

RESEARCH ARTICLE

# A Light Purse Is a Heavy Curse: A Systematic Review

Suzie Adee and Evan Lau  
Universiti Malaysia Sarawak, Malaysia  
lphevan@unimas.my

The high level and rising cost in living standard conditions are affecting the individual's and household's savings behavior vividly in their day to day life. The general concern arises when individuals fail to address their retirement planning, problem that might affect the next generation. The need to boost financial knowledge and nurture savings behavior are essential to financial planning for retirement well-being. This current research establishes the understanding of how financial literacy influences savings habits for retirement well-being. Systematic review analysis was conducted, traced and implemented on academic databases from the period of 2006 to 2021. A total of 280 papers were identified while after exclusion protocol, 53 papers were included in the analysis and narrative synthesis was performed by the authors to consolidate the findings of the diverse studies. Findings reveal that financial literacy and savings behaviour are associated with retirement well-being, especially among working adults. In addition, family size, age, education, and geographical area were common components for both financial literacy and savings behavior literature. For retirement schemes, the contribution rates benefit package and government subsidies influenced the contributions from the individual. Moving forward, this research offers thoughts for interdisciplinary dimension as a provision for more resilience, equitable and sustainable need for retirement well-being research direction and development stream.

**Keywords:** Financial Literacy, Savings, Habit, Retirement, Well-being, Systematic Review

**JEL classification:** D1, G5

The standard of living and quality of life are often referred as the economic and social well-being of countries and their residents, and that they are the ones whom control the quality of life they want and receive. Parts of the characteristics that pertain to the quality of life include education, health care, and others that are related to a person's happiness and satisfaction. As the standard of living rises, salaries strive to catch up. In light of this, saving money is salient as one cannot predict the future. Savings also secures and safeguards

oneself from emergencies (e.g., out-of-pocket medical expenses, and sudden loss of income) and is also a means for retirement when one no longer has a job.

From a wider perspective, savings play an important role in maintaining economic growth; if the society saves too little, this will create insufficient funds available for the country to invest in social or physical infrastructures. In most countries, savings are reckoned as the pillar to several sectors of their economies. The rise in lifespan and longevity has also instigated