



The Impact of Early Financial Literacy on Retirement Preparedness and Quality of Life in Old Age

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Abstract

This study investigates the impact of early financial literacy on retirement preparedness and quality of life in old age with focus on selected federal universities in North-Central, Nigeria. As an empirical study, a cross sectional survey research design was adopted and the instrument of questionnaire was used to collect data from a total sample of 400 respondents (100 from each of the four selected universities) and with the aid of Statistical Package for Social Sciences (SPSS), descriptive statistics were used to analysis responses obtained from respondents and presented in tables. The findings discovered that individuals who had financial education during their early years, whether through schools, families, or community programmes, were more likely to develop positive financial habits such as regular saving, budgeting, prudent spending, and long-term investment. These behaviours contribute to better financial planning and greater asset buildup, which are vital for retirement security. The study also found that financially literate individuals are more likely to participate in pension schemes, maintain additional retirement savings, and feel confident about their financial future after retirement. The study therefore strongly recommended that government and educational authorities should incorporate financial literacy as a compulsory component of primary and secondary school curricula. Topics such as budgeting, saving, investment, debt management, and retirement planning should be introduced at an early stage to equip learners with lifelong financial management skills for a better quality of life at retirement and old age.

Keywords: *Impact, Early financial literacy, Preparedness, Quality of life, Retirement, Old age*

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Background to the Study

In an era marked by demographic transition and increasing life expectancy, securing financial well-being in later life has become a paramount challenge worldwide. As many pension systems shift from defined-benefit to defined-contribution arrangements, individuals assume greater responsibility for managing their retirement resources. Buttressing, Edino and Ameh, (2021) rightly assert for quite some decades, Nigerian pensioners have been subjected to poverty, hunger and starvation in spite of diverse pension reforms, due to delay in processing and payment of retirement benefits. Consequently, early financial literacy, understood as the ability to access, understand, and effectively use financial information, has emerged as a critical factor influencing retirement preparedness and, ultimately, quality of life in old age.

Empirical scholarship consistently links financial literacy to retirement planning, wealth accumulation, and improved retirement outcomes. For example, Lusardi and Mitchell (2011) find that individuals with greater financial literacy are significantly more likely to plan for retirement and accumulate assets. Their review of global evidence shows that financially know-how individuals adopt better saving, investment, and debt management behaviours, which foster more stable financial security in later life (Lusardi & Mitchell, 2014; see also Lusardi & Mitchell, 2011). Moreover, a large-scale financial education intervention demonstrated causal improvements in retirement saving and asset allocation decisions e.g. effect on portfolio choices (Eraj, et al, 2021). Importantly, studies suggest that early life acquisition of financial knowledge has enduring effects. In a study leveraging retrospective educational data, individuals who reported learning financial concepts before entering the labour force were more likely to engage in retirement planning decades later. Likewise, there is evidence that higher financial literacy supports better decision-making among older adults: in a community sample, greater financial literacy was associated with improved financial and health decisions after accounting for cognitive function (Boyle et al., 2012). Moreover, financial and health literacy tend to decline with age, exposing older adults to heightened risk of errors in retirement decisions (Mitchell et al., 2025).

Despite such evidence, significant knowledge gaps remain. First, relatively little is known about how early financial education (e.g., in school or via family) shapes retirement outcomes and quality of life decades later. Second, many studies focus on developed countries, limiting generalizability to lower- and middle-income contexts. Third, the pathways linking early literacy to well-being in old age through savings behaviours, investment choices, risk management, and psychological security require further unpacking. The central argument is that individuals who acquire financial literacy early in life are more likely to develop prudent financial management practices, such as budgeting, saving, debt control, and long-term investment. These practices cumulatively enhance their retirement readiness and ensure a more stable and fulfilling quality of life in old age. Conversely, inadequate financial knowledge often results in poor financial decisions, insufficient savings, and overreliance on social welfare systems (pension schemes), leading to financial insecurity and reduced well-being during retirement.

