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Academic Article

Managing money and retirement planning: Academics' perspectives

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ABSTRACT This paper examines money attitudes and associated retirement issues of academics in higher education in Malaysia. Systematic random sampling was used in selecting the target respondents. A questionnaire was personally administered on 458 academics in 16 universities in Malaysia. The survey found that academics exhibited positive attitudes toward money, and income appears to be the prime motivator. Consistent with the findings of prior studies, position, age and educational levels were strong indicators of an academic's annual income. The survey found that female academics and those from public universities had more positive attitudes towards retirement. In retirement planning, the respondents considered the availability of other income after retirement the most important factor, while payment for children's education was the key potential conflict area. The findings provide important insights for the top management of higher education of the necessity of pre-retirement counseling and assistance to ease the passage to retirement for academics.

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INTRODUCTION

Globally, all universities are striving to be a world-class university. The key success factor to achieve this vision is to employ highly productive and motivated workforce, in particular, its

academic workforce. In general, employee's income is closely linked to motivation and performance.

At the time of study, there has been a growing concern over the salary scheme of university academics in Malaysia and worldwide. In the United Kingdom, it was reported that academics' remuneration has declined by 40 per cent over the past 20 years.¹ It was reported that the unions of the university lecturers and researchers across the

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United Kingdom had threatened to strike over the pay-rise issues. Related to this, the Vice Chancellor of Dundee University proposed that the salaries of academics be raised up to 24 per cent. He argued that the university is operating in an increasingly competitive international labor market, and thus need to encourage the best possible talent to pursue a career in academia.² In Malaysia, the Minister of Higher Education shared the similar concern, and he asserted that the academic profession was unable to attract the best people in the country, and that money was always one of the factors.³ The Minister of Higher Education strongly urged the public service department of Malaysian government⁴ and the human resource department of private higher learning institutions to design a strategic compensation scheme that would attract and motivate academic workforce. It is hoped that the revised compensation scheme can attract and retain highly performed and motivated academic workforce to realize the vision to be one of the world-class universities in the near future.

It is argued that in any knowledge-based society, university lecturers, scientists and professionals should be among the highest paid groups. However, little evidence showed that the distribution of income has shifted from capitalists to academics, even in the most developed countries (such as the United Kingdom and United States); let alone a developing nation like Malaysia.⁵ The Vice-Chancellors' and Rectors' Committee of the Malaysian Public Universities reported that the starting salary for a lecturer with PhD was about RM3300.00 (USD\$880.00) per month, which was not competitive when compared to their counterparts in Singapore, who earned S\$10,000.00 (USD\$5800.00) per month. The Rectors' Committees urged the salary to be revised to be on par with other universities in the Asean regions. Notably, Malaysian universities were losing out to other professionals.⁶ The low pay phenomenon was consistent with the survey carried out by Maxwell and Murphy^{7,8}; the survey found that salaries of Malaysian academics were the lowest among the seven commonwealth countries, namely, the United Kingdom, Singapore, Australia, Canada, New Zealand, Malaysia and South Africa.⁹

On the other hand, income earned by an employee is closely linked to his or her savings and retirement wealth. A survey carried out by HSBC uncovered that people are increasingly recognizing that the government will not be their sole source of support in old age, especially in both advanced and transitional economies.¹⁰ At present, academics of Malaysian public universities can either opt for Employees Provident Fund (EPF) scheme (in which the employer contributes at a minimum 12 per cent of the employee's monthly basic salary) or pension scheme. However, employers of Malaysian private universities only contribute to the EPF for their staff, and there is no provision of pension scheme.^{11,12} It was highlighted that the current EPF in Malaysia was inadequate to provide guarantee of income for the increased elderly population after retirement.¹³ The inadequacy indicating that the lump sum payment from EPF at retirement was not the best option for income security in old age. Clark and D'Ambrosio argued that academics are aging along with the rest of the society, and universities must develop compensation policies and employment practices that are appropriate for the new economic and demographic environment.¹⁴ Statistics show that the general life expectancy of Malaysian males and females are 69.80 years and 75.38 years, respectively; and the retirement ages for academics are 56 years and 60 years for Malaysian public and private universities, respectively.¹⁵ With regard to the retirement concern, several studies had further reinforced the gender concern by pointing out that women tended to live longer; nonetheless, they earned and saved less than their male counterparts.¹⁶⁻¹⁸

