.50; Low: 1.00–1.74; Very Low.

The standard deviation values indicated that responses were consistent across all dimensions, meaning that most employees shared similar experiences of social support. The overall high mean signified that social support plays an important role in strengthening the employees’ confidence and readiness for retirement.

Insights from the key informant interviews reinforced this result. Respondents agreed that encouragement and reassurance from family and co-workers motivate them to plan for their future. However, several mentioned that institutional support in terms of workshops, mentoring, and access to clear financial information remains limited.

These findings corresponded with the assertion of Farrell, Fry, and Risse (2016) that social relationships fostered confidence and a positive outlook. Similarly, Klapper, Lusardi, and Panos (2019) observed that supportive social networks promoted proactive financial behaviors. In the Philippine context, the Bangko Sentral ng Pilipinas (BSP, 2023) recognized that peer and organizational support enhanced financial inclusion through collective awareness and responsible financial actions.

The implication of these findings was that maintaining strong emotional and instrumental support systems within the workplace and community can strengthen employees’ confidence and motivation to plan for retirement. Institutional initiatives, such as regular orientation programs and mentorship networks, could further enhance informational support, ensuring that employees have both emotional encouragement and technical knowledge for long-term financial readiness.

Financial Education

Table 21 presents the mean and standard deviation of the respondents’ level of awareness of government retirement policies and programs. The results indicated that the respondents got an overall mean of 2.93, which was considered high, and a standard deviation of 0.53. This indicated that Local Government Unit employees generally possessed a satisfactory level of awareness of government-led retirement initiatives and programs.

Table 21 Mean and Standard Deviation of Government Retirement Policy Awareness in Terms of Financial Education

Statements	Mean	SD	Qualitative Description
1. The government provides accessible financial literacy programs.	3.01	0.56	High

2. I have attended financial literacy seminars or training organized by the government.	2.87	0.82	High
3. I apply government-advised financial strategies for retirement planning.	2.91	0.77	High
Overall	2.93	0.55	High

Legend: 3.25-4.00 Very High; 2.51–3.24; High: 1.75–2.50; Low: 1.00–1.74; Very Low.

Among the indicators, the statement “The government provides accessible financial literacy programs” obtained the highest mean score of 3.01, interpreted as high, while “I have attended financial literacy seminars or training organized by the government” recorded the lowest mean score of 2.87, also interpreted as high. This suggested that although employees were aware of government programs, actual participation in seminars and training remained limited.

The standard deviation values indicated moderate consistency in responses, showing that most employees shared comparable levels of awareness about government programs and policies related to financial literacy and retirement preparation. The overall high mean suggested that employees were fairly knowledgeable about the initiatives of institutions such as the Government Service Insurance System (GSIS), Pag-IBIG Fund, and other related programs.

Insights from the key informant interviews further reinforced these findings. Respondents mentioned that they were aware of their benefits under GSIS, ICGEMPC Cooperative, and Pag-IBIG, mainly through orientations, HR briefings, and pre-retirement seminars. Some noted that they actively monitored their contributions and updates, while others expressed that they only have partial understanding of specific program details. A few respondents recommended that there be continuous updates and clearer dissemination of information, particularly about new or changing policies.

These results aligned with the findings of Kabagani (2021), who reported that awareness of government policies positively influenced employees’ participation in retirement planning. Similarly, Santos and Torres (2023) highlighted that many Local Government Unit employees in Northern Mindanao are aware of institutional benefits but often lack access to detailed information and practical guidance on how to maximize these programs. The Bangko Sentral ng Pilipinas (BSP, 2023) also stressed the value of strengthening policy awareness as part of the National Strategy for Financial Inclusion, noting that informed citizens are better equipped to make sound financial and retirement decisions.

The implication of these findings was that while government employees were generally aware of retirement-related programs, there remained a need to strengthen participation in policy-oriented seminars and hands-on financial literacy activities. Enhancing coordination between government agencies and Local Government Units can ensure that policy information is not only disseminated but also translated into active employee engagement and long-term financial planning behavior.

Social Security Benefits

Table 22 presents the mean and standard deviation of the respondents’ level of awareness and perception of social security assistance provided by the government. The results showed that the respondents obtained an overall mean of 3.15, interpreted as high, with a standard deviation of 0.57. This indicated that Local Government Unit employees had a strong level of awareness and confidence regarding government-provided social security programs.

Among the indicators, the statement “I feel secure knowing that the government provides social security assistance” obtained the highest mean score of 3.22, interpreted as high, while “Social security benefits are sufficient to cover retirement needs” recorded the lowest mean score of 3.04, also interpreted as high. This

suggested that, although employees acknowledged the government’s support mechanisms, they still perceived potential gaps in the adequacy of social security benefits to fully meet their retirement needs.

Table 22 Mean and Standard Deviation of Government Retirement Policy Awareness in terms of Social Security Benefits

Statements	Mean	SD	Qualitative Description
1. I have inquired about my Social Security benefits and their applicability.	3.20	0.75	High
2. I feel secure knowing that the government provides social security assistance.	3.22	0.60	High
3. Social security benefits are sufficient to cover retirement needs.	3.04	0.75	High
Overall	3.15	0.575	High

Legend: 3.25-4.00 Very High; 2.51–3.24; High: 1.75–2.50; Low: 1.00–1.74; Very Low.

The standard deviation values indicated moderate variability in responses, suggesting that while most employees shared a generally high level of awareness and trust in social security assistance, there were differing views about the sufficiency of the benefits provided. The high overall mean reflected that LGU employees recognized the government’s role in ensuring financial protection and stability through programs such as the Government Service Insurance System (GSIS), Pag-IBIG Fund, and Social Security System (SSS).

The key informant interviews substantiated this result. Respondents said they know everything there was to know about their GSIS and Pag-IBIG benefits, which they usually learned about in HR information sessions and pre-retirement orientations. They acknowledged that these benefits are essential for long-term financial security but noted certain challenges, such as limited understanding of specific program updates and delays in processing contributions or claims. A few respondents also mentioned that while they feel confident about their entitlements, they remain uncertain about whether these benefits alone can sustain their desired retirement lifestyle.

These findings were consistent with the study of Tolondon and Ortizo (2024), who found that government employees recognized the importance of social security programs but still sought better benefit adequacy and more accessible education about entitlements. Likewise, Kabagani (2021) emphasized that consistent communication and training from government agencies increased employees’ confidence in retirement policy awareness. The Bangko Sentral ng Pilipinas (BSP, 2023) also emphasized the importance of combining financial inclusion with effective government benefit programs to enhance public sector employees' overall financial preparedness.

The implication of these findings was that while Local Government Unit employees expressed high trust in the government’s social protection systems, enhancing the sufficiency and accessibility of benefits remains essential. Strengthening policy dissemination, ensuring timely contribution management, and expanding employee education on entitlements could further reinforce confidence and readiness for retirement.

Government Retirement Policies with Sub-Domains

Table 23 presents the overall mean and standard deviation of the respondents’ level of awareness of government retirement policy and its three subscales: programs, financial education programs, and social security benefits. The results indicated that the respondents obtained an overall mean of 3.10, interpreted as high, with a standard deviation of 0.42. This suggested that Local Government Unit employees generally demonstrated a strong

awareness of government programs and initiatives designed to promote financial security and retirement preparedness.

Among the sub-domains, pension programs recorded the highest

mean of 3.21, interpreted as high, followed by Social Security benefits with a mean of 3.15 and the financial education program with a mean of 2.93, also interpreted as high. These results indicated that employees were most familiar with their pension and benefit systems under GSIS and related programs, while participation in or exposure to financial education initiatives appears relatively limited.

Table 23 Summary of the Local Government Unit Employees’ Level of Awareness Regarding Government Retirement Policies

Sub-Domain of Government Retirement Policies	Mean	SD	Qualitative Description
Pension Programs	3.21	0.50	High
Financial Education Program	2.93	0.55	High
Social Security Benefits	3.15	0.57	High
Overall	3.10	0.42	High

Legend: 3.25-4.00 Very High; 2.51–3.24; High: 1.75–2.50; Low: 1.00–1.74; Very Low.

The standard deviation across all dimensions indicated consistency in respondents’ perceptions, suggesting that most employees shared a similar understanding of the government’s retirement-related programs. The high overall mean reflected that LGU employees were generally informed about the mechanisms and benefits provided by the government to ensure their financial stability after retirement.

