ABSTRACT

Financial Preparation for Retirement and Financial Independence Among
30 – 80 Year Olds in Jamaica

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A cross-sectional Mixed Methods Research (MMR) design was used to examine financial preparations for retirement in Jamaica. The study had an explanatory sequential design with an emphasis on the quantitative component. Data sources included an interviewer-administered household survey of 477 respondents, secondary data analysis of 2,943 respondents and Elite interviews with 14 key informants. The data were analysed with the assistance of SPSS version 20. The data was integrated at the analysis phase.

The main research findings were: 4 in 10 respondents had made no financial preparations for retirement. Self-employed respondents were approximately 65 percent less likely [aOR 0.351 (0.160, 0.767)] to have prepared for retirement. Secondary level education increased the odds of a respondent having financial well-being by approximately 2.8 times [aOR 2.831 (1.297, 6.178)] that of someone with primary level education and below, whereas, tertiary level education increased the odds of financial well-being by 4.5 times [aOR 4.480 (2.124, 9.488)] in comparison to respondents who only had primary level education and below. The emergent qualitative themes corroborated the quantitative findings. Themes relating to financial literacy; a temporal view of retirement being far away in the future; and navigating the challenging economy are all discussed. The findings have significant bearing on demographic ageing; financial and social preparation for retirement and old age, governance issues and the national ageing policy that is currently under review.

Keywords: ageing; financial independence; financial preparation; pension; retirement.