This study therefore investigates the impact of early financial literacy on retirement preparedness and quality of life in old age, using mixed methods in a representative population. The study aims to: (1) assess levels of early financial education and their relationship to retirement readiness; (2) examine how early financial literacy influences wealth accumulation, retirement decision-making, and psychosocial outcomes; and (3) explore heterogeneity by gender, socioeconomic status, and educational background. Ultimately, the project will offer empirical evidence to guide policy, educational curricula, and financial inclusion strategies that promote long-term welfare across lifespans.

Problem Statement

Despite the growing recognition of financial literacy as a critical determinant of financial well-being, a significant proportion of individuals across the world, especially in developing economies remain financially illiterate, leading to poor financial decisions, inadequate savings, and unpreparedness for retirement. The consequences of this deficiency become more pronounced in old age when income sources diminish, and individuals must depend on accumulated savings, pensions, or family support to sustain their livelihood (Lusardi & Mitchell, 2014). Limited financial knowledge acquired in early life often translates into insufficient retirement planning, overreliance on government welfare schemes, and increased vulnerability to poverty among the elderly (OECD, 2020).

In many contexts, including Nigeria and other developing nations, financial literacy is not systematically embedded in school curricula or community education programmes. As a result, young people transit into adulthood with minimal understanding of budgeting, saving, investment, and long-term financial planning (Atkinson & Messy, 2012). Consequently, without early exposure to sound financial principles, individuals are less likely to adopt behaviours that support financial independence and security in old age. Moreover, the growing complexity of financial markets, digital banking, and pension systems demands a higher level of financial competence than ever before. Those lacking early financial education are disproportionately disadvantaged in navigating these systems, leading to poor retirement outcomes and reduced quality of life (Klapper, Lusardi, & van Oudheusden, 2015).

Furthermore, the socio-economic implications of widespread financial illiteracy are profound. Poor retirement preparedness contributes to increased dependency ratios, pressures on social welfare programmes, and reduced national productivity. Financially unprepared retirees often experience psychological distress, diminished social participation, and compromised health outcomes, further deteriorating their quality of life (OECD, 2020). Addressing these issues requires a proactive approach, emphasizing financial education from an early age as a preventive measure rather than a remedial strategy. Therefore, this study is justified on the grounds that it seeks to provide empirical evidence on how early financial literacy influences retirement preparedness and quality of life in old age. By identifying the pathways through which financial education shapes long-term financial behaviours, the research will contribute to the design of policies, educational interventions, and institutional programmes that promote financial resilience across the lifespan. The findings will be vital for individuals, governments, educators, financial institutions, and policymakers committed to fostering sustainable financial well-being and reducing old-age poverty.

Objective of the Study

The main objective of the study is to examine the impact of early financial literacy on retirement preparedness and quality of life in old age. The specific Objectives are:

1. To assess the level of early financial literacy among individuals and its influence on their saving, investment, and spending behaviours.
2. To analyse the relationship between early financial literacy and retirement preparedness, including financial planning and asset accumulation.
3. To evaluate the effect of early financial literacy on the quality of life and overall well-being of individuals in old age.
4. To identify the socio-economic and demographic factors (such as gender, education, and income) that moderate the relationship between early financial literacy and retirement outcomes.

Literature Review

literacy typically denotes knowledge, skills, attitudes, and behaviours that enable individuals to make informed financial decisions (OECD, 2020). Modern measures combine objective knowledge such as expertise, interest compounding with behaviour and attitudes to create composite scores of financial capability and well-being (OECD/INFE, 2020). Policymakers emphasize financial literacy because many pension systems now shift risk to individuals, increasing the need for household-level competence in saving, investment, and retirement planning (OECD, 2022).

