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Financial Literacy and Sustainable Entrepreneurial Intention: The Mediating Role of Entrepreneurial Mindset

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ABSTRACT

Sustainable entrepreneurship has become a central agenda in higher education as institutions are pressed to prepare graduates who can create economic value while safeguarding social and environmental well-being. Despite growing interest, empirical evidence on the psychological pathway through which financial literacy translates into sustainable entrepreneurial behavior remains fragmented, particularly among Economics Education students who are simultaneously trained as future economic actors and future teachers of economic literacy. This study examines the relationship between financial literacy and sustainable entrepreneurship, positioning entrepreneurial mindset as a mediating mechanism. Grounded in Human Capital Theory and the Theory of Planned Behavior, a quantitative explanatory research design was employed using Partial Least Squares Structural Equation Modeling (SEM-PLS) with SmartPLS 4. Data were obtained from 250-350 Economics Education students through a Likert-scale questionnaire and analyzed through measurement and structural model evaluation, including outer loading, Average Variance Extracted (AVE), composite reliability, R^2, path coefficients, effect size, and mediation testing. The study proposes that financial literacy exerts both a direct and an indirect effect on sustainable entrepreneurship, with entrepreneurial mindset serving as the psychological bridge connecting financial competence to sustainability-oriented venture behavior. The findings are expected to extend Human Capital Theory and the Theory of Planned Behavior into the sustainability domain and to offer practical implications for economics curricula and creative-economy policy. This study proposes an integrated mediation model linking financial literacy to sustainable entrepreneurship through entrepreneurial mindset among Economics Education students. This research contributes a rarely tested mediation model in the specific context of Economics Education students, aligning with the Human Capital subtheme of contemporary economics and creative industry conferences.

INTRODUCTION

The transition toward a sustainable and knowledge-based economy has intensified the demand for graduates equipped with financial capability and entrepreneurial competence. International organizations such as the Organisation for Economic Co-operation and Development (OECD) emphasize that financial literacy is a core life skill required to improve individual well-being and support inclusive economic growth. Likewise, the World Bank highlights entrepreneurship as a key driver of innovation, employment creation, and poverty reduction, particularly in developing economies. In parallel, the United Nations Sustainable Development Goals (SDGs), especially Goals 4 (Quality Education), 8 (Decent Work and Economic Growth), and 9 (Industry, Innovation and Infrastructure), underscore the importance of fostering entrepreneurial ecosystems capable of generating sustainable economic, social, and environmental value. Consequently, universities are increasingly expected to prepare graduates who are not only financially literate but also capable of developing sustainable entrepreneurial initiatives that address contemporary global challenges.

The global economy is currently confronted with a paradox: unprecedented access to financial information and entrepreneurial opportunity exists alongside persistently low levels of financial literacy and slow progress toward sustainable business practices. International bodies have repeatedly warned that a large share of the world's young population, including university students, cannot perform basic financial calculations such as compound interest, risk diversification, or budgeting under uncertainty. This deficiency does not merely limit personal financial well-being; it constrains the broader entrepreneurial ecosystem, since sound financial judgment is a prerequisite for identifying, resourcing, and sustaining a viable venture. At the same time, the world is undergoing an accelerated transition toward sustainability-oriented economic models, driven by climate change, resource scarcity, and rising social inequality. Entrepreneurship is no longer evaluated solely by profitability; it is increasingly expected to generate economic, social, and environmental value simultaneously. This shift places financial literacy and entrepreneurial capability at the center of global policy discussions on inclusive and sustainable growth.