Instigated by these growing concerns, this study is motivated to examine the attitudes towards money and retirement planning of academics in higher learning institutions in a transitional economy, such as in Malaysia. This study also aims to find out whether Malaysian academics are able to capitalize on their knowledge in managing their money for living and retirement, and to examine to what extent individual differences^{19,20} affect money attitudes and retirement planning. The findings contribute empirical evidence and

fill up a knowledge gap on academics' money attitudes and their considerations and conflicts in retirement planning across gender, age and types of universities. The findings should also provide practical implications for the top management in higher learning institutions on compensation and designing retirement scheme of academics.

LITERATURE REVIEW

Previous studies, for example, by Lee and Lim examined attitudes towards money on 152 Singaporean undergraduates and 78 Thai undergraduates before and after the 1997 Asian financial crisis.²¹ They adopted the truncated version of Lim and Teo.²² In the study, attitudes towards money were measured from three dimensions, namely money was perceived as (i) sense of accomplishment, (ii) sense of respect and (iii) budget ability. The results showed significant differences in money attitudes between Singaporeans and Thais, for 16 out of the 18 measurement items. The study also found that after going through the financial crisis, the Thais altered their attitudes towards money. In addition, the survey found that both Singaporeans and Thais were not only more appreciative of financial accomplishments, but also cautious in using their money.

Tang *et al* examined people's attitudes towards money in three different countries.²³ The respondents were comprised of 78 full-time employees in Taiwan, 137 employees in the United States and 93 professionals in the United Kingdom. The results showed that the US employees were more motivated by money, and used their money relatively more carefully than their UK counterparts. American men considered money a measure of their success and a symbol of achievement. However, British men considered money an evil. On the other hand, British women were careful in budgeting. Tang *et al* found that people of different genders and countries perceived the meaning of money differently; hence, they called for further research across different cultures.²³

In turn, Tang *et al* surveyed a sample of 207 and 102 professors in the United States and Spain to examine university professors' money

ethic endorsement, self-reported income and life satisfaction.²⁴ They employed 15 items to measure five factors of money ethic scale, namely, budget, evil, equity, success and motivator. The results indicated that American professors reported higher scores on factors such as budget, equity and success, while lower scores on factor evil than Spanish professors. They pointed out that money did not serve as a motivator, and it was also not related to life satisfaction, for both American and Spanish professors. It might be associated with the process of self-selection in the teaching profession. Education was a predictor of self-reported annual income for both university professors in the United States and Spain. These results were consistent with Milkovich and Newmen, in which they found that income was closely related to the education level.²⁵

After reviewing the prior studies on money attitudes, the next section presents the literature review related to retirement planning. At the outset, it is worth noting that retirement planning is closely linked to income or money that individuals earn annually during their working lives. Previous studies found that individuals had favorable attitudes towards retirement, especially during pre-retirement years.^{26,27} They also noted that the younger people were more positive towards retirement. Both Glamser and Prothero indicated that individuals with negative attitudes towards retirement were worried about sufficiency of money in maintaining life and meeting other financial commitments after retirement.^{26,28} McPherson asserted that one's work influences one's income, social status, lifestyle and even friendship.²⁷ Butters found that men and women reacted in different ways, emotionally and mentally, towards retirement.²⁹ Generally, women accepted and enjoyed life after retirement better than men; and this might be because of the fact that traditionally, men value work more than women.

Lim found the majority of older Singaporean workers (aged 40 and above) were willing to be re-employed after retirement.³⁰ Those aged 50 years and above were more likely to engage in retirement planning and preparations, when

compared to those below 50 years old. The result affirms that work plays an important role in one's life. Overall, Singaporeans were positive and realistic in their perceptions towards retirement.

