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Financial Management Practices and Financial Satisfaction among University Faculties in Nepal

Rajesh Kumar Chaulagain[1]
Bhim Kumar Thapa[2]
Tulshi Prasad Bhusal[3]

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Abstract

Purpose: *This study primarily examines the influence of financial management practices on financial satisfaction among the university teachers in context of Nepal. Additionally, it also explores the joint mediating role of financial knowledge and financial attitude in the relationship between financial management practices and financial satisfaction.*

Methods: *The research employed a cross-sectional, quantitative approach, gathering data through structured questionnaires distributed across various ranks within the university teachers. This study used a research methodology that combines descriptive and causal-relationship research designs. The sample consisted of 369 respondents selected through purposive sampling. The hypothesized relationships of the study were tested using the covariance-based Structural Equation Modeling technique.*

Results: *The study explores path from money management, Insurance planning, investment planning, saving practice, and debt management are statistically significant and positive impact on financial satisfaction. The study also recorded that the retirement planning not statistically significant with financial satisfaction. In mediating analysis, the study identified that the financial attitude partially mediates the relationship between the insurance planning, investment planning and saving practices with financial satisfaction. Furthermore, financial knowledge also partially mediates the relationship between the investment planning, saving practices and debt management with financial satisfaction.*

Conclusion: *The study Demonstrates that university teachers are conscious of money management, insurance planning, investment planning, saving practice, and dent management in relation to financial satisfaction, expect for retirement planning. There is also no mediating effect of financial knowledge and attitude between retirement planning and financial satisfaction.*

Keywords: Financial management, knowledge, attitude, satisfaction, university faculties.

[1] Rajesh Kumar Chaulagain is a Faculty Member at Shanker Dev Campus, FOM, TU, Email: rajesh.chaulagain@sdc.tu.edu.np, https://orcid.org/0009-0005-5493-1809

[2] Bhim Kumar Thapa is an Asst. Professor at Public Youth Campus, FOM, TU bhim.thapa@pyc.tu.edu.np, https://orcid.org/0009-0001-6982-0483

3 Tulshi Prasad Bhusal is an Asst. Prof. of Accountancy at Lumbini Banijya Campus, Butwal, Rupandehi, he can be reached at bhusaltulshi@gmail.com

I. Introduction

Personal financial management is the strategic process of managing various aspects of personal finances, such as cash flow, credit, investments, insurance, retirement, and estate planning, to achieve financial success (Grable, et al., 2009). In essence, it refers to the systematic approach of organizing, managing, and optimizing financial resources to ensure financial stability and security. Altfest (2004) argued personal financial management is an emerging and developing area of research. It should receive the same level of academic financial recognition as investment and corporate finance. Personal financial management is a relatively new and expanding discipline (Lai & Tan, 2009). Over the past of few years, individual financial management practices have received significant attention of a wide range of groups, like government agencies, community groups, colleges and universities (Mien & Thao, 2015). Effective financial management behavior leads to better economic outcomes, reduces financial stress, enhances financial stability, and ultimately improves overall quality of life and well-being. According to Ali et al. (2020), financial satisfaction refers to an individual's sense of fulfillment regarding their current financial circumstances

Dowling et al. (2009) highlighted that sound financial decision-making encourages personal growth, positive saving habits, and planning for potential financial challenges. Katona (1974) defined saving as allocating income for future use, building lasting wealth, and reducing financial worries, thereby enhancing subjective and social well-being while addressing future financial challenges.

Individual financial planning as a systematic process of effectively managing one's financial resources to attain personal economic satisfaction (Kapoor et al., 2004). Financial management practices and satisfactions are interlaced each other. Deacon and Firebaugh (1981) explained satisfaction can be realized by the fulfillment of requirements, the presence of family resources, and the effective utilization of managerial competencies to address these needs. In the research conducted by Ali, et al., (2015), findings derived from partial least squares analyses indicate that financial satisfaction is significantly influenced by financial planning, while basic money management does not have a direct impact on satisfaction. Furthermore, the study reveals that financial literacy and one's attitude toward money were identified as significant factors that precede and contribute to financial planning.

