

The moderating role of perceived financial well-being on the relationship between entrepreneurial mindset and entrepreneurial intention

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ABSTRACT

This study investigates the moderating role of perceived financial well-being in the relationship between entrepreneurial mindset and entrepreneurial intention within the South African entrepreneurial environment. Using a quantitative research method, data was collected using a survey instrument, aspiring entrepreneurs in South Africa were sampled. Guided by theory of planned behaviour the research examines how cognitive traits influence entrepreneurial intention, and how this relationship is influenced by an individual's perception of financial well-being. The results reveal that risk propensity and dispositional optimism are strong predictors of entrepreneurial intention. The study offers practical recommendations to policymakers, educators and entrepreneurial programmes.

KEY WORDS

Entrepreneurial mindset, Entrepreneurial intention, Perceived financial well-being, Theory of planned behaviour, Need for achievement, Risk propensity, Ambiguity tolerance, Dispositional optimism, Alertness to opportunity,

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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CHAPTER 1: INTRODUCTION TO RESEARCH PROBLEM

1.1. Introduction

The study examines the moderating role of perceived financial well-being on the relationship between entrepreneurial mindset and entrepreneurial intention. The study includes a short background, theoretical relevance and business rationale relating to the study. The objectives of the study are outlined in this chapter to explain what we aim to achieve. Further, we explore the existing literature to understand the concepts of perceived financial well-being, entrepreneurial mindset and entrepreneurial intentions. Subsequently, the research methodology is covered. The chapter covers the background, theoretical relevance, business rationale, purpose statement and ends with the significance of the study.

1.2. Background to study

1.2.1. Entrepreneurship challenges and opportunities

Entrepreneurship has been identified as a possible solution to addressing unemployment and boosting economy (National Planning Commission (NPC), 2012). The statistics of unemployment showcase that this issue is a prevalent one, in the second quarter of 2025 the official unemployment rate was 33.2% while the youth unemployment rate is at 46.1% (Statistics South Africa, 2025). According to the South African National Development Plan (NDP) 2030, which outlines the role of entrepreneurship as a positive contributor to the country's challenges such as unemployment, inequality and poverty by promoting economic growth and job creation (National Planning Commission (NPC), 2012). These sentiments are supported by the 2022/2023 Global Entrepreneurship Monitor South Africa report (GEM) which highlights the beneficial effects entrepreneurial activity have on inclusive growth while improving societal well-being which further supports the United Nations Sustainable Development Goals (SDGs) (Bowmaker-Falconer et al., 2023). Despite entrepreneurship's known social-economic benefits in South Africa, it is beset with limitations such as structural and psychological barriers which may include economic instability and limited access to resources (Musara, Mabila, Gwaindepi, & Dhoro, 2020). In navigating a dynamic environment, the entrepreneurial mindset, which is defined by characteristics that include proactiveness, innovation, opportunity recognition, and tolerance for ambiguity is seen as a valuable resource (Krueger et al., 2000; Haynie et al., 2010). This mindset helps individuals to identify and exploit

opportunities and is thus vital in shaping entrepreneurial intention the conscious state of mind that overtakes decisions to start a new business venture (Bird, 1988; Ajzen, 1991; Sun et al., 2023). A study on entrepreneurial mindset has found entrepreneurial mindset correlates in a positive manner with entrepreneurial intention, especially when the individual has high levels of control, self-efficiency and has the opportunity (Nabi et al., 2017).

Despite the role of entrepreneurial mindset in enhancing intention, there are factors that could have impact on the relationship. Of interest in this study is perceived financial well-being which is defined as an individual's subjective assessment of their current and future financial security and ability to meet personal and familial needs (Brüggen et al., 2017). Financial well-being matters because the South African economic environment has high levels of unemployment and inequality persist. Investigating perceived financial well-being provides guidance and insight into how this may affect entrepreneurial mindset and intention. The link between mindset and intention is not always present and may be influenced by other factors leading to variation in results (Nabi et al., 2017).

One's financial well-being impacts how they approach risks, opportunities and entrepreneurship. When an individual deems themselves as financially secure, they are more willing to act on their entrepreneurial mindset and possibly venture into new entrepreneurial opportunities (Xiao & Porto, 2017). In contrast, when one's financial well-being is at a low standing that poses the risk to weaken one's confidence, increases the fear of failure which possibly reduces the intention to pursue entrepreneurship opportunities despite having the right mindset (Al Halbusi, AbdelFattah, Ferasso, Alshallaqi, & Hassani, 2023). Individuals may have an entrepreneurial mindset; however, their perceived financial well-being may influence their entrepreneurial intention. Therefore, this study explores the moderating role of perceived financial well-being on the relationship between entrepreneurial mindset and entrepreneurial intention.

1.3. Theoretical relevance

The study's theoretical relevance is based on enriching the understanding of how perceived financial well-being influences entrepreneurial mindset and entrepreneurial intention. To begin with, the study aims to contribute to understanding of how perceived financial wellness influences entrepreneurial mindset and intention. The entrepreneurial mindset as demonstrated by qualities

such as adaptability, opportunity recognition, and self-efficacy has been widely linked to entrepreneurial intention which refers to the conscious decision to pursue entrepreneurial activity. Ganbat et al. (2023) found that entrepreneurial mindset greatly predicts entrepreneurial intention the relationship between this two are mediated partially by entrepreneurial self-efficacy. Similarly, it is showcased that entrepreneurial mindset directly influences entrepreneurial intention, Moreso when supported by entrepreneurial education and creativity (Jiatong et al., 2021). In addition, Haynie et al. (2010) argues that the individual's ability to be aware and reflect on their own thinking and learning which is central to the entrepreneurial mindset also known as the metacognitive process helps individuals manage uncertainty and align their intentions towards necessary entrepreneurial action. Together these studies support the idea that an entrepreneurial mindset is important in the enhancement of entrepreneurial intentions and a gateway to create new ventures. While previous studies have acknowledged the relationship between entrepreneurship mindset and intention the moderating role of perceived financial well-being in entrepreneurial development, still needs to be explored.

Financial well-being which is one's perception of their financial security at present and in the future, has emerged as an important construct, yet its influence on entrepreneurial outcomes is only beginning to be recognized (Fitouri & Zouaoui, 2024). The literature has minimal evidence on the role of perceived financial well-being in entrepreneurial decision making, which suggest that there is a theoretical and empirical gap (Luke & Zouhar, 2025). Regardless of there being a growing interest in entrepreneurial education and financial literacy especially as prediction markers of entrepreneurial intention, there has been a few studies that have explored how these factors interact with perceived financial well-being to shape the mindset and intentions of aspiring entrepreneurs. Other researchers have highlighted that financial knowledge and financial well-being are often not represented in established models like the theory of planned behaviour, omitting the need for integrated models that should consider personal financial perceptions as key variables (Fitouri & Zouaoui, 2024). The minimal research on the financial well-being construct further shows that this construct and its possible influence on entrepreneurship is in its early stages of scholarly exploration. Therefore, investigating how perceived financial well-being moderates the relationship between development an of an entrepreneurial mindset and the translation of that mindset into intention is both timely and necessary for advancing entrepreneurship research.

The relationship between entrepreneurial mindset to entrepreneurial intention may be influenced by different variables as it does not exist in a vacuum. Perceived financial well-being which is an individual's subjective assessment of their financial security can significantly influence the relationship and translation of entrepreneurial mindset to entrepreneurial intention. Individuals with low perceived financial well-being may perceive higher risks associated with entrepreneurship, potentially lowering their entrepreneurial intention despite possessing a strong entrepreneurial mindset. Conversely, individuals with high perceived financial well-being may feel more confident in their ability to undertake entrepreneurial endeavours (Shim et al., 2009).

1.4. Business rationale

Low entrepreneurial activity is a hindrance to economic development in many economies including South Africa; it impedes job creation and exacerbates economic inequality (Musara et al., 2020). Understanding the elements that drive individuals to pursue entrepreneurial paths is critical. One of the predictors of entrepreneurial behaviour is entrepreneurial intention, which reflects an individual's conscious decision to start a business (Gird & Bagraim, 2008). While entrepreneurial intention is a strong predictor of business creation, current rates of business startups are not sufficient to close the gap of unemployment in South Africa.

A strong entrepreneurial mindset characterised by resilience, adaptability and opportunity recognition is recognised as an essential driver to start and sustain new entrepreneurship ventures. It can be viewed as useful to develop an entrepreneurial mindset within a population to accelerate potential entrepreneurial startups. A key structural barrier to startups is access to finance, which is frequently viewed as the biggest obstacle for entrepreneurs (DTIC, 2024). However, it is unclear whether it is the availability of capital only that matters; the perceived financial well-being of the individual can significantly dampen or amplify the motivation derived from an entrepreneurial mindset.

The study's aim is understanding the elements that impact the translation of mindset to intention within an economically challenged environment such as South Africa. By investigating the moderating role of perceived financial well-being in the relationship between entrepreneurial mindset and entrepreneurial intention; the study contributes valuable insights for stakeholders such as financial institutions, policy makers and entrepreneurship educators.

Financial institutions and policymakers can utilise the findings to design tailored financing solutions that target individuals with a high entrepreneurial mindset and intention but are being held back by a low perception of financial well-being. By pinpointing how perceived financial well-being or lack thereof changes the critical relationship between mindset and intention; the study moves beyond funding issues. Entrepreneurship educators can improve the curricula by integrating financial literacy and planning aimed at enhancing learners' perceived financial well-being which enhances entrepreneurial mindset and intention which could lead to conversion into startups. The study provides a framework for improving entrepreneurship mindset and translating it into entrepreneurial intention. This affects entrepreneurial activity in a positive way by exploring the underexplored psychological element of perceived financial well-being (Li et al., 2022).

1.5. Purpose statement

This study aims to primarily explore the moderating role of perceived financial well-being on entrepreneurial mindset and entrepreneurial intention. The study uses the theory of planned behaviour to delve deeper into elements through which perceived financial well-being shapes entrepreneurial mindset and influences entrepreneurial intention.

The objectives of the study are:

Objective 1: To examine the effect of perceived financial well-being on the development of entrepreneurial mindset among aspiring entrepreneurs.

Objective 2: To investigate the effect of perceived financial well-being on entrepreneurial intention.

Objective 3: To examine the impact of entrepreneurial mindset on entrepreneurial intention.

Objective 4: To examine the moderating effect of perceived financial well-being, on entrepreneurial mindset and entrepreneurial intention

1.6. Significance of the study

1.6.1. Impact on research

Through exploring the complex interrelationship between perceived financial well-being, entrepreneurial mindset and entrepreneurial intention the study aims to make contributions to academic literature and entrepreneurial practise. The study's objectives address gaps in academic research and may provide practical solutions

and insights that could guide educators, policymakers and entrepreneurs.

Firstly, the research contributes to the growing body of literature by showcasing the application of theory of planned behaviour in the entrepreneurial environment. Li et al. (2022) highlighted how an individual's subjective perception of their financial well-being can either support or hinder entrepreneurial mindset and thus entrepreneurial intention.

Secondly, the research will further investigate the complex and interconnected relationship of the three constructs: perceived financial well-being, entrepreneurial mindset and entrepreneurial intention. Through the investigation, the research intends to offer an understanding of how perceived financial conditions may act as an enabler or constraint within the entrepreneurial decision-making process. This may assist aspiring entrepreneurs with a guide to create tangible and applicable strategies and actions. This contribution addresses the gap in the literature identified by Li et al., (2022) on the mechanism linking financial perceptions to intentions.

Thirdly, the study will purpose to create a conceptual model that demonstrates the role of perceived financial well-being as a crucial moderating variable for aspiring entrepreneurs in the entrepreneurial process. This model will serve theoretically by adding to research body of knowledge and practically to help shape policies and interventions targeted at improving entrepreneurship, particularly in populations that may lack financial confidence and/ or resources.

Fourthly, the research will contribute to existing academic literature by linking perceived financial well-being to entrepreneurial behaviour. The concept of financial well-being has been explored and studied in the context of financial literacy, economic psychology and consumer behaviour (Brüggen et al., 2017; Netemeyer et al., 2018). However, its impact on the development of entrepreneurial mindset and entrepreneurial intention is underexplored. By investigating the impact of perceived financial well-being on entrepreneurial mindset (objective 1), the study closes this gap and provides empirical evidence on how subjective financial perceptions influence entrepreneurship elements such as opportunity recognitions, risk appetite and problem-solving (Haynie et al., 2010; Krueger, 2007).

By delving into the link of entrepreneurial mindset and entrepreneurial intentions (objective 3), the study will reenforce existing models of entrepreneurial intention such as the theory of planned behaviour (Ajzen, 1991). Previous research acknowledges the role of entrepreneurial mindset in business creation (Hmieleski & Corbett, 2006), however, the empirical validation of the relationship within context of

perceived financial well-being is limited. The study will contribute by empirically testing this pathway, thus providing insights into the cognitive antecedents of entrepreneurial intention and entrepreneurial mindset.

1.6.2. Practical contributions

The study explores the effect of perceived financial well-being on entrepreneurial intention (objective 2). Prior research has investigated the antecedents of entrepreneurial intention elements such as psychological traits, social-cultural factors and institutional support (Liñán & Fayolle, 2015); but the perceived financial well-being has limited research. In understanding how an individual's perception of their financial well-being influences their entrepreneurial intention, the study offers insight into the motivation and can inform interventions that target entrepreneurial inclusion among financially disadvantaged populations. The targeted interventions will enable this populations to contribute to the economy while improving earning a livelihood.

Findings from the study could offer practical applications for entrepreneurship education, training and policymaking. By pinpointing the significance of perceived financial well-being in shaping both entrepreneurial intention and entrepreneurial mindset, the study could help build targeted support strategies such as customised financial literacy programmes, mentorships and incubation programmes. The interventions could assist aspiring entrepreneurs to improve their perceived financial well-being which could positively affect their entrepreneurial mindset and entrepreneurial intention enhancing the entrepreneurship environment.

Lastly, the study introduces the moderating role of perceived financial well-being in the relationship between entrepreneurial mindset and entrepreneurial intention (Objective 4). This is of critical importance as the relationship highlights how financial perception can either hinder or enhance the transition of entrepreneurial mindset into actionable entrepreneurial intention. The findings will be relevant in financially constrained environments, where the psychological impact of perceived financial well-being may serve as a contributing factor to entrepreneurial activity (Ciavarella et al., 2004).

In the entrepreneurial business environment, the research will guide entrepreneurial education programmes, financial literacy initiatives, and policy frameworks aimed at promoting entrepreneurship. By identifying the role of financial well-being as a motivator and cognitive variable, stakeholders, policy makers and educators can customise support targeted at enhancing the individual's perception of financial well-

being. Additionally, understanding the moderating effects of financial perception can assist institutions design targeted programmes for groups affected by financial burden such as youth and women. The study offers actionable insights for enhancing entrepreneurial uptake in challenging financial circumstances.

1.7. Structure of the report

This chapter covered the introduction to the research problem. In the second chapter an in-depth literature review will be the focus. This will be followed by research hypotheses in chapter three. Chapter four will delve into research methodology and design. The results of the study and analysis of the data will be covered in chapter five, while chapter six will discuss the results. Lastly, in chapter seven study will end with a conclusion to the study, implications, recommendations and suggestions for further research in future.

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

This chapter presents the literature on entrepreneurial intention, entrepreneurial mindset and perceived financial well-being. It delves into how theory of planned behaviour frames the study. Further, the chapter demonstrates how the hypotheses were formulated based on suitable literature.

2.2. Theoretical framework: Theory of planned behaviour

The theory of planned behaviour, which was developed by Icek Ajzen (1991), is a robust theoretical framework that posits the most important determinant of behaviour is the individual's intention to perform the planned behaviour (Ajzen, 1991). It helps in understanding and predicting human behaviour especially in environments where individuals may not have complete and unconditional control of their actions.

According to the theory, the intention is influenced by three independent elements which are attitude towards the behaviour, subjective norms and perceived behavioural control. Attitude towards the behaviour refers to the individual's positive or negative evaluation of performing the behaviour. Subjective norm indicates the perceived social pressure from individuals or groups to engage in or refrain from the behaviour. Perceived behavioural control demonstrates the individual's perception of the ease or difficulty of performing the behaviour, incorporating beliefs about available resources, opportunities, and anticipated challenges. Ultimately, a stronger intention, combined with greater perceived behavioural control, increases the likelihood of behaviour performance (Ajzen, 1991).

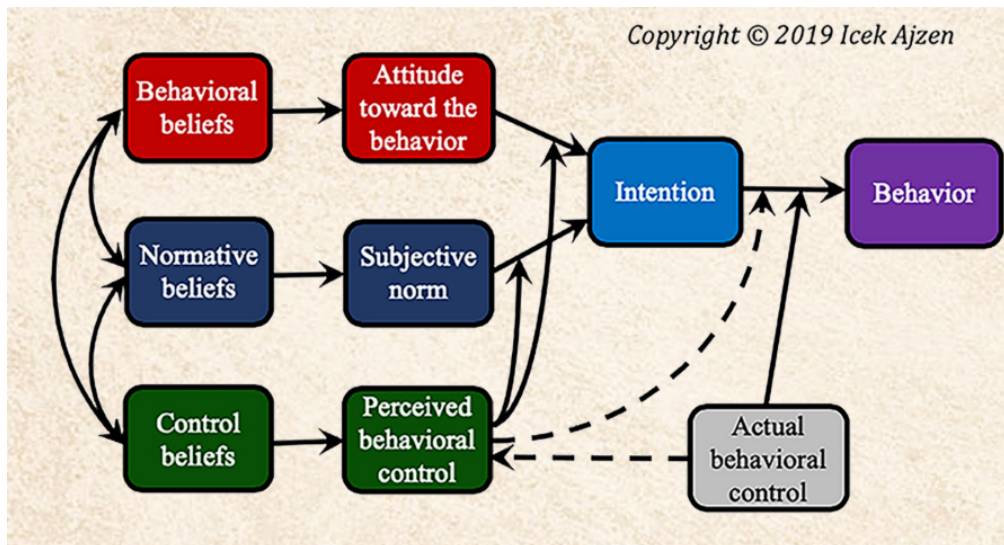


Figure 1: Theory of planned behaviour diagram (Ajzen, 2019)

In an entrepreneurial setting, these components shape entrepreneurial intention, which is a reliable predictor of entrepreneurial behaviour (Krueger et al., 2000; Liñán & Chen, 2009). The theory of planned behaviour is suitable as a theoretical anchor for a study investigating intentions (entrepreneurial intention) as it has been extensively used and gained empirical support across different contexts. Previous studies have justified the theory's relevance in entrepreneurial settings, such as why individuals choose to engage in entrepreneurial activities (Fayolle & Liñán, 2014). The theory provides a framework that includes both cognitive and contextual factors in shaping and developing intention, explaining while intentions are key, behaviours are often dependant on non-motivational factors such availability of finances, time or skills.

In the context of the study, the entrepreneurial mindset is viewed as a cognitive factor that influences attitude and perceived behavioural control, while perceived financial well-being represents a contextual factor that may influence an individual's belief in their capacity to pursue entrepreneurial goals. The application of the theory of planned behaviour acknowledges both cognitive and contextual components that are intertwined in shaping the entrepreneurial intention.

In this study, the theory of planned behaviour is a powerful anchor to offer an understanding of how the entrepreneurial mindset influences entrepreneurial intention, further it explains how perceived financial well-being may moderate the relationship. For instance, a strong entrepreneurial mindset may lead to a more favourable attitude towards entrepreneurial intention. Despite entrepreneurial

mindset influencing the belief in one's capability, the actual outcome is dependant the contextual variables such as resources (Ajzen, 1991). Higher perceived financial well-being can enhance an individual's perceived ease to engage in entrepreneurial activities. Therefore, perceived financial well-being would act as a moderator in the relationship between entrepreneurial mindset and entrepreneurial intention by strengthening or weakening the perceived behavioural control for transitioning a strong mindset into practical intentions.

2.3. Entrepreneurial intention

Entrepreneurial intention represents a state of mind that directs an individual's attention, experience, and actions toward a business concept or toward creating new value in existing ventures (Bird, 1988). It is regarded as a conscious and deliberate act which forms the foundational stage of entrepreneurial behaviour (Krueger & Carsrud, 1993; Thompson, 2009).

The study of entrepreneurship intention has evolved into a popular field within entrepreneurship research, offering a theoretical framework that emphasizes entrepreneurship as a largely intentional and planned behaviour (Fayolle & Liñán, 2014). Intentions are considered antecedents of behaviour, especially when the behaviour is complex, such as launching a new business (Ajzen, 1991). As such entrepreneurial intention has proven to be a reliable predictor of entrepreneurial activity and an important construct in understanding why some individuals decide to pursue entrepreneurship while others do not.

