Financial Literacy Components and Entrepreneurial Intentions among Social Studies Students in Ethiopia

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Abstract

This study examined the relationship between financial literacy components and entrepreneurial intentions among Social Studies students in Ethiopia. Specifically, the study investigated the relationship between budgeting literacy, saving literacy, digital finance literacy, and entrepreneurial intentions among Social Studies students in the Oromia Region of Ethiopia. The study adopted a correlational survey research design. The population of the study comprised 4,860 undergraduate Social Studies students from selected public universities in the Oromia Region during the 2025/2026 academic session. A sample size of 486 students was selected using proportionate stratified random sampling and simple random sampling techniques. Data were collected using a structured questionnaire titled Financial Literacy Components and Entrepreneurial Intentions Questionnaire (FLCEIQ). The instrument was validated by experts in Entrepreneurship Education, Measurement and Evaluation, and Financial Literacy Studies. Cronbach's Alpha reliability coefficients of 0.82, 0.85, 0.88, and 0.86 were obtained for budgeting literacy, saving literacy, digital finance literacy, and entrepreneurial intentions respectively, with an overall reliability coefficient of 0.85. Data collected were analyzed using mean, standard deviation, and Pearson Product Moment Correlation Coefficient at 0.05 level of significance. The findings revealed that budgeting literacy had a strong positive and significant relationship with entrepreneurial intentions ($r = 0.672$, $p < 0.05$). Saving literacy also showed a strong positive and significant relationship with entrepreneurial intentions ($r = 0.714$, $p < 0.05$). Furthermore, digital finance literacy demonstrated a strong positive and significant relationship with entrepreneurial intentions ($r = 0.756$, $p < 0.05$). The study concluded that financial literacy components significantly influence entrepreneurial intentions among Social Studies students in Ethiopia. The study recommended the integration of practical financial literacy training into university entrepreneurship programmes to improve students' entrepreneurial preparedness and self-employment readiness.

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1. Introduction

Entrepreneurship has become a major strategy for addressing unemployment, poverty, and economic stagnation in many developing countries. Governments, universities, and international development agencies increasingly promote entrepreneurship education as a pathway for economic growth, innovation, and self-reliance among young people (Parker et al., 2025; Frese, 2024). In Africa, where graduate unemployment continues to rise, entrepreneurial intention among university students has attracted substantial scholarly and policy attention because entrepreneurial intention is considered one of the strongest predictors of future entrepreneurial behaviour (Fallatah & Hoda, 2026). Entrepreneurial intention reflects an individual's willingness, readiness, and commitment to start a business venture in the future (Shahriar et al., 2024). Students with strong entrepreneurial intentions are more likely to recognize opportunities, engage in innovative thinking, and participate in business creation activities after graduation.

In Ethiopia, youth unemployment and limited formal employment opportunities remain persistent socioeconomic challenges. Higher education institutions are increasingly expected to equip students with practical competencies that can promote self-employment and entrepreneurial engagement. Entrepreneurship development among university students is therefore becoming an important national priority. Despite government efforts to encourage entrepreneurship, many graduates still depend heavily on scarce public and private sector jobs, resulting in increased unemployment and underemployment among educated youths. This situation creates the need to examine factors capable of strengthening entrepreneurial intentions among university students in Ethiopia.

Financial literacy has emerged as one of the most important factors influencing entrepreneurial behaviour and entrepreneurial intention across different societies. Financial literacy refers to the knowledge, understanding, attitudes, and skills required to make effective financial decisions and manage financial resources efficiently (Yadav & Banerji, 2024). Individuals with higher levels of financial literacy are more capable of identifying business opportunities, managing risks, making investment decisions, and sustaining business operations (Xu & Jiang, 2024). Financial literacy also enhances confidence in handling business finances and contributes to entrepreneurial preparedness among young people (Ahmed et al., 2026). Recent studies further show that financial literacy contributes significantly to entrepreneurial motivation, entrepreneurial creativity, and entrepreneurial readiness among students and young entrepreneurs (Hasan et al., 2024a; Hasan et al., 2024b).

The growing digitalization of financial systems has further expanded the scope of financial literacy beyond traditional financial knowledge to include digital financial competencies. The emergence of mobile banking, digital wallets, online transactions, fintech services, and digital investment platforms requires students to possess broader financial capabilities in order to function effectively within modern economic systems (Putri et al., 2025). Digital financial literacy has therefore become essential for entrepreneurial participation in contemporary economies. According to Zouitini et al. (2026), digital and financial literacy jointly contribute to entrepreneurial competency, resilience, and sustainable business performance. Similarly, Xiao et al. (2022) found that financial literacy significantly improves digital entrepreneurial willingness and behaviour among rural entrepreneurs. These findings indicate that students who possess digital financial competencies may have stronger entrepreneurial aspirations than those with limited financial knowledge.

Among university students, financial literacy contributes to entrepreneurial self-efficacy and strengthens confidence in entrepreneurial decision-making. Studies conducted in Ghana revealed that financial self-efficacy and financial risk tolerance significantly predict entrepreneurial intention among university students (Agbemava et al., 2025). Likewise, Alshebami and Al Marri (2022) reported that financial literacy indirectly influences entrepreneurial intention through saving behaviour among potential entrepreneurs in Saudi Arabia. Financial literacy also mediates the relationship between entrepreneurial attitudes and entrepreneurial intentions among Technical and Vocational Education and Training students in Nigeria (Itasanmi et al., 2025). These findings suggest that financial literacy does not merely improve financial management skills but also influences entrepreneurial thinking and behavioural orientation among students.

Several dimensions of financial literacy have been identified in entrepreneurship research. Budgeting literacy enables individuals to plan income and expenditure effectively, monitor financial activities, and allocate resources efficiently. Effective budgeting practices are important for business survival because entrepreneurs must manage limited financial resources carefully. Güngör Göksu et al. (2025) argued that budget awareness enhances financial decision-making among young people. Similarly, Dwijayanty et al. (2025) found that financial management behaviour mediates the relationship between financial literacy and business performance among digital MSMEs. These findings imply that students with strong budgeting literacy may be more confident in managing entrepreneurial activities and business finances.

Saving literacy is another important component of financial literacy that may influence entrepreneurial intentions. Savings provide financial security, reduce financial vulnerability, and create startup capital for entrepreneurial activities. Individuals who possess saving literacy are more likely to cultivate financial discipline and investment readiness. Ogundare et al. (2024) observed that financial literacy significantly influences savings behaviour among rural women entrepreneurs. Alshebami and Al Marri (2022) further established that saving behaviour mediates the relationship between financial literacy and entrepreneurial intention. This suggests that students who understand the importance of savings and financial planning may demonstrate stronger entrepreneurial intentions because they perceive themselves as financially prepared to engage in business activities.