II. Reviews

Theoretical Review

The Life-Cycle Hypothesis posits that individuals adjust savings and investments based on income and life stages to ensure stable living standards (Modigliani & Brumberg, 1954). Savings typically occur during working years and are spent in retirement. Financial knowledge is pivotal for planning long-term goals and making informed investment decisions. Theory of Planned Behavior explained that satisfaction is an outcome of behavior, which originates from the intention to either perform or avoid a specific behavior (Ajzen, 1991). Intention is driven by two key attitudes based on beliefs about the behavior and influenced by subjective norms. Mustikasari (2007) noted that these beliefs relate to an individual's awareness of their actions. When individuals act on their intentions and achieve their goals, they feel satisfied with the outcomes.

Kahneman and Tversky (1979) examines risk and uncertainty in Prospect theory, challenging Neumann and Morgenstern (1944) expected utility theory. It highlights risk aversion in gains and risk-seeking in losses, influenced by concepts like the certainty effect, framing effect, loss aversion, and mental accounting. This theory underscores context-dependent risk behavior. Xiao and Noring (1994) found that reported savings motivations varied by household characteristics, with these motivations often reflecting multiple hierarchical needs, consistent with Maslow's framework. Lee and Hanna (2015)

analyzed data from the Survey of Consumer Finances and found that participants' reasons for saving aligned with Maslow's hierarchy. Some participants saved for daily expenses, corresponding to physiological needs, while others saved for emergencies, relating to safety needs. Most participants reported saving for safety/security and love/family needs, though responses represented all five basic needs (Lee & Hanna, 2015). Becker (1964) introduced the concept of human capital theory, examining various aspects such as its role in economic development, its impact on earnings, and its influence on the distribution of income

Empirical Review

Empirical research conducted at various times by Jeries and Allen (1986), Davis and Schumm (1987a), Porter and Garman (1993), Godwin (1994), Nayebzadeh et al. (2013), Joo (2008) and Owusus (2021) provides strong evidence supporting a significant relationship between financial management practices and financial satisfaction. Nayebzadeh et al. (2013) stated that financial management is a crucial determinant of both individual and organizational success in the realm of personal life and the business world. It encompasses a comprehensive set of financial strategies and projections that equip individuals with the necessary tools to cultivate a secure and prosperous future, while simultaneously enabling organizations to thrive in highly competitive environments.

The concept of an individual's quality of life is multifaceted, encompassing diverse life domains. It includes aspects such as life satisfaction, physical and psychological well-being, as well as personal aspirations related to life goals and educational attainment, among other factors (Felce & Perry, 1995). Brdar et al. (2009) explained one of the major sources of happiness and life satisfaction as identified in literature is financial satisfaction. Life satisfaction is widely regarded as the most crucial component of overall quality of life. Consequently, people continually seek ways to enhance their living conditions in order to experience greater satisfaction in life (Parrotta & Johnson, 1998). In research studies, many factors have been discovered to have a strong connection to how satisfied people are with their lives (Kim & Chatterjee, 2019; Korankye & Kalenkoski, 2021). One of the key contributors to life satisfaction and overall quality of life is how content people are with their financial situation (Fan & Babiarz, 2019; Ng & Diener, 2014). It's typical in research to use a single measure, like being happy with your income, your current financial situation, or your quality of life, as a valuable way to measure financial satisfaction (Ali et al., 2015; Vera-Toscano et al., 2006).