Financial literacy has become an increasingly important issue in both developed and developing economies as countries strive to strengthen economic resilience and achieve sustainable development. The OECD/INFE International Survey of Adult Financial Literacy (2023) reported that although financial knowledge and access to financial services have improved globally, substantial gaps remain in individuals' financial understanding, particularly among young adults and students, limiting their ability to make informed financial decisions and participate effectively in entrepreneurial activities (OECD, 2023). In Indonesia, the National Survey of Financial Literacy and Inclusion (SNLIK) 2025 conducted by the Financial Services Authority (OJK) showed that the national financial literacy index reached 66.46%, reflecting significant progress compared with previous surveys. However, the findings also indicate that financial literacy among young people remains uneven, particularly regarding financial planning, investment decision-making, and risk management, suggesting the need for stronger financial education within higher education institutions [1]

Financial literacy refers to the knowledge, skills, attitudes, and confidence required to make sound financial decisions across saving, investing, budgeting, and risk management [2]. It is widely regarded as a form of human capital that individuals accumulate through education and experience, and it has been shown to strengthen entrepreneurial performance by improving fund management, cash-flow planning, and the efficiency of business operations [2]. Recent evidence indicates that financial literacy is not only associated with entrepreneurial intention but also fosters the confidence and mindset needed to pursue entrepreneurial pathways among the younger generation [1]. Among university students, financial literacy has been found to account for a substantial share of variance in entrepreneurial intention, suggesting that financially literate students are considerably more likely to translate business ideas into action [3]. In the Indonesian context specifically, financial literacy together with financial behavior has been documented to significantly shape entrepreneurial motivation among students, reinforcing the relevance of financial competence as a foundation for venture creation in emerging economies [4], [5], [6]

Entrepreneurship itself has long been recognized as an engine of job creation, innovation, and economic resilience. However, contemporary scholarship increasingly distinguishes conventional entrepreneurship from sustainable entrepreneurship, the latter being defined as venture creation that deliberately balances financial viability with ecological integrity and social equity [7]. Sustainable entrepreneurship is now regarded as a strategic instrument for accelerating progress toward the United Nations Sustainable Development Goals (SDGs), since youth-led sustainable ventures are capable of addressing social inequality, environmental degradation, and climate-related challenges while simultaneously generating livelihoods [7]. Universities have been identified as pivotal institutions in this transition, as they are positioned to cultivate sustainability-oriented mindsets and to transmit the technical and psychological capital that students need to pursue sustainable ventures [8], [9]. Nevertheless, empirical work continues to show that university support, sustainability education, and SDG knowledge alone do not automatically convert into sustainable entrepreneurial behavior; a psychological readiness or mindset appears necessary to activate this transition [10], [11].

This study is anchored in two complementary theoretical lenses. Human Capital Theory conceptualizes financial literacy as an investment in knowledge and skill that increases an individual's productive capacity, including the capacity to recognize and exploit entrepreneurial opportunities [12], [13]. Financially literate individuals are expected to possess superior capability in evaluating risk, allocating resources, and sustaining a venture through periods of financial uncertainty, which positions financial literacy as a direct antecedent of both entrepreneurial cognition and entrepreneurial outcomes. The Theory of Planned Behavior (TPB), meanwhile, explains how attitudes, subjective norms, and perceived behavioral control shape intentional behavior, including the decision to start and sustain a business [14], [15]. Within the TPB framework, an entrepreneurial mindset can be understood as the cognitive manifestation of favorable attitudes and perceived behavioral control toward entrepreneurship, a manifestation that is shaped by underlying competencies such as financial literacy and that, in turn, drives concrete entrepreneurial behavior [16], [17]. Integrating these two theories allows the present study to explain not only why financial literacy matters (Human Capital Theory) but also how it is psychologically converted into sustainable entrepreneurial action (Theory of Planned Behavior).

Despite the theoretical plausibility of this pathway, several gaps remain in the empirical literature. First, most studies examining financial literacy and entrepreneurship have focused on entrepreneurial intention as the terminal outcome, rather than on sustainable entrepreneurship as a distinct, sustainability-embedded construct [3], [4], [18]. Second, research on sustainable entrepreneurial intention has predominantly emphasized institutional antecedents such as university support and SDG knowledge, while paying comparatively little attention to individual-level financial competence as a driver [10], [11]. Third, although entrepreneurial mindset has been proposed as a mediating mechanism in several adjacent domains, such as digital financial literacy and entrepreneurial growth, its mediating role between financial literacy and sustainable entrepreneurship specifically has rarely been tested in an integrated structural model [19], [20], [21]. Fourth, the population of Economics Education students—individuals who are simultaneously being trained as future economic agents and as educators responsible for transmitting financial and entrepreneurial literacy to the next generation—has been largely overlooked in favor of general business, engineering, or accounting student samples [4], [16], [22]. This is a notable omission, since Economics Education students occupy a unique position at the intersection of pedagogical human-capital formation and entrepreneurial human-capital formation.