Entrepreneurship intention research enables scholars to investigate the antecedents of entrepreneurial behaviour and the mechanisms underlying opportunity recognition, venture creation, and strategic decision-making. In instances where entrepreneurial behaviour is not yet observable, intention-based models offer a lens to assess the cognitive and motivational factors involved in entrepreneurship (Krueger et al., 2000). This is particularly valuable as personality traits and situational factors have shown limited explanatory power on their own, often influencing behaviour only indirectly through attitudes and intentions (Bird, 1988; Krueger & Brazeal, 1994).

2.4. Entrepreneurial mindset

The entrepreneurial mindset is a concept widely explored and popular for its relevance in uncertain and dynamic economic environments. Researchers describe

it as the capacity to sense, act, and mobilize rapidly even under uncertain conditions (Ireland et al., 2003). This study defines entrepreneurial mindset as a cognitive orientation that enables individuals to identify and act on opportunities, make decisions with incomplete information, and remain resilient in the face of ambiguity (Haynie et al., 2010; Mitchell et al., 2002). At its centre, the entrepreneurial mindset is built on cognitive adaptability, which refers to the capacity to be dynamic, flexible, and self-regulating in one's thinking to navigate unpredictable environments effectively (Haynie et al., 2010).

Research confirms the significance of entrepreneurial mindset in driving entrepreneurial behaviours such as opportunity recognition, venture creation, and firm growth (Baron, 2006). Studies link entrepreneurial mindset to improved performance through entrepreneurial behaviour (Rauch et al., 2009). Despite its growing prominence, how entrepreneurial mindset interacts with contextual elements such as perceived financial well-being maybe an area of needed research; the study could enlighten on how entrepreneurs make strategic choices under financial resource constraints.

The entrepreneurial mindset is invaluable construct in understanding an individual's propensity to participate in entrepreneurial activities. This mindset comprises of five key dimensions: need for achievement, risk propensity, ambiguity tolerance, dispositional optimism, and alertness to opportunity (Sun et al., 2023). These dimensions are derived from established scales in entrepreneurship and psychology; they showcase the cognitive and motivational aspects of how individuals engage with entrepreneurial opportunities and challenges.

2.4.1. Need to achievement

The need for achievement can be viewed as an individual's intrinsic drive to accomplish goals, succeed and excel while overcoming challenges particularly in the formation of a new venture in the entrepreneurial environment. This dimension is characterised in individuals by consistent effort to achieve challenging goals and resilience during challenges (Sun et al., 2023). It can be posited that there is a positive correlation between the need for achievement and the propensity to thrive and succeed in the entrepreneurial environment. In the context of entrepreneurial education, the need to achieve trait has demonstrated greater engagement in entrepreneurial activities (Steenkamp et al., 2024). This trait can be viewed as a critical and foundational element in entrepreneurial mindset.

2.4.2. Risk propensity

Risk propensity refers to an individual's willingness to be involved in actions that may result in uncertainty or potential failure or loss. It indicates how comfortable an individual is with uncertainty and the likelihood of the individual to take a calculated risk in entrepreneurship endeavours. A high-risk propensity is characterised by readiness to embrace uncertainties present in the entrepreneurial environment. Steenkamp et al. (2024) argue that need for achievement increases one's risk-taking propensity which is an important precursor to forming entrepreneurial intentions.

2.4.3. Ambiguity tolerance

Ambiguity tolerance describes an individual's ability to remain functional and effective in unclear, uncertain situations or situations where information is incomplete, the named conditions are characteristic of entrepreneurial environment. Often, entrepreneurs are faced with decision making in dynamic and challenging environments. Individuals with high ambiguity tolerance are better positioned to operate in uncertain environments and find opportunities for growth and innovation; the trait is vital for early stages of entrepreneurial ventures where ambiguity is the common (Zehrer et al., 2024). The different lens through which these individuals view the uncertain environment makes them agile and constantly scanning for opportunities.

2.4.4. Dispositional optimism

Dispositional optimism refers to a positive outlook on the future in general. The dimension has elements of believing positive results are more likely, believing negative results are manageable, and resilience when faced with challenges. In the entrepreneurial environment where setbacks and uncertainty are the norm, dispositional optimism is a valuable characteristic trait to entrepreneurial (Sun et al., 2023). High levels of optimism in individuals will result in resilience when faced with challenges in the entrepreneurial environment while maintaining a positive outlook. The positive outlook enhances problem solving which is a continual process in the entrepreneurial environment (Lindblom, Lindblom, & Wechtler, 2020).

2.4.5. Alertness to opportunity

Alertness to opportunity is represented by an individual's cognitive ability to identify and recognise potential entrepreneurial opportunities that may not be obvious. The dimension is characterised by information gathering, identifying trends, spotting unmet needs and being open to novel ideas. Mahamotse and Msimango-Galawe (2024) posit that opportunity alertness is an essential element of entrepreneurial mindset as it influences the lens through which individuals view the entrepreneurial environment and identify opportunities. High levels of alertness to opportunity places individuals on a better footing to exploit opportunities which gives them a strategic advantage.

As entrepreneurship gradually becomes an option for addressing economic challenges, the entrepreneurial mindset offers a framework for understanding how individuals approach risk, innovation, and opportunity. Its relevance is not only theoretical but also practical, informing education, policy, and enterprise development.

2.5. Perceived financial well-being

Perceived financial well-being has increasingly gained attention as a significant predictor of psychological, behavioural, and socio-economic effects. Perceived financial well-being refers to an individual's subjective judgement of their financial situation, incorporating present financial conditions and anticipated future financial security (Netemeyer et al., 2018). In contrast to objective financial indicators such as income or assets, perceived financial well-being reflects how individuals feel about their financial status, including stress levels, control over finances, and future expectations.

The construct is multidimensional. Netemeyer et al. (2018) empirically demonstrated that perceived financial well-being consists of two primary dimensions: current money management stress and expected future financial security. Their work showed that perceived financial well-being significantly predicts overall well-being, health, and job performance, beyond the explanatory power of objective financial indicators. This demonstrates the importance of an individuals' perceptions in their financial situation. Correspondingly, Xiao and Porto (2017) confirmed that perceived financial well-being is a stronger predictor of life satisfaction than objective financial measures such as income or net worth. Their findings demonstrate how people evaluate their financial situation subjectively.

Perceived financial well-being has also been linked to health and mental well-being. Drever et al. (2015) found that low financial well-being contributes to increased levels of psychological distress and poorer health outcomes. These findings are echoed by Salignac et al. (2019), who posit financial well-being enhances individuals' ability to participate fully in economic and social life. In the context of financial behaviour, individuals with higher perceived financial well-being tend to engage in more constructive financial planning, saving, and budgeting behaviours (Shim et al., 2009). Thus, interventions targeting financial education and confidence building may indirectly enhance perceived financial well-being.

Perceived financial well-being is a multifaceted construct that significantly impacts individuals' mental health, financial behaviour, and overall life satisfaction. It is a psychological construct that incorporates expectations, stress, control, and financial self-efficacy. Understanding perceived financial well-being may be essential for designing effective financial education, entrepreneurship support programmes, and policies aimed at improving an individuals' opinion on their financial wellbeing.

2.6. Entrepreneurial mindset and Entrepreneurial intention

The constructs of entrepreneurial mindset and entrepreneurial intention are closely related in entrepreneurship literature, both playing critical roles in explaining how individuals identify and pursue entrepreneurial opportunities. The entrepreneurial mindset is broadly defined as a cognitive orientation that enables individuals to create value by recognizing and acting upon opportunities, even in uncertain conditions ambiguity (Haynie et al., 2010; Mitchell et al., 2002) This mindset incorporates the ability to self-regulate known as cognitive adaptability and adjust one's cognition in dynamic environments, which is considered foundational to entrepreneurial behaviour (Haynie et al., 2010). Entrepreneurial mindset is characterized by the ability to generate solutions and execution of the solutions, allowing individuals to continuously refine an act on emerging opportunities (Ireland et al., 2003).

Entrepreneurial intention, on the other hand, refers to an individual's consciously held commitment to starting a business or engaging in entrepreneurial activity. Rooted in the theory of planned behaviour (Ajzen, 1991), entrepreneurial intention is considered the most immediate influence of entrepreneurial behaviour and has consistently been shown to predict entrepreneurial action (Krueger et al., 2000). Entrepreneurial intention reflects a state of mind that directs attention, experience, and behaviour toward a business concept or venture (Bird, 1988). As

entrepreneurship is largely an intentional, planned behaviour, understanding entrepreneurial intention helps explain opportunity recognition, venture creation, and the translation of entrepreneurial ideas into action (Liñán & Chen, 2009). Both entrepreneurial mindset and entrepreneurial intention are cognitive in nature, evolving as individuals process beliefs, knowledge, and experience.

The relationship between entrepreneurial mindset and entrepreneurial intention is grounded in their shared cognitive foundation. Research has shown that metacognitive dimensions of entrepreneurial mindset significantly influence entrepreneurial intention, suggesting a direct pathway from mindset to intention (Fernández-Pérez et al., 2015). Both constructs are sensitive to contextual factors thus could be affected by perceived financial wellbeing (Bosma et al., 2012). It's therefore beneficial to delve deeper into the relationship between entrepreneurial mindset and entrepreneurial intention.

A key crucial element of the entrepreneurial mindset is the need for achievement. The trait has been consistently linked to entrepreneurial behaviour as the high achievement motivation is positively correlated with setting high standards, and resilience through challenges to reach goals. In entrepreneurship this could result in creating successful ventures. Studies support that individuals with high need for achievement are highly likely to develop entrepreneurial intentions influenced by their need to succeed and meet goals (Collins et al., 2004). Therefore, need for achievement drives individuals to actively pursue opportunities and stay committed to the entrepreneurial journey which includes the entrepreneurial intention.

Tolerance for ambiguity allows individuals to remain comfortable and effective during conditions of uncertainty, complexity or incomplete information, a common occurrence in the entrepreneurial environment. Dynamic entrepreneurial conditions in the real world makes ambiguity tolerance crucial to succeed and operate in uncertain conditions. Studies have shown individuals with high ambiguity tolerance are more open to innovation, less prone to decision paralysis, and more equipped to navigate the turbulent early stages of venture creation (Gurel et al., 2010). In the context of entrepreneurial intention, exhibiting higher tolerance for ambiguity is linked to more engagement in entrepreneurship, the individuals would perceive uncertainty as normal part of the entrepreneurial journey (De Noble et al., 1999). Thus, ambiguity tolerance influences mindset development and serves as a psychological enabler of entrepreneurial intention.

Opportunity alertness is an element of the entrepreneurial mindset that enables

individuals to scan the environment and act upon potential entrepreneurial opportunities that may not be obvious to others. Kirzner (1973) posited that entrepreneurs have a heightened sense to disequilibrium in the market allowing them to identify gaps and emerging trends. Tang et al. (2012) operationalised opportunity alertness into three dimensions which are scanning and search, association and connection, and evaluation and judgment. Individuals high in opportunity alertness are likely to engage in actively searching for information, link unrelated data and make sound judgements on the validity of business ideas. This inherent trait enhances entrepreneurial intention by increasing individuals' confidence in their ability to recognize and exploit opportunities (Ardichvili et al., 2003).

Risk propensity is the tendency of individuals to engage in behaviours that have uncertain outcomes and potential loss in exchange for the possibility of significant gain. The entrepreneurial environment outcomes are unpredictable, and resources are constrained; therefore, a moderate to high-risk propensity is often considered a prerequisite for venture creation (Stewart & Roth, 2004). Individuals with higher risk propensity are more likely to develop entrepreneurial intentions as they are not risk averse and are motivated by prospective rewards (Forlani & Mullins, 2000). Thus, risk propensity shapes the entrepreneurial mindset while strengthening the entrepreneurial intention to engage in entrepreneurial activity.

Dispositional optimism refers to a general tendency to expect positive outcomes, even in the face of challenges (Scheier & Carver, 1985). In the entrepreneurial setup, optimism plays an important role in being resilient and maintaining commitment to the entrepreneurial journey. Optimistic individuals are more likely to look at failures through the lens of temporary setbacks, allowing them to persist in the face of challenges (Hmieleski & Baron, 2009). Optimism develops resilience and problem-solving, which support navigating the uncertainties of entrepreneurial journeys. Dispositional optimism supports the resilience necessary for entrepreneurship, thus enhancing intention.

2.7. Perceived financial wellbeing and Entrepreneurial mindset

The entrepreneurial mindset characterized by opportunity recognition, adaptability, and innovation in uncertain contexts (Haynie et al., 2010; Mitchell et al., 2002), is influenced by other elements other than by cognitive and motivational elements; this includes contextual variables. One such contextual variable is perceived financial well-being which refers to an individual's subjective evaluation of their current and

anticipated financial situation, encompassing financial stress, control, and future security (Netemeyer et al., 2018). Research suggests that individuals who feel financially secure may demonstrate higher cognitive flexibility and resilience as key characteristics associated with an entrepreneurial mindset (Xiao & Porto, 2017; Salignac et al., 2019).

The interconnectedness between perceived financial well-being and entrepreneurial mindset lies in psychological resource availability. Financial strain can restrain one's ability to engage in opportunity-seeking behaviours (Mani et al., 2013). Conversely, higher perceived financial well-being may enhance psychological safety, thus enabling individuals to pursue entrepreneurial ventures without the burden of financial insecurity. Perceived financial well-being may enhance the core of the entrepreneurial mindset (cognitive adaptability) by freeing up mental and emotional resources for entrepreneurial cognition and risk assessment (Shim et al., 2009).

There are limited studies directly examining the relationship between perceived financial well-being and entrepreneurial mindset. However, given that higher perceived financial well-being has been associated with greater perceived control and proactive financial behaviour (Xiao & O'Neill, 2016), it is reasonable to assume that there is a positive relationship between perceived financial well-being and the development of an entrepreneurial mindset.

2.8. Perceived financial wellbeing and Entrepreneurial intention.

Entrepreneurial intention defined as the conscious decision and commitment to start a business (Bird, 1988; Krueger et al., 2000), has been widely studied as a predictor of entrepreneurial behaviour. While entrepreneurial intention is influenced by personal attitudes, social norms, and perceived behavioural control (Ajzen, 1991), recent literature increasingly acknowledges the role of financial perceptions in shaping entrepreneurial motivation.

Perceived financial wellbeing plays a dual role in relation to entrepreneurial intention. On one hand, individuals with high perceived financial well-being may be more likely to pursue entrepreneurship as they feel financially prepared to take risks (Netemeyer et al., 2018). On the other hand, those with lower perceived financial well-being may view entrepreneurship as a viable strategy for economic advancement, particularly in contexts where traditional employment opportunities are limited (Salignac et al., 2019). This dual role is reflected in studies such as that of Farooq (2018), which found that perceptions of financial adequacy positively predicted entrepreneurial

intention among university students in emerging economies. Alshebami & Al Marri (2022) supports this view as they indicate financial literacy contributes positively to entrepreneurial intention, individuals who understand financial principles better are more likely to plan, save, and thus feel capable of taking the financial risks necessary for entrepreneurship.

The opposing view is that financial distress in some settings may not be a barrier but can act as a motivator, facing financial hardship may increase entrepreneurial motivation when individuals believe they have self-efficacy leading to higher intention to start ventures (Anzak, Tahir, Rehman, & Bahar, 2023). These different views present an opportunity to further delve into and establish the interrelationship between the two constructs.

2.9. Moderating role of perceived financial well-being on the relationship between entrepreneurial mindset and entrepreneurial intentions

Considering the strong ties between entrepreneurial mindset and entrepreneurial intention (Haynie et al., 2010; Liñán & Chen, 2009), and the demonstrated significance of perceived financial wellbeing to both constructs (Netemeyer et al., 2018; Xiao & Porto, 2017), it is justifiable to consider of perceived financial wellbeing as a moderating variable influencing the strength of the relationship between entrepreneurial mindset and entrepreneurial intention.

Individuals with a strong entrepreneurial mindset may possess the ability and motivation to pursue entrepreneurship, but the degree to which this mindset transitions into intention may be dependent on perceived financial wellbeing. According to Conservation of Resources theory (Hobfoll, 2001), individuals are motivated to preserve and build resources. Perceived financial wellbeing as a psychological resource, may mitigate risks perceived in entrepreneurial action, thus facilitating the conversion of entrepreneurial mindset into actionable entrepreneurial intention. When perceived financial wellbeing is high, individuals may feel more empowered and less risk-averse, thus may positively influence the translation of entrepreneurial mindset into entrepreneurial intention. When of perceived financial wellbeing is low, even individuals with a strong entrepreneurship mindset might hesitate to form concrete intentions due to financial insecurity.

As a key motivational trait, the need for achievement drives individuals to pursue challenging goal and be successful. Individuals with high achievement motivation are more likely to consider entrepreneurship as a personal challenge, the motivation may

be affected by perceived financial well-being. When perceived financial well-being is high, individuals may feel more tolerant to financial uncertainties that characterise the entrepreneurial journey. Conversely, when financial well-being is perceived to be low, the risks associated with starting a business such as debt, income instability, or opportunity costs may inhibit action, even for highly achievement-oriented individuals (Netemeyer et al., 2018). Perceived financial well-being may be an enhancer or deterrent that supports or constrains the transition of motivational traits into intention. Tolerance for ambiguity assists individuals to function effectively in uncertain and unpredictable environments; a necessary skill in entrepreneurship (Budner, 1962). High ambiguity tolerance leads to more willingness to consider entrepreneurship. Individuals with high ambiguity tolerance may however be influenced by their perceived financial situation. High perceived financial well-being can reduce the psychological burden of uncertainty, allowing individuals to take risks and experiment with new ideas, thus positively influencing the effect of ambiguity tolerance on entrepreneurial intention. Conversely, individuals who perceive their financial resources as inadequate may experience increased fear of failure, which could diminish their ability to manage ambiguity and negatively influence their entrepreneurial aspirations (Xiao & Porto, 2017). Thus, perceived financial well-being moderates the relationship by reducing the psychological costs of uncertainty or exacerbating them in low-resource environments.

Opportunity alertness reflects a person's ability to scan, identify, and evaluate entrepreneurial opportunities (Kirzner, 1973; Tang et al., 2012). While alertness is a necessity in the entrepreneurial environment, its link to intention may be influenced by whether individuals believe they have the financial resources to act on the opportunities they identify. Individuals with high perceived financial well-being are more likely to perceive opportunities as actionable, thus translating alertness into entrepreneurial intent. Conversely, individuals with low perceived financial well-being may experience a resource restraint which will restrict them from acting, even when they can identify viable opportunities. According to conservation of resources theory (Hobfoll, 2001), lacking a sense of financial security may lead individuals to conserve their resources and avoid high-risk ventures, thus moderating the effect of opportunity alertness on intention. Thus, perceived financial well-being may enhance or diminish the behavioural traits of being alert to entrepreneurial opportunities.

Risk propensity referring to the willingness to engage in decisions with uncertain outcomes, is central to entrepreneurial behaviour (Stewart & Roth, 2001). While high

risk tolerance increases the likelihood of entrepreneurial intention, perceived financial well-being may substantially influence whether the propensity leads to action. Individuals with strong financial security are likely to perceive entrepreneurial risks as manageable and temporary, thus enhancing the positive relationship between risk propensity and entrepreneurial intention. In contrast, individuals who perceive their financial well-being to be poor may interpret risks as more adverse, increasing fear of failure and reducing the likelihood that risk-taking converts to intention (Forlani & Mullins, 2000). Perceived financial well-being therefore plays a moderating role by shaping the psychological lens in which risk is evaluated by either enabling confident decision-making or reinforcing risk aversion.

Dispositional optimism is the tendency to expect favourable outcomes and view setbacks as temporary and manageable (Scheier & Carver, 1985). Optimism plays a significant role in developing the entrepreneurial mindset and overcoming obstacles on the entrepreneurial journey (Hmieleski & Baron, 2009). However, the translation of optimism into entrepreneurial intention may be influenced by perceived financial well-being. When individuals feel financially secure, their optimism may enhance their confidence in overcoming challenges, thus strengthening their intention to pursue entrepreneurship. Conversely, individuals who perceive their financial situation as unfavourable may find it more difficult to sustain entrepreneurial optimism in the face of possible financial risk. This may dull the impact of high levels of optimism on intention. Perceived financial well-being serves as a moderating variable that either improves or constrains the motivational impact of dispositional optimism on entrepreneurial intention.