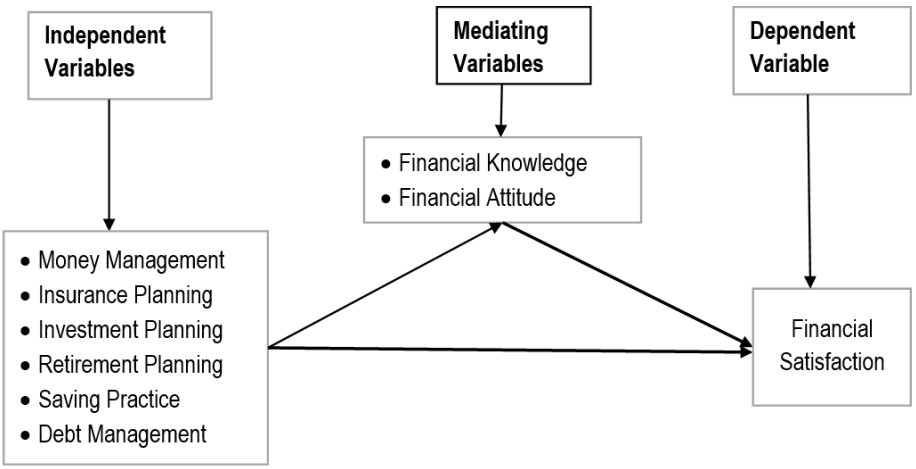
According to the research conducted by Job and Grab (2004), several factors, including education, financial knowledge, financial risk tolerance, financial solvency, financial behavior, and financial stress level, were found to directly impact an individual's level of financial satisfaction. Specifically, individuals with higher levels of financial knowledge and solvency, as well as those who practiced better financial behaviors, tended to experience greater financial satisfaction. These findings are consistent with previous research conducted by Mugenda et al. (1990), which also highlighted the positive relationships between an individual's solvency, financial behaviors, and financial satisfaction. The study indicated that financial risk tolerance and financial stress levels were inversely associated with financial satisfaction. Additionally, demographic and socioeconomic factors were found to indirectly affect financial satisfaction through mediating variables rather than through direct influence.

Conceptual Framework

Based on the detail literature review, the major elements of financial management practices that affect financial satisfaction are; money management, insurance planning, investment planning, retirement planning, saving practice and debt management. Figure 1 illustrates the schematic representation of how exogenous constructs are related to endogenous construct.

Figure 1

Conceptual Framework of the Study



Note; Cantril, 1965; Joo, 1998; Joo & Grable; 2004; Lai & Tan, 2009; Owusu, 2021; Porter & Garman, 1993)

III. Methodology

The study used descriptive research design to evaluate and analyze the research variables and their interrelationships, supported by an analytical approach to identify patterns, causal effects, and the role of mediating variables. A cross-sectional method was used to collect data at a specific point of time that facilitate analyze the relationship among variables. The population, drawn from a report by the University Grants Commission Nepal (2080), comprised 8,671 teaching faculty members in Nepali universities, excluding Lumbini Buddhist University, Agriculture and Forestry University, Mid-Western University, and Far Western University to maintain consistency of respondent. Non-probability purposive sampling was utilized, allowing deliberate selection of participants to meet research objectives (Maxwell, 1996). Cochran's formula was applied to determine the sample size for a large population (Cochran, 1977).

Primary data was collected using self-administered questionnaires with closed-ended questions adapted from Lai and Tan (2009), Hwang and Gao (2003), and others. Independent variables encompassed six financial management practices: money management, insurance planning, investment planning, retirement planning, saving practices, and debt management, with 6–8 items per construct. Mediating variables—financial knowledge and financial attitude were measured using 5 items each, while financial satisfaction (dependent variable) included 8 items. A 5-point Likert scale assessed respondents' agreement levels. Construct validity was verified using AVE (≥0.5), while discriminant validity compared correlations against AVE square roots. Reliability was evaluated with composite reliability (CR ≥0.7) and Cronbach's alpha (≥0.6), ensuring the research instrument's robustness (Engellant et al., 2016; Tentama & Anindita, 2020).

IV. Results and Discussion

Respondents Profile

After excluding the missing data, the study had only 369 valid respondents. The demographic characteristics of these respondents are detailed in Table 1