The novelty of this study lies in positioning entrepreneurial mindset as the psychological mechanism that bridges financial literacy and sustainable entrepreneurship within a single, empirically tested structural model. Rather than treating financial literacy and sustainable entrepreneurship as directly and mechanically linked, this study argues that the relationship is substantially psychological in nature: financial literacy builds the cognitive and dispositional resources of an entrepreneurial mindset, which in turn activates sustainability-oriented entrepreneurial behavior. This mediation pathway has been tested only sparingly in prior work, and to the best of the authors' knowledge, it has not been examined specifically among Economics Education students, a context that aligns closely with the Human Capital subtheme emphasized in contemporary economics and creative-industry conferences such as ICEFCI. By integrating Human Capital Theory and the Theory of Planned Behavior into a unified SEM-PLS model, this study offers a theoretically grounded and methodologically rigorous account of how financial competence is converted into sustainable venture behavior through the psychological channel of entrepreneurial mindset.

Accordingly, this study aims to: (1) examine the direct effect of financial literacy on entrepreneurial mindset among Economics Education students; (2) examine the direct effect of entrepreneurial mindset on sustainable entrepreneurship; (3) examine the direct effect of financial literacy on sustainable entrepreneurship; and (4) examine the mediating role of entrepreneurial mindset in the relationship between financial literacy and sustainable entrepreneurship. The findings are expected to contribute theoretically by extending Human Capital Theory and the Theory of Planned Behavior into the sustainable entrepreneurship domain, and practically by informing the design of economics curricula and creative-economy policy that intentionally cultivate both financial competence and an entrepreneurial mindset oriented toward sustainability.

2. Literature Review

2.1 Financial Literacy

Financial literacy is commonly defined as the combination of financial knowledge, skills, attitudes, and confidence that enables individuals to make sound financial decisions consistent with both personal and business goals [2]. It encompasses competencies such as budgeting, saving, borrowing, cash-flow management, investment appraisal, and risk assessment [2]. Financial literacy is shaped by multiple factors, including education level, socioeconomic status, environment, age, gender, and prior experience with financial products and services [2]. Among students, financial literacy has been shown to significantly strengthen entrepreneurial intention, with some studies reporting that it explains nearly half of the variance in students' intention to start a business [3]. Financial literacy also improves entrepreneurial performance more broadly, particularly through more efficient fund management and stronger business survival capacity [2]. In digitalized economies, financial literacy has further evolved to include digital financial literacy, which has been found to build entrepreneurial confidence, risk-taking capacity, and readiness among university students within a Theory of Planned Behavior framework [14], [19].

2.2 Entrepreneurial Mindset

Entrepreneurial mindset refers to a cognitive orientation characterized by opportunity recognition, proactiveness, risk tolerance, innovativeness, and confidence in one's capacity to create and manage a venture [22], [13] [13]. It functions as a psychological resource that enables individuals to perceive and act on entrepreneurial opportunities even under conditions of uncertainty[20]. Prior studies indicate that entrepreneurial mindset is not an innate trait but a capability that can be cultivated through education, experiential learning, and exposure to relevant competencies such as financial literacy and digital literacy [19], [22],[23]. Individuals possessing a strong entrepreneurial mindset have been found to be more capable of translating entrepreneurial education and financial competence into entrepreneurial alertness and subsequent venture-related behavior [20]. Because of this catalytic property, entrepreneurial mindset has increasingly been examined as a mediating construct that channels antecedent competencies into entrepreneurial outcomes [19], [24], [16], [20].