Power and Hira indicated that retirement planning should begin earlier in an employee's career.³¹ Gender, planning practices, job classification and age were significant predictors of financial satisfaction during retirement. Meanwhile, Giancola indicated that in general men were at a more advantageous position in retirement planning as compared to female counterparts, as they relatively earned more and in return saved more for retirement.¹⁶

In Malaysia, most Malaysians tend to put retirement planning at the bottom of the list, as they believe that they can rely on the accumulated savings in EPF. However, this mindset has to change, first, because several studies like Caraher¹³ and Izma³² found that EPF alone may not be sufficient to fund a comfortable living after retirement. Second, the process of westernization and modernization, nuclearization of families as well as fewer children has changed the family structures and shifted inter-generational relations.³³ Third, several studies have revealed the erosion of filial piety, and the three-generation co-resident family practice in Asian cultural value.^{34,35} All these factors would possibly result in older people or retirees not being able to continue to live together and obtain family support from their young children or family members in their oldage. Collectively, it suggests that individuals need to do retirement planning early in order to live and enjoy post-retirement life.

METHODOLOGY

A questionnaire survey was used to collect data. A series of questions regarding money attitudes and retirement planning were designed. At the outset, 12 questions were designed to solicit the respondents' attitude towards money, and how they spent and managed money; note that these questions were adapted from Lee and Lim²¹, as well as Lim and Teo.²² The respondents were asked to record their responses by indicating their agreement with each statement on a 5-point scale

anchored on 1 (strongly disagree) to 5 (strongly agree). The second section of the questionnaire elicited the respondents' opinions on when one should start planning for retirement. Several questions were adapted from the study of Greninger *et al* to assess respondents' attitudes, potential conflicts and considerations towards retirement planning.³⁶ The respondents were asked to indicate their opinions anchored on a scale of 1 (strongly disagree) to 5 (strongly agree). The last section of the questionnaire gathered demographic information about the respondents, such as gender, race, marital status, age, education level, annual income, teaching position, discipline and type of higher learning institution they were attached to.

Before the actual survey, the questionnaire was pre-tested on 36 prospective respondents in Multimedia University from mid-June to early July 2005. They were later excluded from the field study. The field study was administered from mid-July until end of August 2005. Two research assistants were engaged to personally administer the survey on academics, who worked in 16 public and private higher learning institutions in peninsular Malaysia. In conducting this survey, systematic sampling method was used, in which the sample was chosen based on every fifth (5th) office room located in a faculty in each university. If the prospective respondent was not in the office at the time of survey, the next respondent located in the next room was approached. In total, 494 completed questionnaires were collected. Of these, 36 questionnaires were partially completed and they were excluded from the data analysis. Hence, the usable questionnaires were 458.

FINDINGS

The respondents' profiles are presented in Table 1. Approximately 61 per cent of the survey respondents are women. More than 75 per cent of them are aged 40 or below, with the remaining aged above 41 years old. Approximately 75 per cent of the respondents are Malays, which reflect the reality that Malay academics are major players in the higher learning institutions in Malaysia. In respect of education level, 59.6 per cent of respondents possess a master's degree, and 22.7 per cent hold a PhD;