Table 1

Demography Static of Respondents

Demographic elements	Demographic status	Frequency	Percent
Gender	Male	290	78.6
	Female	79	21.4
Age in years	Below 30	26	7
	31-40	192	52
	41-50	130	35.2
	51 and above	21	5.7
Education Level	Master's Degree	214	58
	M.Phil.	129	35
	PhD and above	26	7
Marital Status	Married	331	89.7
	Unmarried	38	10.3
Designation	Teacher (Part-time and contract)	166	45
	Lecturer	176	47.7
	Associate Professor	24	6.5
	Professor	3	0.8
Income level (Monthly in NPR)	Below 50,000	112	30.4
	50,001-100,000	206	55.8
	100,001-150,000	34	9.2
	150,001-200,000	4	1.1
	Above 200,000	13	3.5
Years of Experience	5 year or less	45	12.2
	6-10 years	148	40.1
	11-15 years	90	24.4
	16-20 years	50	13.6
	Above 20 years	36	9.8
University you are associated	Tribhuvan University	297	80.5
	Purvanchal University	20	5.4
	Kathmandu University	7	1.9
	Pokhara University	20	5.4
	Others University	25	6.8

Table 1 exhibits the demographic profile of the 369 survey respondents. A majority, 78.6%, were male, while 21.4% were female, indicating a male-dominant respondent group. The largest age group was 31-40 years (52%), followed by 41-50 years (35.2%), with lower representation from other age groups. Most respondents (58%) held a master's degree, while 35% had M.Phil. and 7% possessed a Ph.D., indicating that master's qualifications were

the most common among university faculty. Marital status analysis showed that 89.7% were married, suggesting stability in personal lives among faculty members. Lecturers (47.7%) and part-time teachers (45%) constituted the majority of faculty designations, with only 6.5% as Associate Professors and 0.8% as Professors. Income data revealed that 55.8% earned Rs 50,001–Rs 100,000 monthly, while 30.4% earned below Rs 50,000, highlighting income disparities within the faculty. Most respondents (40.1%) had 6-10 years of teaching experience, followed by decreasing percentages for both lower and higher experience ranges. Tribhuvan University faculty dominated the sample, representing 80.5% of respondents, with limited participation from other institutions. These findings provide an overview of faculty demographics, qualifications, and institutional affiliations, offering insights into the academic workforce

Table 2

Descriptive Statistics of the Constructs

Constructs	Items	Item Mean	Item SD	Construct Mean	Construct SD
MMgmt	MM1	4.03	0.837	3.7	0.719
	MM2	3.7	0.849		
	MM5	3.53	0.932		
	MM6	3.53	0.887		
IPlan	IP1	3.01	1.087	3.34	0.778
	IP2	3.45	1.031		
	IP3	3.64	0.916		
	IP4	3.13	1.013		
	IP5	3.52	0.947		
	IP6	3.27	0.934		
INVP	INV1	4.25	0.736	4.08	0.591
	INV2	4.17	0.693		
	INV3	4.16	0.757		
	INV5	3.85	0.709		
	INV6	3.99	0.787		
RPlan	RP2	2.6	1.082	2.82	0.906
	RP3	2.65	1.027		
	RP4	2.84	1.072		
	RP5	3.17	1.039		

	SP1	3.49	0.976		
	SP2	3.62	1.009		
SPlan	SP3	3.75	0.86	3.66	0.775
	SP4	3.73	0.924		
	SP5	3.52	0.995		
	MD1	4.08	0.812		
	DM2	4.05	0.754		
DMgmt	DM3	3.76	0.963	3.83	0.694
	DM4	3.43	0.97		
	FK1	3.97	0.788		
	FK2	3.99	0.748		
FKn	FK3	3.72	0.825	3.93	0.645
	FK4	4.08	0.79		
	FK5	3.92	0.785		
	FA1	3.65	0.723		
	FA2	3.55	0.800		
FinA	FA3	3.88	0.786	3.68	0.643
	FA4	3.65	0.800		
	FA5	3.69	0.799		
	FS1	3.69	0.873		
	FS2	3.79	0.752		
	FS3	3.7	0.87		
FinS	FS4	3.49	0.844	3.68	0.657
	FS5	3.71	0.827		
	FS6	3.8	0.846		
	FS8	3.56	0.836		

This study aimed to assess the status of university teachers in Nepal in light of financial management practices and financial satisfaction. Overall high mean scores and a relatively low standard deviation of all variables except retirement planning implies favorable financial satisfaction levels among university teachers. Respondents demonstrated a positive perception of money management, which implies teachers are very careful about money spend, budget, and regular expenditure. The high mean score for insurance planning indicates

active participation in insurance as a tool for financial protection. Teachers prioritized long-term investment, indicating well-planned investment for higher value in the future. Saving practices received above-average scores, suggesting favorable attitudes and behaviors in regular saving habits. Debt management was positively perceived; with high mean scores, it indicates effective handling of financial obligations. Respondents displayed a strong level of financial knowledge, supporting their informed financial decision-making. Teachers also reflected that a high mean score of indicators it implies positive financial attitudes for credit payment, regular investment, financial well-being, and how to treat money.

