

The Macrotheme Review

A multidisciplinary journal of global macro trends

Domains of pre-retirement planning: Experiences of never-married Malay women retirees of the Malaysian Civil Service

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Abstract

Malaysia is experiencing a growth in the numbers and proportion of the elderly, and among them government retirees. The purpose of this study is to explore domains of pre-retirement planning among never-married Malay women retirees of the Malaysian Civil Service. A qualitative in-depth case study was conducted to examine how preparation was undertaken. Besides in-depth interview with respondents, data were collected via prolonged observation, review of existing documents and interaction with respondents' friends and family members. The article discusses preliminary findings of three (3) respondents who had undertaken pre-retirement planning. The findings indicate that these respondents have done extensive planning in various domains. The major themes fall under five domains: (i) financial, (ii) health, (iii) psychosocial and emotional, (iv) spiritual; and (v) environmental. While all possible planning have been undertaken by them, respondents still hope for a more comprehensive planning for the elderly by the Government of Malaysia. This includes policy for facilities and services which is not necessarily welfare-based. Hence, the study has implications especially for the Malaysian policy-makers. Other related persons and organisations can also benefit from the study, including retailers and private facility providers. Better understanding of the never-married retired women specifically, and retired women generally will lead to a more dignified and happier golden age for them in Malaysia.

Keywords: Retirement, Pre-retirement Planning, Retired, Elderly, Women, Never-married

1. Introduction

Industrialized nations have experienced population ageing three to four decades ago (Rabieyah & Roszaini, 2002). Similar to other developing nations, Malaysia is increasingly experiencing the trend of higher growth in the numbers and proportion of the elderly. Based on the 2010 National Census, Malaysia's total population was approximately 28.3 million with an increase of 1.3 percent from 2009 (Department of Statistics, (DOS) Malaysia, 2011). In 2007, 6.48 percent or 1.66 million out of population of 24.54 million were elderly citizens over 60 years old (DOS, 2008). By 2030, 12 percent of Malaysia's total population or 4.9 million are projected to be elderly citizens (Rabieyah & Roszaini, 2002). The silver-haired population calls for immediate concern and adequate planning as it may pose many unprecedented challenges to all parties: the

elderly themselves, their caregivers, the society, and ultimately the Nation. Among the elderly were retirees from the public service. During the 1960s and 1970s, the public retirement institution did not pose any major impact to the Malaysia's socio-economic landscape. Like many other developing countries then, the amount needed for pension and related benefits were relatively insignificant. However, as the trend throughout the world, the numbers of retirees were significant in the 1990s with around 17,000 people retiring annually. In 1999, the estimated total pension and other expenditures related to Government retirees was RM2.9 billion, compared to only RM1.1 billion in 1990. In 2012, the amount was RM12.5 billion (Public Service Department, Malaysia (PSD), 2013).

In Malaysia, retirement institution was introduced by British after the World War II. During the time, British extended retirement system to all countries under the colony including Malaya. In 1954, the retirement administration of public servant, and the Confederated Malay States' officers was under the purview of the Federal Office (Ismail & Faridah Hanam, 2007). The office (now known as the Public Service Department - PSD) was responsible in introducing policies on pension, rate of pension, compensation and other related retirement benefits. The public pension is governed under the Pensions Act 1980 (Act 227), Statutory and Local Authorities Act 1980 (Act 239), and the Civil Service General Orders. Under the current public non-contributory pension scheme, Malaysian government retirees receive life-long pensions on reckonable length of service, medical care and other benefits such as gratuity and payment in lieu of leave days saved up to 150 days. Upon death, derivative pension is given to the recognized next of kin: the spouse and children, subject to certain conditions (Pensions Act, 1980). One interesting feature of the Malaysian public service institution is that despite the mandatory retirement age of 60, the Government allows public officers to opt for early retirement starting at 40 years old and still be eligible to get pensions (PSD, 2011).

Pension provisions are beneficial primarily in terms of finance and health care. However, research has shown that a comprehensive preparation for later life is needed to be undertaken earlier in life. Those unprepared for retirement will lose their job, their colleagues, their routines and all things work-related (Atchley, 1976). Reis and Gold (1983) in support of Atchley, believe that because long-term preparation is needed to establish friendship, leisure activity patterns and financial security, these planning should begin well in advance.

2. Preretirement Planning

A branch of retirement studies focuses on the preretirement planning where the underlying belief is that those who prepare for their retirement have more positive outcomes in retirement (Lee & Law, 2004). Preretirement planning can be undertaken either formally via seminars and professional advisors, or informally through discussions with other people or through readings (Noone, Stephens & Alpass, 2009). Seventy five percent of individuals who had thought about retirement and made subsequent substantial plans reported being very satisfied with their retirement, with 55 percent who had not planned at all rated high dissatisfaction with their life in retirement (Quick & Moen, 1998). Because planning is highly correlated with finance, many studies on preretirement planning are conducted on the financial and economic aspects. However, researchers agree that it should include other domains such as psychosocial and physical changes (Kim & Moen, 2001).