Insights from the key informant interviews supported this quantitative finding. Respondents expressed clear awareness of their GSIS, Pag-IBIG, and cooperative benefits, which they learned primarily through preretirement orientations and HR capacity-building sessions. They also acknowledged that pension and social security programs are vital for ensuring post-retirement income stability. However, several respondents noted that while they were aware of these programs, updates and detailed explanations were not consistently communicated, leading to partial understanding of newer policies and benefit computations. A few also emphasized that financial literacy activities organized by the government were infrequent and often generic, limiting their long-term effectiveness.

These findings were consistent with the observations of Kabagani (2021) and Santos and Torres (2023), who found that while public employees possessed general knowledge of retirement systems, deeper understanding and engagement remained challenges. Similarly, Tolondon and Ortizo (2024) emphasized that regular communication, policy transparency, and financial education directly enhance employees’ confidence in planning for retirement. Moreover, the Bangko Sentral ng Pilipinas (BSP, 2023), under its National Strategy for Financial Inclusion, underscores the need to strengthen awareness and participation in government programs to build sustainable financial preparedness among Filipino workers.

The implication of these findings was that awareness alone was insufficient unless paired with consistent education, clear information dissemination, and personalized support. Enhancing government-driven financial literacy programs, strengthening pension communication systems, and promoting continuous employee engagement will ensure that awareness translates into proactive retirement planning and greater confidence in financial security.

Problem 5. What is the level of retirement readiness among Local Government Unit employees in terms of:

5.1. Financial Preparedness:

5. 2. Psychological Preparedness; and

5. 3. Income Continuity?

Retirement Readiness

Retirement readiness reflected how well employees were prepared financially, psychologically, and in terms of income stability for life after employment. It provided a measure of how effectively individuals have planned for their transition from work to retirement. The results revealed that the respondents obtained an overall mean score of 3.10, interpreted as moderate, indicating that Local Government Unit employees exhibited a moderate level of retirement readiness, with a standard deviation of 0.45. Among the three sub-domains, income continuity recorded the highest mean of 3.17, interpreted as moderate, followed by financial preparedness with a mean of 3.09, and psychological readiness with the lowest mean of 3.02, both interpreted as moderate.

These results implied that while employees showed a fair degree of awareness and planning toward retirement, many still required greater financial and emotional preparation to ensure long-term stability and confidence after leaving the workforce.

Financial Preparedness

Table 24 presents the mean and standard deviation of the respondents’ level of retirement readiness regarding the financial preparedness. The results showed that the overall mean score of 3.10 indicated a high level of retirement readiness among Local Government Unit employees, with a standard deviation of 0.51.

Table 24 Mean and Standard Deviation of Retirement Readiness in Terms of Financial Preparedness

Statements	Mean	SD	Qualitative Description
1. I have accumulated enough savings for my retirement.	3.04	0.79	Moderate
2. I understand my pension benefits and sources of retirement income.	3.17	0.68	Moderate
3. I regularly budget and set aside funds specifically for retirement.	3.07	0.64	Moderate
4. I maintain an emergency fund to cover unexpected financial challenges.	3.16	0.69	High
5. I know how to access and manage my retirement funds.	3.04	0.46	High
Overall	3.10	0.51	High

Legend: 3.25 – 4.00 Highly Prepared, 2.51 – 3.24 Moderately Prepared, 1.75 – 2.50 Minimally Prepared, 1.00 – 1.74 Unprepared

The statement “I understand my pension benefits and sources of retirement income” received the highest mean score of 3.17, while the lowest mean scores of 3.04 were recorded in “I have accumulated enough savings for my retirement” and “I know how to access and manage my retirement funds.” These results implied that while employees demonstrated awareness of their retirement benefits, some were still in the process of strengthening their financial preparedness and savings consistency.

The standard deviation values revealed that responses were relatively consistent, suggesting that most employees shared similar levels of financial and retirement preparedness. The overall high mean indicated that employees possessed a substantial degree of awareness and readiness for life after employment, particularly in managing their financial obligations and emergency funds. However, the moderate ratings in savings accumulation and budgeting for retirement suggested that not all employees have developed strong and sustained saving habits.

This pattern aligned with the key informant interview results, where respondents described themselves as moderately prepared for retirement. Many acknowledged that while they have begun saving and were aware of their pension benefits, they still needed to improve consistency in setting aside funds and diversifying their income sources. Several informants also expressed a desire for more guidance on accessing and managing their retirement funds effectively, underscoring a need for practical financial education and post-retirement planning support.

These findings corresponded with the study of Lusardi and Mitchell (2017), who observed that financial awareness does not always translate into readiness, as behavioral consistency and income management are equally crucial. Similarly, Tomlinson et al. (2020) noted that preparedness for retirement often depends on sustained planning and the ability to manage long-term financial responsibilities. In the Philippines, Abad et al. (2025) discovered that even among government employees possessing sufficient financial literacy, actual levels of readiness fluctuate due to factors such as constrained savings capacity and conflicting familial responsibilities.

Overall, the results revealed that LGU employees possessed a generally high level of retirement readiness supported by awareness and responsible financial attitudes. Nevertheless, the moderate ratings in key indicators such as saving and budgeting indicated a need for strengthened institutional support through enhanced financial management programs, personalized retirement counseling, and early intervention initiatives. These measures can help employees move from awareness to full financial preparedness and ensure a more stable and confident transition into retirement.

Psychological Readiness

Table 25 presents the mean and standard deviation of the respondents’ level of psychological readiness for retirement. The results showed that the overall mean score of 3.02 indicated a moderate level of psychological readiness among Local Government Unit employees, with a standard deviation of 0.54. The statement “I feel confident in adjusting to life without a full-time job” received the highest mean score of 3.26, interpreted as high, while “I am confident in my ability to handle the lifestyle changes that come with retirement” obtained the lowest mean score of 2.79, interpreted as moderate. These results suggested that while employees were beginning to mentally prepare for the transition into retirement, some still experienced uncertainty and limited confidence in facing the lifestyle adjustments that retirement entails.

Table 25 Mean and Standard Deviation of Retirement Readiness in terms of Psychological Readiness

Statements	Mean	SD	Qualitative Description
1. I feel mentally ready to retire.	2.89	0.70	Moderate
2. I am confident in my ability to handle the lifestyle changes that come with retirement.	2.79	0.75	Moderate
3. I believe retirement will be a fulfilling phase of my life.	3.04	0.75	Moderate
4. I envision what I want to do after retirement.	3.14	0.68	Moderate
5. I feel confident in adjusting to life without a full-time job.	3.26	0.80	High
Overall	3.02	0.541	Moderate

Legend: 3.25 – 4.00 Highly Prepared, 2.51 – 3.24 Moderately Prepared, 1.75 – 2.50 Minimally Prepared, 1.00 – 1.74 Unprepared

The standard deviation values showed moderate variation, suggesting that respondents’ views differed in terms of their emotional and mental preparedness for retirement. The overall moderate mean implied that while employees acknowledged the inevitability of retirement, not all have fully internalized or planned for its psychological aspects. Many were aware of the need to adjust but may still feel apprehensive about losing their professional identity, daily routine, and social interactions associated with work.

This interpretation was supported by responses from the key informant interviews, where employees expressed mixed feelings about retirement. Some described themselves as moderately prepared, citing partial financial stability and emotional acceptance, while others admitted ongoing concerns about their readiness to adapt to lifestyle changes. Several respondents emphasized the importance of maintaining a sense of purpose, engaging in meaningful post-retirement activities, and preparing mentally as much as financially for this life transition.

These findings aligned with the conclusions of Wang and Shi (2017), who noted that psychological readiness depends on both emotional stability and the ability to find purpose beyond professional life. Likewise, Noone et al. (2018) observed that retirees who plan psychologically and socially experience smoother adjustments and greater satisfaction after retirement. In the Philippine setting, Abad et al. (2025) found that while government employees tend to focus on financial preparedness, psychological and emotional dimensions of readiness are often overlooked, leading to post-retirement adjustment challenges.

Income Continuity

Table 26 presents the mean and standard deviation of the respondents’ level of income continuity for retirement. The results showed an overall mean of 3.17, interpreted as moderate, with a standard deviation of 0.50. This suggested that Local Government Unit employees were moderately prepared in terms of financial planning, savings, and income continuity after retirement. The highest-rated statement, “I trust that government retirement programs will provide continuous support,” obtained a very high mean of 3.28, indicating strong confidence in institutional pension systems such as GSIS, SSS, and PAG IBIG Fund. In contrast, the lowest mean of 2.96 was observed in the statement, “I know how much monthly income I will likely receive after retirement,” suggesting a limited awareness of their actual post-retirement financial capacity.

