

Financial Literacy a Human Capital: Driving Entrepreneurial Intent in Chinese Higher Education

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ABSTRACT

Within China's innovation-driven macro-strategy, higher education institutions face a persistent structural paradox among students: high superficial interest in venture creation coupled with remarkably low conversion into firm intent. Fusing the Theory of Planned Behaviour and Human Capital Theory, this study addresses this "intention-action" gap by positioning multidimensional financial literacy as an essential form of specific human capital. Moving beyond direct-effect models, we introduce a dual-conduit framework to deconstruct how raw financial capability transforms into intent. Behavioural readiness is captured through Saving Behaviour (a practical conduit for capital preparation and risk mitigation), while cognitive reframing is mapped through Perceived Behavioural Control (a psychological conduit for resource mastery). Additionally, the model positions Entrepreneurship Education as an institutional capability "multiplier," alongside Subjective Norms and Entrepreneurial Attitude as dynamic contextual moderators. To validate these pathways, this paper outlines a rigorous proposed protocol using a Sequential Explanatory Mixed-Methods Design. Quantitative data from a stratified sample of 400-500 university students in Beijing will be evaluated using Partial Least Squares Structural Equation Modelling (PLS-SEM), followed by Reflexive Thematic Analysis of qualitative semi-structured interviews to provide explanatory depth. By shifting the focus from external resource provision to internal capability building, this study provides a reliable theoretical framework explaining the "capability-cognition-intention" continuum. Practically, it offers actionable strategies for university administrators to dismantle academic silos and integrate financial literacy directly into mainstream entrepreneurship curricula to enhance start-up sustainability.

Keywords: Entrepreneurial Intention, Financial Literacy, Human Capital Theory, Sequential Explanatory Design, Theory of Planned Behaviour

1. INTRODUCTION

In the contemporary epoch, the foundational mandate of higher education institutions (HEIs) has undergone a paradigmatic shift. Universities are no longer conceptualized exclusively as conduits for traditional labour market entry; rather, they are increasingly positioned as critical incubators for future job creators and innovative disruptors. Consequently, entrepreneurship education has emerged as a cornerstone of global academic reform, structurally designed to endow students with the cognitive agility and practical resilience imperative for navigating an increasingly volatile and complex economic landscape. Nevertheless, a pervasive structural contradiction frequently observed within contemporary entrepreneurial scholarship is the pronounced "intention-action" gap. While modern university ecosystems demonstrate considerable efficacy in stimulating preliminary entrepreneurial enthusiasm and ideation, the cultivation of a resolute, actionable entrepreneurial intention remains a formidable challenge. Students frequently encounter profound psychological and cognitive hesitation when confronted with the resource-

dependent, high-risk realities inherent in venture creation. Traditionally, such entrepreneurial hesitation has been analysed through bifurcated lenses: either a purely psychological perspective focusing on affective attitudes and risk aversion or a strictly resource-based paradigm, which emphasizes external capital constraints and market volatility. However, these isolated analytical approaches often fail to adequately capture the critical intersection where an individual's tangible capability directly informs and shapes their psychological confidence.

To bridge this theoretical and empirical divide, this paper postulates that financial literacy defined as the comprehensive cognitive and practical capacity to understand, evaluate, and manage financial resources serves as the foundational capability required to transmute latent entrepreneurial interest into firm, actionable intent. Prior to delineating the specific macroeconomic drivers and regional institutional complexities that exacerbate this phenomenon, it is imperative to establish the overarching paradox that characterizes modern student entrepreneurship. The subsequent sections will deconstruct the global and national contexts of this capability gap, analyse the specific cognitive barriers encountered by university students, and articulate an integrated theoretical framework designed to address these multidimensional constraints.

1.1 The Global and Macro-Level Context

In the contemporary global economy, youth entrepreneurship is widely championed not merely as a pragmatic remedy for structural unemployment, but as a primary engine for sustainable innovation, technological disruption, and regional economic transformation. Amidst rapid shifts in global labour markets and the advent of the digital economy, higher education institutions (HEIs) worldwide are compelled to reconfigure their pedagogical models. The overarching objective has evolved from the traditional dissemination of academic knowledge to the active cultivation of a resilient, entrepreneurial mindset among graduates equipping them to independently generate economic value and navigate profound market uncertainties.

