Are Nigerian University Students Naturally Entrepreneurial, or Limited by Personal and Economic Barriers?

Itohan Iyobhebhe
Department of Business Administration, Mountain Top University, Ogun State, Nigeria.
+2348053497971 / itohaniyobhebhe@gmail.com
ORCID ID: https://orcid.org/0000-0003-3120-0868

Olusegun Kayode A.
Department of Finance, Faculty of management science, University of Lagos, Akoka, Nigeria
+2348080307167 / kayode4uptime@gmail.com
ORCID ID: https://orcid.org/0009-0009-8137-5675

Olumuyiwa Abiodun
Business and Management Department. Scholars School System in partnership with Leeds Trinity University, United Kingdom.
+2348168010811 / Olumuyiwa.Abiodun@scholarsschool.ac.uk.
ORCID ID: https://orcid.org/0009-0000-6912-3920

Abstract

Entrepreneurship remains a significant driver of economic development and youth empowerment in Nigeria. However, there are issues surrounding why individuals scavenge and opt for the already scare employment over self-employment. Hence, this research examined the psychological, economic, and attitudinal factors influencing entrepreneurial aspirations in Nigeria. The study is relevant because of the surging unemployment rates in Nigeria, where entrepreneurship is a necessity for survival and growth. Thus, a quantitative approach was adopted, and final year students of six universities were selected (three private and three state-owned universities) across different faculties/departments. The sample size of 399 was determined using the Taro Yamane formular based on a population of 218,950. Data were gathered through closed-ended questionnaires, with statements based on the study variables. Thirty students piloted the test for validity and reliability measurements, and the instrument's reliability and clarity were confirmed with a Cronbach's Alpha of 0.877. Data were analysed with SPSS, using regression analysis at the 0.05 significance level. Upon analysis, the results indicated that psychological, economic, and attitudinal factors have an effect on entrepreneurial aspirations. Attitudinal dispositions (openness to risk and a sense of entrepreneurship), economic factors (access to finance and adequate infrastructures), and psychological factors (self-efficacy and motivation) all determine students' aspirations in entrepreneurial ventures. Hence, the study recommends the integration of practical and entrepreneurship courses, mentorship, and enforce students' clubs that promote entrepreneurial mindset. Government and financial bodies should provide startup funding, and infrastructure for students upon graduation. It is also essential that students develop resilience to develop robust entrepreneurial spirits.

Keywords: Entrepreneurial Aspirations, Psychological factors, Economic factors, Attitudinal factors

Introduction

Entrepreneurship has arisen from various motivations, including individual survival, income generation, skill acquisition, risk-taking, and the desire to avoid unemployment. Entrepreneurial aspirations refer to the intentional cultivation of business-related skills and knowledge via structured training and the establishment of formal income-generating operations. Such operations/ventures are significant in any nation's economic development, promoting growth and enhancement. However, businesses are not initiated spontaneously but propelled by internal passion and creative engagement. It requires genuine need, unwavering attention, and intentional objectives for growth and sustainability. Entrepreneurial aspirations boost endurance, dedication, and objective development (Wasim, Haj Youssef, Christodoulou, & Reinhardt, 2024).

Entrepreneurship training necessitates the deliberate involvement of instructors in conveying the essential skills and knowledge that students must acquire to fulfill the requirements and be relevant in the business marketplace. Also, entrepreneurial aspiration is influenced by various factors, including personal traits, individual and societal perspectives, experiences, education, norms, creativity, self-management, ambition, efficacy, innovativeness, and a propensity for risk-taking (Gazi, Mim, Masud, Rahman, Amin, Senathirajah, & Olah, 2025). Over time, this has prompted students to participate in various projects and establish goals motivated by potential benefits, ultimately leading to the creation of enterprises that employ others. Accordingly, entrepreneurship promotes societal and economic progress within a nation, while significantly contributing to personal development, fostering innovative methodologies, and facilitating satisfaction with life's journey and individual preferences (Kaushal, 2025).

Entrepreneurship fosters economic progress, linked to the capacity to create job opportunities and introduce innovative products to the market. Therefore, entrepreneurship is crucial in creative industries due to its strong correlation with contemporary trends and advancements in the artistic domain. In some countries, various government-sponsored initiatives have been integrated into higher education institutions to promote entrepreneurship and streamline the business development process. The principal objective of these programs is to foster an entrepreneurial mindset among students, particularly those nearing graduation or who have recently completed their studies. Furthermore, entrepreneurs are crucial for a nation's long-term prosperity and sustainability; however, students encounter numerous hurdles, including technical limitations, attitudinal, psychological, and economic support issues (Pradikto, 2024). Hence, this study investigates the determinants of students' entrepreneurial aspirations, focusing on important contributing elements, including economic, psychological, and attitude-based motivations.