2.3 Sustainable Entrepreneurship

Sustainable entrepreneurship extends the conventional entrepreneurship construct by requiring that venture creation simultaneously generate economic value while protecting ecological integrity and advancing social well-being [7], [25], [13]. It is distinguished from purely profit-driven entrepreneurship by its explicit commitment to balancing the triple bottom line of economic, social, and environmental outcomes [7]. Sustainable entrepreneurship has been positioned as a strategic vehicle for achieving the SDGs, as sustainability-oriented ventures are capable of addressing social inequality, environmental degradation, and climate change while creating economic opportunity [7], [9]. University-level antecedents such as sustainability education, campus sustainability practices, SDG knowledge, and institutional support have consistently been found to shape students' sustainable entrepreneurial intention [10], [11], [8]. However, several studies note that institutional and educational antecedents alone are insufficient; individual psychological readiness, including attitude and moral obligation toward sustainability, plays a decisive role in converting sustainability knowledge into entrepreneurial intention and behavior [11], [25].

2.4 Human Capital Theory

Human Capital Theory conceptualizes knowledge, skills, and competencies as a form of capital that individuals invest in and accumulate through education, training, and experience, thereby increasing their future productive capacity [12]. Within the entrepreneurship literature, financial literacy, digital literacy, and entrepreneurial education are treated as components of human capital that enhance an individual's ability to identify opportunities, mobilize resources, and manage venture risk [19], [12]. Human Capital Theory has been used to explain how institutional support and educational investment translate into entrepreneurial performance through intermediary mechanisms such as business model innovation and entrepreneurial readiness [16], [13]. In this study, Human Capital Theory provides the theoretical justification for treating financial literacy as a foundational capability that builds the cognitive resources underlying an entrepreneurial mindset.

2.5 Theory of Planned Behavior

The Theory of Planned Behavior (TPB) posits that intentional behavior is shaped by three antecedents: attitude toward the behavior, subjective norms, and perceived behavioral control [16], [17], [21]. TPB has been extensively applied to explain entrepreneurial intention and, more recently, sustainable entrepreneurial intention, with studies confirming that attitude and perceived behavioral control are consistently significant predictors of sustainability-oriented entrepreneurial action [10], [15]. Within this study, entrepreneurial mindset is theorized as the cognitive manifestation of favorable attitude and perceived behavioral control toward entrepreneurship, positioning TPB as the behavioral mechanism through which human-capital resources such as financial literacy are converted into sustainable entrepreneurial outcomes.

2.6 Hypothesis Development

Prior studies consistently report that financial literacy strengthens entrepreneurial confidence, risk-taking propensity, and opportunity recognition, all of which are core dimensions of entrepreneurial mindset [14], [19], [22]. Financially literate individuals are better equipped to interpret financial information, evaluate venture feasibility, and manage uncertainty, which builds the cognitive foundation of an entrepreneurial orientation. Based on this evidence, it is hypothesized that:

H1: Financial literacy has a positive and significant effect on entrepreneurial mindset.

An entrepreneurial mindset enables individuals to perceive sustainability-related opportunities, tolerate the risks associated with sustainable business models, and persist through the resource constraints often faced by sustainability-oriented ventures [11], [21]. Students with a stronger entrepreneurial mindset have been found to be more capable of converting educational and institutional exposure into concrete sustainable entrepreneurial intention [10], [20]. Accordingly:

H2: Entrepreneurial mindset has a positive and significant effect on sustainable entrepreneurship.

Financial literacy may also exert a direct influence on sustainable entrepreneurship, since sound financial judgment is necessary for structuring viable sustainability-oriented business models, securing funding, and managing the additional resource complexity associated with balancing profit, people, and planet objectives [2], [18]. Studies in the MSME and FinTech-adoption literature indicate that financial literacy elements are directly associated with sustainable entrepreneurial performance [18], [26]. Therefore:

H3: Financial literacy has a positive and significant effect on sustainable entrepreneurship.

While financial literacy may directly influence sustainable entrepreneurship, the literature suggests that this relationship is substantially channeled through psychological mechanisms such as entrepreneurial mindset [19], [20]. Financial literacy builds the competence and confidence that shape a favorable entrepreneurial mindset, which in turn activates sustainability-oriented venture behavior. This mediation logic is consistent with TPB, in which attitude and perceived behavioral control mediate the translation of underlying resources into intentional behavior [24], [17]. Hence:

H4: Entrepreneurial mindset mediates the relationship between financial literacy and sustainable entrepreneurship.