Table 26 Mean and Standard Deviation of Retirement Readiness in terms of Income Continuity

Statements	Mean	SD	Qualitative Description
1. I believe my pension will be enough to cover my basic living expenses after retirement.	3.16	0.72	Moderate
2. I expect to receive a stable and regular income stream during retirement.	3.23	0.71	Moderate
3. I have prepared a financial plan to ensure my income continues after I retire.	3.22	0.63	Moderate
4. I know how much monthly income I will likely receive after retirement.	2.96	0.82	Moderate
5. I trust that government retirement programs will provide continuous support.	3.28	0.64	Very High
Overall	3.17	0.50	Moderate

Legend: 3.25 – 4.00 Highly Prepared, 2.51 – 3.24 Moderately Prepared, 1.75 – 2.50 Minimally Prepared, 1.00 – 1.74 Unprepared

Overall, the results indicated that LGU employees demonstrated moderate psychological readiness, reflecting an awareness of retirement’s impact but also a need for stronger emotional preparation. Programs promoting mental wellness, post-career engagement, and retirement counseling could further strengthen employees’ capacity to adapt confidently to life after work. Developing a balanced perspective that combines financial, emotional, and social readiness will help ensure a more positive and fulfilling retirement experience.

The standard deviation values revealed that the responses were generally consistent, indicating shared perceptions among employees about their financial preparedness. The overall moderate mean indicated that most respondents have made some progress toward being financially ready, but they may not yet have a full or detailed

retirement plan. The high confidence in government programs reflected trust in institutional systems, but the relatively lower scores in specific financial planning indicators indicated a gap between awareness and detailed preparation.

Insights from key informant interviews reinforced this interpretation. Respondents commonly mentioned that, while they were aware of their pension entitlements and government retirement benefits, many have not yet calculated the exact monthly income they would receive. Financial obligations and fluctuating expenses limited their ability to save or invest, despite their intention to do so regularly. This indicated a partial readiness, where employees rely heavily on formal pension systems but show limited engagement in proactive financial planning.

These findings were consistent with those of Lusardi and Mitchell (2017), who found that financial literacy alone does not ensure full preparedness unless coupled with actionable planning and consistent saving behavior. Similarly, Kim and Lee (2020) observed that employees often depend on pension systems but lack personal contingency plans to sustain their lifestyles after retirement. In the Philippine setting, Cayanan (2020) and Lopez and Francisco (2021) emphasized that while public trust in government retirement programs remains strong, many workers have a limited understanding of the benefit structures and do not engage in personalized financial forecasting.

Overall, the results revealed that LGU employees exhibited moderate financial readiness characterized by trust in government programs and basic financial awareness, but limited individualized planning. This highlighted the need for intensified financial education and counseling programs to help employees better understand their post-retirement income and expenses. Institutional interventions focused on personalized pension estimation, investment literacy, and retirement budgeting could transform general confidence into tangible financial preparedness for a secure, sustainable retirement.

Retirement Preparedness and Its Sub-Domain

Table 27 presents an overall summary of respondents’ levels of retirement readiness across its three subdomains: financial preparedness, psychological readiness, and income continuity. The results showed that the respondents obtained an overall mean score of 3.10, indicating a moderate level, with a standard deviation of 0.45. This indicated that Local Government Unit employees have a moderate level of overall retirement readiness. Among the three sub-domains, income continuity obtained the highest mean of 3.17, interpreted as moderate, while psychological readiness registered the lowest mean of 3.02, also interpreted as moderate.

These results suggested that employees generally feel financially and emotionally prepared for their approaching retirement. However, some remained uncertain about their ability to sustain income and fully adapt to life after employment.

Table 27 Summary of the Local Government Unit Employees’ Level of Retirement Readiness

Sub-Domain of Retirement Readiness	Mean	SD	Qualitative Description
Financial Preparedness	3.09	0.51	Moderate
Psychological Readiness	3.02	0.54	Moderate
Income Continuity	3.17	0.50	Moderate
Retirement Readiness (Total)	3.10	0.45	Moderate

Legend: 3.25 – 4.00 Highly Prepared, 2.51 – 3.24 Moderately Prepared, 1.75 – 2.50 Minimally Prepared, 1.00 – 1.74 Not Prepared

The relatively low standard deviation indicated that responses were consistent, suggesting that most employees shared similar perceptions of their preparedness. The moderate overall mean indicated that while employees demonstrated basic awareness and a degree of preparation for retirement, comprehensive readiness across financial, psychological, and income-sustainability aspects had not been fully achieved.

Key informant interview findings reinforced this interpretation. Respondents expressed moderate confidence in their ability to manage finances and adapt psychologically after retirement. Many recognized the importance of pension benefits and trusted government support systems such as GSIS, PAG-IBIG, and cooperative savings schemes. However, several also admitted that personal savings, long-term planning, and emotional adjustment remain areas needing improvement. Some employees shared that they have yet to compute their expected pension or create detailed post-retirement plans, reflecting a reliance on institutional benefits rather than personal financial strategies.

These findings were consistent with the research of Lusardi and Mitchell (2017), who observed that financial literacy and early preparation enhanced retirement outcomes but that behavioral and psychological factors also played critical roles. Similarly, Tomlinson et al. (2020) and Abad et al. (2025) found that employees with moderate levels of preparedness often showed confidence in pension systems but limited engagement in personal planning and emotional adjustment.

Overall, the results indicated that while LGU employees were moderately ready for retirement, strengthening individual financial planning, psychological preparedness, and continuous income strategies remained necessary. Institutional interventions such as targeted financial literacy programs, post-retirement counseling, and income diversification workshops could help transform this moderate readiness into a higher level of confidence and preparedness. Building both financial and psychological resilience will ensure that employee’s transition smoothly into retirement with stability, purpose, and security.

Problem 6. Is there a significant difference in retirement readiness when respondents are grouped according to their profile?

Table 28 presents the test of significant difference in retirement readiness according to the respondents’ profile. The table shows the mean ranks, test statistics, p-values, and decisions for sex, marital status, educational background, income level, and job classification. For sex, the p-value was 0.985, which was higher than the 0.05 level; therefore, the hypothesis was not rejected, indicating no significant difference in retirement readiness between males and females. For marital status, the p-value was 0.429, also greater than 0.05, showing no significant difference across single, married, widow, and separated respondents. Educational background had a p-value of 0.672, which exceeded 0.05, meaning that the retirees’ readiness did not significantly differ across high school, college, postgraduate, or vocational graduates. Income level also showed a p-value of 0.206, higher than 0.05; thus, there was no significant difference in readiness based on income brackets. Lastly, job classification had a p-value of 0.214, which was likewise above 0.05, indicating no significant difference among rank-and-file, supervisory, and managerial employees.

Table 28 Test of Significant Difference in Retirement Readiness According to the Respondents’ Profile

Profile	Category	Mean Rank	Test Statistic	pvalue	Decision	Interpretation
Sex	Male	127.06	6613	0.985	Do not reject Ho1	Not Significant
	Female	126.86				
Marital Status	Single	124.05	2.766	0.429	Do not reject Ho1	Not Significant

	Married	128.98				
	Widow	99.50				
	Separated	146.95				
Educational Background	High School Graduate	134.95	1.546	0.672	Do not reject Ho1	Not Significant
	College Graduate	124.49				
	Post Graduate	121.56				
	Vocational/Technical Graduate	140.70				
Income Level	Between PhP 9520 – 19,040	109.24	3.156	0.206	Do not reject Ho1	Not Significant
	Between PhP 19,040 – 38,080	105.66				
	Between PhP 38,081 – 66,640	123.77				
	Between PhP 66,640 – 114,240	109.24				
Job Classification	Rank and File	121.05	3.081	0.214	Do not reject Ho1	Not Significant
	Supervisory	139.03				
	Managerial	124.71				

The results revealed that none of the respondent profiles showed a significant difference in retirement readiness. This means that employees, regardless of whether they are male or female, married or single, highly educated or not, earning low or high income, or occupying various job classifications, tend to have similar levels of retirement readiness. In simple terms, the respondents shared almost the same level of preparedness for retirement regardless of their background or position.

This finding suggested that retirement readiness may be shaped more strongly by general factors, such as financial literacy, social support, and awareness of government retirement policies rather than by demographic characteristics. This aligned with literature stating that retirement readiness is a multidimensional construct influenced by personal knowledge and access to information, not merely by profile characteristics. For example, Lusardi and Mitchell (2017) explained that financial literacy plays a major role in shaping readiness for retirement across all demographic groups. Similarly, Takagi and Saito (2021) emphasized that social support influences psychological well-being in retirement regardless of age, gender, or income.