Problem Statement

The rising issue of unemployment in Nigeria, combined with its slow economic growth rate, has become a significant concern. According to reports by the Nigerian Economic Summit Group (2025), the unemployment rate in Nigeria increased by 5.3% in the first quarter of 2024, marking a third straight rise since the second quarter of 2023. The report revealed that this rate was elevated in metropolitan centres with a higher number of graduates in the labour market compared to rural areas. As a result, Nigeria's poverty index, which is an aggregate of unemployment and inflation rates, increased to 36% in Q1 from 30.5% in Q3 of 2024, making the country one of the countries with the highest poverty indexes globally. This has led to numerous Nigerians facing a cost-of-living issue and diminished purchasing power. Notably, the unemployment rate was much higher among individuals with post-secondary education than among those with secondary and primary education. This indicates a negative association between human capital development and unemployment, resulting from a mismatch between labour market entrants and industry labour demands. Consequently, numerous unemployed individuals who are encountering challenges in securing employment are becoming disheartened in their job search.

The Nigerian Economic Summit Group (2025) report also indicates that the formal sector accounts for 7.3% of employment prospects, suggesting that numerous Nigerians are subjected to precarious employment, including unpaid or underpaid positions, and substandard working conditions, which characterise the informal sector. This issue is particularly critical due to the documented trend of many young adults completing higher education annually, yet encountering a pronounced shortage of appropriate career opportunities. Ighoshemu and Ogidiagba (2022) assert that while entrepreneurship education is acknowledged for its substantial role in providing students with essential knowledge and abilities for enterprise initiation, graduates nevertheless encounter a continuous rise in unemployment. Over time, the Nigerian higher education system has been criticised for failing to adequately develop the necessary skills that support graduates' entrepreneurial ambitions. Additional elements influencing students' entrepreneurial ambitions may include psychological and attitudinal issues. This research investigates these factors in correlation to entrepreneurial aspirations, specifically to;

- Investigate the effect of psychological factors on entrepreneurial aspirations among students in Nigeria.
- Examine the effect of altitudinal factors on entrepreneurial aspirations among students in Nigeria.
- Assess the effect of economic factors on entrepreneurial aspirations among students in Nigeria.

Literature Review

Conceptual Review

Entrepreneurial Aspirations: The term entrepreneurship is derived from the French verb "entrepreneur" and the German word "Unternehmen," both of which signify "to undertake" (Kafa, Pashiardis, & Brauckmann-Sajkiewicz, 2025). An entrepreneur is an individual who assumes responsibility for planning and executing projects to attain favourable outcomes. He/she initiates a business endeavour with the primary objective of achieving financial gain, notwithstanding the inherent risks and uncertainties associated with the ventures (Gomez-Jorge, Bermejo-Olivas, Diaz-Garrido, & Soriano-Pinar, 2025). Entrepreneurial aspirations are achieved through the identification of possibilities and the allocation of resources for their actualisation. Individuals capitalise on such opportunities to transform ideas into feasible, economically appealing concepts, enhancing value through resource allocations, which involves time, financial investment, effort, and expertise.

