

Abstract

Financial literacy enables individuals to plan for job exit and retirement, make proper choices on pension products and contribute effectively in management of their pension schemes. The objective of this study was to determine the influence of investment diversification knowledge on job exit preparedness of employees in hospitals in Nakuru town, Kenya. The study was anchored on the Prospect Theory. The study adopted descriptive survey. The target population included employees in 15 hospitals in Nakuru town which have a total of 2221 employees. A sample of 96 respondents was selected as the respondents. Questionnaires were used for data collection. Questionnaires were tested for validity and reliability. Data was analyzed using descriptive statistics and inferential statistics and presented in tables accompanied by relevant discussions. The researcher established that investment diversification knowledge had a significant relationship with job exit preparedness. In this regard, the study concluded that investment diversification knowledge had a crucial role in determining job exit preparedness of employees in hospitals in Nakuru Town. The study recommended that in regard to investment diversification knowledge, the employers and stakeholders should educate their employees on the best investments available to enable them diversify their investments hence diversifying their income streams.