Lee and Law (2004) recognize that there is very limited research on how Hong Kong middle-aged citizens undertake preretirement planning specifically on financial, health, housing and psychosocial domains. A study was conducted among 1078 respondents aged 40 to 59 years old. Overall, majority of the respondents did very little retirement planning. Findings revealed that respondents most likely to:

- a) Be involved in three main planning activities – quitting bad habits relating to health (57.2 percent), setting up retirement fund planning (52.1 percent) and exercise habitually (51.5 percent);
- b) Not have much involvement (less than 20 percent) in any types of knowledge gathering on preretirement planning including attending courses, reading books or discussions with friends and family members;
- c) Have more involvement in financial and physical health planning than living arrangement and psychosocial planning; and
- d) Know that they can no longer depend on family for support during retirement.

The researchers concluded that the respondents were not comprehensively prepared for retirement, even among the respondents in the age group ranging from 50 to 59. The respondents were aware of this when they rated very low confidence about their retirement, and perceived the insufficiency of their preparation for later life. The researchers believe that planning for retirement must be seen as part of long-term planning which is influenced by complex web of material, social, cultural and psychological factors.

Noone, Stephens and Alpass (2010) studied 2,277 working New Zealanders to see the differences in retirement planning among men and women when socioeconomic status, work involvement and retirement perceptions are factored in. Using structural equation modelling, the model also tested for gender differences to assess the disadvantages for women in terms of their retirement planning and the factors that may affect retirement plans. The findings indicated that the more positive perceptions of retirement, the higher levels of informal planning. Besides that, greater economic living standards were associated with higher level of financial preparedness. Generally, women did not differ from men in retirement perceptions of informal planning. But, women in the study are found to be less financially prepared for retirement, and have less involvement in work with lower living standards. The researchers believe that this is especially for women without partners because they have much less resources to enable better planning for the future. This study adds to literature supporting the notion that marital status does have links to lower standard of living and even poverty in later life. Due to this, the researchers suggested the need to have promotional initiatives, policy change and structures that specifically aim for the unmarried women to prepare for later life.

HSBC Bank began a global initiative in 2005 called “HSBC’s Future of Retirement Program” (HSBC Insurance Holdings Limited, 2011). The initiative has since provided insights into the key issues associated with population ageing and increasing life expectancy involving 110,000 people worldwide. In 2011, under the “Power of Planning” theme, a survey was conducted among 17,000 respondents aged 30-60 years old with more than average education, living in urban areas and internet-savvy from 17 countries including Malaysia. The survey consists of items

on attitudes towards retirement, how these attitudes impact people's sense of preparedness for retirement and how professional financial planners can make a significant difference in later life financial planning. Several important findings emerged from the survey, among others:

- a) Only 19 percent of respondents were financially 'very prepared' for retirement with Americans and Canadians in the forefront;
- b) One third of respondents expressed fear of retirement because of potential financial hardship which was more pronounced among those nearing retirement age;
- c) Positive mindset seemed to be closely linked with economic conditions and growing wealth in emerging markets with people in China and India were the least concerned of potential financial hardship in retirement with household savings ranging from 38 to 35 percent in those countries, compared to 3.9 percent in America;
- d) Forty one percent of the respondents felt that they were unprepared for retirement, with 64 percent admitted to being anxious of their ability to financially cope in retirement. Among those were women aged between 50-60 years old who would likely be in financial problems because two-thirds of them did not plan for financial future; and
- e) For those who had financial plan in place earlier in life, they enjoyed clear financial premiums of having more assets, amassing higher value of assets with planners having 245 percent more than the non-planners, and more importantly have more positive outlook towards later life.

The survey provided some insights on Malaysians, where they were:

- a) The highest scorers in perception about retirement being associated with freedom (69 percent as compared to global average of 48);
- b) Among the top four global citizens who worried about caring for parents with 24 points after Indians (24 points), Singaporeans (29) and Chinese (29); and
- c) At the top with 84 points in having financial plan for themselves and family members, compared to the global average of 50.

Overall, Malaysians participating in this study were financially well-prepared to face retirement compared to the others in 16 countries with similar inclusion criteria. However, it can be argued that the findings may not be a representation of the whole of Malaysians as the selection criteria are very biased towards urban middle and higher income groups.

Lack of preparation for retirement could be seen in findings from local research. Findings from a study on financial well-being of older Malaysians based on three separate national data sources reveal that high proportion of older respondents indicated not having any savings for retirement. Fifty percent of women reported not having any savings compared to only 34 percent among male respondents. The average starting age of regular saving was at 36 years old with only 17 percent of respondents in one of the data sets indicated savings for retirement purposes (Tengku Aizan & Jariah, 2010). Older generation of Malaysians depend financially on adult children instead of other sources of income such as pension, and salary. In another data set, respondents of the National Policy on the Elderly study were also asked about their plans for old age (Tengku Aizan & Jariah, 2010). Using direct logistic regression, the data revealed that:

- a) Likelihood of having plans for old age increases with age;

- b) Those more educated were more likely to have plans for later life;
- c) Those who had no savings were almost seven times less likely to plan for old age compared to those who save regularly; and
- d) Respondents in poverty were less likely to plan for old age due to urgency to fulfil immediate needs; and
- e) Married people were almost two times more likely to have plans for old age compared to those currently unmarried.

In terms of unmarried respondents, the findings support other research (Noone et. al, 2010) where unmarried people are less likely to plan for old age.

Majority of studies on financial wellbeing, retirement and preretirement in Malaysia are conducted quantitatively. Thus, the present study's biggest contribution is providing detailed insights into the preretirement planning as experienced by the never-married Malay women retirees, a group that very rarely been the focus of any retirement study.