Table 1: The respondents' profiles

<i>Demographics characteristics</i>	<i>Frequency</i>	<i>Percentage (%)</i>
<i>Gender:</i>		
Female	277	60.5
Male	181	39.5
<i>Race:</i>		
Malay	341	74.5
Chinese	88	19.2
Indian	23	5.0
Others	6	1.3
<i>Marital status:</i>		
Married	338	73.8
Single	113	24.7
Divorced/separated	5	1.1
Widowed	2	0.4
<i>Age:</i>		
20–30	173	37.8
31–40	173	37.8
41–50	84	18.3
Above 50	28	6.1
<i>Highest education level attained:</i>		
Bachelor degree	65	14.2
Master's degree	273	59.6
PhD	104	22.7
Professional degree	5	1.1
Professional degree and master/PhD	11	2.4
<i>Teaching position:</i>		
Tutor/assistant lecturer	80	17.5
Lecturer	279	60.9
Senior lecturer	39	8.5
Associate professor	52	11.4
Professor	8	1.7
<i>Discipline:</i>		
Engineering	111	24.2
Information technology	64	14.0
Arts/language	50	10.9
Accounting/finance/marketing/management/economics	100	21.8
Law	20	4.4
Science	76	16.6
Pre-university/a level	5	1.1
Others (architecture, agriculture, medicine, education and so on)	30	6.6
<i>Type of higher learning institution:</i>		
Public university	302	65.9
Private university	156	34.1
<i>Self-reported annual income:</i>		
Less than RM 30 000 (USD\$7895)	74	16.2
RM 30 001 (USD\$7896)- RM 60 000 (USD\$15 790)	272	59.4
RM 60 001 (USD\$15 791)- RM 90 000 (USD\$23 685)	74	16.2
RM 90 001 (USD\$23 686)- RM 120 000 (USD\$31 579)	23	5.0
More than RM 120 000 (USD\$31 580)	12	2.6
Total respondents	458	100

66 per cent of the respondents work in the public universities, and 34 per cent work in the private universities. Nearly 61 per cent of them work as lecturers, 17.5 per cent are tutors or assistant lecturers, 8.5 per cent are senior lecturers, 11.4 per cent are associate professors and 1.7 per cent are professors. Most of them are from the faculty of engineering (24.2 per cent), information technology (14.0 per cent), arts/language (10.2 per cent), accounting/finance/marketing/management/economics (21.8 per cent), science (6.6 per cent), law (4.4 per cent) and the rest are from other disciplines such as architecture, agriculture, medicine, education and so on. About 16 per cent of the respondents indicate that they earn less than RM30 000 (USD\$7896) per annum. (*Note:* US\$1.00 is equivalent to about RM3.80). The majority of them (59 per cent) earn an annual income between RM30 001 (USD\$7896) and RM60 000 (USD\$15 790). Only 2.6 per cent reported that they earn more than RM120 000 (USD\$31 579) per annum.

At the outset, the teaching position, education, age and gender across self-reported annual income levels are examined. The results of the chi-square test are presented in Table 2. The survey found that there is a significant difference between teaching position, education and age across the annual income levels. However, there is no significant difference in gender across the annual income levels. Notably, most of the tutor/assistant lecturers earned less than RM30 000 annually, and the majority of the lecturers earned an annual income between RM30 001 and RM60 000 (*Note:* US\$1.00 is equivalent to about RM3.80). All of the eight professors from the public universities earned more than RM120 000 annually. Notably, there were two lecturers and two associate professors from the public universities, who indicated that they earned more than RM120 000 annually, and these findings were unusual, in which Malaysian lecturers and associate professors do not normally earn more than RM120 000 annually, based on the current salary scale. The plausible explanations for these findings are that most likely these lecturers and associate professors provided consultancy service or had part-time engagements.

Table 2: The cross tabulation of teaching position, education, age and gender across self-reported annual income levels

	Self-reported annual income level					Total
	<RM30 000	RM30 000 to RM60 000	RM60 001 to RM90 000	RM90 001 to RM120 000	>RM120 000	
Panel A: Teaching position in public university and private university						
1. <i>Public university</i> :*						
Tutor/assistant lecturer	19	6	1	0	0	26
Lecturer	13	154	18	2	2	189
Senior lecturer	0	11	17	0	0	28
Associate professor	0	5	26	16	2	49
Professor	0	0	0	0	8	8
Total**	32	176	62	18	12	300
2. <i>Private University</i> :*						
Tutor/assistant lecturer	33	21	0	0	0	54
Lecturer	9	71	7	1	0	88
Senior lecturer	0	4	4	2	0	10
Associate professor	0	0	1	2	0	3
Total**	42	96	12	5	0	155
Panel B: Education, age and gender						
1. <i>Education</i> *						
Bachelor degree	43	22	0	0	0	65
Master degree	30	197	33	9	1	270
Professional degree	0	3	1	1	0	5
Master and professional degree	1	4	3	0	2	10
PhD and professional degree	0	0	1	0	0	1
PhD	0	46	36	13	9	104
Total	74	272	74	23	12	455
2. <i>Age</i> *						
20–30	64	105	3	0	1	173
31–40	9	135	23	4	1	173
41–50	1	30	35	13	3	82
51–60	0	2	13	6	6	27
Over 60	0	0	0	0	1	1
Total	74	272	74	23	12	455
3. <i>Gender</i> ***						
Female	50	169	39	12	5	275
Male	24	103	35	11	7	180
Total	74	272	74	23	12	455