Digital finance literacy has also become increasingly important in entrepreneurship development. Digital finance literacy refers to the ability to use digital financial technologies, online payment systems, mobile banking applications, digital transactions, and electronic financial services effectively and safely. In modern entrepreneurial ecosystems, digital financial skills enable individuals to access broader markets, engage in online business activities, and manage digital business operations efficiently. Bai et al. (2023) reported that digital literacy positively influences entrepreneurial behaviour among farmers, while Putri et al. (2025) emphasized that digital financial literacy significantly shapes financial behaviour and entrepreneurial outcomes. As entrepreneurship increasingly relies on digital platforms and financial technologies, students with stronger digital finance literacy may be better positioned to develop entrepreneurial interests and intentions.

Although substantial studies have examined financial literacy and entrepreneurial intention globally, limited empirical attention has been given to Social Studies students in Ethiopia. Existing studies largely focus on business students, entrepreneurs, SMEs, or students from economics and management disciplines, with little emphasis on students in Social Studies education. However, Social Studies students are expected to contribute meaningfully to national development, civic engagement, and socioeconomic transformation. Equipping these students with financial competencies may enhance their capacity for self-employment and entrepreneurial participation after graduation. Furthermore, previous studies often examine financial literacy as a unidimensional construct, whereas financial literacy consists of several important components such as budgeting literacy, saving literacy, and digital finance literacy. There is therefore a need to examine how these distinct dimensions relate to entrepreneurial intentions among Social Studies students in Ethiopia.

Against this background, this study investigates the relationship between financial literacy components and entrepreneurial intentions among Social Studies students in Ethiopia. Specifically, the study seeks to determine the relationship between budgeting literacy and entrepreneurial intentions, examine the relationship between saving literacy and entrepreneurial intentions, and investigate the relationship between digital finance literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

Research Questions

1. What is the relationship between budgeting literacy and entrepreneurial intentions among Social Studies students in Ethiopia?
2. What is the relationship between saving literacy and entrepreneurial intentions among Social Studies students in Ethiopia?
3. What is the relationship between digital finance literacy and entrepreneurial intentions among Social Studies students in Ethiopia?

Research Hypotheses

H01: There is no significant relationship between budgeting literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

H02: There is no significant relationship between saving literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

H03: There is no significant relationship between digital finance literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

Literature Review

Saving Literacy and Entrepreneurial Intentions

Saving literacy refers to the knowledge, attitudes, skills, and behaviours associated with saving money effectively for future financial needs and investment opportunities (Ogundare et al., 2024). It involves understanding the importance of financial planning, income preservation, emergency funds, capital accumulation, and disciplined financial management. Saving literacy enables individuals to develop financial security and preparedness, which are critical for entrepreneurial engagement and business sustainability (Alshebami & Al Marri, 2022). In entrepreneurship studies, saving literacy is increasingly recognized as an important component of financial literacy because savings often serve as a major source of startup capital for aspiring entrepreneurs.

Entrepreneurial intention refers to an individual's conscious willingness and commitment to establish a business venture in the future (Fallatah & Hoda, 2026). Entrepreneurial intention is considered a strong predictor of entrepreneurial behaviour because individuals who intend to become entrepreneurs are more likely to engage in entrepreneurial actions and venture creation activities (Shahriar et al., 2024). Researchers have therefore devoted increasing attention to identifying factors capable of strengthening entrepreneurial intentions among students and youths, especially in developing countries where entrepreneurship is viewed as a practical solution to unemployment and poverty (Frese, 2024).

Financial literacy has consistently been linked to entrepreneurial development and entrepreneurial intentions across different contexts (Ahmed et al., 2026). Individuals with strong financial literacy are more capable of making sound financial decisions, managing financial risks, and preparing adequately for business activities (Xu & Jiang, 2024). Within the broader dimensions of financial literacy, saving literacy plays a central role because savings create financial stability and increase individuals' ability to mobilize resources for entrepreneurial purposes (Ogundare et al., 2024). Entrepreneurs often require startup capital, operational reserves, and financial discipline, all of which are influenced by saving behaviour and saving knowledge.

Saving literacy contributes significantly to entrepreneurial preparedness by encouraging individuals to cultivate financial discipline and long-term financial planning habits (Alshebami & Al Marri, 2022). Individuals who understand the value of savings are more likely to accumulate financial resources gradually and reduce dependency on external financing. This financial readiness increases confidence in pursuing entrepreneurial opportunities because individuals perceive themselves as financially capable of handling startup risks and business uncertainties (Agbemava et al., 2025). Consequently, saving literacy may positively influence entrepreneurial intentions among students.

Several empirical studies support the relationship between saving behaviour and entrepreneurial intentions. Alshebami and Al Marri (2022) found that saving behaviour mediates the relationship between financial literacy and entrepreneurial intention among potential entrepreneurs in Saudi Arabia. The study revealed that financially literate individuals are more likely to cultivate saving habits, which subsequently strengthen their entrepreneurial intentions. The authors argued that saving behaviour improves individuals' confidence in managing business risks and investment decisions. This finding suggests that students with higher saving literacy may demonstrate stronger entrepreneurial intentions because they possess greater financial preparedness for entrepreneurial engagement.

Similarly, Ogundare et al. (2024) reported that financial literacy significantly influences savings behaviour among rural women entrepreneurs in South Africa. The study emphasized that financially knowledgeable individuals are more likely to save regularly, manage financial resources prudently, and develop sustainable financial habits. Saving behaviour was also found to contribute positively to business growth and financial stability among entrepreneurs. These findings imply that saving literacy not only supports personal financial management but also strengthens entrepreneurial orientation and economic participation.

Researchers have further argued that savings serve as an important source of entrepreneurial finance, particularly in developing economies where access to external financing is often limited (Rusu et al., 2022). Many young entrepreneurs rely on personal savings to establish and sustain their businesses because formal financial institutions may impose strict lending conditions and collateral requirements. Students who possess saving literacy may therefore perceive entrepreneurship as more attainable because they understand how to accumulate and manage financial resources effectively. This perception may strengthen entrepreneurial intention by reducing financial barriers associated with business startup activities.