Furthermore, in the Philippine context, Gamboa (2019) noted that many government employees experienced similar challenges when preparing for retirement due to shared economic limitations and a common dependence on GSIS and PAG-IBIG benefits. This supported the findings of the table, which showed that differences in education or job level do not necessarily produce different levels of readiness. Torres (2022) also found that LGU employees often have uniform levels of awareness about retirement programs, explaining why significant differences do not appear across profile categories.

Since retirement readiness did not significantly differ across demographic profiles, this suggested that interventions should focus on strengthening financial literacy, improving access to social support, and enhancing awareness of government programs for all employees equally. For instance, many employees may need more financial education regardless of income, as shown in the literature where financial gaps persist even for high-earning employees (Apostol et al., 2025). Likewise, psychological and emotional readiness can be promoted through social support programs for all workers, as emphasized by Topa et al. (2018) who highlight the importance of workplace and family support in reducing anxiety about retirement.

Lastly, the lack of significant differences by educational attainment or job classification indicated that retirement readiness programs—such as financial seminars, pre-retirement counseling, and policy orientations—should be made inclusive and accessible for all employees, not only higher-ranking or more educated groups. This is in line with Llanto (2019) who advocated comprehensive retirement education programs to improve workers’ preparedness regardless of demographic background.

Problem 7. Does financial literacy significantly influence retirement readiness?

Table 29 presents the regression results examining whether financial literacy has a significant impact on retirement readiness among employees of the Local Government Unit. The predictor variable is financial literacy, with retirement readiness as the dependent variable.

Table 29 Model 1 Test on the Significant Influence of Financial Literacy on Retirement Readiness

Predictors	Unstandardized Coefficients (B)	Standardized Coefficients (β)	t-value	p-value	Decision	Interpretation
(Constant)	2.373	--	7.939	0.000	--	--
FINANCIAL LITERACY	0.220	0.151	2.414	0.017	Reject Ho2	Significant
Model Summary:						
<i>R</i> ² = 0.023; <i>Adjusted R</i> ² = 0.019; <i>F</i> -value = 5.827;						
<i>p</i> -value = 0.017 (Reject Ho2); Interpretation = Significant						

The results indicated that financial literacy had a significant predictive value for retirement readiness ($\beta = .151$, $p < .017$). The standardized coefficient indicated that for each unit increase in financial literacy, retirement readiness also increases by .151 units. The unstandardized coefficient ($B = .220$) further confirmed a positive relationship, indicating that employees with more substantial financial knowledge, behaviors, and attitudes tend to be more prepared for retirement. Although the R^2 value was modest (.019), it still indicated that financial literacy accounted for about 1.9% of the variance in retirement readiness. While this may not be a large share, it emphasized financial literacy as a significant, independent factor in employees’ preparedness for retirement.

Based on the findings, the regression equation is given by:

$$Y = 2.373 + 0.220X + \epsilon,$$

where Y is the retirement readiness, X is the financial literacy (predictor), and ϵ is the error term.

These findings aligned with previous research highlighting the impact of financial literacy on retirement outcomes (Lusardi & Mitchell, 2017; OECD, 2020). Employees who understood budgeting, saving, investments, and debt management were better prepared to plan for life after work. For Local Government Unit workers, financial literacy may help them not only manage their government benefits but also enhance their personal savings, cooperative memberships, or small investments.

The modest effect size may reflect that retirement readiness is multi-dimensional, influenced not only by financial literacy but also by social support, health, job security, and policy awareness. Nonetheless, financial literacy provided a crucial foundation, ensuring that employees had the essential skills to make informed decisions about their retirement years.

The findings highlighted the important role of financial literacy in shaping employees’ retirement readiness. For Local Government Unit, this highlighted the importance of continuing to invest in financial education programs that go beyond the basics of savings and extend to more practical aspects, such as retirement planning, cooperative investment, and debt management. Such initiatives would not only strengthen employees’ technical skills but also provide them with concrete strategies for securing their financial future. In particular, lower-income and younger employees stand to benefit most from tailored interventions, since they often have fewer resources and limited opportunities to build financial competence early in their careers. Ultimately, financial literacy should be viewed not merely as a technical skill, but as a lifelong habit. This mindset empowers employees to make confident decisions and to approach major life transitions, including retirement, with greater security and peace of mind.

Table 29 explains the results of the regression analysis that tested the significant influence of financial literacy on retirement readiness. The table shows the unstandardized and standardized coefficients, t-values, p-values, decisions, and interpretations for each predictor variable, namely financial knowledge, financial behavior, and financial attitude. It identified which among these factors significantly influenced an individual’s readiness for retirement.

The model summary shows an R² value of 0.077, meaning that 7.7% of the variance in retirement readiness can be explained by the three financial literacy components. The adjusted R² of 0.066 indicated that the model remains reliable even after adjusting for the number of predictors. The F-value of 6.942 and p-value of 0.001 suggested that the overall regression model is statistically significant, implying that financial literacy variables collectively influence retirement readiness.

Table 30 Model 2 Test on the Significant Influence of Financial Literacy on Retirement Readiness

Predictors	Unstandardized Coefficient (B)	Standardized Coefficient (β)	t-value	p-value	Decision	Interpretation
Constant	2.230	—	7.515	0.000	—	—
Financial Knowledge	0.101	0.098	1.487	0.138	Do not reject H ₀₂	Not Significant
Financial Behavior	0.286	0.247	3.721	0.000	Reject H ₀₂	Significant
Financial Attitude	-0.129	-0.123	-1.894	0.059	Do not reject H ₀₂	Not Significant

Summary

Statistic	Value	Decision	Interpretation
R ²	0.077		
Adjusted R ²	0.066		
F-value	6.942	Reject H ₀₂	Significant
p-value (Model)	0.001		

Among the predictors, financial behavior had a significant effect on retirement readiness with a p-value of 0.001, leading to the rejection of the null hypothesis (H₀₂). This means that individuals who demonstrated responsible financial behaviors—such as budgeting, saving, and planning—were more likely to be prepared for retirement. Meanwhile, financial knowledge (p = 0.138) and financial attitude (p = 0.059) were found not significant, indicating that these factors alone did not strongly predict retirement readiness.

Based on the findings, the regression equation is given by:

$$Y = 2.230 + 0.286X + \epsilon,$$

where Y represents retirement readiness, X represents financial behavior, and ϵ is the error term. This equation means that for every one-unit increase in financial behavior, retirement readiness increases by 0.286 units, holding other factors constant. In simple terms, improving financial behavior directly enhances a person’s retirement preparedness.

The regression results confirmed that financial literacy had a significant impact on employees' retirement readiness in the Local Government Unit. While it accounted for only a modest share of the variance, its positive influence underscored the need to strengthen financial education as part of a comprehensive strategy to prepare employees for retirement. In summary, financially literate employees were more likely to retire with confidence, security, and stability.

Problem 8. Does Social Support significantly influence retirement readiness?

The table presents the results of the regression analysis examining the influence of social support on retirement readiness. It shows the extent to which social support predicts employees’ preparedness for retirement, including both the unstandardized and standardized coefficients, the proportion of variance explained, and the statistical significance of the relationship.

Table 31 Model 1 Test on the Significant Influence of Social Support on Retirement Readiness

Predictors	Unstandardized Coefficients (B)	Standardized Coefficients (β)	t-value	p-value	Decision	Interpretation
(Constant)	1.486	--	6.849	0.000	--	--
SOCIAL SUPPORT	0.513	0.426	7.451	0.000	Reject Ho3	Significant
Model Summary:						
$R^2 = 0.181$; $Adjusted R^2 = 0.178$; $F\text{-value} = 55.513$;						
$p\text{-value} = 0.000$ (Reject Ho3); Interpretation = Significant						

The analysis showed that social support had a strong and positive impact on retirement readiness. With a standardized beta of 0.426, social support was one of the most significant predictors, indicating that employees who feel emotionally, informationally, and instrumentally supported—whether by family, peers, colleagues, or their workplace—were more likely to approach retirement with confidence. This suggested that encouragement, guidance, and tangible help directly improved psychological preparedness and fostered a sense of security about life after work.

Based on the findings, the regression equation is given by:

$$Y = 1.486 + 0.513X + \epsilon,$$

where Y is the retirement readiness, X is the social support (predictor), and ϵ is the error term.