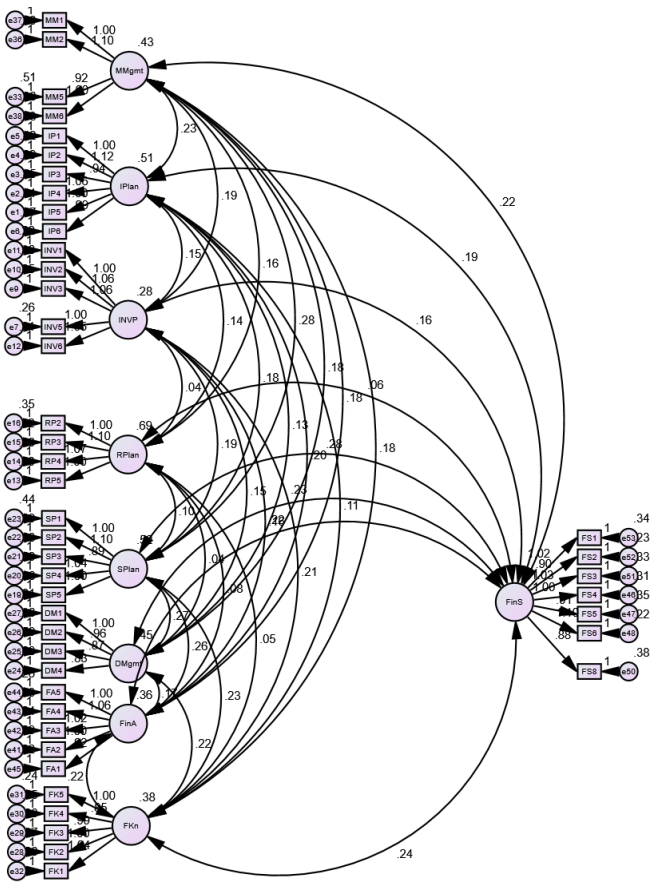
However, average poor mean score for retirement planning suggesting that a majority proportion of respondents do not consistently apply general retirement planning principles. Despite overall financial satisfaction, they rated below the average mean score to meet long term financial unexpected expenses and sometime run out of money. It implies University teachers occasionally experience cash flow issues.

Table 2 presents the level of respondents' agreement with the specified constructs and item variables. Respondents demonstrated strong satisfaction across all areas except for RPlan, which recorded a lower mean score of 2.82.

Measurement Model

Figure 2

Interrelationship and Covariation Among the Latent Constructs



The reliability of the survey scale items, particularly the Likert-type statements, was assessed using Cronbach's alpha. A threshold of 0.6 was accepted for this study, while a minimum value of 0.7, as recommended by Nunnally (1978), was deemed essential for ensuring reliability in future research

Table 2

Reliability Analysis

Constructs	Items	Factor Loading	CR	AVE	Cronbach Alpha
IPlan	IP5	0.744	0.878	0.545	0.851
	IP4	0.747			
	IP3	0.734			
	IP2	0.775			
	IP1	0.667			
	IP6	0.757			
INVP	INV5	0.725	0.864	0.561	0.931
	INV3	0.747			
	INV2	0.813			
	INV1	0.747			
	INV6	0.708			
RPlan	RP5	0.732	0.889	0.668	0.881
	RP4	0.828			
	RP3	0.888			
	RP2	0.814			
	SP5	0.73			
SPlan	SP4	0.812	0.874	0.581	0.931
	SP3	0.743			
	SP2	0.788			
	SP1	0.734			
DMgmt	DM4	0.573	0.811	0.526	0.934