Saving literacy also contributes to entrepreneurial self-efficacy and financial confidence (Agbemava et al., 2025). Entrepreneurial self-efficacy refers to an individual's belief in their ability to perform entrepreneurial tasks successfully. Individuals who consistently practice savings management are more likely to develop confidence in handling financial matters, investment decisions, and business planning activities. Agbemava et al. (2025) found that financial self-efficacy significantly predicts entrepreneurial intentions among university students in Ghana. This suggests that saving literacy may indirectly strengthen entrepreneurial intentions through improved financial confidence and self-belief.

Among university students, saving literacy supports financial independence and entrepreneurial readiness (Hasan et al., 2024b). Students who possess saving literacy are more likely to demonstrate disciplined financial behaviour, responsible spending habits, and future-oriented financial planning. These financial characteristics are important in entrepreneurship because entrepreneurs must manage uncertainties, allocate limited resources carefully, and sustain business operations over time (Frese, 2024). Hasan et al. (2024a) also observed that financial literacy positively influences entrepreneurial creativity and business success among MSMEs. The study emphasized that financially informed individuals are more capable of identifying business opportunities and managing entrepreneurial risks effectively.

The growing economic uncertainties in many developing countries further increase the relevance of saving literacy for entrepreneurial development (Shahriar et al., 2024). In environments characterized by unemployment, unstable income sources, and limited financial opportunities, savings provide financial security and investment opportunities for aspiring entrepreneurs. Saving literacy therefore becomes essential for helping students prepare for entrepreneurial careers and economic self-reliance. Fallatah and Hoda (2026) noted that financial behaviour significantly predicts entrepreneurial intentions among university students in Saudi Arabia, emphasizing the importance of practical financial competencies in shaping entrepreneurial motivation.

The Theory of Planned Behaviour also provides a useful explanation for the relationship between saving literacy and entrepreneurial intentions. The theory posits that entrepreneurial intention is influenced by attitudes, subjective norms, and perceived behavioural control. Saving literacy may strengthen perceived behavioural control because individuals who understand savings management and financial planning are more likely to believe they possess the financial capability required for entrepreneurship (Itasanmi et al., 2025). Likewise, positive saving habits may improve students' attitudes toward entrepreneurship by reducing fear associated with financial failure and business uncertainty. Financial literacy was found to mediate entrepreneurial attitudes and entrepreneurial intentions among Nigerian TVET students, demonstrating the importance of financial competencies in entrepreneurial development (Itasanmi et al., 2025).

Despite growing scholarly interest in financial literacy and entrepreneurship, limited studies have specifically examined saving literacy as an independent predictor of entrepreneurial intentions among Social Studies students in Ethiopia. Existing literature focuses largely on general financial literacy, entrepreneurial education, or financial behaviour among business students and entrepreneurs, with little emphasis on Social Studies students. Furthermore, limited empirical evidence exists regarding how saving literacy influences entrepreneurial intentions within the Ethiopian higher education context. Given the increasing need for entrepreneurial development among graduates in Ethiopia, there is a need to investigate whether saving literacy contributes to entrepreneurial intentions among Social Studies students. This study therefore seeks to address this gap by examining the relationship between saving literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

Budgeting Literacy and Entrepreneurial Intentions

Budgeting literacy refers to an individual's ability to plan, organize, monitor, and control financial resources effectively through proper income and expenditure management. It involves knowledge and skills related to financial planning, allocation of resources, cost control, cash flow management, and financial forecasting. Budgeting literacy enables individuals to make informed financial decisions, avoid unnecessary financial risks, and maintain financial stability. Within the entrepreneurship context, budgeting literacy is regarded as an essential financial management competency because entrepreneurs are constantly required to manage scarce financial resources efficiently to sustain business operations and achieve profitability.

Entrepreneurial intention, on the other hand, refers to an individual's conscious state of mind, willingness, and commitment to start a new business venture in the future. Entrepreneurial intention is widely recognized as one of the strongest predictors of entrepreneurial behaviour because individuals who possess strong entrepreneurial intentions are more likely to engage in entrepreneurial activities and venture creation (Shahriar et al., 2024). Researchers have therefore increasingly examined factors capable of strengthening entrepreneurial intentions among students and young people, particularly in developing economies where entrepreneurship is considered a strategy for reducing unemployment and promoting economic development. Ekott, et al. (2016) examined the role of entrepreneurship education in promoting self-reliance and rural development in Nigeria amid rising unemployment and overdependence on the oil sector. The study concluded that entrepreneurship education equips individuals with the skills and mindset needed for self-employment, economic growth, and rural development, and recommended increased support for entrepreneurial and rural enterprise development.

Financial literacy has consistently been identified as a critical factor influencing entrepreneurial intentions. According to Ahmed et al. (2026), financial literacy equips individuals with the competence required to understand and manage financial matters effectively, thereby enhancing entrepreneurial motivation and business decision-making. Similarly, Xu and Jiang (2024) argued that financial literacy functions as a form of human capital that positively influences entrepreneurial behaviour by improving opportunity recognition, risk assessment, and financial decision-making capabilities. Within financial literacy dimensions, budgeting literacy occupies a central position because proper budgeting practices support business planning, resource management, and financial sustainability.

Budgeting literacy enhances individuals' ability to allocate financial resources strategically and maintain financial discipline. Entrepreneurs who possess budgeting knowledge are better able to estimate startup costs, manage operational expenses, forecast revenues, and avoid financial mismanagement. Güngör Göksu et al. (2025) found that budget awareness significantly influences financial decision-making among university students, emphasizing the importance of budgeting competencies in improving financial responsibility and economic participation among young people. The study further noted that individuals who understand budgeting systems and financial planning mechanisms are more capable of making rational financial decisions. This suggests that budgeting literacy may positively influence entrepreneurial intentions because financially disciplined individuals are likely to feel more confident about starting and managing business ventures.

Several studies have also emphasized the role of financial management behaviour in entrepreneurial outcomes. Dwijayanty et al. (2025) reported that financial management behaviour mediates the relationship between financial literacy and business performance among MSMEs. The study established that individuals who possess stronger financial literacy demonstrate more effective budgeting and financial management practices, which subsequently improve business performance. Since entrepreneurial intention often develops from perceived competence and preparedness, students with higher budgeting literacy may exhibit stronger entrepreneurial intentions because they believe they can effectively manage business finances.

Entrepreneurship scholars have further argued that budgeting skills contribute significantly to entrepreneurial self-efficacy. Entrepreneurial self-efficacy refers to an individual's confidence in their ability to perform entrepreneurial tasks successfully. Frese (2024) emphasized that psychological preparedness and practical entrepreneurial skills are critical in shaping entrepreneurial action and entrepreneurial success. Budgeting literacy contributes to such preparedness because individuals who can plan and control financial activities tend to perceive entrepreneurship as less risky and more manageable. Similarly, Agbemava et al. (2025) found that financial self-efficacy significantly predicts entrepreneurial intentions among university students in Ghana. Students who feel financially competent are therefore more likely to express stronger entrepreneurial aspirations.