In the context of the People's Republic of China, this global imperative synergizes seamlessly with the national "Mass Entrepreneurship and Innovation" strategy. Historically, early iterations of this policy framework heavily incentivized the sheer volume of start-up creations to stimulate immediate economic momentum. However, guided by the strategic macro-directives of the 14th Five-Year Plan for National Economic and Social Development (2021–2025), governmental and institutional priorities have officially pivoted from "quantity expansion" toward "quality enhancement." This profound paradigm shift dictates that the mere initiation of a venture is no longer the ultimate metric of success; instead, the sustainable development capacity, robust financial resilience, and long-term commercial viability of start-up enterprises have become paramount.

To operationalize these macroeconomic objectives, the Chinese Ministry of Education issued pivotal directives in 2016 aimed at embedding entrepreneurship deeply into the higher education architecture. Consequently, universities across the nation and particularly in innovation hubs like Beijing have marshalled extensive institutional investments. Campuses now boast state-of-the-art incubation centres, ubiquitous access to seed funding, and high-profile venture pitch competitions. Yet, despite these resource-rich ecosystems successfully generating immense superficial enthusiasm and conceptual ideation, a glaring structural contradiction persists. Students' actual engagement and resolute intention to transition into substantive, full-time entrepreneurship remain highly cautious and avoidant.

This phenomenon, structurally characterized by "high intention coupled with low conversion" and "high venture entry rates accompanied by precipitous attrition and low survival rates,"

exposes a critical bottleneck in the current educational paradigm. It suggests that while macro-level policies effectively mobilize external infrastructure and lower the barriers to entry, they inadequately address the internal, capability-driven prerequisites necessary for students to sustain a business. Consequently, external resource provision alone is proving insufficient to overcome the cognitive and practical vulnerabilities that precipitate early-stage start-up failure.

1.2 The Capability-Cognition Gap

Existing Building upon the macroeconomic contradictions identified above, this study situates its empirical focus within the higher education ecosystem of Beijing. As China's premier hub for scientific innovation and venture capital, Beijing presents an optimal "high-resource" context. Universities in this region have systematically deployed comprehensive entrepreneurial support structures, including specialized curricula, elite incubation platforms, and robust policy incentives. These institutional interventions have unequivocally succeeded in cultivating a pervasive, superficial enthusiasm for venture creation among students. Nevertheless, despite this optimal external environment, a pronounced structural contradiction persists: students' actual engagement remains acutely cautious, manifesting as "high superficial interest but low firm intention." This paradox indicates a critical bottleneck in the current entrepreneurship education paradigm, suggesting that while external barriers to entry have been dismantled, profound internal impediments continue to prevent latent interest from crystallizing into resolute entrepreneurial decisions.

At the theoretical and mechanistic level, existing literature frequently attributes this intention-action gap to exogenous variables, such as market volatility, hostility of the business environment, or systemic lack of funding. However, this predominantly outward-facing perspective neglects the internal cognitive apparatus and capability readiness of the students themselves. Grounded in the Theory of Planned Behaviour (TPB), it is established that the formation of an individual's behavioural intention is heavily contingent upon Perceived Behavioural Control (PBC) their subjective confidence in their capability to execute a behaviour successfully. In the highly complex and resource-dependent arena of entrepreneurship, this sense of control is not merely a generic psychological trait; rather, it is inextricably tethered to an individual's practical financial competence.

In reality, contemporary university students generally exhibit a severe deficit in multidimensional financial literacy. They frequently display specific, critical weaknesses in cash flow forecasting, cost control, debt management, and realistic risk assessment. This financial capability gap is not merely an objective lack of business knowledge; rather, it acts as a catalyst for profound psychological hesitation and deep-seated uncertainty. When students fundamentally cannot understand or manage financial variables, their subjective perception of entrepreneurial risk is exponentially magnified. This cognitive barrier directly and severely undermines their Perceived Behavioural Control. It engenders a paralyzing, low-confidence belief "*I cannot manage the financial realities of running a business*" which subsequently suppresses the formation of a firm, actionable entrepreneurial intention.

Therefore, the core problem is that low financial literacy directly erodes the perceived behavioural control required to translate general entrepreneurial curiosity into firm intent. This issue is further exacerbated by an entrenched structural flaw within the current higher education framework: financial education and entrepreneurship education frequently operate in rigid, isolated silos. Financial knowledge is predominantly confined to theoretical instruction, lacking any mechanism for meaningful integration with practical entrepreneurial scenarios. This disconnect ruptures the "knowledge-ability-behaviour-intention" continuum, leaving students

without the behavioural readiness such as habitual saving behaviours that generate initial start-up capital and psychological resilience needed to pursue a venture.

