



The Impact of Financial Literacy on Financial Behavior and Financial Resilience with the Mediating Role of Financial Self-Efficacy

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ABSTRACT

The present study aimed to investigate the impact of financial literacy on financial behavior and financial resilience, with the mediating role of financial self-efficacy. The research employed a descriptive-correlational design using structural equation modeling (SEM) for data analysis. Participants included 182 investors from the Tehran Stock Exchange. Data were collected via questionnaires and analyzed using Smart PLS software for SEM data analysis. Results revealed that financial literacy has a positive and significant impact on financial self-efficacy, financial resilience, and financial behavior. Financial self-efficacy also positively and significantly influences financial resilience and financial behavior. Financial resilience, in turn, exhibits a positive and significant effect on financial behavior. Furthermore, financial self-efficacy and financial resilience play significant positive mediating roles in the relationship between financial literacy and financial behavior. Financial resilience mediates the effect of financial self-efficacy on financial behavior, while financial self-efficacy mediates the impact of financial literacy on financial resilience. Thus, financial literacy enhances investors' financial behavior through the pathways of financial self-efficacy and financial resilience.

1. Introduction

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1.1. Financial behavior

Financial behavior examines how humans act during financial decision-making processes in response to financial information they receive [1]. According to Wicaksono's [2] perspective, financial behavior explores how individuals behave when making financial decisions, particularly studying how personal psychology influences their actions related to financial choices, corporations, and financial markets. Financial behavior comprises the recurring financial decisions individuals make in daily life, such as purchasing a cup of coffee, repaying loan installments, transferring money to a savings account, or selling stocks. These individual actions or behavioral categories—such as liquidity management, credit, savings, and investments—can be used to define financial behavior [2]. As Xiao [3] states, financial behavior can be defined as any human behavior related to money management. According to Xiao [3], when defining financial behavior, it is crucial to focus on the behavior itself rather than its outcomes. For example, saving money is a behavior, whereas having savings is an outcome.

Financial behavior plays a central role in influencing individual welfare, including households, communities, nations, and even global systems. Furthermore, the financial behavior of investors is a key aspect of analyzing financial markets and investment decision-making [4]. Understanding investors' financial behavior helps financial analysts and professionals better predict future market trends. By analyzing investor behavior, specific patterns can be identified to inform improved decision-making regarding asset purchases and sales. Recent studies, such as Izadian et al. [5], highlight how market reactions to corporate actions like asset revaluation can significantly shape investor behavior, underscoring the dynamic interplay between financial decisions and market outcomes. Hosseinidoust et al. [6] further demonstrate the utility of dynamic parametric and non-parametric systems in forecasting Tehran Stock Exchange returns, providing methodological insights that enhance predictive accuracy in understanding investor behavior patterns. Additionally, Saremi et al. [7] emphasize that digital marketing strategies, particularly those leveraging customer participation and knowledge management, can reshape investor engagement and decision-making processes by enhancing access to tailored financial insights. Consequently, efforts to comprehend the factors driving financial behavior are of paramount importance, particularly in light of recurring financial crises that often negatively impact individual welfare across all social strata [8].

Broadly, the significance of investors' financial behavior is evident not only in market analysis and trend forecasting but also in fostering informed decision-making and mitigating the adverse

effects of emotional biases in investments. Therefore, the present study examines the impact of financial literacy on financial behavior and financial resilience, with the mediating role of financial self-efficacy.

1.2. Financial Resilience

Resilience in the face of adverse financial events is an emerging research area that has regained prominence in recent years [9]. Financial resilience is recognized as a critical aspect of individual financial well-being [10,11]. At its core, financial resilience involves the ability to withstand immediate financial shocks and thrive amid prolonged financial downturns [12]. Pandin et al. [13] define financial resilience as the capacity to survive and cope with life events that impact a household's income or assets. Financial resilience signifies the ability to recover swiftly from financial crises and is shaped by five key capacities: robustness, predictive capacity, awareness, adaptability, and recovery ability [14,15].