Budgeting literacy also supports entrepreneurial resilience and sustainability. Zouitini et al. (2026) observed that financial literacy contributes positively to entrepreneurial competency, resilience, and sustainable business performance. Entrepreneurs who possess budgeting skills are more capable of adapting to financial challenges, managing uncertainties, and sustaining business operations during economic difficulties. This relationship is important because fear of financial failure often discourages young people from pursuing entrepreneurial careers. Budgeting literacy may therefore reduce perceived entrepreneurial risk and strengthen entrepreneurial intention among students.

Among university students, budgeting literacy contributes to financial independence and entrepreneurial readiness. Hasan et al. (2024b) found that financial literacy strengthens entrepreneurial readiness among Generation Z students by improving financial management capabilities and entrepreneurial preparedness. Likewise, Fallatah and Hoda (2026) reported that financial behaviour and financial attitude significantly influence entrepreneurial intentions among university students in Saudi Arabia. Budgeting literacy forms an important aspect of financial behaviour because budgeting practices encourage financial discipline, planning orientation, and responsible financial management. Students who actively practice budgeting may therefore be more willing to pursue entrepreneurial activities because they possess greater confidence in managing business resources.

The Theory of Planned Behaviour further provides theoretical support for the relationship between budgeting literacy and entrepreneurial intentions. The theory posits that entrepreneurial intention is influenced by attitudes, subjective norms, and perceived behavioural control. Budgeting literacy may strengthen perceived behavioural control because individuals who understand financial planning and resource allocation are more likely to believe they possess the capability required to manage entrepreneurial activities successfully. Shahriar et al. (2024) found that perceived behavioural control significantly predicts entrepreneurial intentions among university students. Similarly, Itasanmi et al. (2025) established that financial literacy mediates the relationship between entrepreneurial attitudes and entrepreneurial intentions among TVET students in Nigeria. These findings suggest that budgeting literacy may indirectly strengthen entrepreneurial intentions by improving students' confidence and financial preparedness.

Despite growing literature on financial literacy and entrepreneurship, limited empirical studies have specifically examined budgeting literacy as an independent predictor of entrepreneurial intentions among Social Studies students in Ethiopia. Most existing studies focus broadly on financial literacy without isolating budgeting literacy as a distinct financial competency. Furthermore, many studies have concentrated on business students, entrepreneurs, or SMEs, with little attention given to students in Social Studies education. Considering the increasing importance of entrepreneurial development in Ethiopia, there is a need to investigate whether budgeting literacy influences entrepreneurial intentions among Social Studies students. This study therefore seeks to fill this gap by examining the relationship between budgeting literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

Digital Finance Literacy and Entrepreneurial Intentions

Digital finance literacy refers to an individual's knowledge, skills, confidence, and ability to access, evaluate, and use digital financial services safely and effectively (Yadav & Banerji, 2024). It covers the use of mobile banking, digital wallets, online payment platforms, internet banking, fintech applications, electronic savings systems, digital credit services, and cyber-security awareness in financial transactions (Putri et al., 2025). In the current digital economy, digital finance literacy has become an important competence for students because financial activities are increasingly carried out through technology-based platforms (Yadav & Banerji, 2024). This makes digital finance literacy relevant to entrepreneurial intentions because many new businesses now depend on digital payments, online marketing, mobile money, and electronic financial records for survival and growth (Xiao et al., 2022).

Entrepreneurial intention refers to an individual's conscious willingness, readiness, and plan to start a business venture in the future (Shahriar et al., 2024). Entrepreneurial intention is widely treated as a strong predictor of entrepreneurial behaviour because intention usually precedes actual business creation (Fallatah & Hoda, 2026). Among students, entrepreneurial intention is important because it reflects their preparedness to move from employment dependence to self-employment and business creation (Parker et al., 2025). Amajoyi and Ekott (2016) examined the importance of marketable soft skills in promoting self-reliance among tertiary institution students in Abia State, Nigeria, using a descriptive survey of 400 students. The study found that soft skills are essential for enhancing employability and self-reliance and recommended their integration into tertiary education curricula to better prepare graduates for the world of work. In developing economies, strengthening students' entrepreneurial intentions has become necessary because entrepreneurship can support job creation, innovation, poverty reduction, and economic participation (Frese, 2024).

The relationship between digital finance literacy and entrepreneurial intentions can be understood from the changing nature of entrepreneurship in the digital economy. Modern entrepreneurs require the ability to receive payments electronically, access online financial services, manage digital transactions, evaluate digital credit options, and protect themselves from online financial risks (Putri et al., 2025). Students who possess digital finance literacy are more likely to perceive entrepreneurship as practical and achievable because they can use digital financial tools to reduce transaction barriers and manage business operations more efficiently (Xiao et al., 2022). Digital finance literacy may therefore increase entrepreneurial intention by improving students' confidence in using technology for business-related financial decisions.

Studies on digital financial literacy show that it is becoming an important driver of financial behaviour and entrepreneurial participation. Yadav and Banerji (2024) reported that digital financial literacy is generally low across many contexts, despite the increasing use of fintech services and digital finance platforms. Their systematic review also revealed that digital financial literacy is necessary for effective financial decision-making in the digital age (Yadav & Banerji, 2024). This suggests that students who lack digital finance literacy may struggle to use digital financial tools for entrepreneurial purposes. In contrast, students with strong digital finance literacy may demonstrate greater confidence in starting and managing businesses in technology-driven environments.

Putri et al. (2025) examined digital financial literacy through the theory of planned behaviour and the technology acceptance model. Their study showed that perceived usefulness, perceived ease of use, behavioural intention, and perceived behavioural control are important in explaining digital finance adoption and financial behaviour (Putri et al., 2025). This finding is relevant to entrepreneurial intentions because students who perceive digital financial tools as useful and easy to use may be more likely to apply such tools in future business activities. Digital finance literacy can therefore strengthen perceived behavioural control by making students feel capable of handling financial transactions, customer payments, and online business operations.