	DM3	0.605			
	DM2	0.852			
	DM1	0.826			
FKn	FK2	0.835	0.88	0.597	0.886
	FK3	0.743			
	FK4	0.668			
	FK5	0.784			
	FK1	0.821			
MMgmt	MM5	0.644	0.841	0.572	0.896
	MM2	0.846			
	MM1	0.782			
	MM6	0.739			
FinA	FA2	0.745	0.881	0.597	0.921
	FA3	0.784			
	FA4	0.802			
	FA5	0.765			
	FA1	0.765			
FinS	FS4	0.755	0.898	0.559	0.917
	FS5	0.701			
	FS6	0.828			
	FS8	0.672			
	FS3	0.754			
	FS2	0.764			
	FS1	0.748			

Table 2 depicts the factor loadings, Composite reliability (CR), Average variance extracted (AVE), and Cronbach's alpha. According to Vinzi et al. (2010), items with factor loadings

below 0.7 should be removed unless their deletion significantly improves CR and AVE. In this study, items IP1, DM4, DM3, FK4, MM5, and FS8 had loadings below 0.7, but their removal did not enhance CR or AVE. Therefore, all original items were retained in the model

Table 2 demonstrates the questionnaire's reliability, with all factors achieving Cronbach's alpha values above 0.70. The retained items were assessed for convergent and divergent validity. As documented by Hair et al. (2010), these validity measures assess the appropriateness of the model. In a first-order measurement model, there should be no validity issues for further analysis.

Table 3

Discriminant Validity

	Splan	IPlan	MMgmt	FinA	FinS	INVP	RPlan	DMgmt	FKn
Splan	0.762								
IPlan	0.354	0.738							
MMgmt	0.586	0.497	0.756						
FinA	0.591	0.469	0.461	0.772					
FinS	0.609	0.418	0.531	0.583	0.747				
INVP	0.485	0.395	0.540	0.492	0.477	0.749			
RPlan	0.173	0.238	0.287	0.160	0.122	0.094	0.817		
DMgmt	0.568	0.265	0.419	0.430	0.535	0.430	0.064	0.725	
FKn	0.515	0.244	0.434	0.583	0.613	0.637	0.101	0.529	0.773

As recommended by Hooper et al. (2008), Hair et al. (2010), Kenny and Judd (2014), and Gaskin (2016), for convergent validity, all values of Composite Reliability (CR) should be greater than 0.70, the Average Variance Extracted (AVE) should be greater than 0.50, and CR should be greater than AVE. Accordingly, Table 7 shows that CR and AVE are above the minimum thresholds. This indicates that there are no issues with convergent validity. Furthermore, since AVE is greater than the Maximum Shared Variance (MSV), there are no issues with divergent validity. Therefore, the measurement model is appropriate for the structural model.

Estimated Regression Weight Path Coefficient

This study explored the influence of financial management practices variables on financial satisfaction utilizing Structural Equation Modeling.