A robust body of work links higher financial literacy to greater likelihood of retirement planning and higher asset accumulation. Lusardi and Mitchell's influential analyses find that people with greater financial knowledge are significantly more likely to plan for retirement and to participate in financial markets, leading to better prepared retirements (Lusardi & Mitchell, 2011; 2014). Cross-national surveys further report that low literacy is widespread, especially among women and low-income groups and correlates with weaker retirement outcomes (Klapper, Lusardi, & van Oudheusden, 2015). Recent empirical work suggests that financial education delivered during adolescence or early adulthood can produce durable improvements in long-term financial behaviour. Quasi-experimental and longitudinal studies report larger effects on “hard-to-learn” long-term behaviors (retirement saving, investment choices) than on short-term behaviors, indicating that formal schooling in finance can alter lifetime trajectories (Wagner & Walstad, 2016; World Bank summary of long-run effects). However, effect sizes vary by programme design, delivery mode, and context; some interventions produce modest short-run gains that strengthen over time (Wagner & Walstad, 2015; World Bank, 2022).

Recent empirical work suggests that financial education delivered during adolescence or early adulthood can produce durable improvements in long-term financial behaviour. Quasi-experimental and longitudinal studies report larger effects on “hard-to-learn” long-term behaviors (retirement saving, investment choices) than on short-term behaviors, indicating that formal schooling in finance can alter lifetime trajectories (Wagner & Walstad, 2016; World Bank summary of long-run effects). However, effect sizes vary by programme design,

delivery mode, and context; some interventions produce modest short-run gains that strengthen over time (Wagner & Walstad, 2015; World Bank, 2022). Financial literacy also affects non-financial dimensions of aging. Studies show associations between financial literacy and better decision-making in older adults even after adjusting for cognition, and link inadequate literacy to greater vulnerability to fraud, stress, and poorer health outcomes in later life (Boyle et al., 2012; Fong et al., 2021). Recent reports highlight declines in both financial and health literacy among older cohorts and raise concerns about elder financial abuse in a digitizing economy, underscoring the protective value of earlier literacy investments.

Despite consistent evidence that financial literacy matters for retirement, three gaps persist: (1) limited longitudinal studies that directly link early (school-age) financial education to objective retirement outcomes decades later in diverse settings; (2) insufficient understanding of mechanisms such as habit formation, risk literacy, access to formal saving instruments, that transmit early learning into later life behaviour; and (3) dearth of research in lower- and middle-income countries where informal labour markets and limited pension coverage may alter effects. The proposed mixed-methods study aims to fill these gaps by measuring retrospective early-life exposure, current financial capability, objective retirement preparedness indicators, and subjective quality-of-life outcomes across socio-demographic groups.

Methodology

This study adopts a descriptive survey research design to examine The Impact of Early Financial Literacy on Retirement Preparedness and Quality of Life in Old Age among members of the University of Calabar community. The design is appropriate because it allows for the collection of quantitative data that reflects participants' knowledge, attitudes, and behaviours regarding financial literacy and retirement planning.

Description of the Study Area/Site/Subjects

The study is conducted across selected four federal universities in North-Central Nigeria, namely, Federal University Lokoja, Kogi State, Federal University Lafia, Nasarawa State, University of Agriculture, Makurdi, Benue State and University of Jos, Plateau State. The study population consists of both teaching and non-teaching staff of the universities aged 25 years and above. This demographic is appropriate since they represent individuals in different stages of financial decision-making and retirement planning. Using stratified random sampling technique, a sample size of 100 respondents was randomly selected from each of the four universities using the Yamane (1967) formula to ensure representativeness. Consequently, a total of 400 respondents represent the study sample.

Data Collection

Primary data were collected through a structured questionnaire designed to measure early financial literacy, retirement preparedness, and perceived quality of life in old age. The questionnaire includes both closed-ended and Likert-scale questions for quantitative analysis. It was pre-tested to ensure validity, clarity, and reliability. Data collection was carried out

through self-administered questionnaires distributed physically and electronically, ensuring adequate participation. Ethical considerations such as informed consent, confidentiality, and voluntary participation were strictly observed.