Digital finance literacy also contributes to entrepreneurial intention by improving financial inclusion and access to business opportunities. Xiao et al. (2022) found that financial literacy positively influences digital entrepreneurship willingness and behaviour among Chinese villagers. Their study further showed that digital literacy moderates the relationship between financial literacy and digital entrepreneurship willingness and behaviour (Xiao et al., 2022). This means that financial knowledge becomes more useful for entrepreneurship when individuals also possess digital skills. For students, digital finance literacy may therefore serve as an enabling factor that connects financial knowledge with entrepreneurial action in digital business environments.

Digital literacy has also been linked directly to entrepreneurial behaviour. Bai et al. (2023) found that digital literacy positively influenced farmers' entrepreneurial behaviour using China Household Finance Survey data. Their findings suggest that individuals with digital skills are better positioned to access information, identify opportunities, and participate in entrepreneurial activities (Bai et al., 2023). Since digital finance literacy combines financial knowledge with digital competence, it may have an important influence on students' entrepreneurial intentions. Social Studies students who can use mobile money, online savings platforms, digital payment systems, and internet-based financial services may be more likely to consider entrepreneurship as a realistic career option.

Digital finance literacy can further support entrepreneurial competency, resilience, and sustainable performance. Zouitini et al. (2026) found that both financial literacy and digital literacy significantly influenced entrepreneurial competency among Moroccan individual entrepreneurs. Their study also established that entrepreneurial competency contributed positively to resilience and sustainable performance (Zouitini et al., 2026). This implies that digital finance literacy may encourage entrepreneurial intentions by equipping students with practical competencies needed to survive in competitive and uncertain business environments. Students who understand digital finance may be more prepared to manage business payments, monitor income, control expenses, and access digital financial products.

The increasing use of digital payment systems has also made digital finance literacy important among young people. Tarigan et al. (2026) found that financial literacy, subjective norms, and perceived behavioural control significantly influenced intention to use the GoPay digital wallet among university students. The study further revealed that intention mediated the relationship between financial literacy and actual digital wallet use (Tarigan et al., 2026). This finding supports the argument that digital finance-related knowledge can shape behavioural intentions. In the context of entrepreneurship, students who are confident in using digital wallets and related platforms may be more willing to start businesses that rely on electronic payments and online transactions.

Digital finance literacy may also reduce some of the financial barriers that discourage students from entrepreneurship. Access to finance has been found to influence entrepreneurial intentions among young people and university students (Rusu et al., 2022; Shahriar et al., 2024). Digital finance platforms can improve access to savings, credit, payment services, and financial information, especially for young people who may not have strong relationships with traditional banks. When students understand how to use digital finance tools responsibly, they may perceive fewer obstacles to business startup and growth. This can increase entrepreneurial intention by reducing fear of financial exclusion and limited startup resources.

The theory of planned behaviour provides a useful theoretical explanation for the relationship between digital finance literacy and entrepreneurial intentions. According to this perspective, entrepreneurial intention is shaped by attitude, subjective norms, and perceived behavioural control (Shahriar et al., 2024). Digital finance literacy can improve students' attitudes toward entrepreneurship by making business transactions appear easier, faster, and more manageable. It can also strengthen perceived behavioural control because students who understand digital financial tools may believe they have the capacity to manage business finances effectively. Studies have shown that perceived behavioural control significantly predicts entrepreneurial intention among students (Shahriar et al., 2024; Ferdousi et al., 2025).

Technology acceptance theory also explains why digital finance literacy may influence entrepreneurial intentions. The theory suggests that individuals are more likely to use technology when they perceive it as useful and easy to use (Putri et al., 2025). In entrepreneurship, students may be more likely to develop business intentions when they believe digital finance tools can help them receive payments, track sales, save money, and access customers. Digital finance literacy therefore enhances students' ability to accept and apply digital financial technologies in entrepreneurial activities. This is especially important in Ethiopia, where mobile money and digital financial services are becoming increasingly relevant to youth economic participation.

Despite growing research on digital financial literacy, there is still limited evidence on its relationship with entrepreneurial intentions among Social Studies students in Ethiopia. Many existing studies focus on business students, entrepreneurs, MSMEs, farmers, or university students in other countries (Bai et al., 2023; Putri et al., 2025; Xiao et al., 2022). Studies that examine financial literacy often treat it as a broad construct without separating digital finance literacy as a specific component. This creates a research gap because digital finance literacy may operate differently from general financial literacy in shaping students' entrepreneurial intentions. Therefore, examining digital finance literacy among Social Studies students in Ethiopia can provide useful evidence on how digital financial competencies relate to students' willingness to become entrepreneurs.

Research Methodology

Research Design

This study adopted a correlational survey research design. The correlational survey design was considered appropriate because the study sought to determine the relationship between financial literacy components and entrepreneurial intentions among Social Studies students in Ethiopia without manipulating any variable. The design enabled the researcher to collect quantitative data from respondents and examine the degree of relationship existing between budgeting literacy, saving literacy, digital finance literacy, and entrepreneurial intentions. The design has been widely used in entrepreneurship and financial literacy studies because it allows researchers to establish associations among variables within natural educational settings (Pashaei et al., 2024; Shahriar et al., 2024).

Area of the Study

The study was conducted in the Oromia Region of Ethiopia. Oromia is the largest regional state in Ethiopia in terms of landmass and population. The region hosts several public universities offering Social Studies-related programmes at undergraduate levels. Oromia was selected for this study because of its large student population, growing youth unemployment challenges, increasing adoption of digital financial services, and expanding entrepreneurship development initiatives across higher education institutions. Universities within the region have also increasingly emphasized entrepreneurship education and innovation programmes aimed at promoting self-employment among graduates.

Population of the Study

The population of the study comprised all undergraduate Social Studies students in selected public universities in the Oromia Region of Ethiopia during the 2025/2026 academic session. The target universities included Addis Ababa University College of Education and Behavioral Studies, Jimma University, Ambo University, and Haramaya University. The estimated population consisted of approximately 4,860 Social Studies students enrolled across the selected universities.

Sample and Sampling Technique

A sample size of 486 Social Studies students was selected for the study using proportionate stratified random sampling and simple random sampling techniques. The sample size represented 10% of the total population, which is considered adequate for survey research studies involving large populations.

First, the universities were stratified based on institutional categories. Thereafter, proportionate sampling was used to determine the number of respondents selected from each university according to student population size. Finally, simple random sampling technique was used to select individual respondents from the departmental student lists to ensure equal opportunity of participation.

Instrument for Data Collection

Data for the study were collected using a structured questionnaire titled Financial Literacy Components and Entrepreneurial Intentions Questionnaire (FLCEIQ). The questionnaire was developed by the researcher based on existing literature and related empirical studies on financial literacy and entrepreneurial intentions (Alshebami & Al Marri, 2022; Fallatah & Hoda, 2026; Itasanmi et al., 2025).