2.7 Conceptual Framework

Based on the hypothesis development above, the proposed research model positions Financial Literacy (FL) as the exogenous construct, Entrepreneurial Mindset (EM) as the mediating construct, and Sustainable Entrepreneurship (SE) as the endogenous construct, expressed as: FL → EM (H1), EM → SE (H2), FL → SE (H3), and FL → EM → SE (H4, indirect/mediation effect). This model integrates Human Capital Theory, which explains financial literacy as a productive capability, with the Theory of Planned Behavior, which explains how that capability is psychologically converted via entrepreneurial mindset into sustainability oriented entrepreneurial behavior.

METHODS

This study employs a quantitative approach with an explanatory research design, aimed at testing the causal relationships proposed among financial literacy, entrepreneurial mindset, and sustainable entrepreneurship. The analysis is conducted using Partial Least Squares Structural Equation Modeling (SEM-PLS), a variance-based method well-suited for testing complex models involving latent constructs and mediation effects, and appropriate for the sample sizes typical of survey-based entrepreneurship research [10], [27].

3.1 Population and Sample

The population of this study consists of active undergraduate students enrolled in Economics Education study programs. Using purposive sampling, a targeted sample of 250-350 respondents will be recruited, consistent with the minimum sample-size requirements for SEM-PLS estimation and with sample sizes reported in comparable entrepreneurship studies employing SEM-PLS [10], [25]. Inclusion criteria require that respondents be currently enrolled Economics Education students who have completed at least one course related to entrepreneurship, financial management, or economics.

3.2 Research Instrument

Data will be collected through a structured questionnaire using a five-point Likert scale (1 = strongly disagree to 5 = strongly agree). The instrument comprises three main sections corresponding to the study's constructs: (1) Financial Literacy, measured through indicators of financial knowledge, financial attitude, financial behavior, and financial confidence; (2) Entrepreneurial Mindset, measured through indicators of opportunity recognition, risk tolerance, innovativeness, proactiveness, and self-efficacy; and (3) Sustainable Entrepreneurship, measured through indicators of economic value creation, social value creation, and environmental value creation, consistent with the triple-bottom-line conception of sustainable entrepreneurship [7], [25]. Items will be adapted from previously validated instruments in the reviewed literature and refined through expert judgment and a pilot test prior to full-scale data collection.

3.3 Data Analysis Technique

Data will be analyzed using SmartPLS 4 through a two-stage evaluation procedure. The first stage evaluates the measurement model (outer model) through outer loadings, Average Variance Extracted (AVE), and Composite Reliability (CR) to establish indicator reliability, convergent validity, and internal consistency [27]. The second stage evaluates the structural model (inner model) through the coefficient of determination (R^2), path coefficients with bootstrapping-based significance testing, effect size (f^2), and a formal mediation test to examine the indirect effect of financial literacy on sustainable entrepreneurship through entrepreneurial mindset, following the bootstrapping procedure recommended for PLS-SEM mediation analysis [27].

RESULTS AND DISCUSSION

Results

Note: As this manuscript is prepared as a research design and seminar draft prior to full data collection, the figures presented in this section are illustrative values consistent with the ranges typically reported in comparable SEM-PLS studies on financial literacy, entrepreneurial mindset, and sustainable entrepreneurship [19], [10], [27]. These values are provided to demonstrate the intended reporting structure and must be replaced with actual output from SmartPLS 4 once empirical data collection is completed.

4.1 Respondent Profile

The respondent profile is expected to be summarized by gender, semester/year of study, prior entrepreneurial experience, and prior participation in entrepreneurship or financial-literacy training, in order to characterize the sample of Economics Education students.

Table 1 presents the demographic characteristics of the respondents. Of the 300 participants, 62.7% were female and 37.3% were male. Most respondents were third-year students (42.0%), followed by fourth-year students (32.0%) and second-year students (26.0%). Regarding entrepreneurial experience, 68.7% had never operated a business, whereas 31.3% reported prior business experience.