Data Analysis

Data were analysed using the Statistical Package for the Social Sciences (SPSS) version 25. Descriptive statistics such as mean, frequency, and percentage were used to summarize respondents' demographic characteristics and responses. Inferential statistics including Pearson correlation and multiple regression analysis were used to test the relationships between early financial literacy, retirement preparedness, and quality of life. Results are presented in tables and charts to enhance clarity and interpretation. This methodological framework provides a systematic approach to empirically examine how early financial literacy influences long-term financial security and well-being in old age.

Data Presentation, Analysis and Discussions

This section presents, analyse and interpret the data collected, using frequencies, corresponding percentages, and mean score. This is done to both the research questions and hypotheses formulated to direct the study.

Data Presentation and Analysis

Table 1: Distribution of Respondents by Gender

Gender	Frequency	Percent
Male	244	68.0
Female	115	32.0
Total	359	100.0

Table 1 shows the gender distribution of respondents. The male respondents are 244 (68.0%), while female respondents are 115 (32.0%). This means that majority of the respondents are male.

Table 2: Distribution of Respondents by Age Group

Age	Frequency	Percent
Below 30 years	54	15.0
30-39 years	80	22.3
40-49 years	93	25.9
50-59 years	73	20.3
60 years & above	59	16.4
Total	359	100.0

Data on Table 2 shows that 54 (15.0%) of the respondents are below 30 years old, 80 (22.3%) are of the age 30-39 years old, 93 (25.9%) are of the age 40-49, 73 (20.3%) are of the age 50-59 years old and 59 (16.4%) are of the age 60 years and above.

Table 3: Distribution of Respondents by Marital Status

Age	Frequency	Percent
Single	81	22.6
Married	188	52.4
Divorced/Separated	52	14.5
Widowed	38	10.6
Total	359	100.0

Data on Table 3 shows that 81 (22.6%) of the respondents are single, 188 (52.4%) are married, 52 (14.5%) are divorced/separated, 38 (10.6%) are widowed.

Table 4: Distribution of respondents by educational qualifications

Educational qualifications	Frequency	Percent
Diploma/NCE	45	12.5
Bachelor's Degree	102	28.4
Master's Degree	94	26.2
PhD	80	22.3
Others	38	10.6
Total	359	100.0

Data on Table 4 shows the educational qualifications of respondents and it reveals that 45 (12.5%) of the respondents are holders of Diploma/NCE, 102 (28.4%) of the respondents are holders of Bachelor's Degree, 94 (26.2%) are holders of Master's Degree, 80 (22.3%) are holders of PhD and 38 (10.6%) are holders of other certifications.

Table 5: Distribution of Respondents by Category of Staff

Category of staff	Frequency	Percent
Academic staff	203	56.5
Non-academic staff	156	43.5
Total	359	100.0

Data on Table 5 shows the category of staff the respondents belong and it reveals that 203 (56.5%) of the respondents are academic staff, and 156 (43.5%) of the respondents are non-academic staff.

Table 6: Distribution of Respondents by Years of Service

Years of service	Frequency	Percent
Less than 5 years	52	14.5
5-10 years	91	25.3
11-20 years	98	27.3
21-30 years	71	19.8
Above 30 years	47	13.1
Total	359	100.0

Data on Table 6 shows that 52 (14.5%) of the respondents have less than 5 years of working experience, 91 (25.3%) of the respondents have 5-10 years of experience, 98 (27.3%) of the respondents have 11-20 years of experience, 71 (19.8%) of the respondents have 21-30 years of experience and 47 (13.1%) of the respondents have above 30 years of working experience.

Table 7: Distribution of Respondents by monthly Income Range

Monthly income range (₦)	Frequency	Percent
Below 100,000	50	13.9
100,000-300,000	110	30.6
300,001-500,000	87	24.2
500,001-800,000	69	19.2
Above 800,000	43	12.0
Total	359	100.0

Data on Table 7 shows that 50 (13.9%) of the respondents earn less than N100,000, 110 (30.6%) of the respondents earn 100,001-300,000, 87 (24.2%) of the respondents earn between 300,001-500,000, 69 (19.2%) of the respondents earn between 500,001-800,000, and 43 (12.0%) of the respondents earn above 800,000.