External factors, such as monetary policy uncertainty, also influence financial resilience by amplifying market volatility, Roshdieh [16], which underscores the need for investors to adopt adaptive strategies during economic turbulence. Latifi et al. [17] further demonstrate that efficient customer relationship management (CRM) systems in online retailing can bolster financial resilience by optimizing data-driven decision-making, enabling businesses to anticipate consumer trends and mitigate risks during economic downturns. Financially resilient individuals are more likely to save for emergencies [18], feel confident about their financial decisions [19], adopt healthy financial management practices [20], and implement risk mitigation strategies [21]. A lack of resilience not only heightens individual financial vulnerability but also has broader economic repercussions [22]. Massahi [23] extends this understanding to macroeconomic levels, demonstrating how healthcare expenditures contribute to economic growth in Iran, thereby reinforcing the importance of cross-sectoral policies in building national financial resilience. Building financial resilience further requires individuals to adopt financial practices that enhance financial security and, ultimately, financial resilience [24]. Similarly, Ghandeharion and Feyz [25] highlight the significance of analyzing individual psychological traits and societal influences to better understand decision-making behaviors, which underscores the importance of psychological factors such as self-efficacy in financial contexts.

1.3. Financial self-efficacy

Financial self-efficacy refers to an individual's confidence in making sound financial decisions and managing their financial resources [26, 27]. Claudia & Murniati [28] define financial self-

efficacy as a set of psychological traits encompassing cognitive load, procrastination, regret, risk tolerance, mental accounting, and budgeting knowledge. Some studies suggest that increased financial knowledge or capability does not necessarily lead to resilient financial behaviors or outcomes [29,30]. Recent research by Entezarizarch et al. [31], which analyzes mental workload and performance across age groups, underscores the impact of cognitive demands on decision-making efficiency, suggesting that reducing cognitive strain through tailored interventions could enhance financial self-efficacy among diverse investor demographics. For this reason, factors such as personal attitudes toward money, financial confidence, and financial self-efficacy emerge as mediators through which financial capability may exert a stronger influence on financial resilience [27]. Individuals with greater trust in their ability to manage financial matters are more likely to engage in desirable financial behaviors and experience higher levels of financial satisfaction compared to their peers [32]. Enhanced knowledge and skills in financial management bolster financial confidence and foster positive financial behaviors [33]. Existing research also underscores the role of financial self-efficacy in shaping financial behavior [34, 35, 36, 37] and in strengthening investor financial resilience [9, 38].

1.4. Financial Literacy

Another variable influencing individuals' financial behavior is their financial literacy. Possessing financial literacy is essential for developing sound financial strategies in organizational and personal life management. Financial literacy refers to awareness of financial principles and terminology [39, 40]. The global adoption of FinTech, as explored by Rivandi [41], further underscores how technological advancements in financial services can amplify the impact of financial literacy by democratizing access to tools that facilitate informed decision-making across diverse socioeconomic contexts. Broadly, financial literacy encompasses an individual's knowledge, acumen, and confidence, aiding in the quality of decision-making and financial management to achieve personal goals [42]. Notably, the ability to categorize and transfer domain-specific knowledge—such as the categorical reasoning demonstrated in educational contexts by Azimi Asmaroud [43]—highlights how structured financial knowledge can enhance its practical application, enabling individuals to navigate complex financial decisions. Financial literacy can be identified as the knowledge and skills required to attain future financial objectives [44]. According to Hung et al. [45], financial literacy includes knowledge, skills, and attitudes. Additionally, Tavares et al. [46] defined financial literacy as a critical tool enabling individuals to make informed financial and economic decisions that benefit themselves, their families, and