2.10. Conclusion

The entrepreneurial mindset containing dimensions such as need for achievement, tolerance for ambiguity, opportunity alertness, risk propensity, and dispositional optimism; plays a significant role shaping entrepreneurial intention. However, the strength of this relationship is influenced by contextual and psychological factors such as perceived financial well-being. Drawing on the conservation of resources theory (Hobfoll, 2001), perceived financial well-being emerges as a moderating variable that can either facilitate or hinder the translation of entrepreneurial mindset into intention. Individuals with high levels of perceived financial well-being are more likely to develop their traits towards entrepreneurial action, as they are more risk tolerant. Conversely, low perceived financial well-being may dampen entrepreneurial

intention, even with a strong entrepreneurial mindset, due to financial well-being concerns.

In conclusion, the theory of planned behaviour offers an alternative to the conservation of resources theory in understanding how entrepreneurial mindset influences entrepreneurial intention. By focusing on the roles of attitude toward entrepreneurship, subjective norms, and perceived behavioural control, theory of planned behaviour provides a framework to explain how cognitive traits such as need for achievement, risk propensity, and opportunity alertness shape entrepreneurial intentions. Additionally, perceived financial well-being serves as a moderating factor within theory of planned behaviour and acting as either an enabler or barrier to entrepreneurial engagement. Individuals with higher financial security are more likely to encounter fewer challenges and take entrepreneurial risks, whereas those with lower financial well-being may face increased challenges. Thus, theory of planned behaviour with contextual factors like financial well-being enhances our understanding of the elements that drive entrepreneurial intentions.

CHAPTER 3: CONCEPTUAL MODEL AND HYPOTHESES

The research's primary objective is understanding the moderating role of perceived financial well-being on the relationship between entrepreneurial mindset and entrepreneurial intentions. The following research questions represent the study's primary objectives:

Main Question: What is the moderating role of perceived financial well-being in the relationship between entrepreneurial mindset and entrepreneurial intentions?

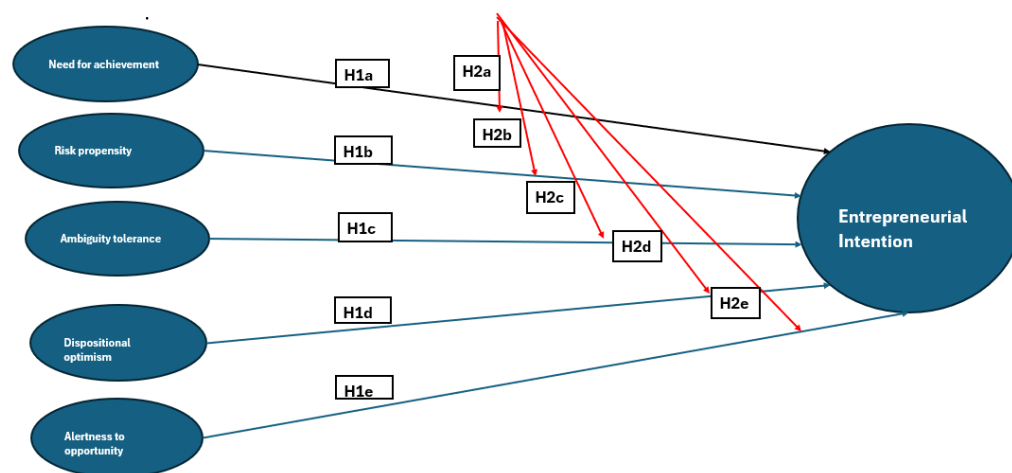


Figure 2: Proposed conceptual model for the study

Hypotheses

Hypothesis 1 posits that entrepreneurial mindset significantly impacts entrepreneurial intention. Entrepreneurial mindset contributes to higher levels of self-efficacy and perceived behavioural control, which are important components in the formation of entrepreneurial intention according to theory of planned behaviour (Krueger et al., 2000). Recent studies confirm that an entrepreneurial mindset plays an important role in shaping entrepreneurial intention, however, the mindset is viewed as one broad concept instead of analysing its different dimensions (Sun, et al., 2023). Researchers have highlighted that most research focuses on measuring the overall mindset, often among student samples, and have called for more detailed studies that explore how specific traits such as alertness and risk-taking affect entrepreneurial intention (Degefu et al., 2024). Therefore, this study suggests that:

Hypothesis 1: There is a positive relationship between entrepreneurial mindset and entrepreneurial intention.

H1a there is a positive relationship between need for achievement and

entrepreneurial intention

H1b there is a positive relationship between risk propensity and entrepreneurial intention.

H1c there is a positive relationship between ambiguity tolerance and entrepreneurial intention.

H1d there is a positive relationship between dispositional optimism and entrepreneurial intention.

H1e there is a positive relationship between alertness to opportunity and entrepreneurial intention.

Hypothesis 2 suggests perceived financial well-being moderates the relationship between entrepreneurial mindset and entrepreneurial intention. Perceived financial well-being has identified benefits, however there is a gap in understanding what is its contextual effect on the relationship between entrepreneurial mindset and entrepreneurial intention. Liu et al., (2022) argue that family economic status changes how strongly entrepreneurship education predicts entrepreneurial intention; but they do not test whether individuals who feel financially well do better when they also have traits like risk-taking, alertness, or optimism. Therefore, this study suggests that each dimension of entrepreneurial mindset encompassing need for achievement, risk propensity, ambiguity tolerance, dispositional optimism, and alertness to opportunity may be influenced differently by an individual's perceived financial well-being. Therefore, examining these sub-dimensions allows for a more nuanced understanding of how perceived financial well-being interacts with the entrepreneurial mindset to either enhance or inhibit entrepreneurial intentions.

Hypothesis 2: Perceived financial well-being positively moderates the relationship between entrepreneurial mindset and entrepreneurial intention, such that the higher the level of perceived financial well-being the stronger the relationship between entrepreneurial mindset and entrepreneurial intention.

H2a perceived financial well-being positively moderates the relationship between need for achievement and entrepreneurial intention, such that the higher the level of perceived financial well-being the stronger the relationship between need for achievement and entrepreneurial intention.

H2b perceived financial well-being positively moderates the relationship between risk propensity and entrepreneurial intention, such that the higher the level of perceived financial well-being, the stronger the relationship between risk propensity and entrepreneurial intention.

H2c perceived financial well-being positively moderates the relationship between ambiguity tolerance and entrepreneurial intention, such that the higher the level of perceived financial well-being, the stronger the relationship between ambiguity tolerance and entrepreneurial intention.

H2d perceived financial well-being positively moderates the relationship between dispositional optimism and entrepreneurial intention, such that the higher the level of perceived financial well-being, the stronger the relationship between dispositional optimism and entrepreneurial intention.

H2e perceived financial well-being positively moderates the relationship between alertness to opportunity and entrepreneurial intention, such that the higher the level of perceived financial well-being, the stronger the relationship between alertness to opportunity and entrepreneurial intention.

CHAPTER 4: RESEARCH METHODOLOGY AND DESIGN

4.1. Research methodology

In this study descripto-explanatory research design was applied, to investigate the quantitative relationship between perceived financial wellbeing, entrepreneurial mindset and entrepreneurial intention effectively explaining the interrelationships (Roberts-Lombard & Petzer, 2018). The design combines descriptive and explanatory elements. The methodological choice served the dual purpose of collecting quantitative evidence and offering an in-depth understanding of the causal factors that influence the interrelationship between constructs.

4.1.1. Research philosophy

The study sought to understand the moderating role of perceived financial wellbeing on the relationship between entrepreneurial mindset and entrepreneurial intention. Positivist philosophy is one of the tools the study utilised to focus on objective measures, statistical analysis, and replicable findings as critical dimensions of scientific research (Saunders & Lewis, 2018). As per Saunders and Lewis (2018), positivism prevents personal biases and interpretations from corrupting quality of data and findings, however to some extent subjectivity may be impossible to circumvent.

This approach allowed for a framework to effectively investigate the relationship between perceived financial wellbeing, entrepreneurial mindset and entrepreneurial intention in a structured manner (Leitch et al., 2010). Positivist approach is appropriate when testing theory-driven hypotheses about measurable relationships among constructs. Through positivist philosophy, this study focused on objective measures, quantitative analysis and hypothesis testing which allowed for pattern identification and generalisable findings (Park, Konge, & Artino, 2020).

The positivist philosophy included perspectives of ontology, epistemology, and axiology. Ontological perspective represents the reality demonstrated by the collected data; epistemology highlighted the measurability and objectivity of the data obtained through empirical proof and axiological perspective ensured that the study was ethical and had no undue influence from the researcher (Al-Ababneh, 2020; Park et al., 2020). The three perspectives helped in shaping the research focus (ontological), guided data collection (epistemology) and ensured an ethical study (axiology).

4.1.2. Research approach

There are three research approaches according to Saunders and Lewis (2018), deduction, induction, and abduction; this study selected a deductive approach for its advantageous testing and refining of existing theories. Holmström et al. (2009) posit deductive reasoning starts with a general theory and data collected is used to test the validity of the theory and reach a supporting or opposing conclusion. Aligned with a positivist view, the study adopted a deductive approach to investigate the relationships between perceived financial wellbeing, entrepreneurial mindset and entrepreneurial intention (Saunders & Lewis, 2018).

The research begun with hypotheses development based on theory of planned behaviour and proceeded to data collection for hypotheses testing. If the hypotheses are supported by the data, the theory is strengthened; if not supported the theory may need to be revised (Holmström et al., 2009). The approach guided the study through a logical progression from general theories to specific data-supported observations, ensuring the reliability and replicability of findings while fusing theory and research findings (Bryman, 2016).

4.1.3. Methodological choice

The research employed a quantitative methodological approach, as the study relied on previous studies and incorporated it with data collection relevant to constructs being investigated (Saunders & Lewis, 2018). This research utilised a mono-method design due to its significant advantages. To test the proposed relationships in the hypotheses, this approach started with collection of quantitative data as suggested by Sharma et al. (2009). As advocated by Edmondson and McManus (2007), this research methodology ensured a rigorous alignment between the study's design and research questions, the existing literature, and the anticipated contribution of this investigation.

The first advantage is that the use of a single data collection method ensures consistency in the research process reducing complexity and improving reliability (Saunders & Lewis, 2018). Closely related, utilising a mono-design ensured simplicity and clarity which makes the process of designing, analysing and executing the study easier (Vizcarguenaga-Aguirre & López-Robles, 2020). Thirdly, Creswell and Creswell (2017) argue that mono methods are useful when focusing on specific research questions and hypotheses; the focused-approach, data collection and

analysis lead to deeper and richer insights. Fourthly, the use of mono-method allowed for an in-depth study which would not be possible with other methods (Vizcarguenaga-Aguirre & López-Robles, 2020). Lastly, Bell et al., (2018) suggest that the mono-method provide a suitable solution without compromising the reliability for the study as it is cost and time-efficient considering limited resources.

4.1.4. Research strategy

A survey was the strategy of choice due to the descriptive and explanatory nature of the study (Roberts-Lombard & Petzer, 2018). An online, self-administered questionnaire was the data collection method, this allowed for a wider reach geographically. This strategy was efficient in retrieving information from a large and heterogeneous population sample such as aspiring South African entrepreneurs (Saunders & Lewis, 2018). Additionally, the efficiency of surveys improved accuracy, affordability, and speed of implementation (Al-Ababneh, 2020). One of the disadvantages of surveys was the likelihood of respondents' bias due to poor survey design, additionally, to administer and analyse surveys is time-consuming (Mohajan, 2020; Saunders & Lewis, 2018).

4.1.5. Research time horizon

A cross-sectional horizon was best fitting for this study as data was collected at a single point in time. This cross-sectional study was also appropriate in seeking to understand a theory at a specific point in time giving a snapshot of the variables studied. Creswell and Creswell (2017), posit cross-sectional time horizon is advantageous for studies with limited time frames enabling quick data gathering and analysing without requiring long-term observation. In a similar study looking into constructs of entrepreneurial education and entrepreneurial intention the cross-section time horizon was utilised and yielded reliable findings (Sun et al., 2023). Acquiring a snapshot of current trends in a population was a key reason of utilising a cross-sectional horizon method; offering practicality and cost-efficiency in comparing different groups and observing changing phenomena at a moment in time (Mohajan, 2020).

4.2. Research design

4.2.1. Population of the study

Aligned with the definition provided by Saunders and Lewis (2018), the target

population for this study comprised aspiring entrepreneurs within South Africa. However, a sample was drawn from the population to circumvent the limitations of time, resources and accessibility (Saunders & Lewis, 2018). The sampling of South African aspiring entrepreneurs was justified by the country's unique socio-economic context, which is characterised by high unemployment, income inequality, and a growing emphasis on entrepreneurship as a driver of inclusive economic growth (Bowmaker-Falconer et al., 2023).

Understanding how entrepreneurial mindset and perceived financial well-being influence entrepreneurial intention laid down a foundational understanding into how individuals deal with financial challenges and identify opportunities in a unique economic environment like South Africa. This focus was in line with national priorities promoting entrepreneurship as an important lever for job creation and poverty reduction in South Africa in the National Development Plan (NDP) 2030 (National Planning Commission (NPC), 2012).

The study ensured alignment with the focus of the research by drawing a sample that included aspiring entrepreneurs in South Africa. The study followed a similar approach to other studies; one delving into entrepreneurial intentions and psychological predictors with a sample size of 125 and another analysing self-efficacy and entrepreneurial intention with a sample size of 125 (Rienda, Andreu, & Yang, 2025; Tjano & Janse van Rensburg, 2020). This study had a target sample of 125 which was considered sufficient as online survey forms were used, thus ensuring feasibility.

4.2.2. Unit of analysis

The unit of analysis utilised for this study was an individual level to investigate the intertwined relationships among entrepreneurial mindset, entrepreneurial intention and perceived financial well-being. Utilising the theory of planned behaviour the study sought to understand the interrelationships by collecting data from aspiring entrepreneurs in South Africa. The choice of an individual as the unit of analysis is in line with previous studies such as a study by Baluku et al. (2020) which also used individual-level unit of analysis. The individual focus enabled us to give a more nuanced understanding of the constructs and the direction of the relationships. The anchoring framework of theory of planned behaviour, helped the study relate how attitude towards behaviour, subjective norms and perceived behavioural control work together to influence entrepreneurial mindset and entrepreneurial intention.

4.2.3. Sampling method and size

As it was not possible to obtain a complete list of all aspiring entrepreneurs in South Africa, a non-probability sampling technique was utilised, specifically purposive and snowballing sampling. According to Saunders and Lewis (2018), the method supports selection of respondents that possess characteristics aligning with the research objectives. A similar study on shaping the entrepreneurial mindset among university students in UAE used non-probability sampling (Khalil et al., 2024). Screening questions were used as an additional layer at the beginning of the survey, acting as filter for suitable respondents as per study's objectives. The screening questions included at the beginning of the survey were: whether the respondent resided in South Africa and whether they had entrepreneurial intention. The questions determined the suitability of the respondent for the study before proceeding to the rest of the questionnaire. If any of the two questions had a negative answer the survey was terminated.

An appropriate sample size was crucial to ensure reliability and ability to generalise the outcomes to a broader population. Research by Rienda et al. (2025) on self-efficacy and entrepreneurial intention, with a sample size of 125 participants, served as guidance in respect of establishing an appropriate sample size. A sample size of 125 participants for this study was appropriate for hypotheses testing. This sample size was manageable and adequate to illustrate the relationships between variables (Saunders & Lewis, 2018).

4.2.4. Measurement instrument

An online questionnaire was the main method of gathering data as it is structured. Pre-defined responses were included to assist with collecting quantifiable data which was analysed to ascertain the relationship between perceived financial wellbeing, entrepreneurial mindset and entrepreneurial intention in aspiring entrepreneurs in South Africa (Vizcarguenaga-Aguirre & López-Robles, 2020). The online format accommodated a large and geographically dispersed sample, supporting the generalisability of the study's findings. Since the study was investigating theoretical relationships, a large sample was required to generate sufficient reliable responses that have statistical power (Saunders & Lewis, 2018). An online questionnaire circumvented time and resource constraints, offering a practical efficient solution for collecting data from a large sample of aspiring entrepreneurs in South Africa.

Using pre-existing validated instruments as an anchor ensured reliability and validity. A structured questionnaire was developed covering the different constructs being investigated, with different sub-sections relating to different constructs of the study. The sub-sections included questions formulated to evaluate the variables. For the quantification of responses, a five-point and a seven-point Likert scale were used, the choice was preferred as its widely accepted in social science research (Joshi et al., 2015). Respondents used the scale to show their level of agreement or disagreements with statements measuring the different constructs in the study.

In this study, demographic variables such as age, gender and education level were included as control variables, as previous research has highlighted their potential influence on entrepreneurial intentions and behaviours. Age has been found to influence entrepreneurial intentions, with younger individuals demonstrating higher entrepreneurial aspirations due to lifestyle flexibility and limited financial responsibilities (Zhao, Seibert, & Hills, 2005). Gender differences also play a role, as studies show that women are less likely to pursue entrepreneurship than men, this could be due to unfavourable socio-cultural factors and limited access to resources (Gupta, Turban, Wasti, & Sikdar, 2009). Lastly, education level is an established predictor of entrepreneurial intention, with higher education levels generally correlating with greater entrepreneurial knowledge, skills, and self-efficacy (Fayolle & Gailly, 2015). Inclusion of these variables as controls helped link the effects of entrepreneurial mindset and perceived financial well-being on entrepreneurial intention.

Entrepreneurial mindset as an independent variable was measured using an adapted version of the Entrepreneurial Mindset construct from Sun et al. (2023), which draws from the Entrepreneurial Mindset Profile (EMP) developed by Davis et al. (2016). The Likert scale options included: Strongly disagree, disagree, neutral, agree and strongly agree. The EMP scale (Davis et al., 2016) has demonstrated good internal consistency, with reported Cronbach's alpha values typically ranging from 0.71 to 0.89 across its subscales (need for achievement, risk propensity, optimism, etc.), indicating acceptable to excellent reliability.

Perceived financial well-being as a moderator was measured using the perceived financial wellbeing scale, which is a duly validated instrument that provides measures with good reliability of the current money management stress and expected future financial security (Netemeyer et al., 2018). The Likert scale options included: Strongly disagree, disagree, neutral, agree and strongly agree. The perceived

financial well-being scale has demonstrated great internal consistency, with Cronbach's alpha values ranging from 0.88 to 0.92 across its subscales (Netemeyer et al., 2018), indicating high reliability.

Entrepreneurial intention was measured using the entrepreneurial intention questionnaire (Liñán & Chen, 2009). The Likert scale options included: Strongly disagree, disagree, somewhat disagree, neutral, somewhat agree, agree and strongly agree. The scale had good internal consistency with Cronbach's alpha values ranging between 0.78 and 0.95 (Liñán & Chen, 2009).

4.2.5. Questionnaire structure

The questionnaire was divided into four main sections to capture the constructs of the study: demographic information, entrepreneurial mindset, entrepreneurial intention, and perceived financial well-being. Each section was based on validated instruments used in previous studies to ensure construct validity.

Section 1: Demographic Information

This section gathered background data about the respondents, including residency in South Africa, stage of entrepreneurial intention, gender, age, and education level.

Section 2: Entrepreneurial Mindset

Entrepreneurial mindset was measured using an adapted instrument from Sun et al. (2023), titled "From Entrepreneurship Education to Entrepreneurial Intention: Mindset, Motivation, and Prior Exposure." The construct captured five sub-dimensions namely: need for achievement, risk propensity, tolerance for ambiguity, dispositional optimism, and alertness to opportunity that were measured individually. Participants responded using a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. This section aimed to assess how individuals' cognitive and motivational traits influence their entrepreneurial mindset. The scale has been used in recent research exploring the role of mindset in shaping entrepreneurial learning and intention, confirming its validity and internal consistency across different contexts (Sun et al., 2023).

Section 3: Entrepreneurial Intention

Entrepreneurial intention was measured using items adapted from the Entrepreneurial Intention Questionnaire (EIQ) developed by Liñán and Chen (2009). The entrepreneurial intention section included sub-dimensions of personal attitude, subjective norms, perceived behavioural control, and entrepreneurial intention. Respondents rated their agreement with statements on a seven-point Likert scale (1

= Strongly Disagree to 7 = Strongly Agree). This multidimensional approach reflects Ajzen's (1991) theory of planned behaviour, which underpins the theoretical model for entrepreneurial intention.

Section 4: Perceived Financial Well-being

Perceived financial well-being was measured using an adapted version of the Perceived Financial Well-being Scale (PFWBS) by Netemeyer et al. (2018). The instrument embodies two sub-dimensions which are expected future financial security and current money management stress.

Respondents rated their agreement with each statement on a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree). This scale has been validated in recent studies linking financial well-being with psychological and behavioural outcomes (Aubrey et al., 2022). The measure supported the study's aim of understanding how perceived financial well-being moderates the relationship between entrepreneurial mindset and entrepreneurial intention.