3. Methods: Data Collection

The data for this study are from in-depth interviews for a broader study on preretirement planning and well-being in later life among never-married Malay women retirees of the Malaysian Civil Service. The interviewees were solicited through the "gatekeeper" (Bogdan & Bicklen, 1992: 81) of public service's retirees: the Post Service Division of the Public Service Department (PSD), Malaysia. Due to classified nature of information on retirees, the contact information could only be obtained after potential respondents agreed to participate. Of the around 400 retirees who fulfilled the inclusion criteria in 2011, only 24 retirees from various scheme of services with at least a tertiary education responded positively to the invitation letter issued by the PSD.

A qualitative in-depth case study was conducted from March 2012 to April 2013 involving ten (10) female Malay respondents between 54 to 65 years old. Each semi-structured interview lasted between 60 to 240 minutes per session. Interviewees provided information on their preretirement planning in chronological order using oral history approach. The life course perspective used as the underpinning framework allows for the understanding of non-static and non-linear perceptions of what preretirement planning means and how it was executed over the life course. Interviewees chose the interview locations and the language of communication. Majority of respondents spoke in English, mixing it with the national language: Bahasa Melayu. In almost all cases, the interviews were conducted at the interviewee's home. This gave the first author the chance to observe the living environment and meet respondent's family and friends that triangulated the data given by the respondents. Besides in-depth interview with respondents, data were collected via prolonged observation, review of existing documents and interaction with respondents' friends and family members. Four key informants also provided insights into the issue: a senior officer at the PSD who directly involves in day to day running of public pension and related issue, a renowned counsellor on retirement and retirement issue, a well-known sociologist and a successful financial planner.

Interviews were verbatimly transcribed. Open coding and axial coding were carried out to sift through the data to enable deeper understanding of the lived world of the respondents (Merriam, 2010). In the present study, constant comparison method was used within case and cross-cases to

derive major categories, with continuous reference to literature. The analysis began with analytic induction by having rough definitions/themes based on the first case, holding the definitions up to more data collected, and modify the definitions when a new input emerged and reformulating the definitions/themes until a universal relationship or theme was established. To protect confidentiality, respondents are identified using short pseudonym for easy referencing. For this article, minor editing is done in translating the quotes into English (where needed) with the aim to retain the voices of the respondents.

Respondents provided retrospective information on their preparedness for life after retirement, and subsequent discussions are on preliminary findings of three (3) of the ten (10) respondents who had undertaken extensive pre-retirement planning.

4. Findings and Discussion

This section discusses the main findings regarding domains of preretirement planning among the never-married Malay women who retired from the public service of Malaysia. A short description of each respondent is given for better understanding of their experiences.

4.1 Portraits of the Respondents

Case 1: Rose

Rose came from a very poor family from the eastern part of Peninsular Malaysia. She lost her mother at the age of seven and her father remarried when she was nine. At the age of 13, she lost her father. With 10 siblings from her own parents and three from the step mother, life was hard for 14 people without a breadwinner. Upon the death of her father, the paternal grandfather provided for the family with RM100 (USD33) monthly. She said “well, we ate the same type of food every day, rice and fish. Day in, day out...we did not starve or anything, but that was all we had...we ate lots of rice but shared a small fish among us daily”. If extra money was needed for school purposes, Rose related how she and her siblings had to present their case to her strict grandfather. Life was hard then, but “we felt that it was okay then because we never knew any other life”. Rose shared that recently she and her sister talked about their childhood and wondered how they managed to survive. None of them remembered having new clothes for the Muslim’s celebration of *Aidil Fitri*. Rose said because they did not have a lot of money she,

“wore the same shoes and school uniform...I wore the same thing from Form One to Form 5... we used to wear pinafore, at first it was way below the knees, by Form 5 it was way up my thighs”.

Practical, funny and prudent were the adjectives Rose used to describe herself. Thoroughly modest, she said “I didn’t really plan” for her future, but at the end of the interview admitted that she “did plan well” and able to opt for an early retirement. The youngest girl from the same parents, Rose said she was used to being independent because her siblings did not get to finish high school but she finished her secondary education at an English school. She also managed to further her study until tertiary education mainly with the Government’s scholarships. That was achieved because her older siblings went work to minimise expenditure and support her. At the age of 17, she travelled long distance on a bus to register with a university in Kuala Lumpur on her own for the first time, and later reported for duty to work in the capital city without any

family member accompanying her. While close to her family members, she said “different wavelengths” in thinking and personal perceptions made her more comfortable to decide her own life paths with very minor discussion with her siblings.

Case 2: Hani

Hani is the most extreme preretirement planner in the study. Looking very much younger than her 61 years, she practices positive thinking and that shines through her. Hani is the tenth of 13 children. She changed four jobs until she landed a government’s job even when the private sector jobs were better paid. She used to work in different states within West Malaysia and of Indian-Muslim lineage, renowned for their strong family ties. She admitted that her family was poor, and when her father passed away when she was young, her mother took over working and raising all the children. Money was tight and Hani said she could not register to join a teacher’s training college because they had “no money for registration”. The extended family including her in-laws stayed together in the family house in Penang until her mother passed away a few years ago. She also managed to complete her study with the government’s scholarship. Like Rose, she was used to be independent and started travelling on her own to the capital city to further her studies. After university, she reported for duty to another state in the eastern part of Malaysia on her own, without knowing anyone there. Hani takes care of her oldest sister who lost her husband at the age of 22, and her niece who is married with family of her own and a stable job. Hani does not keep in touch regularly with friends, but maintained very close relationship with all her extended family members. Her general outlook of life is that one should be thankful with what one already had, instead of regretting over missed opportunities. One way of showing her thankfulness is by sharing her wealth with others.