society. Hilgert et al. [47] linked financial literacy to financial practices, noting that individuals with greater financial knowledge more frequently engage in recommended financial practices. Financial knowledge serves as the foundation for shaping financial behavior, personal financial skills for making informed decisions, and financial attitudes for determining wise choices while avoiding poor ones. Furthermore, Henager and Cude [48] emphasized that low financial literacy can negatively impact an individual's financial management and reduce potential savings success, as positive outcomes in savings and long-term investments are attributed to financial knowledge. Individuals with higher financial literacy typically possess greater knowledge about various investment types and their associated risks. Such individuals are better equipped to predict market trends and fluctuations, enabling them to take calculated risks and engage in higher-return investments. Financial literacy also facilitates successful participation in economic activities by enhancing savings deposits, fostering informed purchasing decisions, enabling prudent investments, improving asset management, utilizing financial security tools, managing debt, and elevating overall financial well-being [49, 50]. The role of strategic investment models, such as the Markowitz Mean-Semivariance framework [51], further emphasizes how financial literacy enables investors to optimize portfolio selection, balancing risk and return in dynamic markets. Existing research further highlights the role of financial literacy in shaping financial behavior [52, 53, 54] and bolstering individual financial resilience [15, 38, 55]. Additionally, Khalid's [34] study found that financial self-efficacy mediates the impact of financial literacy on investment behavior.

2. The proposed Conceptual model

Individuals' financial behavior is recognized as a key determinant of their financial status and social well-being. In this context, financial literacy and financial resilience emerge as two fundamental factors shaping financial behavior and individuals' ability to navigate financial challenges. Financial literacy empowers individuals to make more informed financial decisions, thereby improving their own and their families' financial conditions. However, a lack of financial knowledge can lead to poor decisions and severe financial difficulties. On the other hand, financial resilience refers to an individual's capacity to confront financial challenges and recover swiftly from crises. Consequently, investigating the relationship between financial literacy, financial resilience, and financial behavior can deepen our understanding of the factors influencing individual financial well-being.

Additionally, financial self-efficacy, as a psychological factor, plays a critical role in shaping financial behaviors and risk tolerance. Individuals with greater confidence in managing financial

matters are more inclined to make sound financial decisions and improve their financial standing. Thus, examining the mediating role of financial self-efficacy in the relationship between financial literacy and financial resilience is of paramount importance.

Given these considerations, the central question of this study is: *How do financial literacy and financial self-efficacy influence individuals' financial behavior and financial resilience, and what relationships exist among these factors?* This research can identify strategies to enhance financial behavior and strengthen financial resilience, ultimately contributing to improved societal financial well-being. Figure 1 illustrates the conceptual framework of the study.