The findings suggested that the Local Government Unit should view retirement readiness as both a personal and collective responsibility. Organizations can support employees by promoting workplace programs like mentorships, peer groups, and wellness initiatives to reduce isolation. Involving family and community networks also strengthens retirement preparedness, as social support creates a safety net that eases transitions, lowers anxiety, and enhances resilience.

Table 31 explains the results of the regression analysis that examined the significant influence of social support on retirement readiness. The table presents the unstandardized and standardized coefficients, t-values, p-values, decisions, and interpretations for each type of social support—emotional, informational, and instrumental. This analysis helped determine which kinds of social support meaningfully contributed to an individual’s preparedness for retirement.

Table 32 Model 2 Test on the Significant Influence of Social Support on Retirement Readiness

Predictors	Unstandardized Coefficients (B)	Standardized Coefficients (β)	t-value	pvalue	Decision	Interpretation
(Constant)	1.510	--	6.902	0.000	--	--
Emotional Support	0.147	0.147	2.010	0.045	Reject Ho3	Significant
Informational Support	0.145	0.139	1.796	0.074	Do not reject Ho3	Not Significant
Instrumental Support	0.213	0.236	3.571	0.001	Reject Ho3	Significant
Model Summary:						
<i>R</i> ² = 0.179; <i>Adjusted R</i> ² = 0.169; <i>F</i> -value= 18.065;						
<i>p</i> -value = 0.000 (<i>Reject Ho</i> ₃); <i>Interpretation</i> = Significant						

The model summary shows that the *R*² value was 0.179, indicating that 17.9% of the variation in retirement readiness can be explained by the three types of social support. The adjusted *R*² value of 0.169 confirmed that the model was a good fit, even after accounting for the number of predictors. The *F*-value of 18.065 and the *p*-value of 0.000 revealed that the overall model was statistically significant. This means that, taken together, the different forms of social support significantly influenced retirement readiness.

Among the predictors, emotional support (*p* = 0.045) and instrumental support (*p* = 0.001) showed a significant positive influence on retirement readiness, leading to the rejection of the null hypothesis (*H*₀₃). This means that retirees who received emotional encouragement and practical assistance from others tend to be more prepared for retirement. On the other hand, informational support (*p* = 0.074) did not have a significant effect, indicating that simply receiving advice or information did not necessarily increase retirement readiness.

Based on the findings, the regression equation is given by:

$$Y = 1.510 + 0.147X_2 + 0.213X_3 + \epsilon,$$

where *Y* represents retirement readiness, *X*₂ represents emotional support, *X*₃ represents instrumental support, and ϵ is the error term. This equation implied that improvements in emotional and instrumental support both lead to higher levels of retirement readiness. In simpler terms, retirees who feel emotionally supported and receive tangible help from others were more likely to face retirement with confidence and stability.

Problem 9. Does Government Retirement Policy Awareness significantly influence Retirement Readiness?

Table 33 presents the regression analysis examining how awareness of government retirement policies predicts retirement readiness. Results showed that awareness of government retirement policies had a significant positive effect on retirement readiness, with an unstandardized coefficient of 0.380 and a standardized coefficient of 0.351. The *t* value of 5.947 and the *p* value of 0.000 showed that the predictor was statistically significant, which means that the null hypothesis was not true. The model summary shows an *R*² of 0.124 and an adjusted *R*² of 0.120, indicating that policy awareness explained 12.4 percent of the variance in retirement readiness. The overall model was significant, as shown by the *F* value of 35.371 and the *p* value of 0.000.

Table 33 Model 1 Test on the Significant Influence of Government Retirement Policy Awareness on Retirement Readiness

Predictors	Unstandardized Coefficients (B)	Standardized Coefficients (β)	t-value	p-value	Decision	Interpretation
(Constant)	1.913	--	9.569	0.000		--
GOVERNMENT RETIREMENT POLICY AWARENESS	0.380	0.351	5.947	0.000	Reject Ho4	Significant
Model Summary:						
<i>R</i> ² = 0.124; <i>Adjusted R</i> ² = 0.120; <i>F</i> -value = 35.371;						
<i>p</i> -value = 0.000 (<i>Reject Ho</i> 4); <i>Interpretation</i> = Significant						

The regression results showed that government retirement policy awareness plays an important role in shaping employees’ readiness for retirement. The unstandardized coefficient of 0.380 indicated that retirement readiness increases as employees become more knowledgeable about government retirement programs. This means that understanding pension rights, benefits, and available retirement options contributes to greater preparation and confidence among employees.

The standardized coefficient of 0.351 revealed that policy awareness had a meaningful and substantial influence relative to other variables typically involved in retirement behavior. The t-value of 5.947 with a pvalue of 0.000 confirmed the significance of this predictor, demonstrating that the relationship was not due to chance. The rejection of the null hypothesis further validated that policy awareness had a genuine and measurable impact on retirement readiness.

The R² value of 0.124 suggested that 12.4 percent of the variation in retirement readiness can be explained by employees’ awareness of government retirement policies. While this may appear modest, it is meaningful in social science research where behaviors were influenced by multiple factors. The adjusted R² of 0.120 showed that the model remains stable after accounting for sample size. The significant F value indicated that the overall regression model provides a good fit.

Altogether, the findings indicated that employees who clearly understand their government retirement benefits experience less uncertainty and make more informed decisions about their retirement plans. Awareness empowers them to plan responsibly, compare retirement options, and anticipate financial needs. This demonstrated that accessible, accurate, and well-communicated government policy information is essential for increasing retirement readiness among Local Government Unit employees.

Table 34 presents the results of the regression analysis that examined the influence of government retirement policy awareness on retirement readiness. The table includes unstandardized and standardized coefficients, t values, p values, decisions, and interpretations for the three predictor variables representing government-related policies: pension programs, financial education, and social security benefits. This analysis determined which of these policy-related components meaningfully contributed to employees’ retirement readiness.

Table 34 Model 2 Test on the Significant Influence of Government Retirement Policy Awareness on Retirement Readiness

Predictors	Unstandardized Coefficients (B)	Standardized Coefficients (β)	t-value	p-value	Decision	Interpretation
(Constant)	2.005	--	9.88	0.000	--	--
Pension Programs	0.053	0.059	0.900	0.369	Do not reject Ho4	Not Significant

Financial Education	0.148	0.180	2.486	0.014	Reject Ho4	Significant
Social Security Benefits	0.153	0.196	2.791	0.006	Reject Ho4	Significant
Model Summary:						
$R^2 = 0.126$; $Adjusted R^2 = 0.116$; $F\text{-value} = 12.010$;						
$p\text{-value} = 0.000$ (<i>Reject Ho4</i>); <i>Interpretation = Significant</i>						

The model summary shows an R^2 value of 0.126, indicating that 12.6 percent of the variation in retirement readiness can be explained by the predictors included in the model. Even after adjusting for the number of predictors and sample size, the model's adjusted R-value of 0.116 confirmed its good fit. The F value of 12.010 and p value of 0.000 indicated that the overall regression model was statistically significant. This means that the combined influence of pension programs, financial education, and social security benefits significantly affects the retirement readiness of local government unit employees.

The regression results revealed important insights into how specific components of government retirement policy awareness contributed to employees' retirement readiness. Among the three predictors, financial education ($p = 0.014$) and social security benefits ($p = 0.006$) were found to have a significant positive influence on retirement readiness. These p-values fell below the 0.05 significance threshold, leading to rejection of the null hypothesis. This finding indicated that employees who were informed about financial education programs and have a clear understanding of their Social Security benefits are more likely to exhibit higher levels of retirement preparedness. Knowledge of available financial training, retirement planning workshops, and government-led education initiatives provides employees with the tools necessary to plan effectively. Similarly, understanding the benefits, entitlements, and protections offered by social security programs reduces uncertainty and allows employees to make more confident, informed decisions about their future.

In contrast, the predictor representing pension programs did not reach statistical significance ($p = 0.369$). This suggested that awareness of pension programs alone did not strongly influence retirement readiness when considered alongside financial education and social security benefits. One possible explanation is that pension programs may be perceived as automatic or fixed, thereby failing to motivate employees to engage in active retirement planning. Without accompanying financial education or clear explanations of benefit structures, simply knowing about pension programs may not be sufficient to encourage proactive preparation.

Based on the regression results, the equation is expressed as

$$Y = 2.005 + 0.148X_2 + 0.153X_3 + \epsilon,$$

Y is retirement readiness, X_2 is financial education, X_3 is social security benefits, and ϵ is the error term. This equation shows that increases in financial education and social security awareness lead to higher levels of retirement readiness. In simpler terms, employees who receive adequate financial education and who understand their social security benefits tend to prepare more effectively for retirement. These two components provide both the knowledge and the sense of security needed to plan long-term. The findings highlight that while pension program awareness is advantageous, the combination of financial education and understanding of social security has the greatest impact on enhancing employees' readiness for retirement.