Against this backdrop, the central problem this study addresses is: *In a resource-abundant environment, how does the deficit in financial literacy constrain the formation of college students' entrepreneurial intention, and through what specific cognitive and behavioural mechanisms can financial literacy education break this barrier?* By addressing this problem, the study seeks to unpack how financial literacy enhances students' judgment of entrepreneurial feasibility, bolsters their resource allocation capabilities, and solidifies their perceived control over financial planning. Furthermore, it aims to systematically explain how behavioural preparations (i.e., Saving Behaviour) and institutional interventions (i.e., Entrepreneurship Education) interact to bridge the critical gap between a student's baseline capability and their ultimate entrepreneurial intention.

1.3 Research Objectives

Derived directly from the structural and cognitive bottlenecks identified in the problem statement, this study focuses on university students in Beijing to systematically investigate how internal capability building drives entrepreneurial readiness. Specifically, the research sets the following primary objectives:

1. To assess the current levels and multidimensional structural characteristics (encompassing financial knowledge, attitude, and behaviour) of financial literacy among university students in Beijing's high-resource educational ecosystem.
2. To examine the direct impact of financial literacy on the formation of college students' entrepreneurial intention, empirically establishing financial competence as a foundational capability variable.
3. To analyse the dual mediating mechanisms of Saving Behaviour (acting as the practical, behavioural bridge) and Perceived Behavioural Control (acting as the psychological, cognitive bridge) in the pathway translating financial literacy into firm entrepreneurial intention.
4. To investigate the moderating effects of Entrepreneurial Attitude, Subjective Norms, and formal Entrepreneurship Education, specifically determining how these psychological mindsets and institutional interventions function as contextual "multipliers" of financial capability.
5. To develop and empirically validate an integrated theoretical model that bridges the Theory of Planned Behaviour (TPB) with Human Capital Theory, systematically explaining the variance in entrepreneurial intention through the "capability-cognition-intention" continuum.

2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

To systematically decode the structural paradox of "high superficial interest but low firm intention" observed among university students, this study constructs a highly integrated conceptual framework. This framework transcends traditional, isolated psychological models by fusing them with capability-driven economic theories, establishing a comprehensive "Capability—Cognition—Intention" continuum.

2.1 Bridging TPB and Human Capital Theory

To construct a comprehensive explanatory model for entrepreneurial intention, this study relies on the theoretical synthesis of two distinct yet highly complementary frameworks: the Theory of Planned Behaviour (TPB) and Human Capital Theory. Traditionally, entrepreneurship research has applied these theories in isolation relying on TPB to map the psychological and affective motivations of aspiring entrepreneurs, while utilizing Human Capital Theory to evaluate their objective skill sets and economic readiness. However, as modern entrepreneurial environments become increasingly complex and resource-dependent, neither psychological willingness nor economic capability is sufficient on its own. This study bridges these two paradigms, arguing that objective human capital (specifically, multidimensional financial literacy) serves as the indispensable, tangible foundation upon which robust psychological constructs (such as perceived behavioural control and attitude) are cultivated. The following subsections delineate the core tenets of each theory and justify their synergistic integration within this research framework.

2.1.1 The Theory of Planned Behaviour (TPB) in Entrepreneurship

Ajzen's (1991) Theory of Planned Behaviour (TPB) remains the most resilient socio-psychological framework for predicting behavioural intention. The theory explains that an individual's intention to start a business is determined by three core antecedents: Behavioural Attitude, Subjective Norms, and Perceived Behavioural Control (PBC). Recent literature continues to validate TPB as the dominant paradigm in entrepreneurship studies (Hagger & Hamilton, 2024; Tan et al., 2025).

However, while TPB effectively maps the psychological architecture of intention, international scholars increasingly argue that the model possesses a critical epistemological gap: it is inherently incomplete because it ignores the objective capability base from which these psychological constructs emerge (Joensuu Salo et al., 2022). Psychological states, confidence levels, and attitudes do not materialize in a cognitive vacuum; rather, they are profoundly embedded in, and constrained by, an individual's tangible knowledge and skill repertoire.

If research merely measures a student's lack of PBC without investigating *why* that underlying cognitive deficit exists, the resulting policy and educational recommendations will remain superficial. Consequently, recent studies assert that to fully comprehend how constructs like PBC and Attitude are cultivated, TPB must be integrated with capability-driven variables (Yesmin et al., 2024). There is, therefore, an urgent theoretical need to bridge TPB with a capability-driven framework to explain exactly how foundational competencies act as the genesis for these critical psychological states.