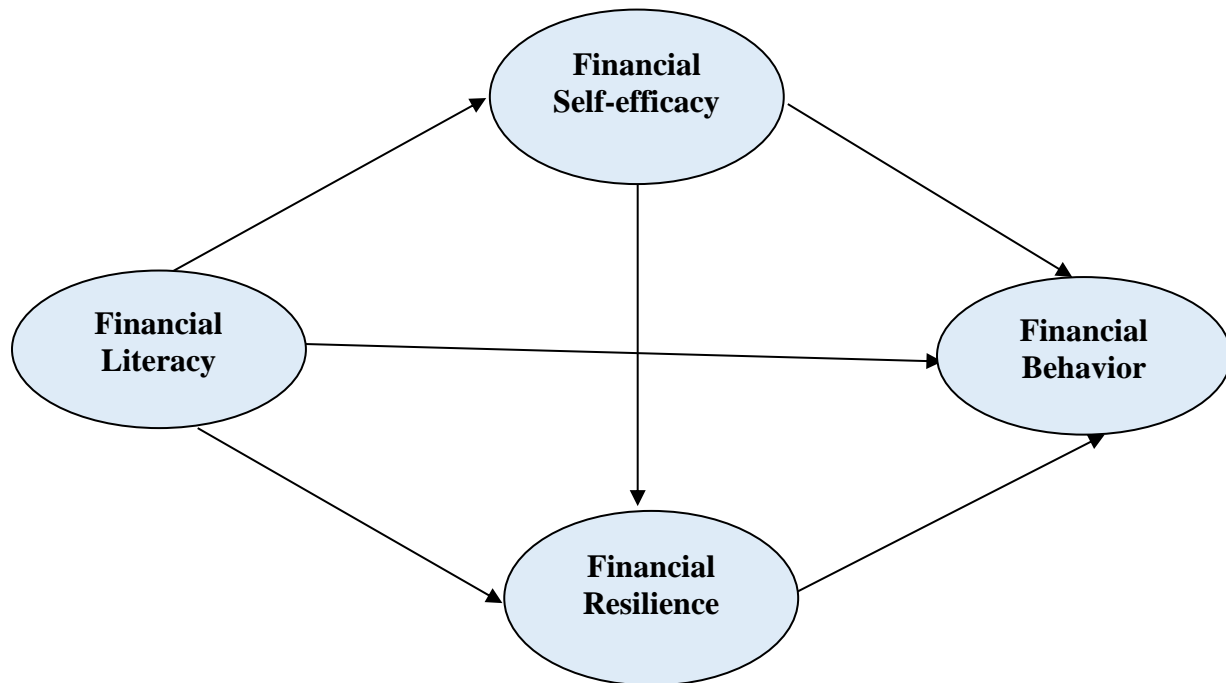


Fig. 1. The Conceptual Model

3. Research Methodology

The present study employs a descriptive-correlational design using structural equation modeling (SEM), as it investigates the relationships between variables within a structural equation framework. Recent methodological advances, such as the ARDL-BART approach proposed by Mahdavi et al. [56], demonstrate how hybrid econometric techniques can robustly measure causal effects in macroeconomic contexts, highlighting the value of combining time-series analysis with machine learning for complex financial relationships. While SEM remains suitable for testing mediation hypotheses in this study, future work could explore integrating such nonparametric causal inference frameworks to strengthen longitudinal insights [57].

3.1. Population and Sample

The statistical population comprises investors with over five years of activity and sufficient knowledge of financial investments in the Tehran Stock Exchange. A total of 200 questionnaires were distributed to eligible investors, of which 182 were returned and analyzed.

3.2. Data Collection Tools

Financial Literacy: Measured using the Cupák et al. [58] questionnaire, consisting of 7 items.

Financial Self-Efficacy: Assessed via indicators introduced by Farrell et al. [59], comprising 6 items.

Financial Resilience: Evaluated using the Kumar & Sandhu [9] questionnaire with 8 items.

Financial Behavior: Measured through the Farida et al. [52] questionnaire, containing 5 items. All items were scored on a 5-point Likert scale ranging from strongly disagree (1) to strongly agree (5).

4. Findings

4.1. Measurement Model Test

The measurement model test assesses research instrument and construct validity—discriminant validity—as well as internal consistency—internal consistency. Item reliability (factor loadings ≥ 0.6 in confirmatory factor analysis (CFA)), Composite reliability (Dillon-Goldstein's $\rho_c \geq 0.7$), and Average Variance Extracted (AVE) (≥ 0.50 , indicating the construct explains $\geq 50\%$ of its indicators; Chin [60] outline three criteria for assessing construct reliability.

Factor loadings must also be statistically significant at the 0.01 level, verified via a bootstrap test (500 subsamples) to determine t-statistics. Table 1 summarizes the factor loadings, composite reliability, and AVE values for the research variables, confirming the constructs' sufficient reliability.

Table 1. Factor Loadings, Composite Reliability, and AVE

Variable	Item	Factor Loading	Cronbach's alpha	CR	AVE
Financial Literacy	1	0.884	0.896	0.919	0.622
	2	0.705			
	3	0.694			
	4	0.717			
	5	0.764			
	6	0.848			
	7	0.882			
Financial Self-Efficacy	1	0.874	0.886	0.914	0.639
	2	0.78			
	3	0.764			
	4	0.774			

Variable	Item	Factor Loading	Cronbach's alpha	CR	AVE
	5	0.786			
	6	0.811			
	1	0.79			
	2	0.798			
	3	0.81			
Financial Resilience	4	0.637	0.90	0.920	0.591
	5	0.774			
	6	0.777			
	7	0.78			
	8	0.77			
	1	0.776			
	2	0.832			
Financial Behavior	3	0.784	0.825	0.877	0.588
	4	0.727			
	5	0.711			

Two standards are suggested by Chin [60] for assessing discriminant validity: Item Cross-Loadings: A construct's items should have the highest factor loadings on that construct and the lowest cross-loadings on other constructs. Additionally, Gefen and Straub [61] suggest that each item's factor loading on its designated construct ought to be at least 0.1 higher than its cross-loadings on other constructs. AVE in contrast: A construct's square root of AVE should be greater than its correlations with other constructs. This suggests that compared to other constructs, the construct shares more variance with its own indicators. The cross-loadings of the items on the research constructs are shown in Table 2.