Characteristic	Category	n	%
Gender	Male	112	37.3
	Female	188	62.7
Year of Study	2nd Year	78	26.0
	3rd Year	126	42.0
	4th Year	96	32.0
Entrepreneurial Experience	Has run a business	94	31.3
	No business experience	206	68.7

4.2 Measurement Model Evaluation

The measurement model is assessed through outer loadings (>0.70), Average Variance Extracted (AVE > 0.50), and Composite Reliability (CR > 0.70), following the recommended thresholds for reflective constructs in PLS-SEM [27]

Construct	Outer Loading Range	AVE	Composite Reliability
Financial Literacy (FL)	0.712 - 0.861	0.612	0.903
Entrepreneurial Mindset (EM)	0.734 - 0.879	0.634	0.912
Sustainable Entrepreneurship (SE)	0.706 - 0.855	0.598	0.887

All constructs are anticipated to exceed the minimum thresholds for convergent validity and reliability, indicating that the indicators adequately represent their respective latent constructs. Discriminant validity would additionally be confirmed through the Heterotrait-Monotrait (HTMT) ratio, with values expected below the conservative threshold of 0.85.

4.3 Structural Model Evaluation

The structural model is evaluated through the coefficient of determination (R^2), path coefficients, effect size (f^2), and mediation testing via bootstrapping (5,000 resamples).

Endogenous Construct	R^2	Interpretation
Entrepreneurial Mindset	0.418	Moderate
Sustainable Entrepreneurship	0.512	Moderate to Substantial

Hypothesis	Path	β	t-value	p-value	Decision
H1	FL → EM	0.647	11.284	0.000	Supported
H2	EM → SE	0.512	8.762	0.000	Supported
H3	FL → SE	0.221	3.415	0.001	Supported
H4	FL → EM → SE (indirect)	0.331	7.203	0.000	Supported (Mediation)

The mediation analysis indicates a significant indirect effect of financial literacy on sustainable entrepreneurship through entrepreneurial mindset. Because the direct effect (H3) remains significant alongside the significant indirect effect (H4), the mediation is expected to be classified as complementary (partial) mediation, indicating that entrepreneurial mindset explains part, but not all, of the mechanism linking financial literacy to sustainable entrepreneurship [27]. Effect size (f^2) values for FL → EM and EM → SE are anticipated to fall in the medium-to-large range ($f^2 > 0.15$), underscoring the practical significance of both relationships within the model.

5. Discussion

The anticipated support for H1 aligns with prior evidence that financial literacy strengthens the cognitive and dispositional components of entrepreneurial mindset, including confidence, risk tolerance, and opportunity recognition [14], [19], [22]. Financially literate Economics Education students are expected to be better equipped to interpret financial information and evaluate venture feasibility, which builds the psychological readiness that underlies an entrepreneurial mindset. This is consistent with Human Capital Theory, which frames financial literacy as an investment that expands an individual's productive and cognitive capacity [12], [[13], and it echoes findings that digital and financial literacy jointly build entrepreneurial confidence and risk-taking capacity among university students [14], [19].

The expected significance of H2 supports the proposition that entrepreneurial mindset is a proximal driver of sustainable entrepreneurship, consistent with studies showing that students with stronger entrepreneurial orientation are more capable of converting sustainability knowledge and institutional support into concrete sustainable entrepreneurial intention [10], [11],[20]. This suggests that sustainability-oriented venture behavior is not simply a function of knowing about the SDGs or having access to institutional support, but of possessing the psychological disposition to act on sustainability-related opportunities despite the additional risk and resource complexity such ventures entail.

The anticipated direct effect of financial literacy on sustainable entrepreneurship (H3), together with the significant mediation effect (H4), suggests that financial literacy operates through two channels: it directly equips students with the technical competence to structure financially viable sustainable ventures, while also indirectly cultivating the entrepreneurial mindset needed to pursue such ventures in the first place. This dual pathway is consistent with the integrated Human Capital Theory-Theory of Planned Behavior framework proposed in this study, in which financial literacy functions as a human-capital resource (Human Capital Theory) that is psychologically converted into intentional, sustainability-oriented behavior via attitude and perceived behavioral control, operationalized here as entrepreneurial mindset (TPB) [16], [15], [13].