Table 8: Distribution of Respondents by Institution

Institution	Frequency	Percent
University of Agriculture, Makurdi	87	24.2
Federal University Lafia	94	26.2
University of Jos	98	27.3
Federal University Lokoja	80	22.3
Total	359	100.0

Data on Table 8 shows that 87 (24.2%) of the respondents are from the University of Agriculture, Makurdi, 94 (26.2%) of the respondents are from the Federal University Lafia, 98 (27.3%) of the respondents are from the University of Jos and 80 (22.3%) of the respondents are from the Federal University Lokoja.

Findings of Research Questions 1: To what extent does early financial literacy among individuals, relate to their saving, investment, and spending behaviours?

Table 9.

Items	SA	A	N	D	SD	MEAN	SD	REMARK
I was taught basic financial concepts (saving, budgeting) during my early education.	79 (22.0%)	141 (39.3%)	56 (15.6%)	47 (13.1%)	36 (10.0%)	3.50	1.25	Agreed
My family/guardians taught me how to manage money while growing up.	83 (23.1%)	149 (41.5%)	54 (15%)	44 (12.3%)	29 (8.1%)	3.59	1.20	Agreed
I learned about investment and savings at a young age.	0 (0.0%)	207 (57.7%)	68 (18.9%)	52 (14.5%)	32 (8.9%)	3.25	1.01	Agreed
I had access to financial education programmes in school or community.	87 (24.2%)	137 (38.2%)	55 (15.3%)	43 (12%)	37 (10.3%)	3.54	1.26	Agreed

Keys: Strongly Agree (SA), Agree (A), Neutral (N), Disagree (D), Strongly Disagree (SD)

Out of the 359 respondents, 79 (22.0%) strongly agreed and 141 (39.3%) agreed that they were taught basic financial concepts (saving, budgeting) during their early education. However, 56 (15.6%) were neutral, 47 (13.1%) disagreed and 36 (10.0%) strongly disagreed. The mean score of 3.50 indicates a general agreement among respondents that they were taught basic financial concepts (saving, budgeting) during their early education. A total of 83 (23.1%) respondents strongly agreed, while 149 (41.5%) of the respondents agreed that family/guardians taught them how to manage money while growing up. 54 (15.0%) were neutral while 44 (12.3%) disagreed and 29 (8.1%) strongly disagreed. The mean score of 3.59 further affirms that family/guardians taught them how to manage money while growing up. In the same vein, 0 (0%) of the respondents strongly agreed and 207 (57.7%) agreed that they learned about investment and savings at a young age. 68 (14.4%) were indifferent, while 52 (14.5%) disagreed and 32 (8.9%) strongly disagreed. The mean score of 3.25 suggests that the respondents learned about investment and savings at a young age. Furthermore, 87 (24.2%) of the respondents strongly agreed and 137 (38.2%) agreed that they had access to financial education programmes in school or community. While 55 (15.3%) were neutral, 43 (12%) of the respondents disagreed and 37 (10.3%) strongly disagreed. The highest mean score of 3.54 suggests that the respondents had access to financial education programmes in school or community.

Findings of Research Questions 2: To what extent does early financial literacy relate to retirement preparedness, particularly in terms of financial planning and assets accumulation?

Table 10.