Table 2. Cross Loadings

	Financial Behavior	Financial Literacy	Financial Resilience	Financial Self-efficacy
FB1	0.776	0.487	0.408	0.581
FB2	0.832	0.450	0.485	0.515
FB3	0.784	0.418	0.466	0.471
FB4	0.727	0.389	0.612	0.476
FB5	0.711	0.368	0.385	0.341
FL1	0.460	0.884	0.328	0.342
FL2	0.411	0.705	0.363	0.316
FL3	0.445	0.694	0.377	0.315
FL4	0.423	0.717	0.391	0.368
FL5	0.442	0.764	0.380	0.370
FL6	0.434	0.848	0.285	0.377
FL7	0.422	0.882	0.303	0.385
FR1	0.584	0.353	0.790	0.387

	Financial Behavior	Financial Literacy	Financial Resilience	Financial Self-efficacy
FR2	0.486	0.360	0.798	0.460
FR3	0.509	0.336	0.810	0.467
FR4	0.435	0.345	0.637	0.311
FR5	0.502	0.317	0.774	0.481
FR6	0.444	0.307	0.777	0.417
FR7	0.345	0.325	0.780	0.288
FR8	0.456	0.380	0.770	0.379
FS1	0.518	0.446	0.427	0.874
FS2	0.510	0.364	0.448	0.780
FS3	0.501	0.260	0.443	0.764
FS4	0.454	0.325	0.394	0.774
FS5	0.521	0.403	0.445	0.786
FS6	0.514	0.346	0.362	0.811

As shown in Table 2, all constructs exhibit the highest factor loadings on their respective assigned dimensions, with a minimum difference of 0.1 between an item's loading on its own construct and cross-loadings on other constructs. This confirms the adequate discriminant validity of the research constructs. Table 3 presents the results of the correlation analysis and the second discriminant validity criterion (comparison of the square root of the AVE).

Table 3. Correlation Matrix and Square Root of AVE

	Financial Behavior	Financial Literacy	Financial Resilience	Financial Self-efficacy
Financial Behavior	0.767			
Financial Literacy	0.553	0.789		
Financial Resilience	0.620	0.443	0.768	
Financial Self-efficacy	0.631	0.451	0.527	0.799

4.2. Structural Equation Modeling Test

Figure 2 illustrates the tested model, depicting relationships among the research variables. The numbers within the circles represent the explained variance of the research variables. Table 4 reports the estimated path coefficients and explained variance of the research variables.

As shown in Table 4, financial literacy exerts a positive and statistically significant influence on financial self-efficacy, financial resilience, and financial behavior. Similarly, financial self-efficacy has a positive and significant impact on financial resilience and financial behavior, while financial resilience significantly predicts financial behavior. Additionally, the model explains: 56% of the variance in financial behavior, 33% of the variance in financial resilience, and 20% of the variance in financial self-efficacy. Table 5 presents the indirect coefficients of the relationships

tested in the model. For the tested model, the absolute Goodness of Fit (GOF) value was 0.47, indicating adequate model fit. Values above 0.36 are considered indicative of acceptable model quality.