10. Which among the three variables, financial literacy, social support, or government retirement policy awareness, best influences retirement readiness?

The table presents the results of a multiple regression analysis examining the relative influence of financial literacy, social support, and awareness of government retirement policies on retirement readiness. It highlights which of these predictors most strongly affects employees' preparedness for retirement, showing the unstandardized and standardized coefficients, statistical significance, and comparative contributions of each variable.

The model summary shows an R² value of 0.221, which means that 22.1% of the variation in retirement readiness can be explained by the three predictors—financial literacy, social support, and government retirement policy awareness. The adjusted R² value of 0.211 suggested that the model was reliable even after adjusting for the number of predictors. The F-value of 23.516 and the p-value of 0.000 indicated that the overall model was statistically significant. This confirmed that the three variables collectively have a meaningful influence on retirement readiness.

Table 35 Test on the Significant Influence of Financial Literacy, Social Support, and Government Retirement Policy Awareness on Retirement Readiness

Predictors	Unstandardized Coefficients (B)	Standardized Coefficients (β)	t-value	pvalue	Decision	Interpretation
(Constant)	0.828	--	2.483	0.014	--	--
FINANCIAL LITERACY	0.109	0.075	1.302	0.194	Do not reject Ho5	Not Significant
SOCIAL SUPPORT	0.384	0.319	5.011	0.000	Reject Ho5	Significant
GOVERNMENT RETIREMENT POLICY AWARENESS	0.227	0.210	3.384	0.001	Reject Ho5	Significant
Model Summary:						
<i>R</i> ² = 0.221; <i>Adjusted R</i> ² = 0.211; <i>F</i> -value = 23.516;						
<i>p</i> -value = 0.000 (<i>Reject Ho5</i>); <i>Interpretation</i> = Significant						

The combined analysis of the three predictors, financial literacy, social support, and awareness of government retirement policies, provided a clearer understanding of which factors played the most important role in shaping retirement readiness. The results showed that social support was the strongest and most influential factor (β = 0.319, p < 0.001). This means that employees who feel supported by their family, peers, colleagues, and workplace were significantly more confident and better prepared to face retirement. Emotional encouragement, helpful advice, and practical assistance create a sense of security that financial knowledge alone cannot fully provide.

Awareness of government retirement policies also contributes significantly to retirement readiness (β = 0.210, p = 0.001). Employees who understood their pension rights, social security benefits, and the details of government retirement programs were more capable of making informed decisions about their future. Awareness transforms uncertainty into clarity, empowering employees to plan more responsibly and confidently.

Interestingly, financial literacy, although important as a personal competency, loses its predictive power when social support and government policy awareness were included in the analysis (β = 0.075, p = 0.194, not significant). This suggested that financial knowledge was not sufficient on its own. When individuals lack social encouragement or do not fully understand their government benefits, financial concepts have a limited impact on their actual readiness. In essence, retirement readiness is influenced not only by individual financial skills but also by the social and institutional structures that guide and support the employee.

Based on the findings, the regression equation is expressed as

$$Y = 0.828 + 0.384 X_2 + 0.227 X_3 + \epsilon,$$

where Y represents retirement readiness, X₂ refers to social support, X₃ corresponds to government policy awareness, and ε is the error term.

The analysis reveals that the regression model is statistically significant (F = 23.516, p < 0.001), meaning that the combination of predictors meaningfully explains variation in retirement readiness among LGU employees. The model accounts for 22.1% of the variance (R² = 0.221), which is considered substantial in social science research.

This refined model reflected only the variables that significantly predicted retirement readiness. In practical terms, improvements in social support and in awareness of retirement policy both contributed to increased readiness. Employees with strong support networks and clear, accurate information about government benefits were more likely to approach retirement with stability, assurance, and confidence.

Overall, the findings demonstrated that retirement readiness among LGU employees was shaped more by social and institutional factors than by individual financial knowledge alone. This suggested that retirement preparation was not merely a personal responsibility but a shared process that was nurtured by strong social relationships and further reinforced by institutional clarity. Social support emerged as the most influential factor, as encouragement, guidance, and practical assistance from family members, peers, colleagues, and even supervisors collectively boost employees' confidence and sense of preparedness. Moreover, awareness of government retirement policies played a critical role because it empowered employees with the information they need to make informed decisions about their future. When individuals clearly understand their pension benefits, social security entitlements, and retirement program options, they were better able to plan proactively and minimize uncertainties about life after government service. In contrast, financial literacy, while undeniably valuable as a personal skill, proved insufficient on its own to predict retirement readiness when social and institutional supports are lacking. This indicated that financial knowledge becomes meaningful only when it is complemented by supportive networks and clear policy information that guide employees in translating knowledge into effective action. In summary, the model confirmed that retirement readiness is multidimensional, deeply rooted in the interplay of personal capacities, social connections, and government-related structures. Therefore, strengthening social support systems and enhancing awareness of government retirement policies remained the most effective strategies for improving retirement readiness among local government employees.

Predictive Model Retirement Readiness

The predictive model developed in this study was grounded on the objective of examining how Financial Literacy, Social Support, and Government Retirement Policy Awareness influenced the retirement readiness of Local Government Unit employees. As the study sought to determine which among the identified variables served as significant predictors, the model was constructed based on the results of multiple regression analysis. This approach allowed the researcher to move beyond simple associations and identify the specific factors that meaningfully contribute to the employees' level of preparedness for retirement.

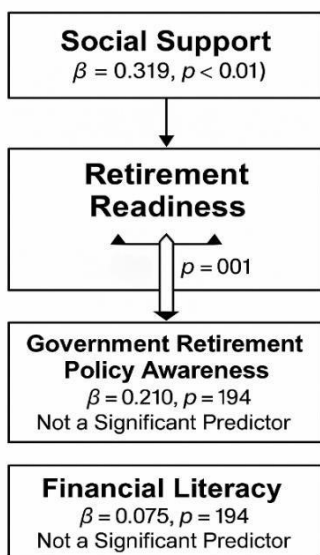


Figure 2 Predictive Model Retirement Readiness

The inferential results demonstrated that while all three variables held conceptual relevance to retirement readiness, only two emerged as significant predictors when analyzed simultaneously. The model therefore represented an evidence-based framework illustrating how retirement readiness was shaped by the employees' support environment and their awareness of formal retirement policies. The findings highlighted that readiness for retirement was not solely dependent on individual knowledge but is also influenced by relational and institutional factors.

The model showed that Social Support had the strongest predictive power. This indicated that employees who received emotional, informational, and practical support from family, peers, and workplace networks tend to be more prepared for retirement. Supportive environments may help individuals cope with financial stress, encourage forward planning, and provide reinforcement as they make retirement related decisions. The significance of Social Support underscored the social dimension of retirement planning, suggesting that readiness is improved when individuals are embedded in networks that promote positive financial and life course behaviors.

Government Retirement Policy Awareness also proved to be a significant predictor. This suggested that understanding GSIS benefits, pension entitlements, retirement options, and government mandated policies plays an important role in strengthening retirement readiness. Employees who are knowledgeable about their benefits are more capable of planning appropriately, aligning their resources, and adjusting expectations about their post service life. Policy awareness functions as an enabling mechanism that guides employees toward informed retirement decisions.

In contrast, Financial Literacy did not significantly predict retirement readiness when combined with the other variables in the model. Although descriptive findings showed that employees possessed high levels of basic financial knowledge, this capacity did not independently explain variations in retirement readiness. This indicated that knowledge alone does not automatically translate into preparedness. Instead, it must be supported by actual guidance, policy clarity, and social reinforcement. The result suggested that even financially literate individuals may struggle with retirement planning if they lack support systems or comprehensive policy awareness.

Overall, the predictive model explained twenty-two-point one percent of the variation in retirement readiness, demonstrating that social support and government retirement policy awareness form a meaningful combination of predictors. The model emphasized that effective retirement preparation is not solely an individual responsibility but a shared process shaped by both interpersonal relationships and institutional information systems. This highlighted the importance of strengthening policy dissemination strategies, offering retirement planning programs, and fostering supportive environments that can help employees navigate the transition to retirement with confidence.

What policy notes can be proposed to enhance retirement readiness among Local Government Unit employees?