Notes: *The chi-square test reveals that there is strong statistically significant difference between teaching position, education and age levels across self-reported annual income at both public and private university.

**There are two and one missing values in self-reported annual income from participants in public and private university, respectively.

***The chi-square test reveals that there is no statistically significant difference between gender and self-reported annual income.

The survey found that those who hold doctorate degrees earned relatively more annually than their peers who do not hold doctorate degrees, and older academics earned more than younger academicians. However, one extreme phenomenon was observed, in which one young respondent, aged between 20 and 30 years old, indicated that he/she earned an annual income of more than RM120 000. The plausible

explanations are that this figure could be over-reported, or this particular respondent had income from consultancy and part-time engagement. Collectively, these findings may be inferred that university lecturers tend to engage in outside consultancy or part-time work or both to earn additional income to cope with high cost of living and lifestyle. The results suggest that money is the primary motivating factor for

Table 3: Descriptive statistics of attitudes toward money and retirement planning

	Cronbach's alpha	Mean ^c	Standard deviation
Panel A: Attitudes toward money			
<i>Sense of accomplishments:</i> ^d	0.51 ^a	—	—
1. I am proud of my financial victories and let my friends know	—	2.65**	0.918
2. I believe that a person's salary reveals the IQ	—	2.53**	1.050
3. I believe that a person's pay is related to his/her ability	—	3.54**	1.016
Average	—	2.91**	—
<i>Sense of respect:</i>	0.62 ^b	—	—
4. Money allows one to access many luxuries	—	4.09**	0.762
5. The more money I own, the easier for me to get along	—	2.58**	0.956
6. Money makes people respect you	—	2.89*	1.050
Average	—	3.19**	—
<i>Budget factor:</i> ^e	0.39	—	—
7. Money allows me to buy certain things to impress people	—	3.04**	1.066
8. I bargain about the cost of almost everything I buy	—	3.15**	1.009
9. I prefer not to lend money to people	—	3.19**	1.049
10. I often have difficulty making decisions about spending	—	2.73**	0.961
11. I pay my bills on time to avoid penalty	—	3.99**	0.947
12. I am proud of my ability to save money	—	3.59**	0.897
Average	—	3.28**	—
Panel B: Attitudes toward retirement:			
Retirement makes me feel useless	0.60	—	—
I look forward to retirement	—	2.14*	0.983
I am worried about my life after retirement	—	3.00	1.039
Retirement enables me to pursue my unfulfilled dreams	—	3.26*	1.031
Average	—	3.43*	0.887
	—	3.38*	—

Notes: ^aCronbach's Alpha is 0.615 if item A1 is deleted.

^bCronbach's alpha is 0.736 if item A4 is deleted.

^cThe respondents were asked to record their responses by indicating their agreement with each statement on a 5-point scale anchored on 1 (Strongly disagree) to 5 (Strongly agree).

^dThe Malay and Chinese ethnic groups have shown statistically significant mean differences for items 2 and 3 in panel A.

^eThe income group less than RM30000 have shown statistically significant mean differences for items 10 and 12 in panel A.

*Significant at $P < 0.05$, **significant at $P < 0.01$.

academics; hence, the human resource department should put more emphasis on pay factor in the reward system.

