

## **Impact of Financial Literacy on Financial Well-Being: An Evidence from Select Business School Faculties**

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The study is aimed to investigate the impact of financial literacy on financial well-being among the business school faculties. Both financial literacy and financial well-being are operationalized as multi-dimensional constructs, and the stimulus, organism and response (S-O-R) framework has been adopted to undertake the study. In addition, the study also attempted to investigate the mediating role of financial self-efficacy between financial literacy and financial well-being. The study adopted a survey questionnaire method to collect data from 203 business school faculty members through the simple random sampling (SRS) technique. Confirmatory factor analysis was adopted for measurement development and structural equation modeling was used for hypotheses testing. Mediation was tested using percentile bootstrap with a 95% confidence interval. The study found a significantly positive impact of financial literacy as well as its dimensions on self-efficacy and financial well-being. It was also found that self-efficacy partially mediates the effect of financial literacy on financial well-being. Measurement of constructs was done on subjective measures, and the study is limited to business school faculty only. The usage of both the subjective and objective measures could help future researchers to broaden the scope of the theme and may help to draw more meaningful conclusions. The present research findings could be employed to develop financial education programs to help business school faculties in imparting the knowledge and skills to manage their personal finances in terms of savings and retirement planning and thus improve their overall financial well-being. Since the study was focused on the business school faculties of the Jammu and Kashmir region, who are less exposed to the financial literacy programs due to factors like frequent lockdown and internet shutdowns. Moreover, it is generally witnessed that salaried class people in J&K pay less attention to long-term financial planning for retirement which makes the present study more relevant. Therefore, this study will prove beneficial to all the employees especially the business school faculties, to understand the importance of financial literacy and its impact on their financial well-being.

**Keywords:** *Financial Awareness, Financial Knowledge, Financial Literacy, Financial Self-Efficacy, Financial Skill, Financial Well-Being*