4.3. Pilot study

To ensure the efficiency and suitability of the online format, the design of the questionnaire aimed to be succinct and easy to navigate so as keep respondents engaged (Dillman et al., 2017). A pilot testing phase was conducted for two days involving eight respondents. The results from the pilot phase on day one showed a design error where certain questions in section four (perceived financial well-being) were skipped as they were not mandatory. This was amended by making the questions mandatory at the end of day one. Subsequent to the amendment, the questionnaire was distributed as per research plan.

4.4. Data collection

The use of an online questionnaire on a platform such as SurveyMonkey allowed for the collection of data spanning over a large geographic area thus achieving inclusivity (Roopa & Rani, 2012). The platform allowed for easy access for respondents and efficient collection of data for the study (Dillman et al., 2017). Enhanced data quality was a strength of the automation element of online platform, thus reducing errors which would be a risk in manual capturing (Evans & Mathur, 2005).

Social media platforms such as Facebook, LinkedIn and WhatsApp, which are accessible to the South African aspiring entrepreneurs were used to distribute the survey through a link. Further, respondents were encouraged to share the

questionnaire link with other aspiring entrepreneurs within their networks thus combining purposive sampling with snowballing sampling. The sharing by respondents' strategy assisted in maintaining purposive sampling and having a wider reach faster.

The data collection spanned six weeks as recommended by Saunders and Lewis (2018) to get to an acceptable response rate. Efforts were made to enhance participation by sending reminders after every week. Consolidation of data began once enough responses had been received utilising statistical methods to examine the inter-relationships between constructs. Theory of planned behaviour was used as framework to interpret data.

4.5. Data analysis

The initial step was to clean and prepare the data for analysis to ensure that the results were accurate. This initial step allowed for inconsistencies and errors in the surveys to be identified, improving the reliability of this study (Saunders & Lewis, 2018). In the data cleaning step, codes were assigned to relevant variables to enable identification.

Before testing the measurement models, missing values and outlier checks were done resulting in no major concern. This was performed using missing value analysis and outlier-boxplot to test based on three times the interquartile range. Assigning codes to constructs and checking for inconsistencies and errors improved the reliability of the findings.

Upon concluding the initial step, IBM SPSS software was used for analysis by way of descriptive and inferential statistical techniques as the data is variable therefore said techniques allowed for more accurate reporting (Paufler, 2023). Descriptive statistics which included measures of central tendency (mean, median); dispersion (standard deviation), skewness and kurtosis highlighted the important constructs in the sampled data. Descriptive statistics gave insight into distribution patterns and overall sample data characteristics. Data was normally distributed building a reliable base for analysis. To tests the hypotheses and the interrelationship among the constructs inferential statistics were used. The significance level at which data was tested was 95%, making the alpha 0.05.

Cronbach's alpha (α) was used to assess internal consistency across the 48-item scale measuring entrepreneurial mindset, entrepreneurial intention and perceived financial well-being. A satisfactory Cronbach alpha of 0.853 resulted which exceeded

the minimum threshold of 0.70 and confirming acceptable internal consistency (Hair et al., 2021). This meant that no single item deletion would substantially improve reliability.

Confirmatory Factor Analysis (CFA) was conducted within Structural Equation Modelling (SEM) framework to establish the model's validity and reliability. CFA serves as a thorough statistical measure that confirms the trustworthiness of the measurement instrument, ensuring that analysis of the construct and their relationships is based on solid data and a sound foundation. To evaluate the model fit, several goodness-of-fit indices were investigated, they included the standardized root mean square residual (SRMR), the normed fit index (NFI), and the root mean square theta (RMS_theta). Acceptable model fit was indicated by SRMR values below 0.08, NFI values above 0.90, and RMS_theta values below 0.12, in line with recommended thresholds (Hair et al., 2021; Hu & Bentler, 1999). This means that valuable conclusions can be reached with greater confidence.

Average Variance Extracted (AVE), and Composite Reliability (CR) were additional confirmations to the construct validity and internal consistency of the model. All constructs demonstrated Average Variance Extracted (AVE) greater than 0.50 and Composite Reliability (CR) values exceeding 0.70 which pointed to a high internal consistency among the different measuring items. These values are consistent with the recommended thresholds established by Fornell and Larcker (1981), confirming the reliability and convergent validity of the measurement model. Model fit indices supported the adequacy of the measurement model using standardized root mean square residual (SRMR) and the squared Euclidean distance (d_ULLS) falling within recommended threshold and the normed fit index (NFI) exceeding the 0.9 benchmark, indicating a good model fit (Hair et al., 2021; Henseler et al., 2014). To check for presence of common method variance (CMV), Harman's single-factor test was conducted with all measurement items included. The analysis showed that no single factor was responsible for most of the variance, indicating that common method variance (CMV) was not an issue in the study.

After the establishment of construct reliability and validity using Confirmatory Factor Analysis (CFA), inferential statistical analyses were performed to test the hypothesised relationships among entrepreneurial mindset, perceived financial well-being, and entrepreneurial intention. Structural Equation Modelling (SEM) was used to test the relationships. The approach assessed the strength, direction, and statistical significance of relationships between constructs at a significance level of α

= 0.05 (95% confidence level).

Structural Equation Modelling (SEM) using the Partial Least Squares (PLS-SEM) approach was used to test the proposed hypothetical relationships between the study's constructs. The analysis followed two steps, as outlined in Chapter Five. In the first step, the measurement model was assessed to confirm that all constructs were reliable and valid. This involved checking factor loadings, Composite Reliability (CR), and Average Variance Extracted (AVE) this ensured that the indicators measured their appropriate constructs. Discriminant validity was also confirmed using the Fornell-Larcker criterion and the Heterotrait-Monotrait (HTMT) ratio. These checks confirmed that each construct was unique and that the items within each construct were consistent.

In the second step, the structural model was tested to examine how strong, in what direction and how significant the relationships between the constructs were. The overall model fit was checked using different tests, such as the Standardized Root Mean Square Residual (SRMR), Normed Fit Index (NFI), and the squared Euclidean distance (d_ULS). The results showed that the model fit was acceptable, with SRMR below 0.08, NFI above 0.90, and d_ULS within recommended limits, as suggested by Hair et al. (2021) and Henseler et al. (2014).

4.6. Quality controls

In quantitative research, guaranteeing the validity and reliability of the data is key in ensuring the quality of the data (Chan & Idris, 2017). In this study, Confirmatory Factor Analysis (CFA) within the Partial Least Squares Structural Equation Modelling (PLS-SEM) framework was used to confirm the validity of the measurement model. CFA was selected instead of Exploratory Factor Analysis (EFA) because the constructs were defined in prior research.

4.7. Ethical considerations

This study adhered to established ethical principles to ensure the protection of participants' rights and the integrity of the research process. Participants were provided with a clear explanation of the study's purpose, procedures and benefits prior to data collection. Participation was entirely voluntary, and informed consent was obtained from all respondents. Respondents were advised that they could withdraw from the study at any time without any penalty or negative consequence. To protect participants' privacy, no identifying information was collected, and

responses were kept strictly confidential. Data was stored securely, and accessibility was limited to only to the researcher and authorized supervisors. The results were presented in aggregate form to ensure that individual participants could not be identified.

All data were handled with integrity, ensuring that they were recorded and analysed accurately. Digital files were password-protected, stored in a secure location to prevent unauthorized access.

4.8. Limitations

There were limitations relating to chosen research methods. Firstly, cross-sectional designs collect data at one point in time and would therefore be limited to determine the causal relationships between the constructs (Spector, 2019). Furthermore, it ignores time-based sequences which can lead to a better understanding. As a result, while significant associations were identified, it could not be determined whether one construct caused changes in another.

Second, the study relied on a quantitative research approach, which is appropriate for hypothesis testing and generalised conclusions based on statistical analysis. However, this approach does not capture the unique nuances of human experiences and perceptions that could add depth to the understanding of the constructs (Crisp & Cruz, 2009). Qualitative methods such as interviews could offer richer insights.

Third, the study used self-reported data, which may be affected by common method bias, social desirability bias, or inaccuracies in the responses by participants. Respondents might have overestimated or underestimated their entrepreneurial intentions, mindset traits, or perceived financial well-being, thus affecting the accuracy of the result.

Finally, while this study used validated measurement instruments, including the Entrepreneurial Mindset Questionnaire, Entrepreneurial Intention Questionnaire, and Perceived Financial Well-Being Scale. Additionally, applied Confirmatory Factor Analysis (CFA) and Cronbach's alpha to evaluate reliability and construct validity. These methods assess the internal consistency of the instruments within the present sample. Future studies could provide stronger evidence of construct validity by including diverse contexts and populations.

CHAPTER 5: RESULTS OF THE STUDY

5.1. Introduction

This chapter presents the results of the study. Data was collected from 125 respondents who participated in the survey for the purpose of understanding how perceived financial well-being moderates the relationship between entrepreneurial mindset and entrepreneurial intention. The respondents identified as aspiring entrepreneurs residing in South Africa; their responses form the basis for analysing how these factors interact in shaping entrepreneurial behaviour within the South African context. The chapter begins with the data coding, screening, and quality validation of the data. It is followed by demographic information to capture the background characteristics. Flowing from this are the descriptive statistics and the structural equation modelling, which includes both the measurement model and the structural model to test the hypotheses of the study.

5.2. Data code, screening, and quality of data

Data comprises of 48 variables, which are based on a 5 and 7-point Likert scale with 1 as strongly disagree and 5 or 7 as strongly agreeing (Table 1). The questionnaire comprised 11 constructs measuring entrepreneurial mindset, financial well-being, and entrepreneurial intentions.

Table 1: Codebook

Code	Measurement Item
NFA1	I always do my best whether I am alone or with someone.
NFA2	I always try hard to improve on my past performance
NFA3	I enjoy working toward clear and challenging goals
NFA4	In general, I try to make every minute count
NFA5	I often put pressure on myself to achieve as much as I can
RPR1	I like to take chances, although I may fail
RPR2	I like waiting until things have been tested before I try them
RPR3	I seek new experiences even if their outcomes may be risky
ATL1	If I am uncertain about the responsibilities involved in a task, I get very anxious
ATL2	It disturbs me when I am unable to follow another person's train of thought
ATL3	Before doing any important task, I must know how long it will take
ATL4	A good task is one in which what is to be done and how it is to be done are always clear.
DPO1	In uncertain times, I would expect the best
DPO2	I am always positive/optimistic about my future
DPO3	Overall, I expect more good things to happen to me than bad
ATO1	I have frequent interactions with others to acquire new information
ATO2	I am keen on looking for information
ATO3	I can recognise links between seemingly unrelated pieces of information
ATO4	I can distinguish between profitable and non-profitable opportunities

Code	Measurement Item
PAT1	Being an entrepreneur implies more advantages than disadvantages to me
PAT2	A career as an entrepreneur is attractive to me
PAT3	If I had the opportunity and resources, I'd like to start a new venture
PAT4	Being an entrepreneur would entail great satisfaction for me
PAT5	Among various options, I would rather be an entrepreneur
SBN1	If I decide to start a business; my close family will approve of the decision
SBN2	If I decide to start a business, my friends will approve of the decision
SBN3	If I decide to start a business, my colleagues will approve of the decision
PBC1	To start a business and keep it going would be easy for me.
PBC2	I am prepared to start a viable business
PBC3	I can control the creation process of a new business
PBC4	I know how to develop an entrepreneurial project
PBC5	If I tried to start a business, I would have a high probability of succeeding
ETI1	I am ready to do anything to become an entrepreneur
ETI2	My professional goal is to become an entrepreneur
ETI3	I will make every effort to start and run my own business
ETI4	I am determined to start a business in the future
ETI5	I have very seriously thought of starting a business
ETI6	I have the firm intention to start a business some day
EFS1	I am becoming financially secure
EFS2	I am securing my financial future
EFS3	I will achieve the financial goals that I have set for myself
EFS4	I have saved (or will be able to save) enough money to last me to the end of my life
EFS5	I will be financially secure until the end of my life
CMS1	Because of my money situation, I feel I will never have the things I want in life
CMS2	I am behind with my finances
CMS3	My finances control my life
CMS4	Whenever I feel in control of my finances, something happens that sets me back
CMS5	I am unable to enjoy life because I obsess too much about money

As part of the data preparation process, it was necessary to assess the quality of the dataset through procedures such as outlier analysis, missing data analysis, and common method variance. While missing data analysis identifies any absent values in the data, this can lead to biased results if not handled accurately. The final data was analysis for missing values (Appendix 1). The analysis of missing data revealed that the percentage of absent responses across items ranged from 0.8% to 9.6%. Items represented by 'Need for Achievement' (NFA), 'Risk Propensity' (RPR), 'Attitude Toward Lack of Structure' (ATL), 'Dispositional Optimism' (DPO), as well as 'Alertness to Opportunity' (ATO) each showcased less than 1% missing data, indicating high completion reliability. The following constructs 'Personal Attitude toward Entrepreneurship' (PAT), 'Perceived Behavioural Control' (PBC), and 'Entrepreneurial Intention' (ETI) showed slightly higher levels of missing responses

(5.6% to 9.6%). While 'Expected Financial Security' (EFS) and 'Current Money Stress' (CMS) items had consistent missing values estimating around 6.4%.

Overall, missing data was recorded to be quite minimal and within an acceptable threshold (<10%) for valid statistical analysis (Hair et al., 2021). Outlier analysis was performed to assist in identifying extreme outliers that would potentially distort results. Four rounds of analysis were used to process the dataset for the purpose of consolidation. From this, those results that showed extreme outliers grounded in boxplot visualising utilising three times the interquartile range were subsequently eliminated. In response to that, due to the lack of variation in the value after removing extreme outliers, ATO3 was thus excluded from the dataset.

Harman's single-factor test was conducted using exploratory factor analysis (EFA), all the measurements were entered concurrently to assess the potential presence of common method variance (CMV). According to Podsakoff et al., (2003), the common threshold often used to indicate significant CMV is usually 50%, whereas here the unrotated factor solution showcased that the first factor accounted for 15.48% of the total variance which is below the threshold. Variance was distributed across several constructs rather than dominated by a single factor, this is shown in Table 2. Confirmed by the initial eigenvalues which show that multiple factors had eigenvalues greater than 1 ($\lambda_1 = 8.13$). Thus, common method bias was not a concern in the study.

Table 2: Harman's single factor test for common method variance

Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	8,133	16,945	16,945	7,431	15,482	15,482

5.3. Demographic information

There were a total 125 respondents who participated in the study. Table 3 illustrates the demographic information such as age, gender, educational level and entrepreneurial status. Majority of the participants based on the age distribution were within the 30–39 years age category ($n = 46$, 36.8%), followed by those aged 40–49 years ($n = 37$, 29.6%). Participants aged 20–29 years constituted 20.0% ($n = 25$), while those under 20 years accounted for 4.8% ($n = 6$). The lowest age group that was illustrated was 50 years and above with just an 8.8% ($n = 11$). Most of the gender demographic showcased female respondents (70.2%, $n = 87$). Male respondents represented 29.8% ($n = 37$), the greater participation was with women in this study,

implying possible gender related differences in terms of engagement within this research study. Bachelor's degrees (43.2%, n = 54) were illustrated as the largest proportion of qualifications within the education portion of the demographics. Followed by master's degree holders along with those with some college education showcased 12.8% (n = 16) respectively. Those who were high school graduates represented 19.2% (n = 24) and the "other" category held 12.0 (n = 15) in this category was mainly individuals who held honours and post graduate qualifications. Participants were also categorized based on their level of entrepreneurial intention. More than half (57.6%, n = 72) reported being in the process of starting a business, while 42.4% (n = 53) indicated plans to start a business within the next three years.

Table 3: Demographic information of the respondents

		Frequency	% Frequency
Age	Under 20 years	6	4.8
	20-29 years	25	20.0
	30-39 years	46	36.8
	40-49 years	37	29.6
	50 and above	11	8.8
	Total	125	100.0
Gender	Male	37	29.8
	Female	87	70.2
	Total	125	100.0
Education	Other	15	12.0
	High school	24	19.2
	Some college	16	12.8
	Bachelor's degree	54	43.2
	Master's degree	16	12.8
	Total	125	100.0
Entrepreneurial intention	Process of starting a business	72	57.6
	Starting a business in the next 3 years	53	42.4
	Total	125	100

5.4. Descriptive statistics

Descriptive statistics were calculated for 48 items measuring entrepreneurial mindset

(5-point Likert scale), entrepreneurial intentions, a 7-point Likert scale (1 = strongly disagree, 7 = strongly agree) and financial well-being (5-point Likert scale). Table 4 presents the mean, median, standard deviation, skewness, and kurtosis for all items. Scores were inspected for central tendency, variability, and univariate normality. Data was evaluated for univariate normality using the recommended cutoffs of $|\text{skewness}| < 3$ and $|\text{kurtosis}| < 7$ (Byrne, 2016; Kline, 2016).

The five highest mean scores were found among items reflecting entrepreneurial intention and positive entrepreneurial attitude. The strongest endorsement was observed for ETI6 ("I have the firm intention to start a business someday," $M = 6.40$, $SD = 0.73$, $\text{skew} = -1.18$, $\text{kurtosis} = 1.34$), ETI4 ("I am determined to start a business in the future," $M = 6.34$, $SD = 0.80$, $\text{skew} = -1.21$, $\text{kurtosis} = 1.15$), ETI5 ("I have very seriously thought of starting a business," $M = 6.31$, $SD = 0.79$, $\text{skew} = -1.36$, $\text{kurtosis} = 2.55$), PAT3 ("If I had the opportunity and resources, I'd like to start a new venture," $M = 6.38$, $SD = 0.85$, $\text{skew} = -1.94$, $\text{kurtosis} = 4.93$), and PAT4 ("Being an entrepreneur would entail great satisfaction for me," $M = 6.27$, $SD = 0.83$, $\text{skew} = -1.47$, $\text{kurtosis} = 3.21$). All five distributions were negatively skewed, reflecting strong clustering toward the upper end of the scale. The positive kurtosis values indicate moderate leptokurtosis, with participants' responses tightly concentrated around high agreement. Since both skewness and kurtosis values fall within the ± 3 and ± 7 thresholds, these variables exhibit acceptable univariate normality.

The five lowest means were associated with financial stress indicators. CMS5 ("I am unable to enjoy life because I obsess too much about money," $M = 2.48$, $SD = 1.21$, $\text{skew} = 0.71$, $\text{kurtosis} = -0.38$) recorded the lowest value, followed by CMS1 ("Because of my money situation, I feel I will never have the things I want in life," $M = 2.52$, $SD = 1.26$, $\text{skew} = 0.52$, $\text{kurtosis} = -0.73$), CMS3 ("My finances control my life," $M = 3.16$, $SD = 1.16$, $\text{skew} = -0.22$, $\text{kurtosis} = -0.89$), CMS4 ("Whenever I feel in control of my finances, something happens that sets me back," $M = 3.18$, $SD = 1.13$, $\text{skew} = -0.07$, $\text{kurtosis} = -1.04$), and CMS2 ("I am behind with my finances," $M = 3.32$, $SD = 1.11$, $\text{skew} = -0.21$, $\text{kurtosis} = -0.69$). These distributions were approximately symmetric, and the kurtosis values near zero indicate mesokurtic shapes, suggesting a roughly normal pattern. The above data results collaborate that respondents reported quite low levels of money-related stress while preserving distributional normality.

The 38 items remaining illustrated mean values ranging from 3.2 to 5.9 ($SD \approx 0.6$ – 1.5), disproportionate between -2.26 and -0.08 and kurtosis between -1.10 and 9.85 .

Need for Achievement, Dispositional Optimism, Alertness to Opportunity, Perceived Behavioural Control and Subjective Norms were constructs that ranked moderately to highly endorsed and negatively skewed which were indicators to strong tendencies toward agreement. Balanced responses to risk and ambiguity were suggested in items under Risk Propensity and Attitude Toward Lack of structure which were symmetrically distributed. Items such as NFA2, kurtosis = 9.85 exceeded, albeit slightly the recommended kurtosis threshold given the overall consistency across variables and absence of extreme skewness.