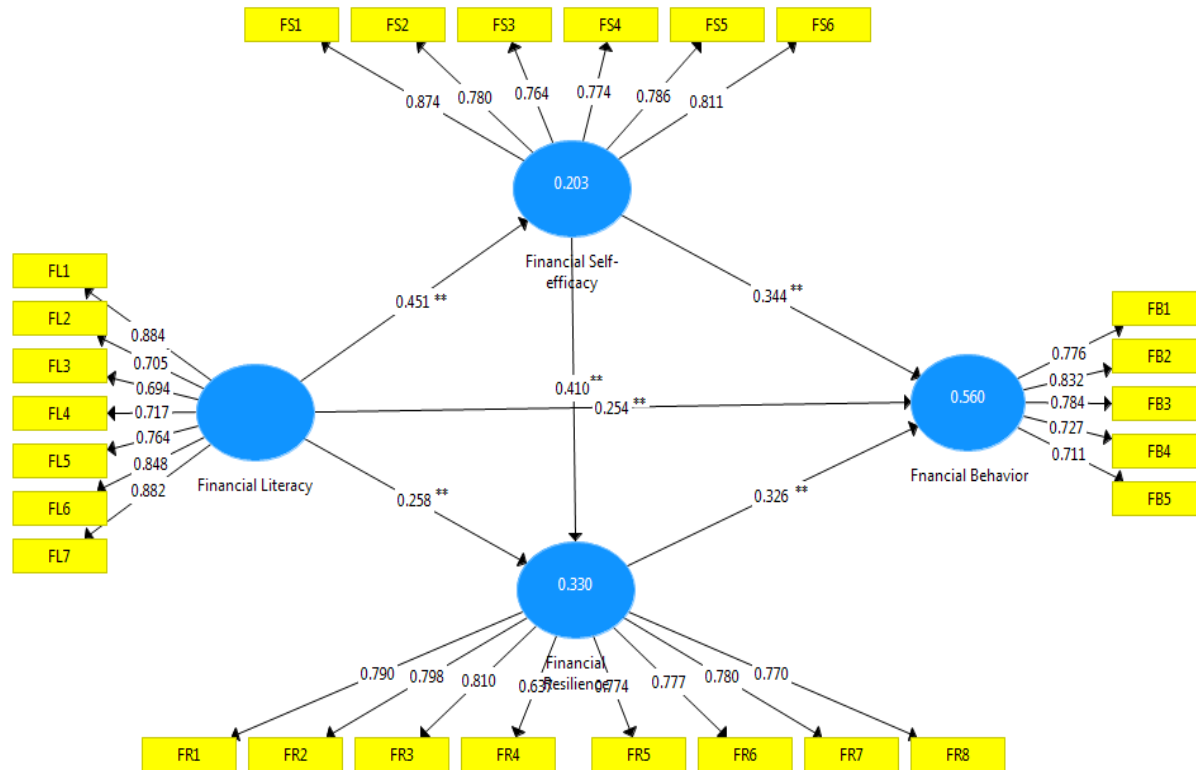


Fig. 2. Tested Financial Behavior Model
Table 4. Path Coefficients and Explained Variance

Variables	Path Coefficients	T-Coefficients	Explained Variance
On Financial Behavior from:			
Financial Literacy	0.254**	4.07	
Financial Self-efficacy	0.344**	4.527	0.56
Financial Resilience	0.326**	3.927	
On Financial Resilience from:			
Financial Literacy	0.258**	3.690	
Financial Self-efficacy	0.410**	6.70253	0.33
On Financial Self-efficacy from:			

Variables	Path Coefficients	T-Coefficients	Explained Variance
Financial Literacy	0.451**	6.920	0.20

*p<0.05, **p<0.01

Table 5. Indirect Coefficients

Indirect Paths	Indirect Effects	T Statistics	P-Values
Financial Literacy -> Financial Resilience -> Financial Behavior	0.084	2.487	0.013
Financial Self-efficacy -> Financial Resilience -> Financial Behavior	0.134	3.434	0.001
Financial Literacy -> Financial Self-efficacy -> Financial Behavior	0.155	3.597	0.000
Financial Literacy -> Financial Self-efficacy -> Financial Resilience	0.185	4.549	0.000

5. Discussion

The present study aimed to examine the effect of financial literacy on financial behavior and financial resilience, with financial self-efficacy as a mediating role, using the structural equation modeling approach. The results showed that the proposed model has a relatively good fit with the data of this research and can explain 56% of the variance in financial behavior, 33% of the variance in financial resilience, and 20% of the variance in financial self-efficacy.