2.1.2 Human Capital Theory and Financial Literacy as a Foundational Capability

To effectively address the aforementioned epistemological gap within TPB, this study adopts Human Capital Theory (Becker, 1964; Schultz, 1961) as its complementary capability framework. Traditionally, Human Capital Theory posits that strategic investments in education and training yield future economic returns by enhancing an individual's internal productive capacity. Within contemporary entrepreneurial scholarship, a critical distinction is increasingly drawn between *General Human Capital* (e.g., broad academic intelligence and formal degree attainment) and *Specific Human Capital* (specialized, domain-relevant skills and tacit industry knowledge). As the entrepreneurial landscape becomes increasingly complex and resource-dependent, relying solely on generic academic knowledge is insufficient to navigate the intricate hazards of venture creation.

Consequently, over the past decade, Financial Literacy has definitively emerged as one of the most indispensable forms of Specific Human Capital for the modern entrepreneur. Expanding upon the foundational frameworks established by the OECD (2014) and elaborated by Lusardi and Mitchell (2014), recent scholarship by Zaimovic et al. (2023) conceptualizes financial literacy not merely as basic mathematical numeracy, but as a deeply multidimensional construct. It represents an integrative blend of objective financial knowledge, analytical skills, risk-aware attitudes, and prudent economic behaviours. In the context of venture creation, this multidimensional capability serves as the foundational "cognitive capital," comprising three synergistic elements:

1. **Financial Knowledge (Cognitive):** The objective understanding of complex mechanisms such as compound interest, risk diversification, inflation, and venture funding structures.
2. **Financial Attitude (Value Orientation):** An individual's psychological predisposition toward risk-taking, delayed gratification, and proactive long-term planning.
3. **Financial Behaviour (Practical):** The actual, everyday conduct of an individual regarding budget management, consumption control, and debt mitigation.

Without this tripartite cognitive capital, individuals are inherently unequipped to decipher the financial realities of entrepreneurship and evaluate the viability of emerging business opportunities. In highly digitized, fast-paced financial ecosystems like Beijing where university students are continuously exposed to complex online consumer credit and advanced digital financing platforms this capability deficit becomes particularly detrimental. It renders a student's psychological intent extraordinarily fragile; without the specific human capital to manage capital allocation, their initial entrepreneurial enthusiasm rapidly collapses into anxiety when confronted with real-world financial planning requirements.

Conversely, equipping students with this specific human capital actively fortifies their psychological resilience. Recent empirical evidence from Rehman and Mia (2024) corroborates this dynamic, confirming that individuals possessing superior financial literacy are significantly more prone to undertake and sustain entrepreneurial ventures. Because these individuals possess the objective capacity to efficiently oversee business finances and systematically manage credit risks, their perceived environmental uncertainty is drastically reduced. Thus, Human Capital Theory perfectly complements TPB by providing the robust, objective capability base necessary for confident, firm entrepreneurial intention to thrive.

2.2 Deconstructing the Mediating Mechanisms

To understand exactly how a student's basic financial capability transforms into a firm intention to start a business, this study introduces two vital "bridges" into the model: **a behavioural conduit (Saving Behaviour)** and **a cognitive conduit (Perceived Behavioural Control)** as depicted in Figure 1. Simply having theoretical financial knowledge is not enough to make someone want to launch a business. Knowledge alone does not automatically create entrepreneurial drive. Instead, that knowledge must be translated through two parallel pathways:

1. **The Behavioural Conduit (Saving Behaviour):** This is the practical track. When students have high financial literacy, they develop strong habits like regular saving. For university students who lack large amounts of capital or family wealth, these savings provide a financial safety net. This reduces their fear of failure and gives them the actual start-up money needed to make a business feel possible.
2. **The Cognitive Conduit (Perceived Behavioral Control):** This is the psychological track. When students understand financial concepts (like budgeting, cash flow, and risk

management), the idea of running a business stops looking like an uncontrollable gamble and starts looking like a calculated risk. This structural knowledge directly boosts their inner confidence, making them feel in control of their business future.