Table 4: Descriptive statistics

Code	Mean	Median	Std. Deviation	Skewness	Kurtosis
NFA1	4.35	4.00	0.848	-2.138	6.166
NFA2	4.48	5.00	0.668	-2.264	9.851
NFA3	4.35	4.00	0.640	-1.235	4.738
NFA4	4.02	4.00	0.888	-1.111	1.843
NFA5	4.36	4.50	0.769	-1.384	2.692
RPR1	3.98	4.00	0.826	-0.761	0.379
RPR2	3.05	3.00	1.125	-0.027	-1.100
RPR3	3.77	4.00	0.989	-0.950	0.636
ATL1	3.73	4.00	1.031	-0.784	-0.062
ATL2	3.18	3.00	1.119	-0.075	-0.889
ATL3	3.48	4.00	1.000	-0.478	-0.479
ATL4	4.02	4.00	1.024	-1.296	1.500
DPO1	3.76	4.00	0.810	-0.554	0.506
DPO2	4.25	4.00	0.916	-1.358	1.507
DPO3	4.37	4.50	0.759	-1.307	1.799
ATO1	4.10	4.00	0.935	-1.302	1.875
ATO2	4.39	4.00	0.608	-0.882	2.024
ATO4	3.99	4.00	0.870	-0.814	0.612
PAT1	5.07	5.00	1.512	-0.615	-0.429
PAT2	5.77	6.00	1.222	-1.407	2.769
PAT3	6.38	7.00	0.851	-1.939	4.928
PAT4	6.27	6.00	0.827	-1.474	3.207
PAT5	6.04	6.00	1.072	-1.255	1.138
SBN1	5.72	6.00	1.461	-1.223	0.613
SBN2	5.73	6.00	1.394	-1.293	1.264
SBN3	5.20	6.00	1.447	-0.759	0.087
PBC1	4.61	5.00	1.519	-0.191	-0.967
PBC2	5.95	6.00	1.051	-1.396	2.202
PBC3	5.49	6.00	1.243	-1.107	0.973
PBC4	5.23	6.00	1.342	-0.933	0.052
PBC5	5.57	6.00	1.109	-0.746	0.292
ETI1	5.56	6.00	1.465	-1.272	0.989
ETI2	5.97	6.00	1.205	-1.316	1.336

Code	Mean	Median	Std. Deviation	Skewness	Kurtosis
ETI3	6.15	6.00	1.028	-1.412	1.860
ETI4	6.34	7.00	0.800	-1.213	1.150
ETI5	6.31	6.00	0.792	-1.359	2.545
ETI6	6.40	7.00	0.730	-1.184	1.335
EFS1	3.76	4.00	0.971	-0.824	0.436
EFS2	4.08	4.00	0.811	-1.030	1.653
EFS3	4.31	4.00	0.725	-1.098	1.627
EFS4	3.21	3.00	1.312	-0.265	-1.117
EFS5	3.71	4.00	1.145	-0.774	0.036
CMS1	2.52	2.00	1.257	0.521	-0.729
CMS2	3.32	3.00	1.105	-0.208	-0.689
CMS3	3.16	3.00	1.159	-0.222	-0.889
CMS4	3.18	3.00	1.134	-0.072	-1.035
CMS5	2.48	2.00	1.208	0.708	-0.378

5.5. Reliability of the instrument

Cronbach's alpha was used to assess internal consistency reliability across the 48-item scale measuring entrepreneurial attitudes, intentions and financial well-being. A satisfactory Cronbach's alpha of .853 was yielded by the analysis, it exceeded the minimum threshold of .70 (Nunnally & Bernstein, 1994; Hair et al., 2021). Thus, acceptable internal consistency was confirmed. Item-level reliability statistics inclusive of the corrected item-total correlations as well as Cronbach's alpha if item deleted are illustrated in Table 5.

Individual items contributed sufficiently to their respective constructs with the most corrected item-total correlations exceeding .20. It is suggested that any removal of a single items would not substantially improve or weaken the overall reliability. Items such as PBC4 ("I know how to develop an entrepreneurial project," $r = .599$, $\alpha = .844$) and PBC1 ("To start a business and keep it going would be easy for me," $r = .538$, $\alpha = .844$) exhibited the strongest corrected item-total correlations, denoting high homogeneity within the perceived behavioural control construct. Sturdy internal relationships were displayed across constructs with items from Entrepreneurial Intention (ETI) ($r = .449-.572$, α if deleted = .846-.849), Perceived Behavioural Control (PBC) ($r = .447-.599$, α if deleted = .844-.848), and Personal Attitude toward Entrepreneurship (PAT) ($r = .145-.491$, α if deleted = .847-.856). The Current Money Stress (CMS) and Expected Financial Security (EFS) items exhibited moderate reliability (item-total correlations $\approx .22-.30$, α if deleted $\approx .851-.854$), confirming that the perceived financial well-being components were reasonably consistent but slightly less cohesive than the entrepreneurial constructs.

The overall findings signify the instrument shows high internal consistency ($\alpha = .853$), with all subscales contributing positively to the measurement. No item deletion would considerably enhance reliability, supporting that the scale's multidimensional structure remains psychometrically sound for further analyses such as exploratory and confirmatory factor analysis.

Table 5: Reliability analysis

Code	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
NFA1	217,00	295,942	,185	,853
NFA2	216,87	296,712	,199	,852
NFA3	217,01	296,068	,237	,852
NFA4	217,34	291,992	,306	,851
NFA5	216,97	292,727	,349	,850
RPR1	217,34	288,090	,480	,848
RPR2	218,34	299,857	,020	,857
RPR3	217,57	292,694	,250	,852
ATL1	217,69	303,788	-,080	,858
ATL2	218,20	302,027	-,033	,858
ATL3	217,84	288,157	,399	,849
ATL4	217,35	296,928	,113	,854
DPO1	217,60	294,301	,248	,852
DPO2	217,07	291,830	,307	,851
DPO3	217,01	291,466	,367	,850
ATO1	217,20	295,017	,200	,852
ATO2	216,95	295,250	,317	,851
ATO3	217,44	296,191	,210	,852
ATO4	217,32	287,093	,487	,848
PAT1	216,15	292,656	,145	,856
PAT2	215,47	286,970	,366	,849
PAT3	214,93	293,520	,286	,851
PAT4	215,07	288,762	,470	,848
PAT5	215,21	285,392	,491	,847
SBN1	215,62	284,586	,317	,851
SBN2	215,67	291,290	,183	,854
SBN3	216,14	282,008	,387	,849
PBC1	216,56	274,773	,538	,844
PBC2	215,37	286,195	,447	,848
PBC3	215,78	283,378	,456	,847
PBC4	216,01	276,670	,599	,844
PBC5	215,70	283,862	,514	,846

Code	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
ETI1	215,67	277,290	,499	,846
ETI2	215,27	283,810	,497	,847
ETI3	215,12	283,113	,572	,846
ETI4	214,99	289,680	,449	,849
ETI5	215,03	289,951	,406	,849
ETI6	214,94	288,482	,541	,848
EFS1	217,56	293,958	,221	,852
EFS2	217,26	293,903	,270	,851
EFS3	217,05	295,250	,242	,852
EFS4	218,10	287,330	,300	,851
EFS5	217,60	290,418	,283	,851
CMS1	218,87	293,955	,154	,854
CMS2	218,10	292,981	,218	,852
CMS3	218,18	289,646	,284	,851
CMS4	218,20	294,959	,152	,854
CMS5	218,90	290,029	,260	,852
Overall				,853

5.6. Measurement model

5.6.1. Multidimensional construct: entrepreneurial intent

To assess the measurement model of four latent constructs portraying dimensions of entrepreneurial intention a confirmatory factor of analysis (CFA) was conducted: Personal Attitude (PAT), Perceived Behavioural Control (PBC), Subjective Norm (SBN), and Entrepreneurial Intention (ETI). Multiple observed indicators were used to measure each latent construct showcased below (Figure 3).

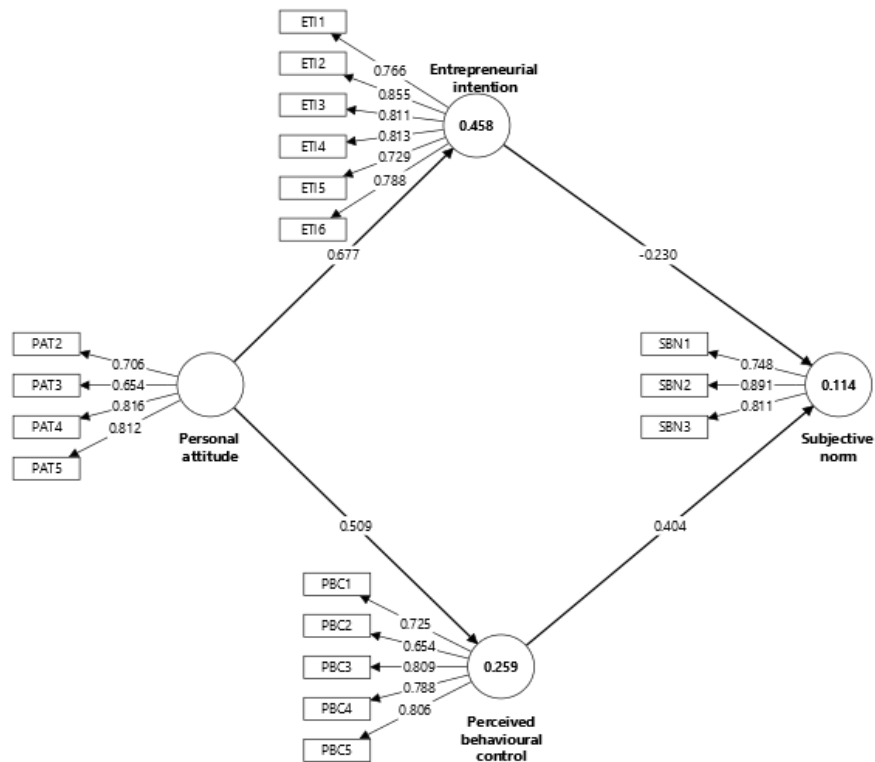


Figure 3: Measurement model of the dimensions of entrepreneurial intent

Personal Attitude was measured by four observed items (PAT2–PAT5), with factor loadings ranging from 0.654 to 0.816. The removal of PAT1 was due to the low factor loading value which was less than 0.6. Five indicators (PBC1 – PBC5) with loadings between 0.654 and 0.809 represented Perceived behavioural control. Subjective Norm encompassing three indicators (SBN1–SBN3), with loadings ranging from 0.748 to 0.891, while entrepreneurial intention was measured by six indicators (ETI1–ETI6), with loadings ranging from 0.729 to 0.855, denoting a strong measurement of the construct.

The personal attitude construct demonstrated acceptable internal consistency (Cronbach's $\alpha = .739$; $\rho_a = .758$; $\rho_c = .836$), and its average variance extracted (AVE = .563) exceeded the recommended threshold of .50, indicating satisfactory convergent validity. Perceived Behavioural Control exhibited good reliability ($\alpha = .814$; $\rho_a = .811$; $\rho_c = .871$) and adequate convergent validity (AVE = .576). Subjective Norm showed acceptable internal consistency ($\alpha = .754$; $\rho_a = .787$; $\rho_c = .859$) and satisfactory convergent validity (AVE = .670). Entrepreneurial Intention reliability indices indicated excellent internal consistency ($\alpha = .883$; $\rho_a = .888$; $\rho_c = .911$), and the AVE (.632) demonstrated strong convergent validity (Table 6). Overall, the measurement model established adequate reliability and convergent validity.

Table 6: Reliability and convergence validity of entrepreneurial intent construct

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Entrepreneurial intention	0.883	0.888	0.911	0.632
Perceived behavioural control	0.814	0.811	0.871	0.576
Personal attitude	0.739	0.758	0.836	0.563
Subjective norm	0.754	0.787	0.859	0.670

To evaluate discriminant validity, the Heterotrait–Monotrait (HTMT) ratio of correlations was examined (Henseler et al., 2015). Table 7 showcases that all HTMT values were under the conservative threshold of .085 (Kline, 2016), this shows a good discriminant validity among the latent constructs. The highest HTMT value was observed between Entrepreneurial Intention and Personal Attitude (HTMT = .830), which is still within acceptable limits. These results confirm that each construct is empirically distinct and captures unique aspects of the entrepreneurial Intention construct.

Table 7 : Heterotrait–Monotrait (HTMT) matrix for discriminant validity

	Entrepreneurial intention	Perceived behavioural control	Personal attitude	Subjective norm
Entrepreneurial intention				
Perceived behavioural control	0.638			
Personal attitude	0.830	0.629		
Subjective norm	0.139	0.358	0.258	

The construct of entrepreneurial intention was theorised as a multidimensional latent construct derived from four underlying dimensions: Personal Attitude (PAT), Perceived Behavioural Control (PBC), Subjective Norm (SBN), and Entrepreneurial Intention (ETI). In this study, each dimension was first adapted as a first-order latent variable, represented by its own set of reflective indicators. These first-order constructs capture specific facets of the broader entrepreneurial intention concept. Subsequently, the four dimensions inclusively formed a second order (higher order) multidimensional construct of entrepreneurial intention using latent values.

5.6.2. Overall measurement model

To assess the measurement adequacy of the model, standardised factor loadings were examined for all observed indicators and latent predictors which were showcased in Figure 4. The overall model tested the relationship between the dimensions of the entrepreneurial mindset that include need for achievement, risk propensity, ambiguity tolerance, dispositional optimism, and alertness to opportunity and entrepreneurial intention, as well as the moderating effect of perceived financial well-being on these relationships. In the final measurement model, the factor loadings for each predictor construct were within acceptable ranges (Hair et al., 2021), surpassing the relinquished threshold of .60 individually and more than 0.70 on average. Need for Achievement was measured by three indicators (NFA3, NFA4, NFA5) with loadings of .644, .731, and .897, respectively. Risk Propensity comprised two items (RPR1, RPR3) with very high loadings of .903 and .812, indicating that tolerance for uncertainty and risk-taking behaviour is sturdily represented within the construct. Alertness to Opportunity (ATO) was measured by two indicators (ATO1, ATO2) with loadings of .763 and .897, and dispositional optimism (DPO) was represented by three items (DPO1–DPO3), with loadings of .677, .897, and .754. The fifth dimension, ambiguity tolerance, was excluded due to low factor loading. During the initial measurement model assessment, the ambiguity tolerance construct demonstrated factor loadings below the acceptable threshold of 0.60, indicating weak item reliability (Hair et al., 2021). Consequently, ambiguity tolerance was excluded from the final model to improve convergent validity and overall model fit.

The construct of Entrepreneurial Intent was conceptualised as a Higher-Order Construct (HOC) to attain the multidimensional nature of entrepreneurial intent. Entrepreneurial Intent shows a single, overarching latent variable that incorporates several first-order dimensions reflecting distinct yet interrelated dimensions of entrepreneurial intention. Initially, the measurement model included four first-order constructs - Personal Attitude, Perceived Behavioural Control, Entrepreneurial Intention, and Subjective Norm - as dimensions of the Higher-Order Construct (HOC). Each first-order construct was operationalised through multiple observed indicators, permitting the higher-order factor to show the joint influence on entrepreneurial intention. During model estimation, the Subjective Norm dimension was excluded from the final higher-order construct due to its low standardised loading and weak predictive contribution to Entrepreneurial Intent. Current Money

Management Stress (CMS) and Expected Future Financial Security (EFS) were included in the model as moderating variables. Both moderators were specified as first-order reflective constructs, each measured by multiple indicators. The construct of Current Money Management Stress was measured using three indicators (CMS2, CMS3, CMS5), which displayed strong standardised loadings of .649, .885, and .807, respectively. These loadings exceed the .60 threshold (Hair et al., 2021), demonstrating good indicator reliability and supporting the internal consistency of the construct. Expected Future Financial Security was modelled as a second moderating construct, comprising five indicators (EFS1–EFS5) with standardised loadings ranging from .668 to .815.

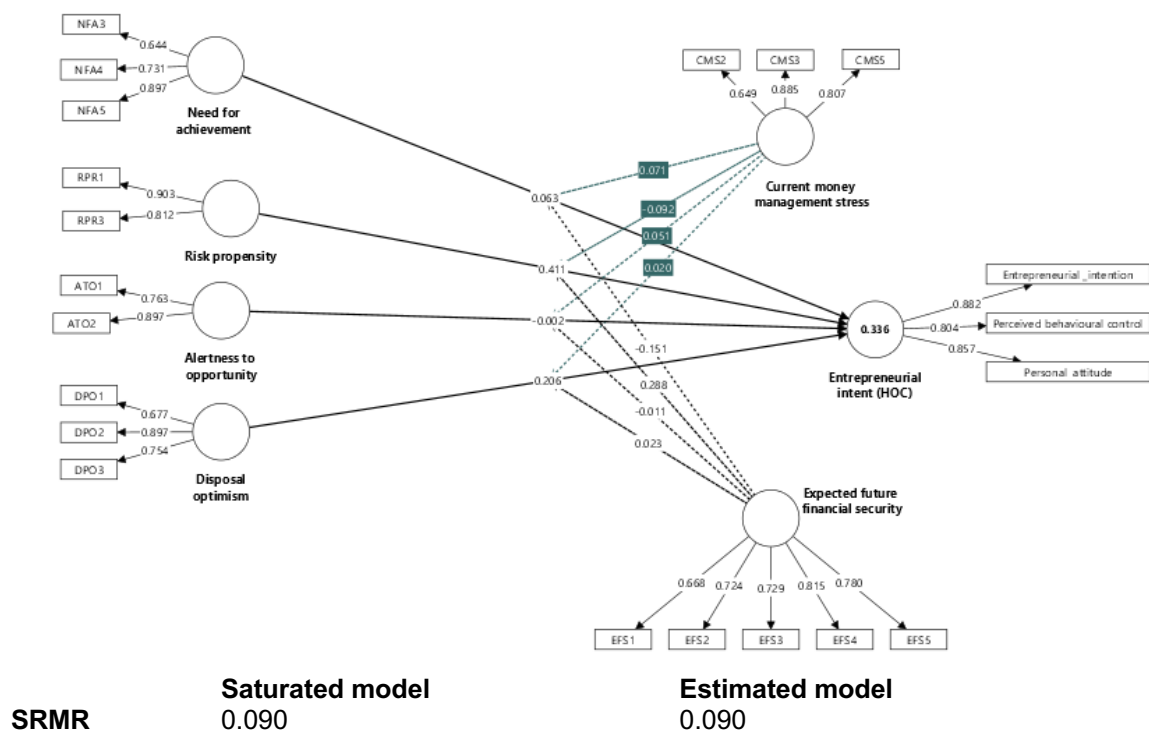


Figure 4: Overall measurement model

To evaluate the efficiency of the model, the Standardized Root Mean Square Residual (SRMR) was examined for both the saturated and estimated models. The SRMR index measures the average discrepancy between the observed and predicted correlations; values below .10 are generally considered acceptable, while values below .08 showcase a good fit (Hair et al., 2021; Hu & Bentler, 1999). The outcomes indicated that both the saturated and estimated models yielded identical SRMR values of .090. This value falls within the adequate threshold, which

suggesting that the proposed model adequately reflects the observed data.

Overall, the reliability and validity indices indicated satisfactory measurement properties across all constructs. Cronbach's alpha values ranged from .571 to .818, with most exceeding the recommended threshold of .70 (Nunnally & Bernstein, 1994), indicating acceptable internal consistency (Table 8). The slightly lower alpha for Alertness to Opportunity ($\alpha = .571$) was considered acceptable due to its theoretical relevance and high composite reliability ($\rho_c = .818$), suggesting that the construct remains reliable despite limited item count (Hair et al., 2021). Composite reliability values ($\rho_a = .626-.904$; $\rho_c = .805-.885$) all exceeded the recommended minimum of .70 (Fornell & Larcker, 1981), confirming adequate construct reliability. The Average Variance Extracted (AVE) values ranged from .555 to .738, all surpassing the .50 threshold, demonstrating satisfactory convergent validity and indicating that over 50% of the variance in each construct's indicators is explained by the underlying latent variable. Specifically, Entrepreneurial Intent (HOC) showed strong internal consistency ($\alpha = .804$; $\rho_a = .807$; $\rho_c = .885$) and a high AVE of .720, confirming its robustness as a higher-order construct representing the multidimensional nature of entrepreneurial intention. Risk Propensity ($\alpha = .651$; $\rho_c = .849$; AVE = .738) and Expected Future Financial Security ($\alpha = .818$; $\rho_c = .861$; AVE = .555) also exhibited strong reliability and convergent validity, reinforcing their importance as predictors of entrepreneurial intent.

Similarly, Need for Achievement ($\alpha = .688$; $\rho_c = .805$; AVE = .584), Dispositional Optimism ($\alpha = .685$; $\rho_c = .823$; AVE = .611), and Current Money Management Stress ($\alpha = .700$; $\rho_c = .827$; AVE = .618) demonstrated adequate reliability and construct validity. These results indicate that both the psychological antecedents (achievement, optimism, risk-taking, alertness) and financial moderators (money management stress, financial security) are measured reliably and contribute meaningfully to the structural model. Collectively, these findings support the internal consistency and convergent validity of all latent constructs, confirming the adequacy of the measurement model for subsequent structural analysis.