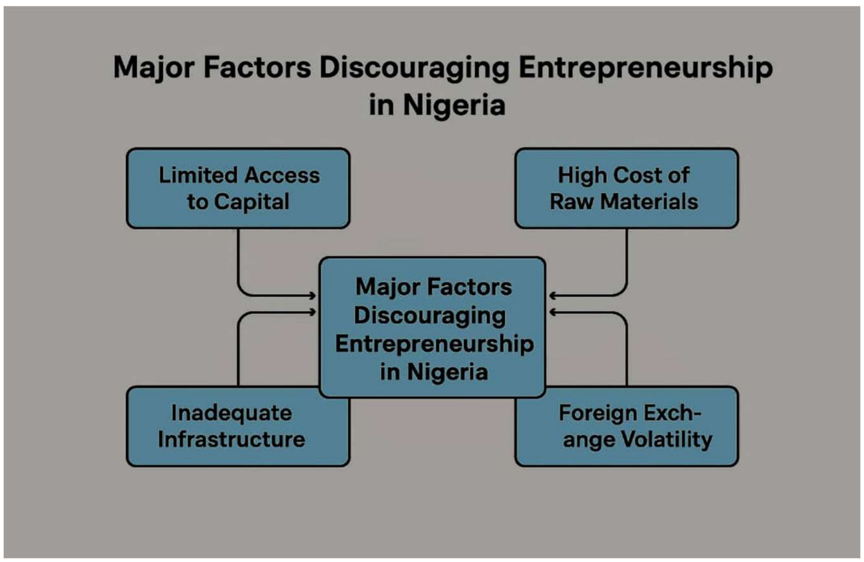
Additionally, entrepreneurship involves an individual's engagement with the external environment, encompassing cultural, social, political, economic, and technological dimensions (Correa, Rojas, Valencia, & Valencia-Arias, 2025). Accordingly, entrepreneurship is the ability to identify new economic opportunities, generate aspirations, and introduce the ideas to the market while recognising existing constraints and uncertainties. Aspirations denote an individual's motivation to choose from various available options. Al-alawi, Haddoud, and Soliman (2025) define aspiration as a cognitive state that directs an individual's attention and personal experiences into deliberate economic endeavours. Thus, it reflects an individual's subjective assessment of their capacity to launch and successfully execute entrepreneurial endeavours and deliberate aspirations to embark on such a venture. Consequently, aspiration is directed by purposeful acts, wherein emotions and behaviours represent an individual's endeavour to engage in deliberate actions.

Attitudinal Factors: Attitudes towards entrepreneurship are the dispositions people have regarding the notion of business startup and management. Such attitudes typically determine whether one views entrepreneurship as an opportunity to undertake or an activity with risk and uncertainty. According to Liu and Yao-Ping Peng (2025), entrepreneurial attitudes are the outcomes of the appraisal of knowledge, experiences, and ideas stored in the mind. Attitudes may be either favorable or unfavorable; significantly, they can be leveraged to develop successful entrepreneurial aspirations and subsequent actions. Optimistic determination and opportunity recognition are common characteristics of *a positive attitude towards entrepreneurship*. People with such dispositions view the application of entrepreneurship as a means to fulfillment, independence, and wealth building. Pham, Le, Dinh, and Pham (2024) asserted that a positive outlook promotes persistence, creativity, and proactive behavior, which are vital in creating a new venture. On the other hand, *negative sentiment about entrepreneurship* is commonly fueled by a failure to take risks, as well as a lack of acceptance and openness to uncertainty and market instability.

According to Cheng, Zheng, Schiavone, and Escobar (2024), risk-averse individuals perceive the entrepreneurial environment as aggressive, unstable, and fraught with potential losses. Such individuals are unlikely to pursue business opportunities despite the availability of resources and other support systems. The mental aspect of risk-taking dampens their pursuit of entrepreneurship as a potential bequest, hence resorting to wage employment or other safe options. However, attitudes are fluid and are influenced by personal experiences, cultural background, education, and institutional factors (Daly, Wiewiora, & Hearn, 2025). For instance, a negative disposition towards entrepreneurship may be exacerbated in emerging economies due to inadequate financial safety nets and deficient institutional support systems. The converse may also hold, as positive attitudes can be fostered by exposure to entrepreneurial education, beneficial influences, and exemplary role models, augmenting entrepreneurial activity.

Economic Factors: Several economic factors impact the development of businesses, hindering growth, the launch of new ventures, and sustainability. In Nigeria, these factors include infrastructural gaps, access to capital, material resources, adequate labour, and market dynamics (Edeling & Wies, 2024). To build sustainable economies, governments must be willing to support and provide entrepreneurs with the fundamental equipment and access to finance. Studies have shown that the solution to the global unemployment problem lies in entrepreneurialism, which empowers individuals by allowing them to impact society and fostering a sense of independence (Gerber, Cheval, Cody, Colledge, Hohberg, Klimentidis, & Faude, 2025; Angelia, Devi, & Sirmon, 2024; Saxena, Banerjee, Pathania, & Grewal, 2024). The entrepreneurial industry contributes to the local and global economy by creating good jobs and employment.