5.1 Implications for Economics Education

These findings imply that Economics Education curricula should not treat financial literacy and entrepreneurship education as separate instructional tracks. Instead, curricula should be deliberately designed to use financial-literacy instruction as a vehicle for cultivating entrepreneurial mindset, for example through project-based learning, venture simulations, and experiential financial-decision exercises, rather than through financial content delivered in isolation from entrepreneurial application [20],[23]. Because Economics Education students will themselves become teachers of financial and economic literacy, strengthening their own entrepreneurial mindset carries a multiplier effect on the financial and entrepreneurial capability of future secondary school students.

5.2 Implications for the Creative Economy

For the creative economy, the findings suggest that policies aimed at expanding access to financial literacy training among young creative entrepreneurs should be paired with mindset-building interventions, such as mentorship and opportunity-recognition workshops, to ensure that financial competence translates into actual sustainability-oriented venture creation rather than remaining latent knowledge. This is particularly relevant for creative-economy sectors, where ventures often need to balance commercial viability with cultural, social, or environmental value, mirroring the triple-bottom-line logic of sustainable entrepreneurship [7], [25].

5.3 Comparison with Previous Studies

The proposed pattern of results is broadly consistent with studies linking digital financial literacy to entrepreneurial growth through resilience and self-efficacy mechanisms [19], and with research showing that entrepreneurial mindset mediates the effect of education-related antecedents on entrepreneurial alertness and intention [20]. It also extends work on sustainability driven entrepreneurial intention, which has predominantly emphasized institutional antecedents such as university support and SDG knowledge [10], [11], by introducing financial literacy as an individual level human-capital antecedent and by testing entrepreneurial mindset as an explicit mediating mechanism rather than treating psychological readiness as a background assumption.

5.4 Theoretical and Practical Contribution

Theoretically, this study contributes by integrating Human Capital Theory and the Theory of Planned Behavior into a single mediation model applied to sustainable entrepreneurship, a combination that has been used separately in prior literature but rarely tested jointly in this specific configuration and population [15], [13]. Practically, the study offers economics educators, curriculum designers, and creative-economy policymakers an evidence-based rationale for embedding entrepreneurial-mindset development alongside financial-literacy instruction, rather than treating the two as independent educational objectives.

CONCLUSIONS

This study proposes and provides an analytical framework to test the proposition that entrepreneurial mindset mediates the relationship between financial literacy and sustainable entrepreneurship among Economics Education students. Financial literacy is theorized to enhance entrepreneurial mindset, which subsequently drives sustainable entrepreneurship, while financial literacy also exerts a direct effect on sustainable entrepreneurship, together producing a complementary mediation pattern. By integrating Human Capital Theory and the Theory of Planned Behavior, the study offers a theoretically grounded explanation of how financial competence is psychologically converted into sustainability-oriented venture behavior.

The implications of this study are twofold. Theoretically, it extends the application of Human Capital Theory and the Theory of Planned Behavior into the sustainable entrepreneurship domain and contributes a rarely tested mediation model within the specific context of Economics Education students. Practically, it provides a basis for redesigning economics curricula to integrate financial-literacy instruction with entrepreneurial-mindset development, and it informs creative-economy policy on the need to pair financial-literacy programs with mindset-building interventions.

This study is subject to several limitations. First, as an explanatory quantitative study using cross-sectional survey data, it cannot establish definitive causal ordering among the constructs. Second, the sample is limited to Economics Education students within a specific institutional context, which may constrain the generalizability of the findings to other student populations or countries. Third, the reliance on self-reported Likert-scale measures introduces the possibility of common method bias, which future studies may mitigate through procedural remedies or longitudinal designs.

Future research is encouraged to test this mediation model longitudinally to capture the developmental trajectory of entrepreneurial mindset over the course of academic study, to examine potential moderating variables such as entrepreneurial exposure or family business background, and to extend the model to other student populations, including vocational and non-economics disciplines, to assess the boundary conditions of the proposed framework. Comparative studies across countries would also help clarify whether the mediating role of entrepreneurial mindset generalizes across differing economic and educational contexts.

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