The instrument consisted of two sections. Section A collected demographic information of respondents such as gender, age, university, and year of study. Section B contained items measuring the major study variables. The questionnaire was divided into four subscales:

1. Budgeting Literacy Scale
2. Saving Literacy Scale
3. Digital Finance Literacy Scale
4. Entrepreneurial Intentions Scale

The items were structured on a five-point Likert scale of:

1 = Strongly Disagree,

2 = Disagree,

3 = Undecided,

4 = Agree, and

5 = Strongly Agree.

Validity of the Instrument

The instrument was subjected to face and content validation by three experts in Entrepreneurship Education, Educational Measurement and Evaluation, and Financial Literacy Studies from universities in Africa. The validators examined the relevance, clarity, appropriateness, and adequacy of the questionnaire items in relation to the study objectives and research questions. Their observations and corrections were incorporated into the final version of the instrument before administration.

Reliability of the Instrument

The reliability of the instrument was established through a pilot study conducted among 40 Social Studies students outside the sampled universities but within a similar educational environment. The data obtained were analyzed using Cronbach's Alpha reliability method. The reliability coefficients obtained were 0.82 for Budgeting Literacy, 0.85 for Saving Literacy, 0.88 for Digital Finance Literacy, and 0.86 for Entrepreneurial Intentions. The overall reliability coefficient of the instrument was 0.85, indicating that the instrument possessed high internal consistency and was suitable for data collection.

Method of Data Collection

The researcher, with the assistance of trained research assistants, administered the questionnaire directly to the respondents in their respective universities. Permission to conduct the study was obtained from the university authorities and departmental coordinators before data collection commenced. Respondents were informed about the purpose of the study, and participation was voluntary. Copies of the questionnaire were retrieved immediately after completion to ensure a high response rate.

Method of Data Analysis

Data collected for the study were coded and analyzed using the Statistical Package for Social Sciences (SPSS) version 27. Descriptive statistics such as mean and standard deviation and Pearson Product Moment Correlation Coefficient were used to answer the research questions. Pearson Product Moment Correlation Coefficient was used to test the hypotheses at 0.05 level of significance. The choice of Pearson correlation was based on the correlational nature of the study and the need to determine the direction and strength of the relationships among the study variables.

The decision rule for the hypotheses stated that any calculated p-value less than 0.05 would lead to the rejection of the null hypothesis, while p-values greater than 0.05 would result in the retention of the null hypothesis.

Research Question 1

What is the relationship between budgeting literacy and entrepreneurial intentions among Social Studies students in Ethiopia?

Table 1

Relationship between Budgeting Literacy and Entrepreneurial Intentions among Social Studies Students in Ethiopia (N = 486)

Variables	N	Mean	SD	r-value	Remark
Budgeting Literacy	486	3.84	0.71		
Entrepreneurial Intentions	486	3.91	0.68	0.672	Strong Positive Relationship

The result presented in Table 1 shows that the relationship between budgeting literacy and entrepreneurial intentions among Social Studies students in Ethiopia yielded an r-value of 0.672. This indicates a strong positive relationship between budgeting literacy and entrepreneurial intentions among the students. The finding implies that students with higher levels of budgeting literacy tend to demonstrate higher entrepreneurial intentions.

Research Question 2

What is the relationship between saving literacy and entrepreneurial intentions among Social Studies students in Ethiopia?

Table 2

Relationship between Saving Literacy and Entrepreneurial Intentions among Social Studies Students in Ethiopia (N = 486)

Variables	N	Mean	SD	r-value	Remark
Saving Literacy	486	3.79	0.74		
Entrepreneurial Intentions	486	3.91	0.68	0.714	Strong Positive Relationship

The result presented in Table 2 shows that the relationship between saving literacy and entrepreneurial intentions among Social Studies students in Ethiopia yielded an r-value of 0.714. This indicates a strong positive relationship between saving literacy and entrepreneurial intentions among the students. The finding implies that students with higher levels of saving literacy tend to exhibit higher entrepreneurial intentions.

Research Question 3

What is the relationship between digital finance literacy and entrepreneurial intentions among Social Studies students in Ethiopia?

Table 3

Relationship between Digital Finance Literacy and Entrepreneurial Intentions among Social Studies Students in Ethiopia (N = 486)

Variables	N	Mean	SD	r-value	Remark
Digital Finance Literacy	486	3.88	0.69		
Entrepreneurial Intentions	486	3.91	0.68	0.756	Strong Positive Relationship

The result presented in Table 3 shows that the relationship between digital finance literacy and entrepreneurial intentions among Social Studies students in Ethiopia yielded an r-value of 0.756. This indicates a strong positive relationship between digital finance literacy and entrepreneurial intentions among the students. The finding implies that students with higher levels of digital finance literacy tend to demonstrate higher entrepreneurial intentions.

Hypothesis 1

H01: There is no significant relationship between budgeting literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

Table 4

Pearson Product Moment Correlation Analysis of the Relationship between Budgeting Literacy and Entrepreneurial Intentions among Social Studies Students in Ethiopia

Variables	N	r-value	p-value	Decision
Budgeting Literacy and Entrepreneurial Intentions	486	0.672	0.000	Rejected

Table 4 reveals that the relationship between budgeting literacy and entrepreneurial intentions among Social Studies students in Ethiopia produced an r-value of 0.672 with a p-value of 0.000, which is less than the 0.05 level of significance. Therefore, the null hypothesis was rejected. This means that there is a significant relationship between budgeting literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

Hypothesis 2

H02: There is no significant relationship between saving literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

Table 5

Pearson Product Moment Correlation Analysis of the Relationship between Saving Literacy and Entrepreneurial Intentions among Social Studies Students in Ethiopia

Variables	N	r-value	p-value	Decision
Saving Literacy and Entrepreneurial Intentions	486	0.714	0.000	Rejected

Table 5 reveals that the relationship between saving literacy and entrepreneurial intentions among Social Studies students in Ethiopia produced an r-value of 0.714 with a p-value of 0.000, which is less than the 0.05 level of significance. Therefore, the null hypothesis was rejected. This means that there is a significant relationship between saving literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

Hypothesis 3

H03: There is no significant relationship between digital finance literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

Table 6

Pearson Product Moment Correlation Analysis of the Relationship between Digital Finance Literacy and Entrepreneurial Intentions among Social Studies Students in Ethiopia

Variables	N	r-value	p-value	Decision
Digital Finance Literacy and Entrepreneurial Intentions	486	0.756	0.000	Rejected

Table 6 reveals that the relationship between digital finance literacy and entrepreneurial intentions among Social Studies students in Ethiopia produced an r-value of 0.756 with a p-value of 0.000, which is less than the 0.05 level of significance. Therefore, the null hypothesis was rejected. This means that there is a significant relationship between digital finance literacy and entrepreneurial intentions among Social Studies students in Ethiopia.