The tested model results indicated that investors' financial literacy has a positive and significant effect on their financial self-efficacy, financial resilience, and financial behavior. These findings highlight the importance of financial literacy in financial decision-making and investment contexts. This aligns with the results of Farida et al. [52]; Mitchell and Lusardi [53]; Song et al. [55], Hendry and Usman [38], Setyorini et al. [15], and Hassan et al. [55].

In explaining the effect of financial literacy on financial self-efficacy, it can be said that individuals with higher financial literacy naturally feel more self-efficacious in managing finances and investments. Financial self-efficacy indicates a person's confidence in their capacity to execute financial and investment activities and hence relates to their ability. Emerging technologies, such as virtual reality frameworks for experiential learning [62], could further amplify this relationship by simulating real-world financial scenarios, allowing individuals to practice decision-making in risk-free environments and thereby reinforcing both literacy and self-efficacy. Consequently, raising financial literacy can help people have more confidence in handling their money and choosing investments.

Moreover, financial literacy helps people to feel more under control in challenging financial circumstances. Increased financial self-efficacy results from this sense of control and capacity for

financial situation analysis. Stated differently, a person develops more confidence in handling their financial matters the more financial knowledge they possess. Conversely, financial literacy has direct bearing on financial behavior. High financial literacy investors have a better awareness of markets and financial fluctuations, which helps them to make better financial decisions. These people can better arrange their money and make use of their resources since they understand investment ideas, risks, and opportunities. Not only does financial literacy improve financial self-efficacy but it also directly affects financial activity. Those who grasp financial ideas more naturally make logical, analytical financial decisions. Usually more skillfully using financial tools and resources, these people produce better financial results.

In explaining the role of financial literacy in financial resilience, it can be said that investors' financial literacy can significantly impact their financial resilience. Financial literacy is recognized as the ability to understand and use financial information to make correct decisions regarding investment and financial management. This ability helps individuals better cope with market challenges and fluctuations and leverage their knowledge during crises. Those with higher financial literacy are generally better at analyzing economic conditions and making improved investment decisions. By possessing sufficient information about financial instruments, existing risks, and investment options, they can navigate market fluctuations more easily and implement more effective financial plans during difficult times.

Financial self-efficacy indicates a person's confidence in their capacity to execute financial and investment activities and hence relates to their ability. Consequently, raising financial literacy will enable people to have more confidence in handling their money and making wise investments. Moreover, financial literacy helps people to feel more under control in challenging financial circumstances. Increased financial self-efficacy results from this sense of control and capacity for financial situation analysis. Stated differently, a person develops more confidence in handling their financial matters the more financial knowledge they possess. Furthermore, more easily able to control financial stresses and more resistant to economic fluctuations are investors with high financial literacy, resulting from their better awareness of financial and economic concepts. These people not only make better decisions under crisis but also learn from past mistakes and lower their own mistakes. Furthermore, financial literacy helps investors to properly seize investment prospects and, in times of crisis, apply logical and analytical instead of emotional and illogical

responses. Consequently, one of the main elements in enhancing the financial resilience of investors is raising their financial literacy.

5.1. Practical Recommendations

Based on the findings of this study, the following practical suggestions can be offered to enhance financial literacy, financial self-efficacy, financial behavior, and financial resilience of investors. The first recommendation is to conduct financial literacy training courses. Financial and educational institutions should organize specialized training programs to improve financial literacy. To ensure the effectiveness of such programs, institutions could adopt automated formative assessment tools like those proposed by Karizaki et al. [63], which use AI-driven analytics to evaluate learners' articulation of financial concepts and provide real-time feedback, thereby refining instructional strategies. These courses can include topics related to financial management, investment, market analysis, and economic concepts. The aim of these courses is to increase investors' awareness and knowledge in financial areas. This not only helps improve individuals' financial situations but can also lead to better overall financial health of the community. Furthermore, adopting frameworks for evaluating program efficacy, such as those applied in engineering education by Agarwal et al. [64], could help institutions systematically measure the long-term impact of financial literacy interventions on behavioral and resilience outcomes. Consequently, investing in financial education can be considered a key strategy to improve individuals' quality of financial life and to create a more sustainable and economically resilient society. Recent advancements in multi-criteria decision-making frameworks, such as the integration of WEAP and TOPSIS methods, have demonstrated significant potential in optimizing resource management and decision processes, which can be adapted to enhance financial decision-making strategies [65]. Another point is the development and introduction of online financial tools and applications that assist investors in easily obtaining and analyzing financial information. These tools can include financial calculators, market analyzers, and investment management apps. To address cybersecurity concerns, Nasiri et al. [57] highlight the importance of integrating multi-layered security protocols that account for individual user behaviors, social influences, and organizational policies, ensuring robust protection of sensitive financial data in digital platforms. To ensure the security of such platforms, innovations in intrusion detection systems, such as those proposed by Rivandi & Jamili Oskouie [66] for mobile networks, could be adapted to safeguard user data and transactions, thereby fostering trust in digital financial solutions. For instance, social media platforms, which have been shown to enhance organizational agility and innovation