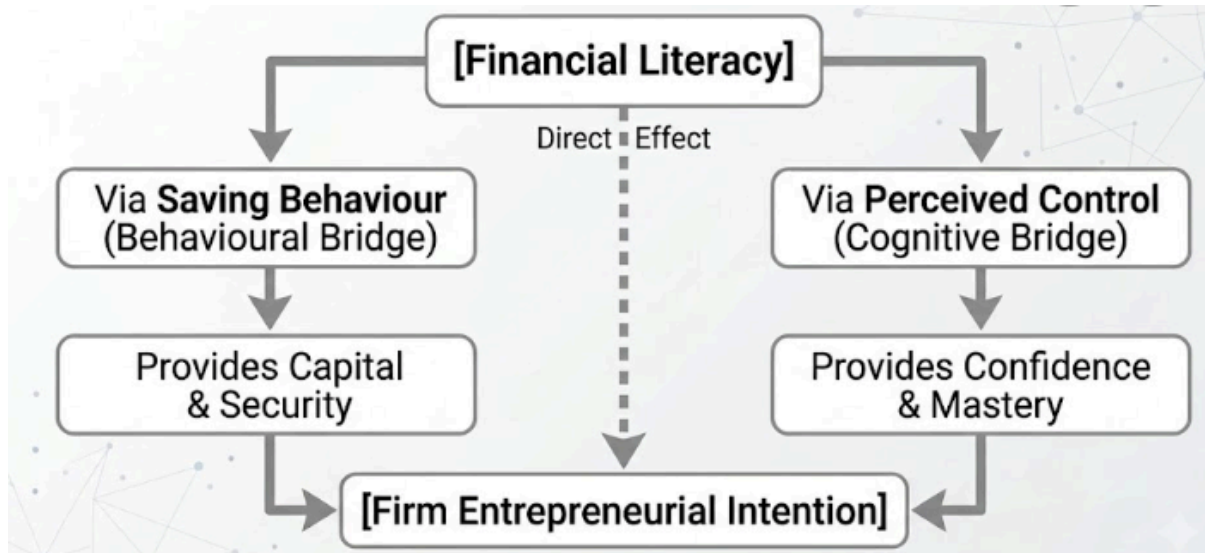


Figure 1. Mediated Path Model Connecting Financial Literacy and Firm Entrepreneurial Intention

By deconstructing these parallel mechanisms, this study maps how raw, latent financial skills are actively transformed into the practical readiness and psychological confidence needed to face the unpredictable realities of starting a new venture.

2.2.2 The Cognitive Bridge: Perceived Behavioural Control (PBC)

While saving establishes the behavioural foundation, Perceived Behavioural Control (PBC) acts as the vital cognitive link bridging specific human capital to entrepreneurial intention. High financial literacy equips students with the structural and analytical tools requisite to mitigate financial uncertainty, thereby directly elevating their PBC. When a student possesses the financial acumen to construct realistic cash-flow projections and accurately assess debt liabilities, the entrepreneurial process undergoes a profound cognitive reframing transitioning from an ambiguous, "chaotic gamble" to a transparent, "calculated risk."

Ahmad et al. (2025) validates this dynamic, emphasizing that possessing sound financial literacy ignites the entrepreneurial spirit precisely because it instils the subjective confidence (PBC) that the individual can successfully navigate complex business realities. Thus, financial capability translates into firm intent primarily by dismantling internal cognitive barriers and enhancing the subjective perception of control over the venture creation process.

2.3 Contextual Boundaries: The Moderating Variables

The translation of specific human capital into firm intention does not occur in an environmental or social vacuum; rather, it is bounded and amplified by distinct contextual moderators. While traditional frameworks often treat psychological mindsets, social pressures, and institutional interventions as direct, independent antecedents, this study posits that their efficacy is fundamentally contingent upon a student's internal baseline capability. Consequently, formal

education, social dynamics, and personal evaluations interact with financial literacy to serve as either catalysts or barriers along the path to venture creation.

2.3.1 Entrepreneurship Education as a Capability "Multiplier"

This study posits that formal Entrepreneurship Education acts as a vital institutional moderator, conceptualized here as a capability "multiplier" rather than a standalone remedy. According to Gulzar and Rashid (2023), entrepreneurship education enhances opportunity recognition and self-efficacy, positively shaping attitudes toward venture creation. However, when universities provide intensive incubation training to students who lack basic financial literacy, the pedagogical intervention often fails to produce lasting intent because the students cannot adequately process or apply the complex business modelling taught.

Conversely, students who enter these programs with a robust baseline of financial literacy are fundamentally better equipped to absorb, process, and apply advanced business logic, thereby maximizing the educational intervention's ultimate impact on their entrepreneurial intention. Without a foundational undercurrent of financial capability, formal entrepreneurship education risks providing temporary inspiration without fostering stable, long-term business survival limits.

2.3.2 Subjective Norms and Entrepreneurial Attitude

Similarly, Subjective Norms (perceived social pressure and support) and Entrepreneurial Attitude interact dynamically with an individual's underlying capability base. Traditional applications of the Theory of Planned Behavior assume that strong social support directly and uniformly increases intention (Johan et al., 2021). However, this study argues that social pressure to start a business only successfully catalyzes firm intention when the student actually possesses the financial competence required to execute those expectations.