To establish the policy foundations of the proposed intervention, a set of policy notes was developed to align the program with existing national laws, institutional mandates, and social protection frameworks relevant to employee welfare and retirement preparedness. These policy notes provide the strategic justification for the Retirement Readiness Enhancement Program and ensure that the intervention supports both national priorities and Local Government Unit development goals.

Retirement readiness among Local Government Unit (LGU) employees continues to be a growing concern, as many workers approach retirement without the necessary financial security, psychological preparation, or clear understanding of government retirement programs. Although systems such as GSIS pension benefits, PAG-IBIG programs, and CSC pre-retirement guidelines exist, several gaps persist, particularly in policy awareness, financial capability, inter-office coordination, and structured social support. The absence of an integrated and sustained approach underscores the need for a comprehensive policy framework that strengthens employee readiness across multiple dimensions.

The analysis reveals several interconnected issues: fragmented coordination among offices that handle retirement-related services, limited awareness of government retirement policies, inconsistent financial education initiatives, low engagement in pre-retirement programs, and a lack of structured social or

psychological support systems. These gaps hinder employees’ ability to make informed decisions and engage in long-term planning. Addressing these challenges requires a policy response grounded in national and institutional mandates and responsive to the real needs of LGU employees.

Considering the study results and landscape, policy options include strengthening financial literacy, boosting policy awareness, and developing a Retirement Readiness Enhancement Program. The integrated program is most effective, combining financial, social, and institutional efforts to support a smoother retirement transition. This holistic approach promotes empowerment, reduces uncertainty, and fosters confidence and preparedness among employees.

Based on this analysis, a comprehensive set of policy notes was developed to guide the program's design and implementation. These notes align with national laws and relevant social protection policies to ensure that LGU interventions are strategic, evidence-based, and sustainable. The summary of these policy considerations is presented in Table 36.

Table 36 Policy Brief Summary for the Retirement Readiness Enhancement Program

Policy Issue	Identified Gap	Policy Basis (National / Institutional)	Key Findings	Policy Note / Recommendation	Expected Outcomes
1. Low Retirement Readiness Among LGU Employees	Limited structured programs addressing holistic retirement readiness (financial, psychological, and income continuity)	<i>RA 8291 – GSIS Act of 1997</i> (retirement benefits and pension programs) • <i>CSC MCs on Employee Welfare</i>	Employees exhibit moderate readiness; strongest predictors are social support and policy awareness	Develop an LGU-wide Retirement Readiness Enhancement Program integrating financial education, psychological preparedness, and policy awareness sessions.	Employees develop stronger financial, psychological, and income continuity preparedness
2. Insufficient Awareness of Government Retirement Policies	Inadequate dissemination of updated pension rules, benefit options, and government mandated retirement programs	<i>GSIS Policies on Pension and Benefits</i> • <i>PAG-IBIG Fund – MP2 & Housing Programs</i> • <i>PERA Law (RA 9505)</i>	Policy awareness significantly predicts retirement readiness	Implement regular policy orientation seminars, schedule GSIS Help Desk sessions, and distribute simplified retirement policy booklets and digital guides.	Employees gain clear understanding of pension rules and entitlements, reducing uncertainty
3. Weak Utilization of Financial Education Initiatives	Lack of sustained financial literacy activities; absence of LGU-based tracking or reinforcement mechanisms	<i>Bangko Sentral ng Pilipinas (BSP) Financial Education Policies</i> • <i>National Strategy for Financial</i>	Financial literacy is not a significant predictor when social and institutional factors are present	Institutionalize quarterly financial education workshops focusing on budgeting, saving, debt management, investments, and retirement planning.	Employees show improved budgeting, saving, and investment behaviors

		<i>Inclusion (NSFI 2022–2028)</i>			
4. Limited Access to Social Support Systems	Absence of structured peer support, counseling, and retirement coaching opportunities	<i>CSC Guidelines on Workplace Wellness Programs • DOH Mental Health Programs for Government Workers</i>	Social support is the strongest predictor of readiness	Establish peer support groups, pre-retirement coaching teams, and counseling services to strengthen emotional and informational support.	Employees experience stronger emotional, informational, and instrumental support
5. Fragmented Coordination Across LGU Offices	Lack of integrated efforts between HR, GSIS focal persons, accounting, and cooperative offices for retirement services	<i>Local Government Code of 1991 (mandate to promote employee welfare) • CSC PRIME-HRM Guidelines</i>	Processes are confusing and delayed planning among employees	Create an Inter-Office Retirement Coordination Committee to unify information flow, processes, and support mechanisms for employees nearing retirement.	Processes become more streamlined, and employee assistance becomes efficient
6. Limited Employee Engagement in PreRetirement Activities	Attendance is often low; employees lack motivation to participate	<i>CSC PreRetirement Program Guidelines • GSIS Mandatory PreRetirement Seminar (MPRS)</i>	Attendance is often low despite available seminars	Introduce incentive-based participation, such as certificates and recognition, or integrate attendance into performance development plans.	Higher participation and engagement in preretirement programs
7. Insufficient Monitoring of Retirement Preparedness	No systematic assessment tool to track employees' readiness levels	<i>CSC PRIMEHRM RSP and HRD Standards</i>	LGU cannot identify readiness gaps accurately	Adopt a Retirement Readiness Assessment Tool for annual evaluation and integration into HR plans and employee development interventions.	Accurate tracking of readiness levels and targeted interventions

SUMMARY, CONCLUSION, AND RECOMMENDATION

This chapter presents a summary of the study's significant findings, the conclusions drawn from the results, and the recommendations developed from them. The summary highlights the essential outcomes of each problem statement, emphasizing the levels of financial literacy, social support, awareness of government retirement policies, and retirement readiness among Local Government Unit employees, as well as the differences and influences observed across demographic groups. The conclusions synthesize these findings and provide an

integrated interpretation of how personal, social, and institutional factors shape retirement readiness. Finally, the recommendations outline practical actions and program interventions that can support employees in strengthening their retirement preparation and guide future researchers in further inquiry into this important topic.

Summary

This study aimed to explore how financial literacy, social support, and awareness of government retirement policies affect the retirement readiness of Local Government Unit (LGU) employees in Iligan City. It aimed to describe the demographic profiles of the respondents; evaluate their levels of financial literacy, social support, policy awareness, and retirement readiness; investigate whether differences exist among various demographic groups; and determine which of the three predictors most strongly influences retirement readiness. To fulfill these aims, the study employed a quantitative research design and distributed a researcher-developed survey questionnaire to regular LGU employees aged 40–55. Stratified sampling was used to ensure representation across rank-and-file, supervisory, and managerial positions. Composite Likert-scale indicators measured the primary variables, while descriptive, nonparametric, and regression analyses were utilized to assess levels, differences, and significant predictors.

Profile of the LGU Employees

The profile of the respondents showed that the workforce was predominantly female, comprising more than two-thirds of the sample, while male employees made up less than one-third. Most respondents were married, followed by a notable group of single individuals, with only small proportions separated or widowed.

In terms of educational background, the largest segment of respondents were college graduates. They were followed by high school graduates and those with postgraduate degrees, while vocational or technical graduates form the smallest group. This distribution indicated that the majority of employees possessed at least an undergraduate education.

Income distribution revealed that most respondents fell within the lower- to middle-income brackets, particularly those earning within the first income range identified in the study. Respondents in the next higher income brackets came after them, and only a small number were in the highest income group.

With regard to job classification, rank-and-file employees constituted the majority, while supervisory positions formed a smaller group. Managerial employees represented the smallest proportion of the workforce in the study.

Overall, the respondent profile indicated that employees were mostly female, married, and college educated, with incomes concentrated in the lower- to middle-income levels, and they worked primarily in rank-and-file positions. These demographic characteristics helped contextualize the subsequent findings on their financial literacy, retirement policy awareness, social support, and overall retirement readiness.

Level of Financial Literacy

The study found that local government unit employees demonstrated a moderately high level of financial literacy. Overall, the respondents demonstrated sufficient understanding of financial concepts, generally responsible financial habits, and a positive orientation toward managing their finances. This indicated that employees possessed a functional level of financial capability to support retirement planning, although their knowledge and behaviors still offered opportunities for further strengthening.

Level of Social Support Received

Employees reported a moderately high level of social support. They expressed that they received encouragement, useful advice, and practical assistance from family members, peers, and colleagues. This collective support contributed to their confidence and stability as they prepared for retirement, suggesting that social networks played a meaningful role in shaping their retirement planning experience.