Money attitudes

Table 3 reports on the mean and standard deviation of the 18 items in measuring academics' attitudes towards money and retirement planning. Statistically, the respondents showed significant positive attitude towards money. Money gives the respondents a sense of accomplishment and respect. Notably, the statement 'money allowed one to access many luxuries' scored the highest mean of 4.09 among the 12 statement pertaining to money attitudes. The results showed that money as a factor matters to nearly everyone. The extent to which deans and top management of higher learning institutions can recognize the

financial variable is of critical importance in influencing personal career and decisions of faculty members.

On average, Malay ethnic group has more positive attitude towards money in giving them a sense of accomplishment than Chinese ethnic group. On the other hand, the tutors or assistant lecturers with annual income of less than RM30000 have difficulty in making decisions about spending and are less proud of their abilities to save money than their senior counterparts, who are in higher income groups (see Table 3).

Retirement planning

With respect to retirement planning, it is encouraging that the respondents perceived that retirement would not make them feel useless with a mean of 2.14 (see Table 3), and that they

were not worried about life after retirement, and thus perceived that retirement enabled him/her to pursue unfulfilled dreams. Overall, the survey found that Malaysian academics had positive attitudes towards retirement.

When asked when one should start planning for retirement, the survey found that only 0.4 per cent indicated that retirement planning should start less than a year before retirement. About 24 per cent indicated that retirement planning should start 10–20 years before retirement. The survey result is encouraging, in which about half (49.8 per cent) of the respondent indicated that retirement planning should start more than 20 years before retirement. The results suggest the importance of universities as employers in providing retirement planning assistance and pre-retirement counseling to their employees during their employment, rather than in waiting until a person retires.^{30,37}

The respondents were asked to evaluate the considerations that they believed might be the most important, when planning for retirement. The findings, as reported in Table 4, showed that ‘availability of other income’ was ranked as the top-most important consideration, with a mean of 3.92 (significant at $P < 0.001$). This finding is consistent with Greninger *et al*³⁶ Meanwhile, ‘availability of other jobs after retirement’ and ‘possibility to be re-employed after retirement’ were ranked as second- and third-most important considerations, respectively. The small standard deviation (less than 1) indicated that the respondents had general consensus on these considerations. In essence, the survey found the availability of income sources and potential resources after retirement as important considerations in retirement planning for Malaysian academics.

In turn, respondents were asked to indicate factors that they perceived to be potential conflicts in retirement planning. Table 4 shows that ‘payment for children’s higher education’ received the highest mean rating, indicating that children’s education is perceived as the most likely goals to conflict with retirement planning. Notably, this finding is consistent with Greninger *et al*³⁶ The concerns for ‘living expenses after retirement’ and ‘keeping up to the current

Table 4: Retirement planning: Important considerations and potential conflicts

	Mean	Standard deviation	Ranking
<i>I. Important considerations</i>			
Availability of other income	3.92***	0.707	1
Availability of other jobs after retirement	3.55***	0.925	2
Possibility to be re-employed after retirement	3.45***	0.992	3
Desire to change career	3.01	0.981	4
Potential of receiving an inheritance after retirement	2.96	1.042	5
<i>II. Potential conflicts in retirement planning</i>			
Payment for children higher education	3.87***	0.798	1
Living expenses after retirement	3.79***	0.792	2
Keeping up to the current standard of living	3.78***	0.836	3
Cost of financial loan obligations	3.61***	0.847	4
Traveling/holiday/vacation	3.53***	0.827	5
Capital/resources needed for a new career	3.04	0.864	6

Notes: All variables were measured based on a scale of 1 (very unimportant) to 5 (very important).