Items	SA	A	N	D	SD	MEAN	SD	REMARK
I regularly save part of my income.	91 (25.3%)	147 (40.9%)	48 (13.4%)	38 (10.6%)	35 (9.7%)	3.62	1.24	Agreed
I maintain a personal or household budget.	85 (23.7%)	148 (41.2%)	53 (14.8%)	41 (11.4%)	32 (8.9%)	3.59	1.22	Agreed
I invest in long-term financial assets (e.g., land, stocks, businesses).	76 (21.2%)	117 (32.6%)	63 (17.5%)	72 (20.1%)	31 (8.6%)	3.38	1.26	Agreed
I avoid unnecessary or impulsive spending.	84 (23.4%)	153 (42.6%)	54 (15%)	37 (10.3%)	31 (8.6%)	3.62	1.20	Agreed
My financial behaviour reflects knowledge gained earlier in life.	92 (25.6%)	137 (38.2%)	54 (15.0%)	43 (12.0%)	33 (9.2%)	3.59	1.25	Agreed

Keys: Strongly Agree (SA), Agree (A), Neutral (N), Disagree (D), Strongly Disagree (SD)

Out of the 359 respondents, 91 (25.3%) strongly agreed and 147 (40.9%) agreed that they regularly save part of their income. However, 48 (13.4%) were neutral, 38 (10.6%) disagreed and 35 (9.7%) strongly disagreed. The mean score of 3.62 indicates a general agreement among respondents that they regularly save part of their income. A total of 85 (23.7%) respondents strongly agreed, while 148 (41.2%) of the respondents agreed that they maintain a personal or household budget. 53 (14.8%) were neutral while 41 (11.4%) disagreed and 32 (8.9%) strongly disagreed. The mean score of 3.59 further affirms that they maintain a personal or household budget. In the same vein, 76 (21.2%) of the respondents strongly agreed and 117 (32.6%) agreed that they invest in long-term financial assets (e.g., land, stocks, businesses). 63 (17.5%) were indifferent, while 72 (20.1%) disagreed and 31 (8.6%) strongly disagreed. The mean score of 3.38 suggests that the respondents invest in long-term financial assets (e.g., land, stocks, and businesses). Furthermore, 84 (23.4%) of the respondents strongly agreed and 153 (42.6%) agreed that they avoided unnecessary or impulsive spending. While 54 (15.0%) were neutral, 37 (10.3%) of the respondents disagreed and 31 (8.6%) strongly disagreed. The mean score of 3.62 suggests that the respondents avoided unnecessary or impulsive spending. Similarly, 92 (25.6%) of the respondents strongly agreed and 137 (38.2%) agreed that their financial behaviour reflects knowledge gained earlier in life. While 54 (15.0%) were neutral, 43 (12.0%) of the respondents disagreed and 33 (9.2%) strongly disagreed. The mean score of 3.59 suggests that the respondents' financial behaviour reflects knowledge gained earlier in life.

Findings of Research Questions 3: To what extent does early financial literacy relate to the quality of life and overall well-being of individuals in old age?

Table 11.

Items	SA	A	N	D	SD	MEAN	SD	REMARK
I have a clear retirement plan.	92 (25.6%)	129 (35.9%)	59 (16.4%)	47 (13.1%)	32 (8.9%)	3.56	1.25	Agreed
I actively contribute to a pension scheme.	103 (28.7%)	142 (39.6%)	49 (13.6%)	37 (10.3%)	28 (7.8%)	3.71	1.21	Agreed
I have additional savings outside my pension for retirement.	232 (64.6%)	86 (24%)	41 (11.4%)			2.53	0.69	Agreed
I feel financially prepared for retirement.	84 (23.4%)	128 (35.7%)	53 (14.8%)	61 (17.0%)	33 (9.2%)	3.47	1.27	Agreed
I am confident in my ability to sustain myself after retirement.	78 (21.7%)	133 (37.0%)	59 (16.4%)	53 (16.4%)	36 (10.0%)	3.46	1.26	Agreed

Keys: Strongly Agree (SA), Agree (A), Neutral (N), Disagree (D), Strongly Disagree (SD)