Table 8: Reliability and convergence validity of the model

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Alertness to opportunity	0.571	0.626	0.818	0.694
Current money management stress	0.700	0.780	0.827	0.618
Dispositional optimism	0.685	0.780	0.823	0.611
Entrepreneurial Intent (HOC)	0.804	0.807	0.885	0.720
Expected future financial security	0.818	0.904	0.861	0.555
Need for achievement	0.688	0.818	0.805	0.584
Risk propensity	0.651	0.693	0.849	0.738

5.7. Structural model and hypotheses testing

5.7.1. Multicollinearity and predictive relevance and coefficient of determination

To assess potential multicollinearity among the predictor constructs, the Variance Inflation Factor (VIF) values were examined (Table 9). According to Hair et al. (2021), VIF values below 3.3 indicate that collinearity is not a critical issue in PLS-SEM. The results show that all indicators and interaction terms recorded VIF values ranging from 1.000 to 2.181, which are well below the recommended threshold. The highest VIF was observed for EFS2 (2.181), while several interaction terms (e.g., current money management stress × alertness to opportunity, expected future financial security × risk propensity) had a VIF of 1.000, indicating no collinearity concern. Overall, these findings confirm that multicollinearity does not pose a problem in this study, and all predictor variables can be reliably used in the structural model.

Table 9: Multicollinearity assessment with variance inflation factor (VIF)

	VIF
ATO1	1.190
ATO2	1.190
CMS2	1.274
CMS3	1.512

	VIF
CMS5	1.407
DPO1	1.182
DPO2	1.611
DPO3	1.523
EFS1	1.925
EFS2	2.181
EFS3	1.682
EFS4	1.412
EFS5	1.605
Entrepreneurial intention	2.060
NFA3	1.406
NFA4	1.291
NFA5	1.342
Perceived behavioural control	1.507
Personal attitude	1.940
RPR1	1.304
RPR3	1.304
Current money management stress x Alertness to opportunity	1.000
Current money management stress x Dispositional optimism	1.000
Current money management stress x Need for achievement	1.000
Current money management stress x Risk propensity	1.000
Expected future financial security x Alertness to opportunity	1.000
Expected future financial security x Dispositional optimism	1.000
Expected future financial security x Need for achievement	1.000
Expected future financial security x Risk propensity	1.000

The PLS-Predict procedure was conducted to evaluate the model's predictive power using Q^2_{predict} , RMSE, and MAE values across the dependent constructs: entrepreneurial intention, perceived behavioural control, and personal attitude. The results are presented in Table 10. The Q^2_{predict} values for the constructs ranged from 0.025 to 0.135, indicating that the model has small to medium predictive relevance (Hair et al., 2021). Specifically, perceived behavioural control recorded the highest predictive relevance ($Q^2_{\text{predict}} = 0.135$), followed by entrepreneurial intention ($Q^2_{\text{predict}} = 0.062$) and personal attitude ($Q^2_{\text{predict}} = 0.025$). These

positive Q^2_{predict} values confirm that the PLS-SEM model exhibits predictive capability for all endogenous constructs. The PLS-SEM model yielded lower RMSE and MAE values compared to both the Linear Model (LM) and Indicator Average (IA) benchmarks across all constructs, indicating superior predictive performance of the PLS-SEM approach. For entrepreneurial intention, the PLS-SEM RMSE (0.977) and MAE (0.741) were lower than LM RMSE (1.051) and LM MAE (0.809), as well as IA RMSE (1.009) and IA MAE (0.785). Similarly, for perceived behavioural control, PLS-SEM recorded lower RMSE (0.938) and MAE (0.732) than both LM (RMSE = 1.052; MAE = 0.815) and IA (RMSE = 1.009; MAE = 0.778). The pattern was consistent for personal attitude, where PLS-SEM RMSE (0.996) and MAE (0.783) were again smaller than LM (RMSE = 1.017; MAE = 0.821) and IA (RMSE = 1.009; MAE = 0.790). Overall, the results confirm that the PLS-SEM model demonstrates the strongest predictive accuracy and lowest prediction errors, supporting the model's predictive validity.

Table 10: Results of PLS-Predict Assessment

	Q^2_{predict}	PLS-SEM_RMSE	PLS-SEM_MAE	LM_RMSE	LM_MAE	IA_RMSE	IA_MAE
Entrepreneurial_intention	0.062	0.977	0.741	1.051	0.809	1.009	0.785
Perceived behavioural control	0.135	0.938	0.732	1.052	0.815	1.009	0.778
Personal attitude	0.025	0.996	0.783	1.017	0.821	1.009	0.790

To further assess the model's predictive capability, a PLS-Predict analysis was conducted for the higher-order construct (HOC) representing entrepreneurial intention. The results are presented in Table 11. The findings revealed a Q^2_{predict} value of 0.109, indicating medium predictive relevance (Hair et al., 2021). This positive Q^2 value confirms that the model possesses predictive accuracy for the endogenous construct. Additionally, the Root Mean Square Error (RMSE) and Mean Absolute Error (MAE) values were 0.967 and 0.752, respectively. Both values demonstrate acceptable levels of prediction error, suggesting that the PLS-SEM model provides reliable out-of-sample predictive performance for the higher-order construct of entrepreneurial intention.

Table 11: Predictive relevance of higher-order construct

	Q ² predict	RMSE	MAE
Entrepreneurial intent (HOC)	0.109	0.967	0.752

The coefficient of determination (R^2) was examined to evaluate the explanatory power of the structural model for the higher-order construct (HOC) representing entrepreneurial intention. The results, displayed in Table 12, show that the model explains a moderate proportion of variance in entrepreneurial intention. Specifically, the R^2 value was 0.336, indicating that the exogenous constructs accounted for approximately 33.6% of the variance in entrepreneurial intention (HOC). The adjusted R^2 value of 0.251 suggests a slight adjustment for model complexity, reflecting a moderate level of explanatory accuracy (Hair et al., 2021). These findings imply that the model possesses adequate explanatory power, meaning the predictors meaningfully contribute to explaining entrepreneurial intention within the higher-order construct.

Table 12: Coefficient of determination

	R-square	R-square adjusted
Entrepreneurial Intent (HOC)	0.336	0.251

5.7.2. Hypothesis testing

A partial least squares structural equation modelling (PLS-SEM) analysis was conducted to examine the predictors of Entrepreneurial Intent (HOC). The model included both direct effects and moderating effects. The study is based on the objectives in Chapter 3; there are two main hypotheses with sub-hypotheses:

Hypothesis 1: There is a positive relationship between entrepreneurial mindset and entrepreneurial intention.

Hypothesis 2: Perceived financial well-being positively moderates the relationship between entrepreneurial mindset and entrepreneurial intention.

5.7.2.1. Direct effect

The results indicated that dispositional optimism ($\beta = 0.205$, $t = 2.268$, $p = .023$) and risk propensity ($\beta = 0.360$, $t = 3.780$, $p < .001$) were significant positive predictors of entrepreneurial Intent (Table 13). In contrast, alertness to opportunity ($\beta = 0.017$, $t =$

0.018, $p = .985$) and need for achievement ($\beta = 0.098$, $t = 0.603$, $p = .547$) were not significant predictors of entrepreneurial intent. These results imply that, within this sample, recognising opportunities or having a high need for achievement alone may not directly translate into a stronger entrepreneurial intention.

Table 13: Path coefficients

Path	β	<i>t- statistics</i>	<i>p- values</i>
Alertness to opportunity → Entrepreneurial intent (HOC)	0.017	0.018	0.985
Current money management stress → Entrepreneurial intent (HOC)	0.064	0.357	0.721
Dispositional optimism → Entrepreneurial intent (HOC)	0.205	2.268	0.023
Expected future financial security → Entrepreneurial intent (HOC)	0.123	0.861	0.389
Need for achievement → Entrepreneurial intent (HOC)	0.098	0.603	0.547
Risk propensity → Entrepreneurial intent (HOC)	0.360	3.780	0.0

5.7.2.2. Moderation effect

To explore whether current money management stress and expected future financial security moderate the relationships between selected entrepreneurial mindset dimensions and entrepreneurial intent (HOC), a series of interaction terms were tested using PLS-SEM. Table 14 presents the standardised path coefficients (β), *t*-statistics, and *p*-values for each moderation path.

A moderation analysis was conducted to test whether expected future financial security moderates the relationship between risk propensity and entrepreneurial intent. The interaction term was statistically significant ($\beta = 0.254$, $t = 2.423$, $p = .015$), indicating that the strength of the relationship between risk propensity and entrepreneurial intent varies depending on levels of expected future financial security.

Table 14: Moderating effect of the model

Path	β	<i>t- statistics</i>	<i>p- values</i>
Current money management stress x Alertness to opportunity > Entrepreneurial intent (HOC)	0.062	0.370	0.712
Current money management stress x Dispositional optimism > Entrepreneurial intent (HOC)	0.012	0.164	0.870
Current money management stress x Need for achievement > Entrepreneurial intent (HOC)	0.054	0.510	0.610
Current money management stress x Risk	-0.102	0.655	0.512

Path	β	<i>t</i> -statistics	<i>p</i> -values
propensity > Entrepreneurial intent (HOC)			
Expected future financial security x Alertness to opportunity > Entrepreneurial intent (HOC)	-0.029	0.121	0.904
Expected future financial security x Dispositional optimism > Entrepreneurial intent (HOC)	0.037	0.233	0.816
Expected future financial security x Need for achievement > Entrepreneurial intent (HOC)	-0.115	1.226	0.220
Expected future financial security x Risk propensity > Entrepreneurial intent (HOC)	0.254	2.423	0.015

As demonstrated in Figure 5, the positive association between risk propensity and entrepreneurial intent was stronger when expected future financial security was high (+1 SD). Conversely, when expected future financial security was low (−1 SD), the relationship between risk propensity and entrepreneurial intent was weaker. This suggests that individuals who perceive greater financial security in their future are more likely to translate their risk-taking tendencies into entrepreneurial intentions. In contrast, those who expect lower financial security are less likely to do so, even if they are risk prone.

The interactions between expected future financial security and alertness to opportunity ($\beta = -0.029$, $t = 0.121$, $p = .904$), dispositional optimism ($\beta = 0.037$, $t = 0.233$, $p = .816$), and need for achievement ($\beta = -0.115$, $t = 1.226$, $p = .220$) were not significant indicating that the moderating role of expected future financial security was not evident for these predictors.

The interactions between current money management stress and the individual entrepreneurial mindset dimension, alertness to opportunity ($\beta = 0.062$, $t = 0.370$, $p = .712$), dispositional optimism ($\beta = 0.012$, $t = 0.164$, $p = .870$), need for achievement ($\beta = 0.054$, $t = 0.510$, $p = .610$), and risk propensity ($\beta = -0.102$, $t = 0.655$, $p = .512$); were all statistically nonsignificant. These results suggest that varying levels of financial stress do not significantly change the relationships between these entrepreneurial mindset dimensions and entrepreneurial intent. In other words, when individuals experience higher or lower stress in managing their current finances, their levels of optimism, risk-taking, achievement motivation, or opportunity alertness do not differentially influence their entrepreneurial intentions. Overall, these results indicate that hypothesis 2, is partial supported.

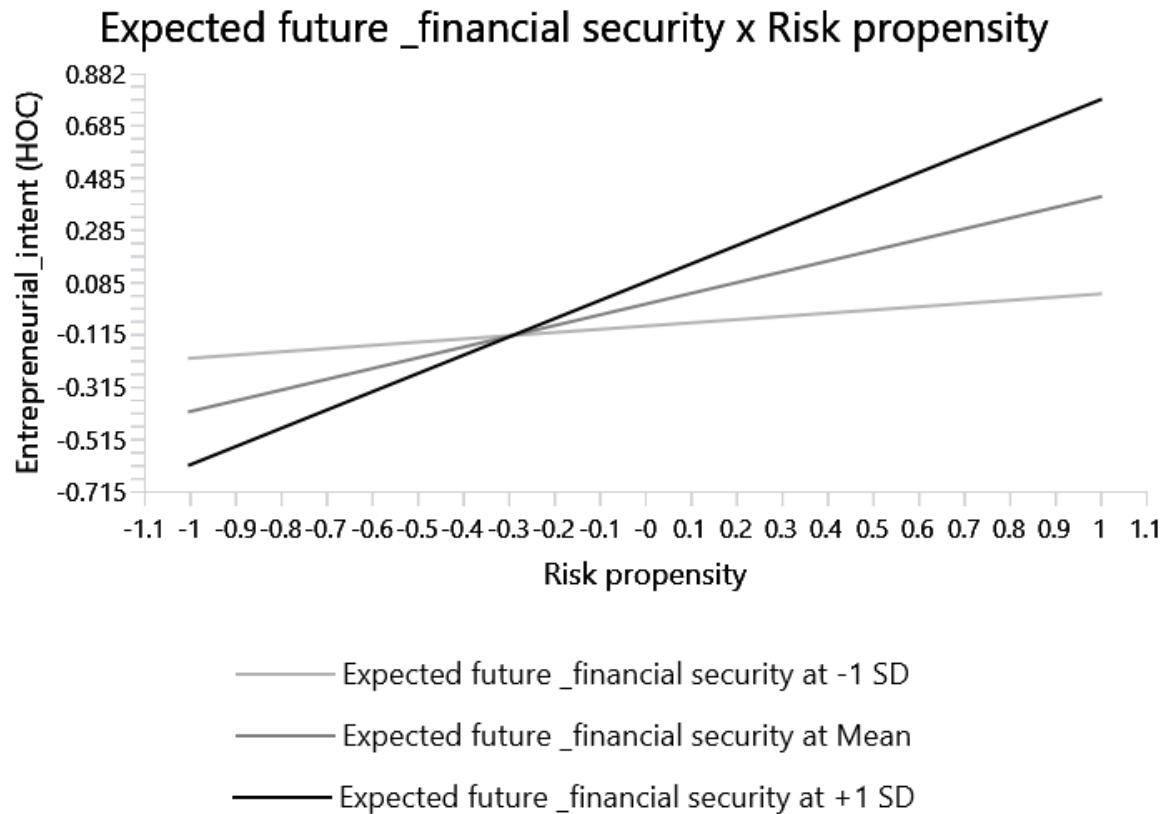


Figure 5: Simple plot for the moderation effect

5.8. Conclusion

The findings from the structural model assessment indicate that the proposed PLS-SEM model demonstrates acceptable predictive power and reliability. The $Q^2_{predict}$ and PLS-Predict results confirmed that the model possesses medium predictive relevance with lower prediction errors compared to benchmark models. The results indicated that dispositional optimism and risk propensity were significant positive predictors of entrepreneurial Intent. This suggests that individuals who are generally optimistic and those who are more willing to take risks are more likely to express stronger intentions to engage in entrepreneurial activity. A moderation analysis indicated that expected future financial security moderates the relationship between risk propensity and entrepreneurial intent.

CHAPTER 6: DISCUSSION OF THE RESULTS

6.1. Introduction

This chapter presents a summary of the results based on Chapter five's results. Insights from the data analysis on the moderating role of perceived financial well-being on the relationship between entrepreneurial mindset and entrepreneurial intention are dissected by deep diving into the statistical analysis. The chapter ties the data findings with theories, frameworks and academic research covered in Chapter Two. A comparison between the tested hypotheses in the study and the literature review will help understand and contextualise the relationship among the constructs in the study. The discussion will include summary of results, data collection, conceptual model, pilot phase, validity and reliability of instruments, descriptive statistics and hypothesis testing.

6.2. Summary of results

6.2.1. Data collection

This study explored the moderating role of perceived financial well-being on the relationship between entrepreneurial mindset and entrepreneurial intention. There were 125 respondents for the survey, the respondents were aspiring entrepreneurs within South Africa. The online survey instrument was made up of items adapted from validated scales measuring entrepreneurial mindset, entrepreneurial intention and perceived financial well-being. The data collection was systematic and included checking for errors and outliers to yield a reliable dataset. Inclusion of respondents with varying levels of entrepreneurial aspirations, different age groups, genders and educational backgrounds added an element of generalisability to findings. This provided a deeper understanding on how financial perceptions intertwine with psychological characteristics to shape entrepreneurial intention. Further, the diversity mirrored the socio-economic and heterogeneity of the South African population and entrepreneurial landscape.

Aligned with prior research that highlights the contextual and psychological foundations of entrepreneurship, the study highlights that entrepreneurial behaviour is additionally shaped by an individual's perceived financial circumstances. According to theory of planned Behaviour (Ajzen, 1991), intention is key antecedent of entrepreneurial behaviour and individual perceptions of control such as perceived financial well-being can strengthen or weaken the relationship (Liñán & Fayolle,

2015). In this study perceived financial well-being represents such a control, shaping an individual's willingness to engage in entrepreneurial behaviour. Previous research confirms that financial well-being enhances psychological stability and perceived behavioural control which would lead to individuals acting upon their entrepreneurial aspirations (Shim et al., 2009; Netemeyer et al., 2018). Additionally, Netemeyer et al. (2018) and Xiao and Porto (2017) argue that an individual's perception of their financial ability is an important psychological resource that can support or hinder their entrepreneurial drive.

The data collection process ensured that the sample was representative and relevant, allowing for meaningful analysis of how entrepreneurial mindset and perceived financial well-being together influence entrepreneurial intention within the South African context.

6.2.2. The conceptual model

The conceptual model was anchored in the theory of planned behaviour (Ajzen, 1991), which posits that behavioural intention is shaped by attitude, subjective norms and perceived behavioural control. This theory provided a framework for understanding how the entrepreneurial mindset (cognitive) leads to entrepreneurial intention, and how perceived financial well-being (contextual) moderates this relationship.

The model proposed that dimensions of the entrepreneurial mindset (need for achievement, risk propensity, ambiguity tolerance, dispositional optimism, and alertness to opportunity) directly influence entrepreneurial intention. Additionally, it suggested that perceived financial well-being (current money management stress and expected future financial security) can change the strength of these relationships. Depending on the financial confidence of an individual, the relationship may be strengthened or weakened. By introducing these moderators to the well-tested constructs of entrepreneurial mindset and intention the study contributed a valuable contribution to existing research.

Data was analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM), as it is suitable for studying complex models with multiple related variables (Hair et al., 2021). This approach was suitable given the study's focus on testing moderation effects and the multidimensional constructs. The results showed significant paths between some entrepreneurial mindset dimensions and entrepreneurial intention and partial moderation by perceived financial well-being.

This showed that the theoretical framework was practical.

6.2.3. Pilot phase

Prior to rolling out the questionnaire fully, a two-day pilot study involving eight participants was conducted to assess the clarity and practicality of the online questionnaire. The pilot was critical in confirming that the survey was user-friendly and concise to maintain respondent engagement in online research (Dillman et al., 2017).

On the first day of testing, a technical issue was identified in section four (perceived financial well-being), where several questions were not set as required, allowing participants to skip them. This design flaw risked incomplete data collection and potential bias in the results. After reviewing the responses, the issue was rectified by enabling mandatory responses for those items at the end of day one. The rectification addressed potential common method bias by improving the clarity and sequencing of items (Fuller et al., 2016).

After these changes, the survey worked well during the second day of testing. The revised version improved data quality and the logical flow of the survey. After the revision, the final questionnaire was distributed.

6.2.4. Validity and reliability

An analysis of the validity and reliability was performed to ensure the research findings are credible. Statistical tests were run to confirm the measurement model's validity and reliability. Confirmatory Factor Analysis (CFA) showed that all constructs had acceptable factor loadings above 0.60 (Hair et al., 2021), except for ambiguity tolerance, which was removed from the final model due to low factor loadings. This step ensured that only well-supported constructs were included in the structural model. Construct validity was checked using convergent and discriminant validity as part of Confirmatory Factor Analysis (CFA).

Convergent validity was achieved with Average Variance Extracted (AVE) values exceeding 0.50 for all constructs, confirming that items within each construct measured the same underlying concept (Hair et al., 2023). Discriminant validity was established through the Fornell-Larcker criterion and Heterotrait-Monotrait (HTMT) ratios, both measures met the requirement and demonstrated that the constructs were unique from one another.

6.2.5. Descriptive statistics

Descriptive statistics provided view of the respondents' characteristics. The sample represented a diverse group of South African aspiring entrepreneurs across gender, education, and age this offered different perspectives. The sample had a female bias, with three out of every five participants being female, while the remainder were male. This reflects the increasing involvement of women in entrepreneurship within the South African context. Studies have highlighted that women are turning into entrepreneurship as a response to limited formal job opportunities (Fayolle & Liñán, 2014). The diversity in age groups and educational backgrounds further enhanced rich insights.