capabilities [67], could be leveraged to disseminate financial education content and foster investor communities, thereby improving access to tailored financial insights and strengthening decision-making processes. Similarly, optimization algorithms, such as those applied in apparel supply chain management [68], could inform the development of advanced tools for portfolio risk assessment and dynamic resource allocation.

Creating financial advisory groups can also play an important role in investors' financial decision-making. Forming groups of financially literate individuals with investment experience who can advise others and share their experiences can serve as a source of inspiration and learning. Strengthening financial self-efficacy through financial education and counseling can help increase positive and balanced risk-taking among investors. Paying attention to financial self-efficacy can significantly influence individuals' financial decision-making processes, and financial managers and advisors are recommended to develop strategies to enhance this factor among their clients. Finally, promoting awareness of financial resilience can play an important role in investors' financial behavior. Organizing workshops and seminars on the importance of financial resilience and methods to strengthen it can be beneficial. These programs can cover topics such as financial stress management, financial planning during crises, and risk analysis.

6. Conclusion

The present research examined the impact of financial literacy on financial behavior and financial resilience, with an emphasis on the mediating role of financial self-efficacy. The results obtained from structural equation modeling analysis indicate that financial literacy has a positive and significant effect on financial self-efficacy, financial behavior, and financial resilience of investors. These findings emphasize that investors with high financial literacy, due to a better understanding of financial concepts and the ability to analyze information, are capable of making better financial decisions and demonstrating greater resilience in the face of market fluctuations. Additionally, individuals with high financial self-efficacy, because of confidence and ability in financial management, exhibit more rational and effective financial behaviors. Ultimately, the results suggest that enhancing financial literacy and financial self-efficacy can serve as a key strategy to improve financial behavior and increase financial resilience among investors. This research can assist policymakers and educational institutions in designing effective educational programs to promote financial literacy in the community and help investors make better decisions when facing financial challenges.

6.1. Limitations and Future Directions

The gathered data for this study came from questionnaires and self-report forms. Response and social desirability prejudices could affect this kind of data. Mixed method approaches (qualitative and quantitative) can help to increase the validity of the findings in next research projects. This study concentrated on Tehran stock market investors, thus particular social, cultural, and economic aspects of this area could have an impact on the outcomes. Additionally, the correlational design limits causal interpretations, though emerging methods like the nonparametric causal frameworks reviewed by Mahdavi & Ehsani [69] could address this by disentangling dynamic interdependencies between financial literacy, self-efficacy, and resilience over time. Future studies can look at how these elements affect the interactions between several community variables. Just the effects of financial literacy, financial self-efficacy, and financial resilience on financial behavior were examined in this paper. More complicated theoretical models can be developed for next studies taking into account extra elements including psychological effects on financial decision-making, financial stress, and economic situation. The present study was conducted cross-sectionally, and its results are only valid at a specific time. Future studies could be designed longitudinally to examine changes in financial behavior and the effects of variables over time. The nature of this research is correlational, and inferring causal relationships is not appropriate. Given these limitations and directions, it can be expected that future research in this field will lead to greater scientific and practical enrichment and help improve financial decision-making and increase investors' resilience.

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