Case 3: Jee

Jee came from a more than average income family with her father “one of the few in the village with a car, a television way back when we had to use batteries”. So, money was not an issue growing up. A self-confessed hardworking, strict and sensitive person, she has retired from her lecturing job from a public university. The third of a family of four, she sees retirement as “an extension of my working days”. An avid planner, she is meticulous and has to-do lists for everything. To her, preretirement planning is important, because

“you plan for short term holidays that lasted only a while...why can’t you plan for retirement that will surely come. Definitely you will be getting old. So, logically you really have to plan”.

Jee also feels that preretirement planning was easy “if you take retirement and old age as a normal part of the life cycle”. Unlike Hani who wanted government’s job because of her own judgement, Jee grew up with business-minded parents who wanted the children to have secure income with can be translated into having “government’s jobs”. Being away most of her younger adult life because of boarding school, tertiary education, and job requirement, she decided to stay with her parents when they were getting older, and applied for another job at her home town to be with them. Her training as a lecturer in social work made her very alert on many things, including the need to prepare for old age. To her, regardless of marital status, people must plan for their old age.

4.2 *Domains of Preretirement Planning*

The findings indicate that these respondents have done extensive planning in various domains. For the respondents, planning is followed by execution. Continuous execution is important because the smallest amount of actions is always better than the boldest of intentions (Sharma, 2013). The retired respondents are satisfied with their preparation in earlier days. The major themes fall under five domains: (i) financial, (ii) health, (iii) psychosocial and emotional, (iv) spiritual; and (v) environmental, especially the living arrangement.

4.2.1 Financial

Except for Jee, the other two respondents came from very poor families, with a large number of siblings. All of them have something in common now: more money that they need to have to last them a life time. They were careful spender when younger. Even when the government's salary was not as good as the private sectors, they saved habitually.

To Rose "chocolate was a luxury" that she first tasted when she was at the university courtesy of a rich friend. Because "money should be saved", Rose managed to save a substantial amount up to a point that she was able to opt for an early retirement when she was only 45 years old. For someone who wore the same school uniform for five years, it is hard to imagine that she was able to be very "financially secured and debt free, except for my housing loans" by the age of 40. At that age, she was already thinking of retiring but friends advised her against it as pensions calculation would only be optimal upon reaching the age of 45. Rose started saving in "bamboo container" when she was seven years old and managed to save her pocket money, school scholarships and whatever money people gave her until when she started her tertiary education in the capital city, she already had RM10,000 (USD3,358). When the Government introduced the *Amanah Saham Nasional* (a government-backed investment) in the 1980s, she put everything in the fund and never took a single cent out. She only added to the fund when her office awarded her best worker and a cheque worth RM300 (USD100). The highest dividend she received a year was RM35,000 (USD11,754). Over the period of nearly 30 years, she had over RM400,000 (USD134,340) in that account alone. Coupled with other investment using her average saving of 50 per cent of her salary monthly, her gratuity payment and other related perks upon retirement, she built up quite a portfolio for herself. To her "one should always save a percentage of one's earning...only spend on things that are needed and not those wanted". Money to her has always been equivalent to "saving" and not spending. "Finance is a necessity" is her mantra because one needs to be financially stable and "cannot expect others to care for you without sufficient fund". Every five years, she changes her car. Rose only drives small inexpensive cars that she bought without any loans and avoids using her credit cards unless necessary. Full payments are made if she uses her credit cards. However, she now feels that she had been too careful with money and since two years ago "started to buy things that I don't need but I like, things like latest tablets and phones".

Hani also invested in the same Government-backed scheme of investment like Rose. She took a bank loan of RM50,000 (USD16,792) to invest with her brother-in-law acting as her financial advisor. After two years, the annual dividend paid for the monthly bank loan instalment. She uses the extra dividend from her investment to travel with her family. She has over RM300,000 (USD100, 750) in savings and if her assets are counted, she is also a millionaire. However, due

to her nature of sharing with others, she is not as cash-flushed as the others. She admitted that she “secured myself with government service so I don’t see myself having problems with finance later (in old age)”. Hani openly declared that was her first preretirement planning: getting a government job knowing that she will have secure income until the day she dies, with health coverage. That decision was opposed by her sisters who all worked in the private sector. At the age of 40, she thought of retiring early because knew she could get a pension worth “RM1000 (USD335) a month” then. Adding to what she already had in savings, she would be financially secured. However, she stayed on until she was 56 to retire, and getting more than five times the amount of pension that she at 40 considered as enough for her. To Hani, wealth distribution should be done when she is still alive to see other people enjoying the fruits of her labour. Hence, she started giving away her gold accessories by asking people to choose from her collection, buying presents, subsidising people for pilgrimage trips, and holidays abroad. She is very attached to her youngest sister’s two children, her nieces who were given allocation for down payment for a new car, computers and trips abroad. Hani believes in making people happy and sharing her wealth with others. While these tithes and donations made dents in her savings, Hani believes that by the age of 70, she could no longer do much travelling except for pilgrimage. The pension would then pile up again as her expenses would be very minimal, except for medical purposes.