Level of Awareness of Government Retirement Policies

The results revealed that employees had a moderately high level of awareness of government retirement policies. Respondents were generally familiar with the programs, benefits, and learning opportunities provided by GSIS and related agencies. While this awareness indicated adequate exposure to retirement policy information, certain details and computations may still require clearer explanation for employees to fully maximize available benefits.

Level of Retirement Readiness

The level of retirement readiness among employees was found to be moderately high. Respondents reported that they feel reasonably prepared in terms of financial planning, emotional adjustment, and sustaining income after retirement. However, some uncertainty remained, particularly regarding long-term financial sufficiency, suggesting that while the workforce was on the right path, further guidance and structured preparation would be beneficial.

Significant Differences in Retirement Readiness When Grouped by Profile

The results showed that retirement readiness did not differ significantly across respondents' demographic profiles, including sex, marital status, educational background, income level, and job classification. Regardless of whether employees were male or female, married or single, earning low or higher income, or working as rank-and-file or supervisors, they reflected almost the same level of preparedness for retirement.

This means that Iligan City LGU employees generally shared similar experiences, challenges, and levels of readiness as they approach retirement. Their preparedness appeared to be shaped not by their demographic characteristics, but by common factors and shared workplace realities, particularly financial literacy, social support, and awareness of government retirement programs.

Influence of Financial Literacy on Retirement Readiness

The results demonstrated that financial literacy did not significantly influence retirement readiness when social support and government policy awareness were included in the model. This means that although employees possess adequate financial knowledge, this alone does not lead to higher readiness unless supported by social encouragement and institutional clarity.

Influence of Social Support on Retirement Readiness

Social support was found to influence retirement readiness significantly and was identified as the strongest predictor among the variables. Employees who receive guidance, emotional encouragement, and assistance from family and colleagues showed higher levels of confidence and preparation for retirement, emphasizing the vital role of interpersonal relationships in shaping readiness.

Influence of Government Retirement Policy Awareness on Retirement Readiness

Awareness of government retirement policies significantly influenced retirement readiness. Employees who clearly understood their GSIS benefits, social security provisions, and retirement program options were better equipped to plan effectively. Awareness provided clarity, reduced uncertainty, and enhanced their ability to make informed decisions, resulting in higher retirement readiness.

CONCLUSION

The study concludes that retirement readiness among LGU employees is more influenced by personal skills, social support, and policy awareness than by demographic or job-related factors. Employees generally demonstrate moderate to high levels of financial literacy, social support, and knowledge of retirement policies, but these elements do not impact their preparedness equally. Among them, social support and policy awareness have the most significant influence, as guidance and understanding of benefits increase confidence. Retirement planning depends on individual effort and social systems. Financial literacy alone is insufficient without accessible information and supportive relationships. Literacy levels differ based on socioeconomic status, while awareness remains consistent across various demographics. Social support varies with income, affecting the

availability of assistance. Readiness does not significantly differ by sex, marital status, education, income, or job class, indicating common concerns.

Overall, preparedness relies on financial knowledge, social support, and institutional guidance, emphasizing the need for collaborative efforts. Effective programs should be inclusive, accessible, and wellcoordinated to empower employees, provide support, and communicate clear information. Employees require more assistance, information, and preparation, which Local Government Units can offer to meet these needs. By strengthening these three pillars—financial capability, social support systems, and policy awareness—Local Government Units can help each employee transition into retirement with greater security and confidence. Ultimately, ensuring retirement readiness becomes a shared responsibility that benefits not only individual workers but the entire public service community.

RECOMMENDATIONS

Based on the findings and conclusions of this study, several recommendations are offered to strengthen financial literacy, social support, and awareness of government retirement policies as predictors of retirement readiness among Local Government Unit employees. These recommendations are directed toward different groups of people who play essential roles in shaping the retirement experiences of public servants, with an emphasis on why each group will benefit from these suggested actions.

Local Government Unit Employees. They are encouraged to take an active role in their retirement preparation by enhancing their personal financial capability and seeking continuous learning opportunities. Participating regularly in financial literacy workshops, practicing responsible budgeting and debt management, and engaging in pre-retirement counseling will help employees turn financial knowledge into meaningful, sustainable behaviors. In line with the policy notes, employees are encouraged to stay updated on GSIS, PAGIBIG, and PERA policies to reduce uncertainty and strengthen informed decision-making. Furthermore, building strong support networks, with family members, colleagues, workplace peers, and community groups, can significantly ease the psychological stress of transitioning into retirement. By strengthening both their financial capacity and their social circles, employees can achieve a more confident, stable, and well-managed retirement.

Human Resource Offices. The HRO will benefit significantly from institutionalizing comprehensive retirement planning initiatives. By combining financial literacy training, policy orientation, psychological preparation, and peer mentoring, HR practitioners can better support employees while reducing confusion and misinformation. Partnerships with GSIS, PAG-IBIG, CSC, and cooperatives will also benefit HR by ensuring that accurate, up-to-date information is communicated to employees, enhancing the credibility and efficiency of HR processes. A supportive retirement program enhances HR management and fosters a healthier organizational environment.

Local Government Unit Leaders and Policymakers. They will benefit from providing structured, institutionalized retirement readiness programs because a well-prepared workforce is more secure, focused, and productive. Offering practical financial management workshops, integrating retirement planning into regular capacity-building activities, and improving the dissemination of retirement-related information will help leaders cultivate an empowered and future-ready workforce. When employees understand their benefits and feel supported, leaders experience fewer administrative concerns, smoother succession planning, and improved organizational morale.

Families, workplace peers, and community support systems. They will benefit from becoming more involved in retirement preparation, since strong social support was identified as the most influential factor in this study. When families and support networks understand retirement concerns, they can provide better emotional reassurance, practical guidance, and consistent encouragement. Community groups, senior associations, and peer support circles can help retirees and near-retirees feel valued, connected, and psychologically prepared, benefiting both the retiring individual and their immediate social environment.

Government agencies such as GSIS, PAG-IBIG, SSS, and CSC. They can benefit from improving policy communication because more precise information results in fewer processing errors, higher member satisfaction, and increased trust in government services. Providing simplified briefings, updated online resources, and regular

orientations ensures that employees fully understand their benefits, thereby supporting the effective implementation of government retirement systems.

Future Researchers. Researchers will benefit from broadening the parameters of this study by investigating additional variables that may affect retirement readiness, including psychological well-being, health status, lifestyle aspirations, financial stress, cultural perceptions of aging, or quality-of-life expectations. Utilizing mixed-method approaches that integrate quantitative data with qualitative insights will yield a more profound and nuanced comprehension of retirement preparation. Comparative studies across various local government units or between public and private institutions will also benefit future scholars by offering broader perspectives and more robust evidence that can guide policy improvements.

Overall, these recommendations highlight that retirement readiness is a shared responsibility among employees, families, institutions, government agencies, and researchers. Each group benefits in distinct but interconnected ways, and their collective participation can transform retirement into a transition marked by stability, dignity, and well-being.

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<ul style="list-style-type: none"> ☐ Efficient in managing administrative operations, documentation and office system ☐ Highly organized with strong planning and coordination ☐ Skilled in developing office reports, communications and policy implementation ☐ Strong multitasking ability, time management and adherence to deadlines. ☐ Competent in procurement processes, budget utilization and compliance with government regulations. <p><i>Leadership and People Management Competencies</i></p> <ul style="list-style-type: none"> ☐ Demonstrates ethical leadership, accountability and strong work values ☐ Ability to mentor staff and guide personnel toward professional growth <p><i>Communication and Interpersonal Competencies</i></p> <ul style="list-style-type: none"> ☐ Excellent written and oral communication skills ☐ Strong interpersonal skills with the ability to work well ☐ Skilled in preparing professional correspondence, HR reports, and documentation. <p><i>Technical and Digital Competencies</i></p>	<p>Data Privacy Act Compliance Training for LGUs</p> <p>Leadership and Ethics in Public Service Training</p> <p>Core Values and Professional Attributes</p> <ul style="list-style-type: none"> ☐ Integrity, Professionalism, and commitment to public service ☐ High adaptability, resilience, and willingness to learn ☐ Strong sense of responsibility, confidentiality and ethical practice ☐ Detail-Oriented and Organized ☐ Collaborative Leadership
<ul style="list-style-type: none"> ☐ Proficient in Microsoft Office (Word, Excel, PowerPoint), Google Workspace, and HR information systems) ☐ Knowledgeable in data organization, analysis, and documentation ☐ Competent in digital filing, records management and use of HR tools for monitoring and reporting 	