

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 retirement scheme 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 retirement scheme knowledge had a significant relation with job exit preparedness. In this regard, the study concluded that retirement scheme knowledge had a crucial role in determining job exit preparedness of employees in hospitals in Nakuru Town. The study recommended that in regard to retirement scheme knowledge the employers should ensure that financial literacy programs and workshops be offered and conducted with comprehensive information on savings and more specifically on retirement be emphasized.