Figure 3

Path Analysis

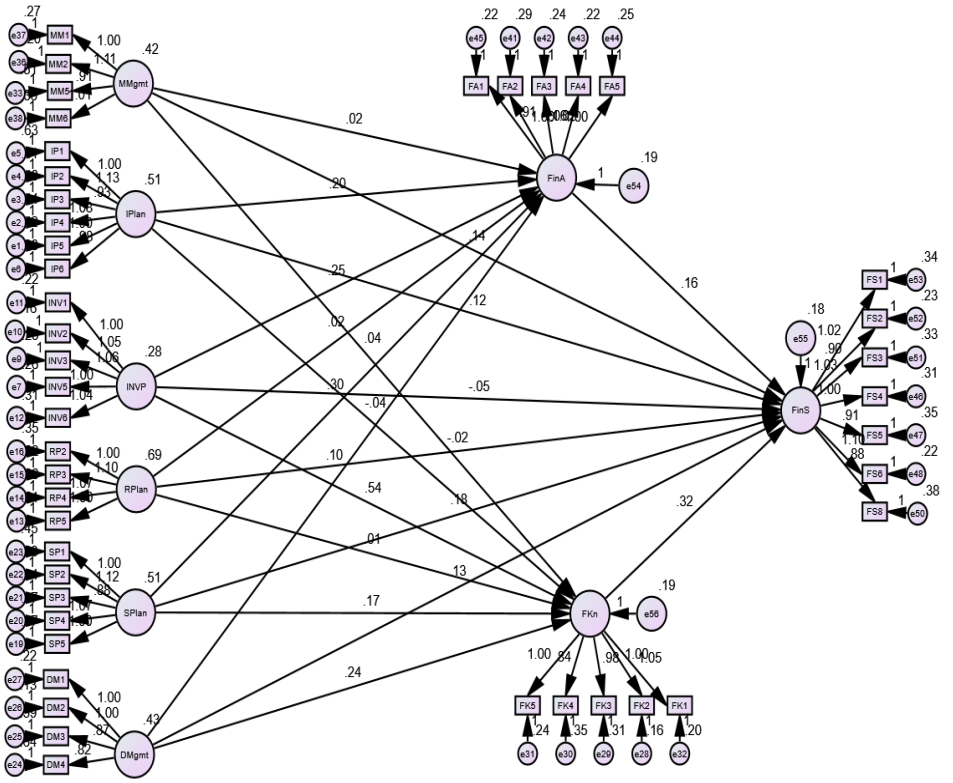


Table 4

Path Analysis of Financial Management Practices and Financial Knowledge

Path Name	Standardized Estimate	P-value	Significance
FKn <--- MMgmt	0.006	0.927	Not Significance
FKn <--- IPlan	-0.067	0.166	Not Significance
FKn <--- INVP	0.558	***	Significance
FKn <--- RPlan	0.02	0.571	Not Significance
FKn <--- Splan	0.14	0.019	Significance
FKn <--- DMgmt	0.226	***	Significance

The study identified significant positive paths from investment planning (estimate = 0.558, p < 0.001), saving practice (estimate = 0.0.14, p < 0.05), and debt management (estimate = 0.226, p < 0.001) to financial knowledge. These results indicate a positive relationship between investment planning, saving practice and debt management with financial knowledge. However, the path money management (estimate = 0.006, p = .927), insurance planning (estimate = -0.067, p = .166) and retirement planning (estimate = 0.002, p = .571) to financial knowledge were not statistically significant. It suggests that money management, insurance planning and retirement planning may not directly influence financial knowledge. Also, a negative association between insurance planning and financial knowledge is observed even though not statistically significant.

Table 5

Path Analysis of Financial Management Practices and Financial Attitude

Path Name	Standardized Estimate	P-value	Significance
FinA <--- MMgmt	-0.02	0.774	Not Significance
FinA <--- IPlan	0.209	***	Significance
FinA <--- INVP	0.214	0.003	Significance
FinA <--- RPlan	0.014	0.708	Not Significance
FinA <--- Splan	0.317	***	Significance
FinA <--- DMgmt	0.069	0.223	Not Significance

The study identified significant positive paths from insurance planning (estimate = 0.209, p < 0.001), investment planning (estimate = 0.214, p < 0.05), and saving practice (estimate = 0.317, p < 0.001) to financial attitude. These results indicate a positive relationship between saving practice, investment planning and saving practice to financial attitude.

Conversely, the path money management (estimate = -0.02, p = .774), retirement planning (estimate = 0.014, p = .708) and debt management (estimate = 0.069, p = .223) to financial attitude were not statistically significant. It suggests that money management, retirement planning and debt management may not directly influence financial attitude. Also, a negative interrelationship between money management and financial attitude is observed even though not statistically significant.