Jee is both a savvy-saver and investor who invested in the Government-backed *Amanah Saham Nasional* and properties. She is “very meticulous in doing anything...I take care of my stuff...my car is 10 years old and rarely caused problem, does not even have many scratches”. She took after her father who was “careful with money and invested heavily in real estates and buying agricultural lands”. “Savings have always been easy to me” and Jee started saving since young. So much so she already had RM30,000 (USD10,000) in her account when she started her tertiary education from saving her RM100 (USD33) monthly pocket money and scholarships during her secondary school days. Jee saved at least 10 percent of her salary, took insurance coverage and saved in fixed deposit. She admitted to being “my father’s daughter...extra money will be invested in lands and property”. Agreeing that she planned to have government’s job because “I have government protection: I have my pension, I do get health coverage”. When she was 40, she considered herself to be “financially independent ... almost debt-free”. Besides that when her father passed away, she received a substantial amount of inheritance in cash and property. Even having cash to spare, she was always careful with money as:

“I always have budgets for everything...I buy clothes, diamonds and stuff...but all within my budgets. If I plan to buy five blouses, I would get only five and not more than that...and I don’t buy branded items all the time...The budget for a dress is around RM500 (USD167), I won’t pay more than that...”.

While she had done most of the things she wanted, including travelling twice around Europe, Jee admitted to having too much money and “always ask myself why I didn’t spend more money travelling when I could” and wished she had “used a bit more money to circle the world” that she had not seen like South America and Africa. She once laughingly asked her younger sister “...what should I do with my money?”.

The life stories of the respondents above shows several important facts. Delayed gratification works and small investment can compound into substantive income. For the respondents, investment in the Government-backed schemes provided them stable dividend without having to take any major risk, and without having to know much about the volatile financial market. Poverty could be also be eradicated through conscious savings, careful spending and education. None of the respondents had any formal financial planners to advise them. This is quite the norms among middle-income Malays, probably because the Government has various investment schemes that have high returns with the lowest risks. While Rose's experience in savings is "not necessarily for old age" is in agreement with findings from Phua and McNally (2008), the other two planned for life after retirement, even before they started working by consciously choosing to secure work in the public sector that provides long-life financial and health coverage. Because the financial aspect closely related to the ability to plan for other domains (Kemp, Rosenthal & Denton, 2005), the respondents invested a lot in this domain. As much as the financial domain needs to be invested in, the respondents also invested in other domains.

4.2.2 Psychosocial

While not having family of procreation, all the respondents have very active social life involving their families of orientation and friends. They realised that money alone cannot ensure happiness and support in old age and other type of investments are needed. This is in line with research findings that generally a person only needs certain amount of money to achieve satisfaction and happiness. The financial amount differs among individuals. Once the amount is accounted for and the threshold of wealth is achieved, people no longer need the extra money to be happy (Kahneman & Deaton, 2010). Besides financial domain, respondents in the present study were all prepared for life after retirement during the working period. Unlike the other respondents, Hani prepared her social network among her extended family members and not so much investment in friends. This could due to her family background of having close relationship with extended family members. Living in the family home for a long time and facing hardship together when she was young enabled Hani to foster close relationships with her siblings, their spouses and children. She invested in social interaction and emotional support with her family members in many ways. Hani takes her nieces on holidays, buys things for her siblings and their children. While she is sincere in giving to others and never thought that it is the responsibility of her nieces to care for her, she did admit that "since we are always together travelling here and there, the love would strengthen...the memories linger long after the holidays ended". In terms of fulfilling her time, she planned to have a small business selling crochet items on the net, but it did not take off because she was busy with other things. She did get involved with her office programs as planned earlier, helping out whenever needed to give talks, seminars and generally happy to share her experiences even for free.

For Jee, she invested in friends and family members. She chose to stay with her mother as "I was preserving the links with my parents. I was away a lot during my school years and post graduate years...so maybe I wanted to go back to my roots. Be with family members and relatives". Jee has close relationship with her nephews and nieces and on weekends, school holidays and semester breaks, it "would be the noisiest in my house since most kids would be there". On other days, she also has some close friends who "love to come over and have barbeque lunch" or her mother's family members would drop by to spend time with them. To her, having a few good friends are enough, instead of having numerous acquaintances. She travels with her mum and

sister and other family members. Long before retirement, she planned to spend time doing more charity work. To her, “once a teacher, always a teacher... I used to teach at a university, now I teach orphans”. Jee also believes in the power of social media and network where people can keep in touch while physically be oceans apart.

Rose has the biggest network of friends. In terms of companionship, she admitted she was lucky because there was always someone living with her, previously a friend who eventually got married and for the past few years, a close friend that she looks upon as a goddaughter. Rose gets emotional support from a huge range of sources: her family members, her goddaughter and her family, and like-minded friends with various interests. While close to her family members, Rose stays quite far from them and only has one sibling in the same city. She invests heavily in friends and has travelling friends, foodie friends, work-related friends and pilgrimage-group friends. On Fridays almost without fail, she would meet up with friends from work for lunch. Rose and her 13 travel buddies would take a long holiday at least once a year. Her travel buddies are younger than her and at times they went for various activities that might not necessarily be her favourite, including mountain climbing. However, she still joined them for friendship sake. That earned the respect of her friends. On her foodie friends:

“we have lots of fun...all girls in the foodie group...we go for high tea and stay there from the opening hour up to closing... we would be the first to get there and the last to leave...we would order until the waiter said “I am scared you guys cannot finish all these”...we said don’t be afraid...and we did finished all the food”

For Jee and Hani, investing in family by remaining physically close with family members was the best way to prepare for emotional and social support in old age. Jee has prepared even for end of life by already having a will for the past decade and named her younger sister as the executor. She also exchanged bank pin numbers with her youngest sister so as to enable easy access to fund whenever the need arises. Rose, on the other hand invested more in friends and her goddaughter. This is in line with underpinning belief of Substitution Theory that when closest kin are not available, individuals turn to friends or distant relatives. However, respondents agreed with the view that while choosing to be close to family members for social support, psychosocial problems were normally shared with friends (Golberg, Kantrow, Kremen & Lauter, 1986). Hani portrays this best when she said:

“I am never demonstrative, I don’t hugs my sisters even when I was going away for a long time, but I do that with friends ... I don’t normally call my friends to share my problems, but if we meet up, I would tell them my problem...I mostly would keep problems to myself, never say anything personal to my sisters...”.

4.2.3 Spiritual

All respondents deem spiritual and religious domain as very important in their life. As such, they planned to devote their time upon retirement studying Islam and preparing for life in the hereafter. Rose said, “...people asked me what I would do in retirement, I said I don’t know...I only know I don’t want to work anymore, I want to focus on the hereafter”. Her only mission was to prepare for the hereafter life, since to her she had done enough for the present world. While able to read the Quran, she wanted to be able to understand what was read by taking up

Arabic classes. Born into Islam, she performed the pillars of Islam without asking and understanding the spirit behind each pillar. She planned early in life and was able to go for her pilgrimage and haj before her retirement. To her, all her working life has been focused on the worldly needs, so the time has come to change the focus, “to recite Quran, to pray at night and anytime you want to...and not be worried because no one is after you about work”. She said this calling came to her after she had accident where a tree fell onto her car during a freak storm on the way back from work. It badly damaged her car, and looking at the damage, everybody thought the driver should be dead. Instead, she did not even suffer a scratch. From then onwards, she started a quest to understand her existence. During younger age, Rose was always anxious to make sure things turned out the way she wanted them. However, after studying in religious classes and have more understanding of the Creator, Islam and the existential elements of life, she became calmer and more sincere in accepting her fate. This also helps Rose in dealing with the uncertainty of the future life as a single unmarried woman. Rose also has her pilgrimage group where they meet up and pray in different mosques around the city at least once a month. Rose believes that one must plan for eventuality. However, at the end of the day, God will decide what best for all.

Hani also planned for her religious aspect of life. Like Rose, when she was younger, she did not really have the time to study and understand the many facets of the Quran. Performing the daily prayers was done without conscious effort as it was a habit from young. She also performed her haj while still working because every abled Muslim must do so. To her, retirement provides her with the opportunity to improve on those missing pieces. Hani believes that because she planned for the religious and spiritual domain, she is more at peace with herself and her life, able to accept things better now that she understand the different between planning and execution. She said that being more conscious of this made her “appreciate life more, be more thankful and better able to see how the Creator has given me a good life”, even fulfilling her childhood dreams of being both a teacher (via her talks) and a social worker (via her work). Instead of being a perfectionist all the time, she learns to cope with stress better by reciting prayers.

Jee started saving for her haj and pilgrimage early in life in *Tabung Haji* (laterally the Haj Fund), a government-initiated savings institution for the Muslims to go for pilgrimage. By saving early, Jee was able to go for her haj while studying abroad for her PhD. From young, she made it a point to recite Quran daily whenever she was at home, even for only a page. When she was in her thirties she “picked up a habit to fast regularly on Mondays and Thursdays from my mum”. While she is positive that her family members will be there for her in old, she has considered going to the “*pondok* (religious school with boarding facility)” after her mother passes away so that she could concentrate on living for the next world. Before her retirement, she has set her mind on attending religious classes and searched for classes that were suitable for her. Ability to really accept fate with an open mind came when she really started learning about Islam and its philosophies. Volunteering at an orphanage and giving alms made her realise how blessed she is compared to others.

All respondents started their religious journey very early in life, some done because of early socialization. As they became older, these Muslim respondents began to seek more in-depth knowledge of Islam and the meanings of rituals that they had done for many years by going to classes. Retirement gave them the opportunity to set more time for these quests to satisfy the souls. This move is considered normal for the elderly and is supported by other research on

elderly where as one grows older, she/he becomes more inward-focused, with religious behaviour increases with age (Atchley & Barush, 2004). To them, it help tremendously in making life easier as they thoroughly accept the fact that human beings can only propose, but God disposes.