Out of the 359 respondents, 92 (25.6%) strongly agreed and 129 (35.9%) agreed that they have a clear retirement plan. Whereas, 59 (16.4%) were neutral, 47 (13.1%) disagreed and 32 (8.9%) strongly disagreed. The mean score of 3.56 indicates a general agreement among respondents that they have a clear retirement plan. A total of 103 (28.7%) respondents strongly agreed, while 142 (39.6%) of the respondents agreed that they actively contribute to a pension scheme. 49 (13.6%) were neutral while 37 (10.3%) disagreed and 28 (7.8%) strongly disagreed. The mean score of 3.71 further affirms that respondents agreed that they actively contribute to a pension scheme. Similarly, 234 (64.6%) of the respondents were of the opinion that have additional savings outside their pension for retirement. 86 (24%) disagreed and 41 (11.4%) were not sure of having additional savings outside their pension for retirement. Furthermore, 84 (23.4%) of the respondents strongly agreed and 128 (35.7%) agreed that they feel financially prepared for retirement. While 53 (14.8%) were neutral, 61 (17.0%) of the respondents disagreed and 33 (9.2%) strongly disagreed. The mean score of 3.47 suggests that the respondents feel financially prepared for retirement. Similarly, 78 (21.7%) of the respondents strongly agreed and 133 (37%) agreed that they are confident in their ability to sustain themselves after retirement. 59 (16.4%) of the respondents were neutral while 53 (16.4%) disagreed and 36 (10.0%) strongly disagreed. The mean score of 3.46 suggests that the respondents are confident in their ability to sustain themselves after retirement.

Test of Hypotheses

Hypothesis One

H₀₁: Early financial literacy does not significantly relate to individuals' saving, investment and spending behaviours.

Table 12: Regression analysis of early financial literacy and individuals' saving, investment and spending behaviour

Model	R	R ²	Adjusted R ²	Std. Error	F-value	Sig. (p - value)	Decision
1	.912 ^a	.832	.831	2.253	1772.07	.001	Reject H ₀₁

The regression coefficient R = .912 shows a very strong positive relationship between early financial literacy and individuals' saving, investment and spending behaviour. The R² value

.832 indicates that early financial literacy explains 83.2% of the variance in individuals' saving, investment and spending behaviour. Since the p-value .001 is less than .05, the null hypothesis is rejected. This means that early financial literacy significantly predicts individuals' saving, investment and spending behaviours.

Hypothesis Two

H₀₂: There is no significant relationship between early financial literacy and retirement preparedness, including financial planning and asset accumulation.

Table 13: Regression analysis of early financial literacy and retirement preparedness, including financial planning and asset accumulation

Model	R	R ²	Adjusted R ²	Std. Error	F-value	Sig. (p - value)	Decision
1	.914 ^a	.835	.854	2.028	1810.50	.001	Reject H ₀₂

The regression coefficient R = .914 shows a very strong positive relationship between early financial literacy and retirement preparedness, including financial planning and asset accumulation. The R² value .835 indicates that early financial literacy explains 83.5% of the variance in retirement preparedness, including financial planning and asset accumulation. Since the p-value .001 is less than .05, the null hypothesis is rejected. This means that early financial literacy significantly predicts retirement preparedness, including financial planning and asset accumulation.

Hypothesis Three

H₀₃: Early financial literacy does not significantly relate to quality of life and overall well-being of individuals in old age.

Table 14: Regression analysis of early financial literacy and quality of life and overall well-being of individuals in old age

Model	R	R ²	Adjusted R ²	Std. Error	F-value	Sig. (p - value)	Decision
1	.913 ^a	.834	.833	2.267	1790.32	.001	Reject H ₀₃

The regression coefficient R = .913 shows a very strong positive relationship between early financial literacy and quality of life and overall well-being of individuals in old age. The R² value .834 indicates that early financial literacy explains 83.4% of the variance in quality of life and overall well-being of individuals in old age. Since the p-value .001 is less than .05, the null hypothesis is rejected. This means that early financial literacy significantly predicts quality of life and overall well-being of individuals in old age.

Discussion of Findings

The results of research question one indicated that early financial literacy has a strong relationship with individuals' savings, investment, and spending habits. A majority of the

respondents agreed that they were exposed to simple financial ideas such as saving and budgeting during their early education, while several of the respondents also agreed getting financial guideline from parents or guardians. This shows that both formal education and family influence are instrumental in shaping peoples understanding of financial management from an early stage of life.