If a student is heavily encouraged by peers, family, or faculty to innovate but lacks the fundamental financial literacy to manage cash flow or assess credit risk, that external social pressure may paradoxically generate acute anxiety and task avoidance rather than actionable intent. Therefore, a robust financial capability base acts as the vital structural prerequisite that allows positive attitudes and social norms to harmoniously converge to drive entrepreneurial action.

2.4 Integrated Conceptual Framework and Hypotheses

Based on the comprehensive integration of the Theory of Planned Behaviour and Human Capital Theory synthesized in the preceding sections, this study proposes an integrated theoretical framework (see Figure 2). This structural model explicitly maps the "Capability—Cognition—Intention" continuum, detailing the direct, mediating, and moderating pathways through which multidimensional financial literacy shapes economic readiness.

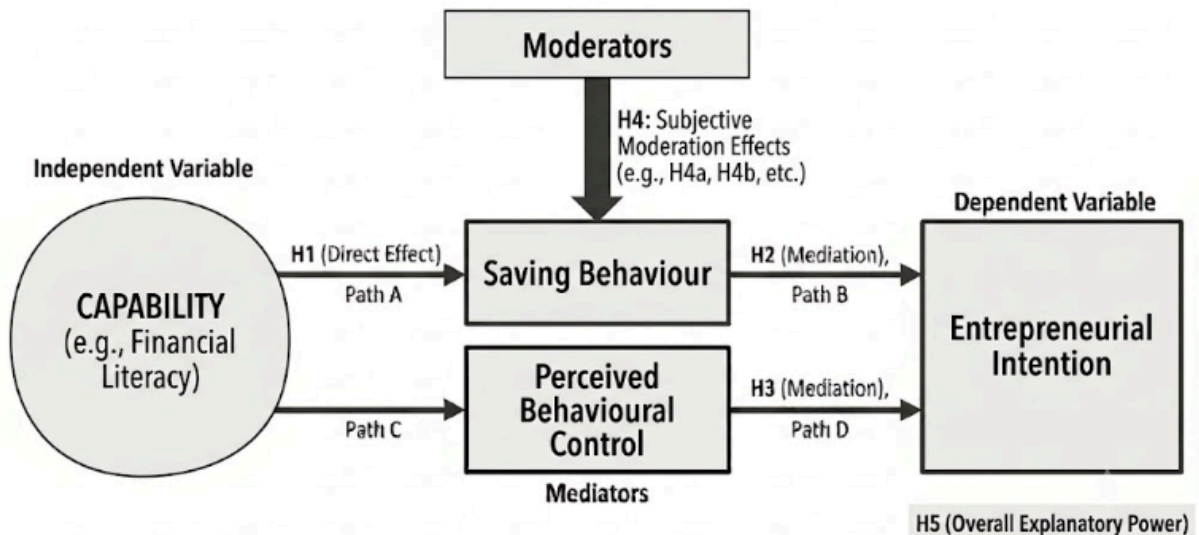


Figure 2. The Integrated Conceptual Model Connecting Financial Literacy and Firm Entrepreneurial Intention

Derived from this conceptual framework, the following research hypotheses are formally proposed for empirical validation:

- **H1 (Direct Effect):** Financial literacy exerts a significant positive direct effect on college students' entrepreneurial intention.
- **H2 (Behavioral Mediation):** Saving Behavior significantly mediates the relationship between financial literacy and entrepreneurial intention.
- **H3 (Cognitive Mediation):** Perceived Behavioral Control (PBC) significantly mediates the relationship between financial literacy and entrepreneurial intention.
- **H4a (Moderation):** Entrepreneurial Attitude positively moderates the relationship between financial literacy and entrepreneurial intention, such that a highly positive attitude amplifies the effect of financial capability.
- **H4b (Moderation):** Subjective Norms positively moderate the relationship between financial literacy and entrepreneurial intention.
- **H4c (Moderation):** Formal Entrepreneurship Education positively moderates the relationship between financial literacy and entrepreneurial intention, acting as a capability multiplier.
- **H5 (Overall Explanatory Power):** The integrated theoretical framework significantly explains the variance in university students' entrepreneurial intentions.