Discussion of Findings Related to Specific Objective 1

The finding of the study revealed that there is a strong positive and significant relationship between budgeting literacy and entrepreneurial intentions among Social Studies students in Ethiopia. The result indicated that students who possess higher levels of budgeting literacy tend to demonstrate stronger entrepreneurial intentions. This finding suggests that the ability to plan, allocate, monitor, and control financial resources contributes positively to students' willingness and readiness to engage in entrepreneurial activities.

The finding agrees with the position of Güngör Göksu et al. (2025), who reported that budget awareness significantly improves financial decision-making among university students. Their study established that individuals with stronger budgeting competencies demonstrate better financial responsibility and planning orientation. The present finding supports this argument because students who understand budgeting principles may perceive entrepreneurship as more manageable and financially achievable.

The finding is also consistent with Dwijayanty et al. (2025), who found that financial management behaviour mediates the relationship between financial literacy and business performance. The authors explained that individuals who possess effective budgeting and financial planning skills are more capable of managing business operations and making strategic financial decisions. In the context of the present study, budgeting literacy may have strengthened entrepreneurial intentions among Social Studies students because financially informed students are more likely to feel confident in their ability to manage business resources effectively.

The finding further aligns with the work of Frese (2024), who emphasized that entrepreneurial preparedness and practical financial competencies are essential in shaping entrepreneurial action and entrepreneurial success. According to Frese (2024), individuals who possess practical financial management skills are more likely to perceive themselves as capable of handling entrepreneurial responsibilities. Budgeting literacy therefore contributes to entrepreneurial confidence and reduces fear associated with business failure and financial uncertainty.

The finding is equally supported by Agbemava et al. (2025), who found that financial self-efficacy significantly predicts entrepreneurial intentions among university students in Ghana. Budgeting literacy may improve financial self-efficacy because students who can effectively manage income and expenditure are likely to develop confidence in handling entrepreneurial activities. This confidence may subsequently strengthen their entrepreneurial aspirations and willingness to establish business ventures.

The finding also corroborates the submission of Hasan et al. (2024b), who reported that financial literacy contributes significantly to entrepreneurial readiness among Generation Z students. The authors argued that financially literate students are more prepared to identify business opportunities, manage financial risks, and sustain entrepreneurial activities. Budgeting literacy specifically equips students with financial planning competencies that are necessary for entrepreneurship development and business sustainability.

The significant relationship observed in this study may also be explained by the Theory of Planned Behaviour, which posits that perceived behavioural control influences entrepreneurial intentions. Students with stronger budgeting literacy may develop higher perceived behavioural control because they believe they possess the financial capability required to manage entrepreneurial activities successfully. This may increase their willingness to participate in entrepreneurial ventures and self-employment activities.

The implication of this finding is that budgeting literacy should be considered an important component of entrepreneurship development programmes in higher education institutions in Ethiopia. Universities and policymakers may need to integrate practical budgeting and financial planning training into Social Studies education to strengthen students' entrepreneurial intentions and improve their preparedness for self-employment after graduation.

The finding of the study revealed that there is a strong positive and significant relationship between saving literacy and entrepreneurial intentions among Social Studies students in Ethiopia. The result showed that students who possess higher levels of saving literacy tend to exhibit stronger entrepreneurial intentions. This finding implies that students who understand saving principles, financial discipline, and long-term financial planning are more likely to demonstrate willingness and readiness to establish business ventures in the future.

The finding agrees with Alshebami and Al Marri (2022), who found that saving behaviour mediates the relationship between financial literacy and entrepreneurial intention among potential entrepreneurs in Saudi Arabia. Their study established that financially literate individuals who cultivate saving habits are more likely to develop entrepreneurial intentions because savings improve financial preparedness and reduce uncertainty associated with business startup activities. The present finding supports this assertion because Social Studies students with stronger saving literacy may feel financially more capable of pursuing entrepreneurial activities.

The finding is also consistent with Ogundare et al. (2024), who reported that financial literacy significantly influences savings behaviour among rural women entrepreneurs. The authors explained that individuals who understand saving principles tend to develop stronger financial management practices and investment orientation. Such financial discipline may positively influence entrepreneurial thinking because entrepreneurship often requires startup capital, financial planning, and resource accumulation. In the context of the present study, students with saving literacy may perceive entrepreneurship as a realistic and achievable career option because they understand the importance of capital formation and financial preparedness.

The finding further aligns with the work of Agbemava et al. (2025), who found that financial self-efficacy significantly predicts entrepreneurial intentions among university students in Ghana. Saving literacy may contribute to financial self-efficacy because students who possess saving knowledge are more likely to develop confidence in handling financial matters and investment decisions. This confidence can strengthen entrepreneurial aspirations by increasing students' belief in their ability to manage business finances successfully.

The finding is equally in agreement with Hasan et al. (2024b), who found that financial literacy contributes significantly to entrepreneurial readiness among university students. According to the authors, financially literate students tend to demonstrate better financial planning, responsible financial behaviour, and greater preparedness for entrepreneurial engagement. Saving literacy specifically supports entrepreneurial readiness because savings provide a financial foundation that can facilitate business startup and operational sustainability.

The finding also corroborates the position of Rusu et al. (2022), who reported that access to finance significantly influences entrepreneurial intentions among youths and university students. The authors emphasized that personal savings often serve as an important source of entrepreneurial finance, especially among young people who may lack access to formal credit facilities. Students who possess saving literacy may therefore perceive fewer financial barriers to entrepreneurship because they understand how to accumulate and manage financial resources effectively.

The strong relationship observed in this study may further be explained by the Theory of Planned Behaviour. The theory posits that perceived behavioural control influences entrepreneurial intentions. Students with stronger saving literacy may develop higher perceived behavioural control because they believe they possess the financial discipline and capability needed to sustain entrepreneurial activities. Saving literacy may also improve students' attitudes toward entrepreneurship by reducing fear associated with financial instability and business risks.

The implication of this finding is that saving literacy should be strengthened within entrepreneurship and financial education programmes in Ethiopian universities. Higher education institutions may need to provide practical training on savings culture, financial discipline, personal finance management, and investment planning to improve students' entrepreneurial intentions. Such interventions may contribute to preparing Social Studies students for self-employment, financial independence, and sustainable entrepreneurial participation after graduation.