Figure 1: Factors Discouraging Entrepreneurship in Nigeria



Source: Itohan, Agbesuyi, and Olumuyiwa (2025)

First, the capacity to obtain ***finance*** remains one of Nigeria's foremost obstacles to entrepreneurship. Notwithstanding the yearly intervention funds allocated by the Central Bank of Nigeria (CBN) and other entities, such as the Bank of Industry (BOI), a mere fraction of startups in Nigeria successfully obtains loans through formal channels (World Bank, 2023). The difficulty encompasses not only accessibility but also availability, as most financial institutions request enormous collateral, which is often unattainable for first-time entrepreneurs. The interest rates imposed by commercial banks on loans in Nigeria range from 18% to 25%, which is among the highest in Africa, making it exceedingly challenging for startup businesses to sustain their funding (Felicia & Ogunbiyi, 2025). This discourages many Nigerian graduates with potential ideas who are financially constrained from pursuing them. On the other hand, Nigeria's inflation rate as of

July 2025 was 21.88%, which diminished savings and disposable incomes, thereby limiting aspiring entrepreneurs' ability to finance their ventures independently (Trading Economics, 2025). Unlike wealthy nations with established venture capital, Nigeria's investment ecosystem is frail, and pitching to investors does not consistently yield successful outcomes.

Second, the ***increased cost of raw materials*** constitutes a significant deterrent to entrepreneurship in Nigeria. The Manufacturers Association of Nigeria (MAN, 2024) asserts that the cost of raw materials essential for manufacturers has increased by 119% over the past two years, primarily due to supply chain disruptions and depreciation of the naira. Local inputs are also priced at a premium due to elevated inflation rates and a deficient transit infrastructure, resulting in unpredictable price fluctuations. For instance, the price of 50kg of wheat flour, a crucial input in the bakery and confectionery sector, has increased to ₦68,000 in 2024 from ₦45,000 in 2023, while the price of sugar has almost doubled (from ₦56,000 to ₦83,500) within the same timeframe (Punch, 2025). These volatilities dissuade entrepreneurs, as they render production uneconomical and fragment profit margins. Emerging enterprises often struggle to compete with established companies and find it challenging to sustain their position when faced with economic shocks. This indicates that products become prohibitively expensive for customers, constraining demand and deterring new competitors from entering the markets.

The ***instability of exchange rates*** has been a significant impediment to entrepreneurship in Nigeria. The naira has seen significant depreciation from 2023 to 2025, with the exchange rate exceeding 1,500 to $1 (Exchange Rates UK, 2025). The most adversely affected are the import-dependent sectors, which constitute over 70% of SMEs in Nigeria. Entrepreneurs utilising imported machinery, replacement parts, and raw materials frequently experience escalating expenses, often beyond their control. Small-scale entrepreneurs in the fashion sector, such as product importers, become uncompetitive due to sudden cost fluctuations that adversely affect pricing tactics. This ambiguity deters aspiring entrepreneurs who risk financial loss and deviation from their objectives. Moreover, fluctuations in exchange rates exacerbate inflationary pressures, making commodities more expensive and eroding consumers' purchasing power (Priyatna & Suryadi, 2025). Hence, as individuals struggle to acquire essentials, the demand for new items diminishes, resulting in fewer opportunities for business development and, consequently, discouraging investors.

Third, the ***inadequacy of Nigeria's infrastructure*** is another deterrent to entrepreneurial desire. Notwithstanding governmental assurances, road networks, transportation systems, and storage facilities remain poor. The African Development Bank (AfDB, 2023) reports that more than 40% of Nigeria's roads are in poor condition, resulting in a nearly 30% increase in logistical costs for enterprises. Entrepreneurs frequently struggle to transport raw materials efficiently or distribute finished products to markets. The ***deficiency of electricity supply*** is one of the primary obstacles hindering business in Nigeria. Despite governmental initiatives, Nigeria generates fewer than 5,000 megawatts for its nearly 200 million citizens, compared to South Africa, which produces 50,000 megawatts for a population of under 60 million (Infranergy, 2025). The power infrastructure is severely deficient, with more than 50% of enterprises relying on generators as their primary source of electricity. This reliance significantly elevates operational expenses, with small enterprises allocating an average of 30% of their monthly sales on fuel (Iyobhebhe, 2025). For startups, such overhead costs render profitability practically unattainable, deterring new entrants from engaging in promising industries. Inadequate infrastructure diminishes competitiveness, as Nigerian goods struggle to compete with imported products manufactured under more efficient procedures. Notably, fuel prices surged following the removal of subsidies in 2023, exceeding ₦1,200 per litre, compared to ₦198, rendering alternative power sources exceedingly expensive (Resagratia, 2025). Increased energy costs diminish profitability and hinder growth for small businesses. Thus, entrepreneurs capable of initiating manufacturing or service ventures opt to forgo them due to the overhead costs associated with power outages. This consistently hinders Nigeria's ability to develop a robust entrepreneurial ecosystem.