3. PROPOSED METHODOLOGY

3.1 RESEARCH DESIGN RATIONALE

This study adopts a Mixed Methods Research (MMR) paradigm, specifically deploying a Sequential Explanatory Design (Creswell & Plano Clark, 2018). The methodology is conducted in two distinct, complementary phases. The primary, dominant phase is quantitative, utilizing a large-scale structured survey design and advanced Structural Equation Modelling (SEM). This phase is designed to rigorously test the hypothesized structural paths, ascertain statistical significance, and ensure broad generalizability across the student population. Subsequently, the secondary qualitative phase employs targeted semi-structured interviews to provide "explanatory depth" (Tashakkori & Teddlie, 2010). This qualitative integration is critical; it

moves the analysis beyond mere statistical correlations to organically elucidate *why* specific capability advantages translate (or fail to translate) into firm entrepreneurial intent, capturing the nuanced cognitive shifts surrounding risk perception and financial hesitation.

As this is a conceptual and methodological paper, the primary objective of this section is to outline a rigorous, proposed Research Protocol. The subsequent empirical execution of this Sequential Explanatory Design will serve to validate the theoretical pathways mapped in Section 2. This methodological triangulation ensures that the empirical findings are both statistically robust and deeply contextualized within Beijing's unique higher education ecosystem.

3.2 Definition And Operationalization of Variables

The construct operationalization in this study is strictly theory-driven, ensuring that latent variables accurately reflect their conceptual definitions within Human Capital Theory and the Theory of Planned Behaviour.

- **Independent Variable (Financial Literacy):** Conceptualized as a multidimensional capability construct, it is operationalized across three dimensions: *Financial Knowledge* (objective comprehension of risk, inflation, and capital structures), *Financial Attitude* (psychological orientation toward future planning), and *Financial Behavior* (practical execution of budgeting and debt management). Items are adapted from the globally validated OECD (2014) and Lusardi and Mitchell (2014) frameworks, explicitly localized to reflect the digital finance realities of Beijing students.
- **Dependent Variable (Entrepreneurial Intention):** Defined as the subjective, behavioral readiness to engage in venture creation, measured utilizing the canonical Entrepreneurial Intention Questionnaire (EIQ) developed by Liñán and Chen (2009).
- **Mediating Variables:** *Saving Behaviour* is operationalized as the tangible capacity for capital accumulation and self-regulation (Nguyen et al., 2022). *Perceived Behavioral Control (PBC)* is measured as the subjective psychological confidence in executing business tasks (Ajzen, 1991).
- **Moderating Variables:** *Entrepreneurship Education* is assessed by the frequency, intensity, and perceived efficacy of formal institutional training (Nabi et al., 2017). *Subjective Norms* and *Entrepreneurial Attitude* are adapted from established TPB scales.

All quantitative indicators will utilize a 5-point Likert scale to optimize measurement variance for SEM while minimizing cognitive fatigue among respondents (DeVellis, 2016).

3.3 Target Population and Sampling Strategy

The target population comprises full-time undergraduate students enrolled in general higher education institutions in Beijing, China. Beijing is strategically selected as the locus of research because its dense concentration of elite universities and hyper-advanced digital financial ecosystem provide a "best-case scenario" for examining capability constraints under optimal institutional support.

To maximize structural diversity and prevent disciplinary bias, this study proposes a stratified proportional random sampling technique. Stratification is executed across two primary dimensions: (1) Institutional Prestige (balancing elite "Double First-Class" universities with

standard undergraduate institutions) and (2) Academic Discipline (Economics/Management, STEM, and Humanities/Social Sciences).

The sample size incorporates a dual-validation approach to fulfil the rigorous demands of SEM. While standard Cochran (1977) probability formulas for a 95% confidence level suggest a minimum baseline of 384 respondents, this study integrates complex parallel mediators and Multi-Group Analysis (MGA). Therefore, adhering strictly to the optimal 15:1 case-to-parameter ratio recommended for advanced SEM (Hair et al., 2022; Kline, 2023), the target sample size is set between 400 and 500 valid responses. This volume ensures superior statistical power, enabling the model to withstand rigorous data screening and heterogeneity testing.

3.4 Data Analysis Strategy

To adequately evaluate the complex 'Capability—Behaviour—Cognition—Intention' continuum mapped by the theoretical framework, a comprehensive, multi-layered empirical strategy is required.

3.4.1 Quantitative Inference

Inferential statistics will be executed using Partial Least Squares Structural Equation Modeling (PLS-SEM) via SmartPLS software. PLS-SEM is explicitly selected for its advanced algorithmic capacity to handle complex, exploratory structural models incorporating multiple mediators, interaction terms for moderation, and non-normal data distributions (Hair et al., 2022).