4.2.4 Environmental

Environmental especially housing in older age is an important domain to be planned by the respondents. Years before retirement, Hani purposely planned to live next to her younger sister and her family. This is done by selling her own house when she and her younger sister decided that living in Penang was too stressful and chaotic for old people. Hence, they sold their terrace houses, and moved to a nearby state and were able to buy bungalows next to each other. She planned even to the greatest detail of “having houses with enough surrounding space for gardening and planting...next to each other with the main doors besides each other... we disposed of the fence between the houses... while maintaining privacy, we are practically live a few steps away”. One sore point that Hani has is for not buying her present house earlier using the Government housing loan. She still has to pay for the housing loan until she is 70 years old, since the previous house was bought using a bank loan. However, her friends advised her against settling the full amount when she retired, simply because it was much more economical to keep paying the low rate and keep the cash that she had. Even though she is very close to her family, Hani always thought of:

“how am I gonna live (later?)... earlier on, I told my sisters, I am not worried because I have found a nice *pondok* ... I always think of my sister, she is 74 and has many sisters to take care of her...so I thought what would happen to me if I fall sick... Am I gonna have my nieces?... I am scared but then I said never mind, ... even though I have my own house...I am thinking of applying to old folk homes...Muslim ones”

While working in Penang, she went to a *pondok* during one of her work-related program. Hani was happy with what she saw and thought that it could be the one for her. She heard of another one when she attended one of her religious events while she was still working. Hani visited the place not long after that and would happily enrol when the time comes. The problem is both places are for independent living and not for the invalid and sick elderly. So far, she has not found any assisted living facility that fulfils her requirements. She is also considering getting a nurse or a maid, or hospice services to help her out at home when she is older, but her “priority is the Islamic old folk homes”.

The same thoughts are shared by Jee and Rose. Jee shared her views that Malaysia needs to “cater for elderly. More services and facilities...regardless of marital status, old people need more services to live happily in later life. What we have now is not enough”. While she is not worried about her later life, she admitted to scouring for a “*pondok*” even though she is close to her nephews and nieces. Her mother worries more over her than she herself. Their grandmother keeps reminding Jee’s nieces and nephews to take care of her in old age. While the children are willing now, Jee does not want to be a burden to them and would prefer to be in assisted facility once needed to.

While Jee and Hani have settled down in the homes they want to live after retirement, Rose still stays in her condominium in Kuala Lumpur. Asked whether she would eventually go back to her home town, she said “I don’t think I can...unless I really have no choice and need my sister to care for me when I become sickly”. Rose also shared that her goddaughter gets offended when Rose said she “wouldn’t mind going to old folk homes or going back to my hometown” because that shows how Rose did not trust the goddaughter to care of her. As at the time of the interview, Rose really believed that her goddaughter would take care for her when the time comes. However, things may change if the goddaughter gets married in the future and Rose has plans to cater for all those uncertainties.

Like many other public servants in Malaysia, all the respondents have their own houses bought using the housing loan provided by the Government which only has a 4 percent interest rate, as compared to double or triple interest rates from commercial banks. However, the existing housing policies do not have adequate focus on elderly, resulting in lack of elderly-friendly designs and facilities in the housing areas. This is what worries the respondents, the ability to continue be independent in old age, especially when they become unable to care for themselves. While many elderly want to remain in their current home to “age in place” (Wei & Levkoff, 2000), the respondents are practical enough to know that it might not be possible for them. To enable them to do so, major improvements to home health care professional and a wide variety of services designed especially for the fast growing elder population are needed to get these services straight to their doors. Services related to retrofit homes to be more elderly-friendly are also needed.

4.2.5 Health

Various studies have shown the relationship between healthy living and exercising to overall wellbeing. Regular exercise will not only improve health, it will help in clear thinking, boost creativity and manage stress. Exercise will also add life to the years, and add years to one’s life. A Harvard study involving 18,000 alumni found that every hour spent on exercise added three hours to participants’ lives (Lee, Hsieh & Paffenbarger, 1995). Thus, some researchers believe that few investments yield a better return than time spent on physical fitness (Sharma, 2013).

Since 14, Hani has followed a teacher’s advice to take care of herself, by taking bananas daily and practising yoga. She admitted to not being fan of vegetables, but her intake of fruits and exercise made her look younger than her actual age. She took bananas every day without fail, even when she was “...abroad and when it is RM10 a piece”. In her 30s and busy with work, she started taking multivitamins and regularly went for medical check-ups, sometimes because “...my sister has regular appointment with her doctor, so I just do it too”. Her family medical history made her careful with her health and take early precaution including health insurance as “our family has no diabetics, but my cousins have it...our side (has) cancer and heart problem”.

For Rose, she does get worried about getting sick, “...you don’t want to live if you have to be sick, I would rather die first...I saw my stepmother suffer, bedridden for many years... you suffer, people bathed you, changed your diapers...you have no dignity”. However, when she was younger, she admitted that she did not really plan for the health domain. She jokingly said she maintained her weight because when she was younger “there’s no money to eat fatty food”. However because of her medical training and health-related nature of work, she unconsciously

“read the labels of things” before buying them, avoiding salt and excessive sugar. She also joined her office’s weekly exercise program, besides having her own exercise events with her health conscious friends. While aware of the health coverage in the public sector, she did buy a life insurance earlier in her working days. She then realized that “...we need money when we are alive and no children to think of...”, so she changed to the health coverage insurance, specifically for hospitalization. While not an exercise-freak, she tries to go for brisk walk every weekend with her friends and goddaughter.

In terms of health, Jee said she was never overweight because of genetics. She cares about the food she puts into her body. She was exposed to health issues when she was studying abroad, and she “...sort of pick up the (healthy) habit”. While she admitted to not exercising regularly, she is really careful of her food intake, following “the Prophet’s way of eating before I get really hungry and stopping before I am full”. She takes a lot of fruits and eats in moderation since young. She follows the traditional ways as well by drinking lots of warm water every day especially in the mornings, and has lots of *ulam* (salad), and generally avoids the delicious calories-laden Malaysian delicacies. Jee has both life and health insurances and named her sister the executor. She considers working in her garden for at least two hours as her daily exercise.