The results revealed that respondents displayed different levels of entrepreneurial mindset traits, with higher average scores for risk propensity and dispositional optimism, indicating that respondents viewed themselves positive and willing to take calculated risks. Need for achievement and alertness to opportunity had similar scores suggesting that these traits were consistent across most respondents.

6.3. Hypotheses testing

This section discusses the study's hypotheses in relation to empirical results and existing literature covered in Chapter Two. The data analysis examined the direct relationships between the entrepreneurial mindset and entrepreneurial intention (Hypothesis 1) and the moderating effects of perceived financial well-being (Hypothesis 2)

6.3.1. Hypothesis 1: Relationship between entrepreneurial mindset and entrepreneurial intention

The first hypothesis posited that there is a positive relationship between entrepreneurial mindset and entrepreneurial intention. The results partially supported this hypothesis. Drawing on theory of planned behaviour (Ajzen, 1991); entrepreneurial intention is considered and antecedent to entrepreneurial behaviour shaped by cognitive factors such as attitude towards entrepreneurship, subjective norms and perceived behavioural control.

The entrepreneurial mindset encompasses cognitive sub-dimensions such as need for achievement, risk propensity, ambiguity tolerance, dispositional optimism and alertness to opportunity. Among the subdimensions, risk propensity and dispositional

optimism were found to be strong, positive predictors of entrepreneurial intention, while need for achievement and alertness to opportunity did not show a significant effect. Ambiguity tolerance was removed from the final model due to weak factor loadings. Previous studies have shown mindset attributes such as self-efficacy, adaptability and opportunity recognition play an important role in shaping entrepreneurial intention (Krueger et al., 2000; Liñán & Chen, 2009).

6.3.1.1. Need for achievement and entrepreneurial intention (H1a)

The results indicated that need for achievement did not have a statistically significant positive relationship with entrepreneurial intention, with the results showing the path is non-significant ($\beta = 0.098$, $t = 0.603$, $p > 0.05$). This translates to that individuals with higher need for achievement were not necessarily more likely to form entrepreneurial intentions within the sample. The findings contrast with the work of Collins et al. (2004) and Steenkamp et al. (2024), who posited that individuals with strong achievement motives set challenging goals and persist in achieving them, labelling this one of the qualities associated with entrepreneurship.

However, in alignment with Ajzen's (1991) framework, the findings point to motivational traits as insufficient as a stand-alone as precursor to intention when perceived behavioural control such as financial well-being is low. The result implies that in economic environments such as the South African economic environment with rampant financial insecurity and high unemployment, need for achievement may be overshadowed by structural barriers (Zwane, 2024; Steenkamp et al., 2024). This translates to ambitious individuals being hesitant to pursue entrepreneurship due to low perceived financial well-being. Thus, the importance of environmental enablers such as financial well-being and access to proper financial support structures.

6.3.1.2. Risk propensity and entrepreneurial intention (H1b)

The results established that risk propensity had a statistically significant positive relationship with entrepreneurial intention, the results showed that the path is significant ($\beta = 0.360$, $t = 3.780$, $p < 0.05$). This indicates that individuals who are more comfortable taking calculated risks are significantly more likely to express an intention to start a business. This finding supports earlier research (Forlani & Mullins, 2000; Stewart & Roth, 2004) and is in line with the entrepreneurial cognition perspective proposed by Haynie et al. (2010), which views risk-taking as a critical adaptive trait in uncertain environments. Further, the result agrees with Ajzen's

(1991) theory of planned behaviour, where positive attitudes toward risk strengthen intention formation.

This finding confirms that risk-taking is a universal entrepreneurial trait (Steenkamp et al., 2024). For South African aspiring entrepreneurs in the sample, willingness to face uncertainty appears to be a stronger influence of intention than traditional motivational traits. This could suggest that training and policy efforts should prioritise building risk management skills and developing supportive financial structures to encourage calculated risk-taking.

6.3.1.3. Ambiguity tolerance and entrepreneurial intention (H1c)

Ambiguity tolerance was included in the entrepreneurial mindset initially but was later excluded from the structural model due to low loadings and poor validity. This indicates that the construct did not statistically contribute to predicting entrepreneurial intention in this study. Ambiguity tolerance is considered an essential entrepreneurial trait (Zehrer et al., 2024; Gurel et al., 2010), as it helps individuals to function in uncertain environments. Nevertheless, in agreement with the argument by Bosma et al. (2012), external uncertainty such as perceived financial wellness may interfere and reduce the effect of ambiguity tolerance on entrepreneurial behaviour. In the South African context, where economic conditions are uncertain and constrained; tolerance for ambiguity may not be sufficient to independently drive entrepreneurial intention. The finding aligned with Neupane (2025), who found that tolerance for ambiguity was unrelated or negatively associated with entrepreneurial thinking. The low perceived financial well-being may be a stronger predictor in this environment than a psychological trait such as tolerance for ambiguity.

6.3.1.4. Dispositional optimism and entrepreneurial intention (H1d)

The results showed that dispositional optimism had a statistically significant positive relationship with entrepreneurial intention, the results confirmed that the path is significant ($\beta = 0.205$, $t = 2.268$, $p < 0.05$). The finding implies that individuals who are optimistic are more likely to form entrepreneurial intentions. This agrees with research by Hmieleski and Baron (2009) and Sun et al. (2023), who found that optimism boosts resilience, persistence, and opportunity focus on entrepreneurs. Additionally, it supports Haynie et al. (2010), who explained that optimism enhances flexible thinking and adopting to changes, which is critical in building entrepreneurial mindset.

An individual's confidence to act in an uncertain environment can be boosted by optimism. For practical purposes, entrepreneurial education programmes could focus on developing self-efficacy and building an individual's optimism so as to boost entrepreneurial motivation and behaviours (Charokopaki & Douros, 2025).

6.3.1.5. Alertness to opportunity and entrepreneurial intention (H1e)

The results indicated that alertness to opportunity did not have a statistically significant relationship with entrepreneurial intention, the results showed that the path is non-significant ($\beta = 0.017$, $t = 0.018$, $p > 0.05$). The result suggests that being alert to opportunities alone does not guarantee the formation of entrepreneurial intention. This finding contradicts with prior studies (Kirzner, 1973; Tang et al., 2012; Ardichvili et al., 2003), which indicated that opportunity recognition is important to entrepreneurship. However, it agrees with Liñán and Chen (2009), who argued that intention depends on opportunity awareness and perceived behavioural control. Individuals may identify business opportunities but lack the financial confidence to act upon them. The 2023/2024 Global Entrepreneurship Monitor (GEM) South Africa report indicates that 81.3% of adults perceived good entrepreneurial opportunities and 92.7% believed they had the capability to start a business, however, 43.4% of adults indicated fear of failure a deterrent to starting a business (Bowmaker-Falconer et al., 2024). This could indicate that entrepreneurship is not viewed as a viable career path. This suggests pairing opportunity alertness with accessibility to financial resources to enhance entrepreneurial intention. Policy interventions could focus on linking opportunity recognition with funding structures for entrepreneurial support.

6.3.2. Hypothesis 2: Perceived financial well-being moderates the relationship between entrepreneurial mindset and entrepreneurial intention

The second main hypothesis suggested perceived financial well-being positively moderates the relationship between entrepreneurial mindset and entrepreneurial intention, such that the higher the level of perceived financial well-being, the stronger the relationship between entrepreneurial mindset and entrepreneurial intention. The results partially supported this hypothesis. Only one moderation effect was statistically significant, a combination of expected future financial security and risk

propensity; the results confirmed that the path is significant ($\beta = 0.254$, $t = 2.423$, $p < 0.05$). Other moderation effects were statistically insignificant ($p > 0.05$), which indicated that perceived financial well-being influences entrepreneurial traits selectively and not equally. The finding agrees with Ajzen's (1991) view that perceived behavioural control affects intention formation and supports Netemeyer et al. (2018), who proposed that individuals' perceptions of financial security influence their confidence and future decision-making.

6.3.2.1. Perceived financial well-being moderates the relationship between need for achievement and entrepreneurial intention on (H2a)

Hypothesis 2a proposed that perceived financial well-being would positively moderate the relationship between need for achievement and entrepreneurial intention, such that the higher the level of perceived financial well-being the stronger the relationship between need for achievement and entrepreneurial intention.

The results from the moderation analysis, did not support this hypothesis. The interaction between current money management stress (a sub dimension of perceived financial well-being) and need for achievement was statistically insignificant ($\beta = 0.054$, $t = 0.510$, $p > 0.05$); similarly, interaction between expected future financial security(a sub dimension of perceived financial well-being) and need for achievement was also statistically insignificant ($\beta = -0.115$, $t = 1.226$, $p > 0.05$). The results indicate that levels of perceived financial well-being (current money management stress or expected future financial security) do not significantly influence how need for achievement translates into entrepreneurial intention. The results show that individuals with a strong drive to achieve tend to stay motivated, regardless of their levels of perceived financial well-being.

The lack of a moderating effect suggests that need for achievement operates as an independent psychological trait and is not influenced by how financially confident an individual feels. This means that financial perceptions did not strengthen or weaken the effect of need for achievement on entrepreneurial intention. This differs from findings from Steenkamp et al. (2024), who suggested that feeling financially secure can strengthen achievement-oriented behaviour by reducing perceived risk. However, it supports Ajzen's (1991) theory of planned behaviour, which posits that motivation alone does not lead to intention; intention depends on perceived control over the behaviour. In this context, individuals who are highly motivated and lacking

perceived financial well-being may be unable to translate that motivation into entrepreneurial intention.

Individuals with a high need for achievement may continue to pursue entrepreneurship even in financially uncertain environments, but their success in turning motivation into action could be boosted through financial support structures. Therefore, policymakers, educators, and entrepreneurship support programmes should pair motivational interventions (such as goal setting) with financial support initiatives (such as access to credit), especially in an environment like South Africa where financial insecurity may be a barrier.

6.3.2.2. Perceived financial well-being moderates the relationship between risk propensity and entrepreneurial intention (H2b)

Hypothesis 2b proposed that perceived financial well-being would positively moderate the relationship between risk propensity and entrepreneurial intention, such that individuals with higher levels of perceived financial well-being would demonstrate a stronger relationship between their willingness to take risks and their intention to start a business.

The results partially supported this hypothesis. The interaction between current money management stress (a sub dimension of perceived financial well-being) and risk propensity was statistically insignificant ($\beta = -0.102$, $t = 0.655$, $p > 0.05$); this means that financial well-being perceptions did not boost or diminish the effect of risk propensity on entrepreneurial intention. Conversely, the interaction between expected future financial security (a sub dimension of perceived financial well-being) and risk propensity was statistically significant ($\beta = 0.254$, $t = 2.423$, $p < 0.05$). This suggests that individuals who perceive greater financial well-being about their future are more likely to translate their risk-taking into entrepreneurial intentions. In contrast, when perceived future financial well-being is low, the same risk-taking traits do not translate as into entrepreneurial intention. On the other hand, short-term financial stress (current money stress) does not change how an individual's risk-taking traits affects their entrepreneurial intentions.

These findings indicate that perceived financial well-being plays a selective moderating role, it strengthens the risk-taking and entrepreneurial intention link only when the individual has a higher level of perceived financial well-being about their future. This is consistent with Xiao and Porto (2017), who found that individuals who felt financially secure tend to be more confident and are more willing to take

entrepreneurial risk. Similarly, Netemeyer et al. (2018) showed that having confidence in one's financial situation encourages proactive behaviour and improves well-being. The results also reinforce Hobfoll's (2001) conservation of resources theory, which posits that individuals strive to preserve and expand their resources. When financial security is perceived as stable, entrepreneurs are more comfortable engaging in entrepreneurial risky ventures. Conversely, individuals with lower levels of perceived financial well-being are likely to conserve resources, thus, avoiding risk-taking even when they possess an entrepreneurial mindset.

Alternatively, the results differ to some extent from Forlani and Mullins (2000), who suggested that risk propensity independently predicts entrepreneurial intention regardless of contextual factors. In this study, risk propensity as a stand-alone was a significant predictor ($\beta = 0.360$, $t = 3.780$, $p < 0.05$), but its effect became stronger when moderated by high perceived future financial security, demonstrating the joint influence of personal disposition (risk propensity) and perceived contextual support (perceived future financial well-being).

This finding underpins the importance of financial confidence as a psychological enabler of entrepreneurial behaviour. For policymakers and educators, this cements the value of integrating financial literacy programmes into entrepreneurship training to help potential aspiring entrepreneurs build confidence in their financial futures. Such interventions can boost risk-taking traits especially in uncertain economic environments such as South Africa.

6.3.2.3. Perceived financial well-being moderates the relationship between ambiguity tolerance and entrepreneurial intention on (H2c)

Hypothesis 2c proposed that perceived financial well-being would positively moderate the relationship between ambiguity tolerance and entrepreneurial intention, such that individuals with higher levels of perceived financial well-being would demonstrate a stronger relationship between their ability to tolerate ambiguity and their intention to start a business.

However, ambiguity tolerance was excluded from the final structural model due to low factor loadings during the measurement model stage. As a result, no moderation analysis was carried out for this dimension. The step was taken to maintain construct validity and model reliability, in accordance with recommendations for reflective measurement model refinement in PLS-SEM (Hair et al., 2021).

Ambiguity tolerance is an important component of the entrepreneurial mindset. It refers to a person's ability to remain effective and make decisions when facing uncertainty or limited information, a common characteristic of the entrepreneurial setting (Zehrer et al., 2024; Gurel et al., 2010). Despite this construct not being empirically tested within the moderation model, theoretical evidence suggests that individuals who can tolerate uncertainty are better equipped to manage entrepreneurial challenges. However, as Bosma et al. (2012) argued, external uncertainty which could be characterised by elements such as perceived financial well-being can weaken the effect of psychological tolerance on entrepreneurial behaviour.

The link between ambiguity tolerance and entrepreneurial intention remains theoretically sound despite not being excluded for the final model. Individuals comfortable with uncertainty are more likely to stay motivated to pursue entrepreneurship, even in unpredictable conditions. However, more research is needed to prove whether perceived financial well-being makes this relationship stronger or weaker.

6.3.2.4. Perceived financial well-being moderates the relationship between dispositional optimism and entrepreneurial intention (H2d)

Hypothesis 2d proposed that perceived financial well-being would positively moderate the relationship between dispositional optimism and entrepreneurial intention, such that the higher the level of perceived financial well-being, the stronger the relationship between dispositional optimism and entrepreneurial intention.

The results from the moderation analysis, did not support this hypothesis. The interaction between current money management stress (a sub dimension of perceived financial well-being) and dispositional optimism was statistically insignificant ($\beta = 0.012$, $t = 0.164$, $p > 0.05$); similarly, interaction between expected future financial security (a sub dimension of perceived financial well-being) and dispositional optimism was also statistically insignificant ($\beta = 0.037$, $t = 0.233$, $p > 0.05$). These results indicate that neither current financial stress nor perceived future financial security significantly influenced how dispositional optimism affects entrepreneurial intention. Individuals positive outlook did not depend on their levels of perceived financial well-being when forming entrepreneurial intentions.

Dispositional optimism refers to a general expectation of positive outcomes and overcoming challenges (Scheier & Carver, 1985). Optimism is an important

psychological strength that promotes opportunity recognition and resilience in the entrepreneurial environment (Hmieleski & Baron, 2009; Sun et al., 2023). Optimistic individuals often view setbacks as temporary, which supports entrepreneurial motivation even in the face of uncertainty. However, the current findings suggest that perceived financial well-being does not strengthen this relationship, implying that optimistic individuals maintain their entrepreneurial drive regardless of their level of perceived financial well-being.

This finding contrasts the assumptions of the conservation of resources theory (Hobfoll, 2001), which suggests that individuals who feel that they have more resources, such as financial security, are likely to translate psychological strengths into action. Conversely, optimism's effect on entrepreneurial intention is an independent stand-alone effect not dependent on financial perceptions. It also contrasts with Xiao and Porto (2017), who found that financial security enhances confidence and proactive financial behaviours. In this study, optimism independently predicted entrepreneurial intention, suggesting that it operates as a steady psychological trait regardless of the level of perceived financial well-being.

The results align closely with the theory of planned behaviour (Ajzen, 1991), which emphasises cognitive stability in building entrepreneurial intentions. Dispositional optimism as a sub-dimension of entrepreneurial mindset positively contributes to favourable attitudes towards entrepreneurship but is less influenced by contextual factors such as levels of perceived financial well-being. Correspondingly, Haynie et al. (2010) suggest that optimism helps individuals adapt their thinking and face uncertainty by trusting their judgement rather than external assurance.

The findings suggest that optimistic individuals are naturally more inclined to entrepreneurship behaviour, regardless of financial circumstances. Their positive outlook appears sufficient to maintain entrepreneurial intentions even in challenging economic environments. For policymakers and educators, this suggests that programmes promoting entrepreneurship could use optimism-building strategies paired alongside financial education. However, boosting levels of perceived financial well-being may not strengthen optimism effect on entrepreneurial intention, but could act as a complement.

6.3.2.5. Perceived financial well-being moderates the relationship between alertness to opportunity and entrepreneurial intention on (H2e)

Hypothesis 2e proposed that perceived financial well-being would positively moderate the relationship between alertness to opportunity and entrepreneurial intention, such that the higher the level of perceived financial well-being, the stronger the relationship between alertness to opportunity and entrepreneurial intention.

The results from the moderation analysis, did not support this hypothesis. The interaction between current money management stress (a sub dimension of perceived financial well-being) and alertness to opportunity was statistically insignificant ($\beta = -0.029$, $t = 0.121$, $p > 0.05$); similarly, interaction between expected future financial security (a sub dimension of perceived financial well-being) and alertness to opportunity was also statistically insignificant ($\beta = 0.062$, $t = 0.370$, $p > 0.05$). These results indicate that neither current financial stress nor perceived future financial security significantly influenced how being alert to opportunities affected an individual's intention to become an entrepreneur. Individuals' alertness to opportunity did not depend on their levels of perceived financial well-being when forming entrepreneurial intentions.

The findings contrast with studies by Kirzner (1973), Tang et al. (2012), and Ardichvili et al. (2003), who all highlighted opportunity alertness as a critical component of the entrepreneurial mindset. According to these studies, entrepreneurs tend to recognize and act on opportunities that others overlook, and this alertness drives entrepreneurial intention and behaviour. However, the results of this study show that simply being alert to opportunities may not strengthen entrepreneurial intention when individuals' negative or positive financial perceptions are considered.

Theory of planned behaviour (Ajzen, 1991) may partially explain the outcome, it suggests that even if individuals recognise opportunities, their intention to act on the opportunities is influenced by perceived behavioural control. In this study, perceived financial well-being did not significantly enhance or weaken that belief. Individuals who were alert to opportunities may hesitate to act if they doubt their financial capability to pursue the identified entrepreneurial opportunities, aligning with Liñán and Chen (2009), who argued that opportunity recognition alone does not guarantee entrepreneurial intention, it requires perceived control. Additionally, the finding aligns with Bosma et al. (2012), who observed that external conditions, such as economic uncertainty and financial confidence influence whether entrepreneurial awareness translates into action. Individuals with low perceived financial well-being, might recognise entrepreneurial opportunities and choose not to pursue them due to the low financial confidence (Bowmaker-Falconer et al., 2023)

The results suggest that opportunity alertness, which is a key element of entrepreneurial mindset (Neupane, 2025), may not directly lead to entrepreneurial intention on its own. It may require an individual's high level of perceived financial well-being to enhance entrepreneurial intention. Entrepreneurship programmes should not only focus on developing individual's alertness to opportunities but also focus on improving financial confidence through financial literacy and access to financial resources.

6.4. Final model

This section discusses the study's hypotheses in relation to empirical results and existing literature covered in Chapter Two. The data analysis examined the direct relationships between the entrepreneurial mindset and entrepreneurial intention (Hypothesis 1) and the moderating effects of perceived financial well-being (Hypothesis 2).

The findings of the study confirm that the theory of planned behaviour (Ajzen, 1991) offers a viable theoretical framework for understanding how cognitive and contextual factors interact to shape entrepreneurial intention. The theory suggests that behaviour is influenced by an individual's intention to act, which in turn is influenced by attitude toward the behaviour, subjective norms, and perceived behavioural control (Ajzen, 1991; Naskar & Lindahl 2025). In the context of this study, the entrepreneurial mindset represents the cognitive dimension influencing attitude and perceived control, while perceived financial well-being represents a contextual factor moderating this relationship. The combination of the cognitive and the contextual factors predict an individual's entrepreneurial intention.