Construct reliability and validity will be rigorously evaluated. Internal consistency will be confirmed via Composite Reliability ($CR \geq 0.70$), while convergent validity will be established through Average Variance Extracted ($AVE \geq 0.50$). Discriminant validity will be scrutinized using the pristine Heterotrait-Monotrait (HTMT) ratio to ensure no construct overlap (Henseler et al., 2015).

Following the establishment of a reliable measurement model, path coefficients will be estimated. To definitively test the indirect mediating effects of Saving Behaviour and PBC, Bootstrap resampling (utilizing 5,000 sub-samples) will be deployed to generate 95% bias-corrected confidence intervals. The contextual boundaries proposed by Entrepreneurship Education and Subjective Norms will be tested via interaction term modelling and Multi-Group Analysis (MGA).

3.4.2 Qualitative Triangulation

In alignment with the Sequential Explanatory logic, quantitative outcomes will dictate the purposive sampling for the qualitative phase. Semi-structured interviews will be transcribed verbatim and subjected to Reflexive Thematic Analysis using the rigorous six-step protocol delineated by Braun and Clarke (2006). This qualitative synthesis will act as the interpretive bridge, explicitly mapping *how* objective financial metrics translate into the lived, psychological experiences of aspiring student entrepreneurs.

3.5 Ethical Considerations and Data Integrity

Methodological rigor is fundamentally underpinned by ethical integrity. Prior to deployment, this research protocol will secure formal institutional ethical approval. All participants will be furnished with comprehensive Informed Consent documentation outlining their right to voluntary withdrawal. To ensure complete psychological safety, stringent de-identification

protocols will be enforced, stripping all personally identifiable information (PII) prior to data transcription and PLS-SEM importation, thereby ensuring respondent anonymity.

4. Expected Outcomes and Implications

4.1 Theoretical Implications

This proposed research is anticipated to significantly advance the theoretical discourse at the intersection of educational psychology, behavioural finance, and entrepreneurship. By systematically fusing the Theory of Planned Behaviour with Human Capital Theory, this study addresses a glaring structural lacuna in existing literature. It moves the academic conversation beyond static, independent variable correlations to map a dynamic, sequential "Capability—Cognition—Intention" continuum. Furthermore, by explicitly verifying the mediating functions of Saving Behaviour and PBC, the framework illuminates the precise psychological mechanics through which raw financial knowledge is transmuted into resilient entrepreneurial intent.

4.2 Methodological Implications

Methodologically, this paper shifts away from over-relying on purely quantitative, monomethod research designs in entrepreneurial studies. The deployment of a Sequential Explanatory Mixed-Methods design ensures that the complex human behaviours underlying entrepreneurial hesitation are not oversimplified into mere statistics. The qualitative triangulation will ensure that the empirical findings are reliable, valid, contextually grounded, and culturally relevant to the specific institutional environment of Chinese higher education.

4.3 Practical and Policy Implications

From an applied perspective, the anticipated findings offer actionable, data-driven paradigms for higher education administrators and government policymakers. If the data supports these hypotheses, it will clearly show that teaching entrepreneurship without also building students' financial skills is an ineffective and incomplete strategy. The findings will strongly advocate for higher education institutions to dismantle academic silos, urging a transition toward a "collaborative integration" model where financial literacy modules are systematically embedded directly into innovation incubators. By diagnosing which specific dimensions of financial capability (e.g., practical saving behaviours versus theoretical knowledge) exert the strongest influence on intention, universities can design highly targeted, capability-oriented training. Ultimately, equipping students with a strong financial foundation is not merely a pedagogical enhancement; it is a critical strategic imperative required to elevate the survival rates of youth start-ups, thereby sustaining the global momentum for high-quality, innovation-driven economic growth.

5. CONCLUSION

This paper highlights the role of multidimensional financial literacy in the formation of entrepreneurial intention among higher education students. While contemporary university ecosystems have proven adept at generating superficial enthusiasm for venture creation, translating this enthusiasm into firm, actionable intent requires a profound capability foundation. By proposing a highly integrated theoretical model that bridges Human Capital Theory and the Theory of Planned Behaviour, this study postulates that financial literacy is the critical master key to dismantling internal cognitive barriers, elevating perceived behavioural control, and cultivating vital, future-oriented financial behaviours.

Methodologically, the integration of advanced PLS-SEM within a Sequential Explanatory design offers a stringent empirical framework for testing these multidimensional relationships. The insights derived from this proposed research will provide the evidence base needed to fundamentally restructure university entrepreneurship programs, ensuring that future graduates possess the tangible financial and cognitive readiness to sustain high-quality enterprises on a global scale.

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