Mentally, the respondents keep their minds active. For Rose, it is done through helping out with her office’s programs and giving talks, while for Jee, with interactions with the orphans and with relentless readings. Hani, on the other hand, uses the internet constantly and maintaining a blog on various topics. They all agree that above all, they pray constantly to God to save them from any physical and mental illnesses or disabilities.

While the Government provides extensive health coverage for the public retirees, respondents chose to have extra protection by buying health insurance. In 2012 alone, RM175 million (USD58 million) was spent on health coverage for retirees and their families (Public Service Department, 2013). The respondents bought health insurance because of the sheer number of people going for treatment in the public hospitals. As Hani said, “I go to public hospitals for long term (medical) problems, but for emergencies, I go to private hospitals”. This view is shared by the other respondents. Thus, preparation is needed earlier on to ensure a comprehensive medical coverage in old age.

5. Conclusion and Recommendations

This study explores the domains of preretirement planning undertaken by never-married Malay women retirees of the Malaysian Civil Service. The findings support previous findings where preretirement planning is seen as an essential for a better later life (Noone et. al, 2009; Phua & McNally, 2008). The present respondents who are a part of a bigger study invested a lot earlier in life in all domains to ensure wellbeing in later life. However, despite being prepared, they are still uncertain over their future, especially in social support and environment domains. Respondents still worry over potential caregiver in old age, and also about possible housing arrangement. Their main salvation is faith: believing in fate and ability to accept that what happens in the future will be God’s best decision for them. The respondents have good educational background, had middle-management level of positions in the public sector and retired with adequate pension. However, women without such advantages may be more vulnerable and have bigger risk of living in poverty in old age.

Better understanding of the never-married retired women specifically, and retired women generally will lead to a more dignified and happier golden age for them in Malaysia. The preliminary findings are based only on a small sample and are not representing the masses, but thoroughly significant for the respondents. A few recommendations could be suggested that may be beneficial to policy makers and service providers alike. There are urgent needs to:

(i) Have more inclusiveness on the elderly issues in the development of Malaysia. It is a necessity as Malaysia turns into an aged nation in 2035. This is especially so on policy for facilities and services that are elderly-friendly which is not necessarily welfare-based. Instead of looking at elderly issues mainly through the welfare-approach currently practiced, it should be more developmental-approach. By doing this, government services would be available to more elderly, and not focused mostly for the poor and destitute. Looking from the developmental-approach would be beneficial to everyone including the retirees. Instead of looking at retirees as non-productive members of society, they could continue to be productive in various areas. Since retirees have a lot of experiences and time on their hands, those interested could share these with the next generation which could be done systematically by providing avenues for better engagement of elderly in community work for example with school-going children and mentoring at the public workforce;

(ii) Broaden the meanings of the term “family” in administrative documents as besides the traditional family members, other type of non-consanguine members are also considered as family by the respondents. Broadening the definition could help the never-married to have more potential social support for the later life, as discussed in (iii); and

(iii) Re-evaluate existing policy on retirement benefit. The respondents are uncertain about life when they are older old and can no longer care for themselves. This concern is valid as currently, there is lack of available services in that area. Retirees of the public service of Malaysia are also treated differently if they are unmarried. Many perks and extensive coverage including health coverage are given to married people upon retirement and/or in the event of death of the officers, while in service or during retirement. Their surviving spouses and eligible children are entitled to get derivative pensions and numerous perks (Pensions Act 1980, Act 227). For the never-married, there would be no derivative pension unless they have legally adopted children. Due to strict criteria, not many never-married have legally adopted children. If the never-married do not legally adopted children, there will not be recipients for the derivative pensions or health coverage as enjoyed by the married people. The philosophy behind extended coverage for spouses and family members is to acknowledge the family’s contribution to retirees during their long working years. A question arises, are never-married in Malaysia not supported by anyone in their extended family members? Is it not possible for the coverage to be extended to their chosen immediate family member like a sibling or even a trusted friend who may be their main caregiver once the retirees are unable to care for themselves?

It is also possible for the Government to have a policy to compensate the unmarried retirees for their lack of family of procreation. It could be done by giving them extra one-off perks in lieu of the absence of nuclear family members like the married people have that cost the Government a

huge amount of allocation over a long period of time. Another possibility is by providing affordable public-initiated retirement homes and/or nursing homes for them.

The findings above also reveal interesting points that could affect the financial markets:

(i) Public retirees get a substantive amount of money upon retirement. For example a Diplomatic and Administrative officer at the middle management of 54 Grade with 30 years working experience may stand to get RM400,000 (USD134,340) on the day of retirement, excluding the monthly pensions. Thus, there is a huge prospect for the services of financial planners and for the introduction of suitable short term investments; and

(ii) The existence of retirees with deep pockets and ample free time could be a golden market for retailers and private service providers. Products and services tailored for the elderly should be focused on, especially in the housing, health and recreational sectors. As Malaysia is a multiracial country, services should be tailored within racial and religious preferences. Currently, there is also a huge market for retirement and nursing homes that incorporate the Islamic values as existing ones are inclined to Christianity or religious-free in nature. Other than that, foreign travel that caters for Muslim retirees has tremendous potential. These markets could be tapped by interested investors.

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