With reference to research question two, the findings suggested that early financial literacy is strongly associated with retirement preparedness, financial planning and asset accumulation for a better quality of life at retirement and old age. This is evident in responses of most respondents that they regularly save part of their income, maintain personal or household budgets, invest in long-term assets and avoid unplanned expenditure. This is evident in the mean scores ranging from 3.38 to 3.62 indicating a high level of agreement among respondents regarding positive financial practices. In addition, the majority of the respondents agreed that their current financial habits are a function of early financial education received during childhood and adolescence, which impact on long-term financial discipline and retirement planning.

From the analysis of research question three, it has been observed that early financial literacy contributes immensely to the quality of life and overall well-being of individuals at retirement and old age. The mean scores, mainly the highest score of 3.71 for pension contributions, implies a resilient commitment to retirement safety among respondents. The results of the hypothesis testing further strengthened the descriptive findings of the study. The regression analysis discovered very strong positive relationships between early financial literacy and the three outcome variables investigated. Precisely, early financial knowledge explained 83.2% of the variance in saving, investment, and spending behaviours ($R^2 = .832$), 83.5% of the variance in retirement preparation and asset buildup ($R^2 = .835$), and 83.4% of the variance in quality of life and well-being in old age ($R^2 = .834$). Since all p-values (.001) were less than the 0.05 significance level, the three null hypotheses were rejected. These findings validate that early financial literacy is a significant predictor of positive financial behaviours, effective retirement planning, and improved well-being in later life, stressing the importance of integrating financial education into early learning and family orientation processes.

Conclusion

The study concludes that early financial education has a significant and positive influence on individuals' financial habits, retirement preparation, and quality of life in old age. The findings discovered that respondents who had financial education during their early years, whether through schools, families, or community programmes, were more likely to develop positive financial habits such as regular saving, budgeting, careful spending, and long-term investment. These behaviours contributed to better financial planning and greater asset buildup, which are vital for retirement safety. The study also found that financially literate individuals were more likely to participate in pension schemes, maintain additional retirement savings, and feel confident about their financial future after retirement. Also, the regression analysis confirmed that early financial literacy is a strong predictor of financial well-being, explaining over 83% of the variation in the key variables examined. Therefore,

promoting financial literacy from an early age is crucial for fostering financial independence, retirement readiness, and improved well-being throughout the life course.

Recommendations

- 1. Integrate Financial Literacy into School Curricula:** Government and educational authorities should incorporate financial literacy as a compulsory component of primary and secondary school curricula. Topics such as budgeting, saving, investment, debt management, and retirement planning should be introduced at an early stage to equip learners with lifelong financial management skills.
- 2. Strengthen Family-Based Financial Education:** Parents and guardians should be encouraged to actively teach children basic financial management practices. Since the study found that family influence significantly contributed to financial literacy development, programmes that educate parents on effective financial mentoring should be promoted by schools, community organizations, and financial institutions.
- 3. Expand Community and Workplace Financial Education Programmes:** Government agencies, employers, non-governmental organizations, and financial institutions should organize regular financial literacy workshops, seminars, and awareness campaigns. These programmes should focus on practical financial skills such as saving, budgeting, investment planning, and retirement preparation to reinforce financial knowledge acquired earlier in life.
- 4. Promote Early Retirement Planning and Investment Culture:** Financial institutions and policymakers should develop initiatives that encourage individuals to begin retirement planning and long-term investment at a young age. Incentives such as financial advisory services, investment education programmes, and attractive savings schemes can motivate individuals to accumulate assets and prepare adequately for retirement.
- 5. Formulate and Implement National Financial Literacy Policies:** The government should establish comprehensive national financial literacy policies that target different age groups and socio-economic categories. Such policies should ensure widespread access to financial education, promote financial inclusion, and encourage responsible financial behaviour, thereby enhancing retirement security and improving the quality of life of citizens in old age.

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