The final model as illustrated in Figure 6, reflects the relationships validated through the structural equation modelling (SEM) analysis. The model comprises of three major constructs: entrepreneurial mindset, perceived financial well-being and entrepreneurial intention. The entrepreneurial mindset comprises four sub-dimension which are need for achievement, risk propensity, dispositional optimism, and alertness to opportunity. Ambiguity tolerance as a sub-dimension of entrepreneurial mindset was excluded due to low factor loadings, indicating limited contribution to the model's validity.

The study found that entrepreneurial mindset strongly predicts entrepreneurial intention, although not all its sub-dimensions contribute equally. Risk propensity and

dispositional optimism showed significant positive relationships with entrepreneurial intention (represented by green solid arrows), indicating that individuals who are comfortable with uncertainty and who maintain a positive outlook are more likely to develop strong entrepreneurial intentions. These findings agree with prior research (Forlani & Mullins, 2000; Hmieleski & Baron, 2009) and support theory of planned behaviour (Ajzen, 1991) assertion that attitude toward behaviour, influenced by optimism and calculated risk-taking drives intention.

Conversely, need for achievement and alertness to opportunity were not significant predictors. This suggests that while need for achievement and alertness to opportunity are essential entrepreneurial traits, they may not lead into intention without contextual enablers (Ajzen, 1991; Liñán & Chen, 2009). This insight aligns with the theory of planned behaviour (Ajzen, 1991) view that intention formation relies on both mental readiness and situational feasibility.

The second component of the model included perceived financial well-being as a moderating factor. The results showed that perceived financial well-being strengthens the relationship between risk propensity and entrepreneurial intention, especially through the dimension of expected future financial security (represented by a solid red arrow). This means that individuals who feel financially secure about their future are more likely to turn their risk-taking traits to entrepreneurial intentions. However, other moderation effects (need for achievement, dispositional optimism, and alertness to opportunity) were statistically insignificant ($p > .05$), showing that perceived financial well-being selectively strengthens certain cognitive traits. The selective moderation supports theory of planned behaviour (Ajzen, 1991) which highlights the role of perceived behavioural control, indicating that financial security can strengthen confidence in entrepreneurial actions. It also resonates with the conservation of resources theory (Hobfoll, 2001), which frames financial well-being as a psychological resource that facilitates risk-taking and resilience in the entrepreneurial journey. The model illustrates how perceived financial well-being can transform potential into action by strengthening psychological elements.

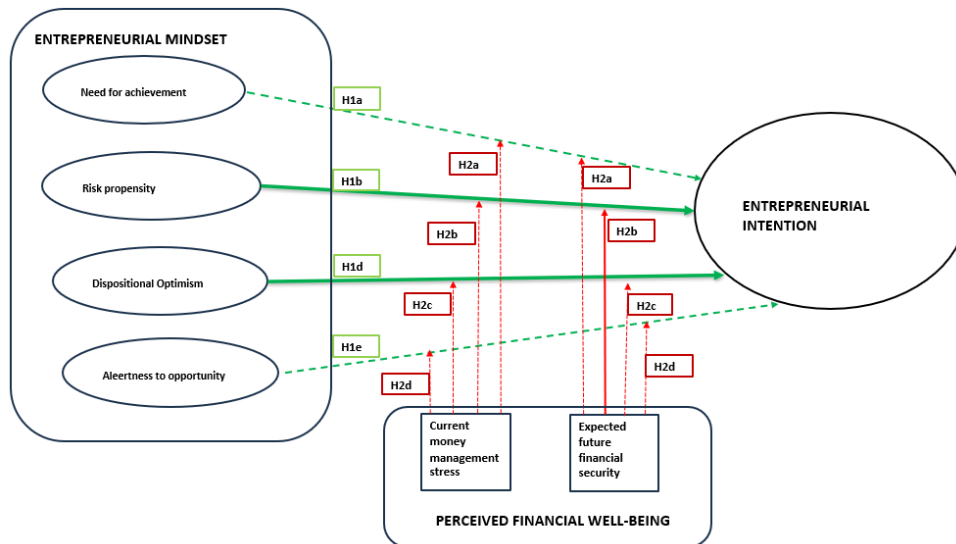


Figure 6: Final model for the research study

The final model is based on the theory of planned behaviour and demonstrates the how cognitive factors and environmental/contextual condition work together in shaping entrepreneurial intention. Entrepreneurial mindset acts as the cognitive foundation of intention forming. Perceived financial well- acts as a contextual moderator that strengthens or weakens the link between cognitive (entrepreneurial mindset) and entrepreneurial intention especially risk-taking behaviour. Finally, entrepreneurial intention serves as the behavioural outcome represented by a conscious decision to engage in entrepreneurship. The model confirms that entrepreneurship is not driven by mindset alone but by the interaction between internal motivation and perceived feasibility. Enhancing perceived financial well-being can play an important role in entrepreneurial mindset in entrepreneurial intention.

6.5. Conclusion

This chapter has summarised and discussed the key outcomes of the study. The results confirm that entrepreneurial mindset predicts entrepreneurial intention, further, the strength of this relationship varies depending on individuals' level of perceived financial well-being. The final model built upon theory of planned behaviour (Ajzen, 1991) underpins the narrative that entrepreneurship is not influenced by mindset alone but from interaction between internal motivation and the environment feasibility. This means that when individuals have a high level of perceived financial well-being their confidence to act on entrepreneurial goals strengthens.

The study adds to the theory of planned behaviour by demonstrating how perceived financial well-being functions as a contextual moderator, linking cognitive readiness with environmental feasibility. This perspective provides theoretical and practical insights into improving entrepreneurship in the unique South African economy.

CHAPTER 7: CONCLUSIONS AND RECOMMENDATIONS

7.1. Conclusion

This chapter presents the principal conclusions, theoretical and practical contributions, implications for entrepreneurship and recommendations for future research. The study examined the moderating role of perceived financial well-being on the relationship between entrepreneurial mindset and entrepreneurial intention within the South African entrepreneurial environment. Guided by the theory of planned behaviour (Ajzen, 1991), the research investigated how cognitive factors (entrepreneurial mindset) and contextual perceptions (perceived financial well-being) intertwine and influence the formation of entrepreneurial intention. The findings contribute to the growing literature on entrepreneurship by emphasizing that entrepreneurial intention is not dependant on psychological traits alone but from the interaction between internal motivations and perceived external feasibility.

7.2. Principal conclusions

The main objective of this study was to determine whether perceived financial well-being moderates the relationship between entrepreneurial mindset and entrepreneurial intention. The model was based on theory of planned behaviour (Ajzen, 1991), which posits that intention is influenced by attitudes, subjective norms, and perceived behavioural control. The entrepreneurial mindset represented the cognitive determinants of intention and perceived financial well-being represented contextual perceived control. The contextual perceived control implies that level of financial security may enhance or weaken an individual's confidence to pursue entrepreneurial ventures.

This study sought to address the following key research questions:

- i. What is the relationship between entrepreneurial mindset and entrepreneurial intention?
- ii. To what extent do the sub-dimensions of entrepreneurial mindset (need for achievement, risk propensity, ambiguity tolerance, dispositional optimism, and alertness to opportunity) predict entrepreneurial intention?
- iii. What is the moderating role of perceived financial well-being in the relationship between entrepreneurial mindset and entrepreneurial

intention?

- iv. How does perceived financial well-being, as a contextual factor, strengthen or weaken the link between individual cognitive traits (entrepreneurial mindset) and entrepreneurial intention?

A quantitative research approach was used to study the relationships among entrepreneurial mindset, perceived financial well-being, and entrepreneurial intention in South Africa. Data was collected from an online survey completed by aspiring entrepreneurs. The questionnaire was made up of validated measures from previous studies and evaluated the three constructs. This included five traits of entrepreneurial mindset (need for achievement, risk propensity, ambiguity tolerance, dispositional optimism, and alertness to opportunity), and two dimensions of perceived financial well-being (current money management stress and expected future financial security). The data was analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM), which is suitable for testing complex models with multiple relationships (Hair et al., 2021). This method helped assess both direct and moderating effects while ensuring the results were reliable and valid.

Firstly, the results demonstrated the importance of entrepreneurial mindset traits, showing that not all traits contribute equally. Two traits of entrepreneurial mindset, namely, dispositional optimism and risk propensity were stronger psychological enablers of entrepreneurial intention than the rest. Optimistic individuals consider challenges as temporary and controllable, fostering resilience, which leads to entrepreneurial action (Hmieleski & Baron, 2009; Sun et al., 2023). Similarly, individuals who are comfortable with risk are more willing to pursue entrepreneurial opportunities even in dynamic environments; aligning with earlier studies that emphasize the role of calculated risk-taking in entrepreneurship (Forlani & Mullins, 2000; Stewart & Roth, 2004).

Conversely, other two traits of entrepreneurial mindset, need for achievement and alertness to opportunity, though linked to entrepreneurship (McClelland, 1961; Kirzner, 1973), did not appear as strong psychological enablers of entrepreneurial intention in this study's context. This suggests that while these two traits remain important, they may not translate into entrepreneurial intention on their own. They may only translate to enablers when supported by additional contextual factors such as an individual's perceived level of financial well-being.

In the unique South African economic environment, structural barriers such as limited access to financial resources may dampen the strength of need for achievement and alertness to opportunities traits in the entrepreneurial environment (Fayolle & Liñán, 2014; Bosma et al., 2012).

The study also established that there is a selective moderating effect of perceived financial well-being. It strengthens the connections between certain entrepreneurial mindset and entrepreneurial intention relationships, particularly those linked to risk-taking and future orientation. This finding supports the argument by Netemeyer et al. (2018) and Xiao and Porto (2017) that financial confidence acts as a psychological resource, enabling individuals a sense of control thus enabling them to act more decisively on entrepreneurial pursuits. However, this effect was consistent across all traits. Dispositional optimism and risk propensity appeared to operate independently of individuals' financial perceptions.

Finally, the results affirm that entrepreneurial intention arises from both personal motivation and the perceived opportunities or constraints in the environment. Reaffirming that entrepreneurial intention is not driven by mindset alone but by the dynamic interaction between internal motivation and perceived external feasibility. This balance between cognitive and financial context may explain why equally capable individuals may differ in their entrepreneurial behaviour depending on how secure or constrained they feel financially. The study extends theory of planned behaviour (Ajzen, 1991) by demonstrating that perceived financial well-being operates as a contextual enabler, shaping individuals' perceptions of control and influencing the conversion of entrepreneurial mindset into intention.

7.3. Theoretical contributions

This research adds to the body of entrepreneurship literature by expanding the theory of planned behaviour (Ajzen, 1991) to include the role of perceived financial well-being as a contextual moderator in the relationship between entrepreneurial mindset and entrepreneurial intention. The theory of planned behaviour (Ajzen, 1991) is an important and influential framework for understanding entrepreneurial intention, positing that behavioural intention is influenced by attitude toward the behaviour, subjective norms, and perceived behavioural control. This study advances the theoretical understanding of theory

of planned behaviour (Ajzen, 1991), by presenting perceived financial well-being as a contextual enabler that affects how cognitive traits (represented by sub-dimensions of entrepreneurial mindset) translate into intention. By testing the theory of planned behaviour's (Ajzen, 1991) three components of (attitude, subjective norms and perceived behavioural control) as a measure of intention, this study addresses a gap in entrepreneurial literature where few studies measure all three components simultaneously. A recent study by Naskar and Lindahl (2025) supports the need to integrate situational and contextual influences into the theory of planned behaviour (Ajzen, 1991) framework.

By incorporating financial perception into the relationship between entrepreneurial mindset and entrepreneurial intention, the study offers a framework of how entrepreneurship functions in developing economies such as South Africa. It demonstrates that entrepreneurial intention arises not only from psychological readiness as an independent enabler but also from perceived environmental feasibility. This finding supports calls from Liñán and Fayolle (2015) and Slomski et al. (2024) for entrepreneurship research to consider approaches that involve both internal cognition and external perceptions of control.

The study expands our knowledge of the entrepreneurial mindset as a multidimensional construct, consisting of need for achievement, risk propensity, ambiguity tolerance, dispositional optimism, and alertness to opportunity. While previous research (Hmieleski & Baron, 2009; Sun et al., 2023) highlighted these traits as individual predictors of entrepreneurship, this study empirically tested their unique contributions to entrepreneurial intention within one model. The findings revealed that risk propensity and dispositional optimism were strong and statistically significant predictors. Conversely, need for achievement and alertness to opportunity were not, suggesting that entrepreneurial behaviour may depend on additional psychological traits linked to confidence rather than solely on achievement motivation or opportunity recognition. This contributes to theory by identifying which entrepreneurial mindset components directly influence intention in financially constrained environments.

This study contributes a new perspective to entrepreneurship theory by empirically testing the moderating role of perceived financial well-being. The results demonstrated that expected future financial security (a sub dimension of perceived financial well-being) strengthened the relationship between risk

propensity and entrepreneurial intention. This demonstrates how financial confidence is an important psychological resource (Hobfoll, 2001; Sajid et al., 2024). Conversely, the other two entrepreneurial mindset traits (dispositional optimism and need for achievement) operated independently of financial perceptions. The finding demonstrated that not all cognitive traits are equally influenced by contextual moderation. The selective moderation contributes to an understanding of how financial perceptions shape individual's entrepreneurial behaviour.

Finally, by contextualising entrepreneurship within a developing economy characterised by socio-economic inequality and financial uncertainty, the study contributes to theoretical discourse. It reaffirms that in environments where financial and structural barriers exist, psychological characteristics alone cannot predict entrepreneurial behaviour. Instead, entrepreneurship emerges from the interaction between internal motivation and perceived external feasibility, extending theory of planned behaviour's (Ajzen, 1991; Slomski et al., 2024), application to a diverse African setting. This contextual enrichment provides a valuable contribution to entrepreneurship theory and encourages the inclusion of financial perception as a key construct in future entrepreneurial intention models.

7.4. Practical and business contributions

7.4.1. Economic development and business growth

Entrepreneurship is an important driver of economic growth, innovation, and employment in developing economies (Bowmaker-Falconer et al., 2023; Fayolle & Liñán, 2014). In the South African environment, unemployment and inequality are challenges which require urgent intervention. This study's findings underscore the need to improve and strengthen the psychological readiness and financial confidence of aspiring entrepreneurs. The findings suggest that individuals are more likely to build entrepreneurial intentions when they perceive financial stability in their future, even if their current situation is uncertain.

This points to an opportunity for an integrated approach in entrepreneurship development efforts, by incorporating financial empowerment to generic entrepreneurship training. Policymakers should create programmes that promote financial literacy, improve access to credit, and all-round personal financial management. Such interventions can enhance the benefits of cautious risk-taking and optimism on entrepreneurial intention. This is in line with the

goals of South Africa's National Development Plan 2030, which highlights entrepreneurship as a major driver behind inclusive economic growth and job creation (National Planning Commission, 2012).

7.4.2. Impact on learning and research

The study's findings have important ramifications for entrepreneurship education and training programmes. Generic entrepreneurship education often focuses on opportunity recognition and business planning but excludes the psychological and financial barriers that may discourage individuals from acting on their intentions. This study demonstrates that enhancing dispositional optimism and calculated risk-taking confidence, incorporated with improving perceived financial well-being, can increase the likelihood of entrepreneurial behaviour.

Educational institutions can integrate financial literacy courses and psychological students and aspiring entrepreneurs to identify opportunities and develop the mindset and confidence needed to pursue them. This aligns with the recommendations by Liñán and Chen (2009) and Haynie et al. (2010), who indicated the important role of cognitive growth in entrepreneurial learning.

For research, the study highlights the need to examine contextual moderators such as perceived financial well-being, which influence intention and behaviour relationships in entrepreneurship. Future research could explore longitudinal designs to evaluate the effect of changing financial perceptions over time on entrepreneurial behaviour.

7.4.3. Policy and decision-making

The findings have policy implications for governments and other stakeholders. Policymakers should recognise perceived financial well-being as a psychological lever that shapes entrepreneurial behaviour. Programmes designed to improve individual's access to finance, seed funding for new entrepreneurial ventures, and business development support should be an integral part of business-start up support. This will boost financial confidence and enhance entrepreneurial behaviour.

Policy frameworks can establish and expand sustainable entrepreneurship ecosystems by introducing financial support, and inherently financial inclusion. Empirical research, such as that from the Global Entrepreneurship Monitor

(GEM) (Bowmaker-Falconer et al., 2023), supports decision-making that encourages entrepreneurship as contributor to inclusive economic growth. This study supports that approach by showing how in developing economies such as South Africa financial confidence strengthens entrepreneurial intention.

7.5. Limitations of the study

The results of the study may not be as applicable to other geographical or economic contexts because it was carried out in South Africa. South Africa's socio-economic conditions which are uniquely characterised by high unemployment, inequality, and financial insecurity, may influence how individuals perceive their financial well-being and entrepreneurial opportunities. Therefore, results derived from this context may not be applicable to other developed economies with different entrepreneurial ecosystems (Liñán & Fayolle, 2015).

The cross-sectional design of this research limits its ability to prove causality between constructs. The relationships observed between entrepreneurial mindset, perceived financial well-being, and entrepreneurial intention represent interactions at a single point in time. A longitudinal design could better capture how changes in financial perceptions or psychological traits influence entrepreneurial behaviour over time (Krueger et al., 2000).

The study utilised self-reported data collected through an online questionnaire. Although this method allowed for efficient data gathering from a diverse group of respondents, it is subject to response bias, where participants may have overstated positive entrepreneurial attitudes or understated financial insecurity. Further, the use of a single instrument such as a survey increases the risk of common method variance (CMV), despite efforts to minimise it through remedies such as the Harman's single-factor test.

Partial Least Squares Structural Equation Modelling (PLS-SEM), a quantitative method suitable for examining complex relationships and moderating effects, was used in the study. However, quantitative analysis reduces experiences into measurable constructs, potentially leaving out valuable insights that could be revealed through qualitative approach. Incorporating interviews or mixed methods in future studies may improve our understanding of how financial perceptions interact with mindset to shape entrepreneurial behaviour.

Lastly, due to its low factor loadings, ambiguity tolerance which was initially

included as a sub-dimension of entrepreneurial mindset, was excluded from the final model due to low factor loadings. The omission may have reduced the model's ability to fully capture all characteristics relevant to entrepreneurship mindset. Future research could re-examine this construct using different measurements.

7.6. Recommendations for future studies

The study could be expanded upon in future research by using longitudinal and qualitative research to capture how shifting financial perceptions and psychological characteristics affect entrepreneurial behaviour over time. Insights on how financial perceptions change over time could assist on policy relevance. While a qualitative element will help understand the implications of financial well-being to entrepreneurship. Using a larger sample and expanding the research beyond South Africa to broaden its geographic inclusion to other economies would allow for cross cultural comparisons on how perceived financial well-being influences entrepreneurial intention. Different environmental contexts with varying levels of financial development will shape entrepreneurial intentions differently. The utilisation of a larger sample in future studies could ensure that the findings are more generalisable. To improve model reliability, future studies could also modify measurement tools for constructs such as ambiguity tolerance. Furthermore, investigating other moderators like access to finance could give deeper insights into how cognitive and contextual factors (such as economic conditions and entrepreneurial education) interact. Finally, examining gender and socio-economic differences in perceived financial well-being and entrepreneurial motivation would provide valuable guidance to designing targeted policy and entrepreneurial initiatives.

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APPENDICES

Appendix 1: Missing value analysis

	Missing	
	Count	Percent
NFA1	1	,8
NFA2	1	,8
NFA3	1	,8
NFA4	1	,8
NFA5	1	,8
RPR1	1	,8
RPR2	1	,8
RPR3	1	,8
ATL1	1	,8
ATL2	1	,8
ATL3	1	,8
ATL4	1	,8
DPO1	1	,8
DPO2	1	,8
DPO3	1	,8
ATO1	1	,8
ATO2	1	,8
ATO3	1	,8
ATO4	1	,8
PAT1	7	5,6
PAT2	7	5,6
PAT3	9	7,2
PAT4	9	7,2
PAT5	11	8,8
SBN1	7	5,6
SBN2	7	5,6
SBN3	7	5,6
PBC1	7	5,6
PBC2	12	9,6
PBC3	8	6,4
PBC4	8	6,4
PBC5	8	6,4
ETI1	7	5,6
ETI2	9	7,2
ETI3	8	6,4

ETI4	8	6,4
ETI5	7	5,6
ETI6	7	5,6
EFS1	8	6,4
EFS2	8	6,4
EFS3	8	6,4
EFS4	8	6,4
EFS5	8	6,4
CMS1	8	6,4
CMS2	8	6,4
CMS3	8	6,4
CMS4	8	6,4
CMS5	8	6,4