*** Significant at $P < 0.001$.

standard of living’ ranked as the second and third potential conflict in retirement planning, respectively, followed by ‘cost of financial loan obligations’, ‘traveling/holiday/vacations’ and ‘capital/resources needed for a second career’. Collectively, these findings support the study of Greninger *et al* that ‘maintaining the good life’ and ‘future security’ were potential conflicts in retirement planning.³⁶

In respect of the potential conflict with retirement planning, those aged less than 30 years are more concerned with payment for children’s higher education than those aged above 50 years. This reflects that children’s education could be the decisive factor for retirement. Older academics are relatively more concerned about living expenses after retirement. It is important to note that even when there were statistically significant differences in either age or income, financial consideration was still the predominant factor in influencing retirement behavior.

Next, Panel A of Table 5 reports the *t*-test results across gender for retirement planning, with

four items having mean differences at $P < 0.1$. The results reflect that more women look forward to retirement than men, and consider availability of other income as important consideration, while having potential conflicts with traveling/holiday/vacation during their retirement planning. The mean differences might be explained that women and men view retirement differently. The results are consistent with Butters.²⁹ Work is the major or the only life interest for men. Men also have their identities tied to their work environments, as pointed out by both Glamsner and Ryan.^{20,26} Hence, men need to be emotionally and mentally prepared for retirement.

Panel B of Table 5 reports the mean differences between types of higher learning institutions for retirement planning. Academics from public universities appeared to have fewer worries about life after retirement, and the plausible explanation is that most of them are under government pension schemes and will receive retirement benefits such as pension and gratuity upon retirement. In contrast, the academics from private universities were concerned about living expenses after retirement,

as no pension benefits would be provided by their employers.

PRACTICAL IMPLICATIONS

The findings have several important implications for human resource policies and administrators of universities. First, private universities need to be more supportive and proactive in employees' retirement preparation in the absence of pension benefits. Second, academics ought to realize the need and urgency of early retirement planning. Positive attitudes and sound financial planning would enable individuals to achieve retirement income adequacy and relaxation.

Third, integrating individual differences on attitudes towards money and retirement behavior in compensation system would help human resources to create more effective and motivational ways for high performance in higher education.^{38,39} Putting all these together, it is viewed that if Malaysian universities strive to be world-class universities in the world, the public service department of Malaysian government and the human resource department of private universities must develop competitive compensation scheme with well-constructed retirement benefits. The innovative compensation and employment policy not only attracts high quality faculty members, but also retains them.

Future research can be conducted to examine other salaried professionals (such as lawyers, physicians, engineers, architects and accountants) on their attitudes towards money and retirement planning. Comparative study can also be carried out to find out the response from the academics in the Asia-Pacific regions and across the continents.

CONCLUSION

The overall results indicate that job position is closely related to the self-reported income in both public and private higher-learning institutions. The level of self-reported income does have significant differences to a certain extent, in terms of respondent's saving and budget ability. However, it appears that Malay ethnic group has more positive attitude towards

Table 5: The *t*-test results of retirement planning

	Female (mean)	Male (mean)	P-value
Panel A: Gender factor			
I. <i>Important considerations</i>			
Availability of other income	3.97	3.84	0.052
II. <i>Potential conflicts in retirement planning</i>			
Traveling/holiday/vacation	3.59	3.45	0.080
III. <i>Attitudes toward retirement</i>			
I look forward to retirement	3.06	2.89	0.077
Panel B: Type of higher learning institutions			
I. <i>Important considerations</i>			
Potential of receiving an inheritance after retirement	2.90	3.07	0.091
Desire to change career	2.92	3.19	0.005
II. <i>Potential conflicts in retirement planning</i>			
Living expenses after retirement	3.72	3.93	0.004
III. <i>Attitudes toward retirement</i>			
I have no worry about my life after retirement	3.38	3.03	0.001

money in giving them a sense of accomplishment than Chinese ethnic group.

Availability of income sources and potential resources after retirement are important considerations in retirement planning. On the other hand, children's education payment is perceived as the most potential conflict with retirement planning, especially for those aged 30 years or below. Consistent with prior studies, women look forward to retirement more than their male counterparts; and academics from public universities appear to have fewer worries about post-retirement lives than their peers in the private universities. Financial education and retirement planning provide important basis for the development of new human resource policies in higher education.

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