The finding of the study revealed that there is a strong positive and significant relationship between digital finance literacy and entrepreneurial intentions among Social Studies students in Ethiopia. The result showed that students who possess higher levels of digital finance literacy tend to demonstrate stronger entrepreneurial intentions. This finding implies that students who are knowledgeable in the use of digital financial tools such as mobile banking, digital payment systems, internet banking, online financial platforms, and electronic transactions are more likely to develop interest and willingness toward entrepreneurial activities.

The finding agrees with Xiao et al. (2022), who found that financial literacy significantly improves digital entrepreneurship willingness and behaviour among Chinese villagers. The authors further established that digital literacy strengthens the positive influence of financial literacy on entrepreneurial behaviour. The present finding supports this assertion because students who possess digital finance literacy may perceive entrepreneurship as more accessible and manageable within modern digital business environments.

The finding is also consistent with Bai et al. (2023), who reported that digital literacy positively influences entrepreneurial behaviour among individuals. According to the authors, people who possess digital competencies are more capable of accessing information, identifying entrepreneurial opportunities, and participating effectively in entrepreneurial activities. In the context of the present study, Social Studies students with digital finance literacy may be more willing to engage in entrepreneurship because they understand how to use digital financial systems for business transactions, online marketing, and financial management.

The finding further aligns with Putri et al. (2025), who examined digital financial literacy using the Theory of Planned Behaviour and Technology Acceptance Model. Their study revealed that perceived usefulness, perceived ease of use, and perceived behavioural control significantly influence digital financial behaviour. Students who understand digital financial systems may therefore feel more confident in handling entrepreneurial activities that involve digital payments, online financial services, and electronic transactions. Such confidence may strengthen entrepreneurial intentions among university students.

The finding equally corroborates the submission of Zouitini et al. (2026), who found that digital literacy and financial literacy significantly contribute to entrepreneurial competency and sustainable business performance among entrepreneurs. Their study emphasized that entrepreneurs with digital financial skills are more capable of adapting to modern business demands and technological changes. The present finding suggests that digital finance literacy equips students with practical competencies required for entrepreneurship in contemporary digital economies.

The finding is further supported by Tarigan et al. (2026), who found that financial literacy and perceived behavioural control significantly influence intention to use digital financial platforms among university students. This implies that students who are familiar with digital finance technologies are more likely to develop positive behavioural intentions toward activities involving digital financial systems. Since modern entrepreneurship increasingly depends on digital financial operations, students with digital finance literacy may demonstrate stronger entrepreneurial intentions because they possess the necessary technological and financial competencies.

The finding also agrees with Yadav and Banerji (2024), who argued that digital financial literacy is essential for effective financial decision-making within contemporary digital economies. According to the authors, individuals who possess digital financial competencies are better able to manage financial risks, evaluate online financial services, and make informed economic decisions. Such competencies may positively influence entrepreneurial intentions because students become more confident in their ability to operate businesses within technology-driven environments.

The significant relationship observed in this study may also be explained using the Theory of Planned Behaviour. Students with higher levels of digital finance literacy may develop stronger perceived behavioural control because they believe they possess the technological and financial abilities needed to manage entrepreneurial activities successfully. Digital finance literacy may also improve students' attitudes toward entrepreneurship by making business operations appear more convenient, flexible, and profitable through digital technologies.

The implication of this finding is that universities and educational policymakers in Ethiopia should strengthen digital financial education within entrepreneurship and Social Studies programmes. Practical training on mobile banking, online transactions, fintech applications, digital savings systems, cyber-security awareness, and digital payment technologies may improve students' entrepreneurial intentions and preparedness for participation in modern digital economies. Such interventions may contribute significantly to entrepreneurship development, youth empowerment, and graduate self-employment in Ethiopia.

Conclusion

This study examined the relationship between financial literacy components and entrepreneurial intentions among Social Studies students in Ethiopia, with particular focus on budgeting literacy, saving literacy, and digital finance literacy. The findings of the study revealed that budgeting literacy has a strong positive and significant relationship with entrepreneurial intentions among Social Studies students in Ethiopia. The study established that students who possess budgeting knowledge and financial planning skills tend to demonstrate stronger willingness and readiness to engage in entrepreneurial activities.

The study also found that saving literacy significantly relates to entrepreneurial intentions among Social Studies students. Students with stronger saving literacy exhibited higher entrepreneurial intentions because saving competencies improve financial discipline, financial preparedness, and confidence toward entrepreneurial engagement. The study further established that digital finance literacy has a strong positive and significant relationship with entrepreneurial intentions among Social Studies students in Ethiopia. Students who possess competencies in digital financial systems and technologies were found to demonstrate stronger entrepreneurial aspirations and readiness for participation in modern digital business environments.

Based on the findings, the study concludes that financial literacy components play an important role in shaping entrepreneurial intentions among Social Studies students in Ethiopia. Budgeting literacy, saving literacy, and digital finance literacy significantly contribute to students' entrepreneurial orientation, financial confidence, and entrepreneurial preparedness. The study therefore concludes that strengthening financial literacy among university students may enhance entrepreneurship development, self-employment readiness, and youth economic participation in Ethiopia.

Recommendations

Based on the findings of the study, the following recommendations were made:

1. Universities in Ethiopia should integrate practical budgeting literacy training into Social Studies and entrepreneurship education programmes to improve students' financial planning skills and entrepreneurial preparedness.
2. Higher education institutions should organize regular financial literacy workshops and seminars focusing on savings culture, personal finance management, and investment planning to strengthen students' entrepreneurial intentions.
3. University administrators and educational policymakers should promote digital finance literacy among students through practical training on mobile banking, online financial transactions, fintech applications, and digital payment systems.
4. Entrepreneurship education programmes in Ethiopian universities should incorporate experiential learning activities such as financial simulations, business budgeting exercises, and digital business management projects to improve students' entrepreneurial competencies.
5. Government agencies and financial institutions should collaborate with universities to provide financial literacy intervention programmes and entrepreneurship support initiatives for undergraduate students.
6. Social Studies departments should encourage students to participate in entrepreneurship development programmes, innovation hubs, and digital business training initiatives to improve their entrepreneurial orientation and self-employment readiness.
7. Policymakers in Ethiopia should formulate educational policies that support the integration of financial literacy education into higher education curricula as a strategy for promoting entrepreneurship development and reducing graduate unemployment.

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