Indirect Effect

The mediation analysis strongly validated the structural model, demonstrating that financial attitude mediates the link between insurance planning, investment planning, and saving practices with financial satisfaction. Furthermore, financial knowledge mediates the connections between investment planning, saving practices, and debt management with financial satisfaction. The direct model exhibited an excellent fit across various indices

Table 6

Mediation Relationship of Insurance Planning on Financial Satisfaction through FA

Relationship	Direct Effect	Indirect Effect	95% CI		P-value	Result
			Lower	Upper		
IP → FA → FS	0.168	0.21	0.135	0.306	.001	Partial mediation
InvP → FA → FS	0.304	0.272	0.173	0.412	.001	Partial mediation
SP → FA → FS	0.068	0.048	0.101	0.291	.001	Partial mediation
InvP → FK → FS	0.179	0.397	0.265	0.575	.031	Partial mediation
SP → FK → FS	0.356	0.187	0.123	0.273	.001	Partial mediation
DM→ FK → FS	0.279	0.234	0.149	0.369	.001	Partial mediation

The mediation analysis indicated that financial attitude and knowledge partially mediated the relationships between financial practices and satisfaction. Insurance planning had a significant direct effect ($\beta = 0.168$, $p < .001$), where financial attitude showed significant indirect effects for insurance planning (95% CI [0.135, 0.306]), investment planning (95% CI [0.173, 0.412], $p < .005$), and saving practice (95% CI [0.101, 0.291], $p < .001$).

The mediation analysis indicated that financial attitude and knowledge partially mediated the relationships between financial practices and satisfaction. Insurance planning had a significant direct effect ($\beta = 0.168$, $p < .001$), while financial attitude showed significant indirect effects for insurance planning (95% CI [0.135, 0.306]), investment planning (95% CI [0.173, 0.412], $p < .005$), and saving practice (95% CI [0.101, 0.291], $p < .001$).

Investment planning, saving practice, and debt management had significant direct effects on financial satisfaction and also influenced it indirectly through financial knowledge. Indirect effects were observed for investment planning (0.397, 95% CI [0.265, 0.575], $p < .005$), saving practice (0.187, 95% CI [0.123, 0.273], $p < .001$), and debt management (0.234, 95% CI [0.149, 0.369], $p < .001$).

Discussion

The study identified a positive relationship between money management and financial satisfaction, consistent with findings by Tan et al. (2002a, 2002b), where money is viewed as a budgetary tool and a symbol of success. Saving practices were positively associated with financial satisfaction, aligning with research by Joo and Grable (2004) and O'Neill et al. (2000). Debt management also showed a significant positive relationship with financial satisfaction, supporting findings by Mugenda et al. (1990). Financial knowledge and financial attitude had significant impacts on financial satisfaction, as evidenced by Arifin (2018) and Devi et al. (2021), though other studies (Owusu, 2021) suggest these relationships may not always be significant. Conversely, retirement planning did not have a direct impact, despite prior studies (Qamar et al., 2016) finding a positive relationship.

VII. Conclusion and Implication

The study revealed a generally positive financial satisfaction among university teachers, with high mean scores in five of seven indicators. However, teachers reported challenges in meeting long-term unexpected expenses, reflecting financial optimism mixed with difficulties in handling long-term commitments. Significant positive paths were identified from investment planning, saving practices, and debt management to financial knowledge, while money management, insurance planning, and retirement planning showed no direct influence. Similarly, insurance planning, investment planning, and saving practices significantly impacted financial attitude, whereas money management, retirement planning, and debt management did not.

The direct effect model demonstrated that financial knowledge and financial attitude significantly influence financial satisfaction. Mediation analysis revealed that financial knowledge partially mediates the relationship between investment planning, saving practices, and debt management with financial satisfaction. Likewise, financial attitude partially mediates the effects of insurance planning, investment planning, and saving practices on financial satisfaction, enhancing their impact without fully accounting for the relationships.

The study's findings can benefit policymakers, including universities, organizations, and individuals. University faculties, in particular, should enhance retirement planning to achieve greater financial success. Understanding the mediating role of financial knowledge and financial attitudes between financial management practices and financial satisfaction is crucial. Financial management alone does not optimize financial satisfaction; financial knowledge and attitudes are also key factors in achieving financial well-being.

The research focused on university teachers who are highly knowledgeable and capable of managing their finances, resulting in a positive perception of financial satisfaction. However, future researchers face the challenge of including respondents with lower levels of financial knowledge and unstable income. The study focused solely on traditional constructs to assess the impact on financial satisfaction. Future research may investigate the role of technological advancements, such as digital platforms and Artificial Intelligence, in shaping financial management and satisfaction.

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