Psychological Factors: Psychological elements are among the most significant determinants of entrepreneurial aspiration in business startup or continuity. They encompass personal attributes, psychological traits, and cognitive functions that influence individuals' perceptions of opportunities, acceptance of obstacles, and pursuit of commercial ventures. Naz, Hafeez, and Lodhi (2023) define psychological variables as internal entrepreneurial motivation that manifests in actions, including aspirations for increased achievement, independence, experimentation, and autonomy from external control. Conversely, individual attitudinal elements are formed through evaluative judgements, whereas psychological components typically represent more fundamental and enduring features of personality and cognition. The locus of control is a critical psychological factor that impacts entrepreneurship; individuals with an internal locus of control are more likely to be self-motivated and persistent in their endeavours, as they feel their efforts, decision-making, and tenacity may influence outcomes (Chandhok & Dahiya, 2025). Conversely, people who subscribe to an external locus of control attribute outcomes to luck, fate, or external circumstances, undermining entrepreneurial confidence.

Research indicates that possessing an internal locus of control enhances resilience, flexibility, and tenacity in entrepreneurs throughout challenging circumstances (Lucas, Samnallathampi, George, & Parayitam, 2025). Accordingly, the urge to achieve, closely associated with locus of control, is another vital psychological aspect of entrepreneurship. Individuals with a strong achievement orientation set challenging goals, assess risks, and consistently seek personal growth (Neel, Hedgpeth, & Armitage-Chan, 2025). These individuals are motivated by the desire to effect change, with the possible outcome favouring entrepreneurship over employment, as they possess autonomy and can attain quantifiable rewards for their endeavours. When confronted with challenges, they perceive them as opportunities for progress rather than obstacles, thus enhancing their tenacity in an unpredictable corporate climate.

Theoretical Review

The Entrepreneurial Event Model (EEM)

The Entrepreneurial Event Model (EEM), proposed by Shapero and Sokol (1982), offers a comprehensive framework for analysing the formation of entrepreneurial aspirations as a result of the interplay between psychological, attitudinal, and environmental factors, rather than through arbitrary individual decisions. The paradigm posits that entrepreneurial aspirations arises when specific environmental and personal stimuli influence individuals' perceptions of entrepreneurship as desirable and achievable, therefore prompting a readiness to engage in action. The initial mechanism of the EEM, perceived desirability, functions predominantly via attitudinal pathways. Desirability denotes an individual's evaluative assessment of entrepreneurship as a socially esteemed, fulfilling, and personally significant career choice. Perceived attractiveness is influenced not only by individual desire but also by internalised social norms, cultural validation, and the symbolic incentives associated with entrepreneurial success. When individuals esteem entrepreneurs, regard entrepreneurship as esteemed, or associate it with autonomy and social contribution, these perspectives reformulate their professional value systems, thereby enhancing the likelihood of entrepreneurial ambition. Consequently, attitudinal characteristics serve as cognitive filters that enhance entrepreneurship relative to other career options.

The second mechanism, perceived feasibility, refers to a psychologically based evaluation of an individual's ability to effectively perform entrepreneurial duties. This construct transcends objective skills and emphasises subjective beliefs, such as self-efficacy, resilience, creativity, and tolerance for uncertainty. Thus, individuals who view themselves as mentally prepared to manage ambiguity and risk are more inclined to internalise entrepreneurship as attainable rather than daunting. Empirical data indicate that psychological attributes, such as tenacity, optimism, and problem-solving ability, enhance perceptions of feasibility, thereby converting latent desire into a tangible aspiration (Kurniawan, Soeprijanto, & Nadlifatin, 2025). In this regard, psychological elements not only facilitate entrepreneurship but also actively influence the perception of entrepreneurial opportunities as either feasible or impossible.

The third variable, propensity to act, signifies the behavioural activation point of the model and is significantly affected by environmental and economic factors. Desirability and feasibility create intention, whereas the inclination to act dictates whether intention manifests as aspiration-driven conduct. Economic factors—such as availability of startup finance, institutional backing, and market stability—either facilitate or hinder this transformation. For example, even when students exhibit robust psychological preparedness and positive attitudes, adverse economic conditions marked by unemployment, fragile financial systems, or policy volatility may obstruct entrepreneurial initiatives. The propensity to act encapsulates the alignment of internal motivation and external opportunity frameworks. The efficacy of the EEM is rooted in its integrative framework: entrepreneurial aspiration arises solely when attitudinal desirability, psychological feasibility, and environmental enablement are in alignment. This emphasises that entrepreneurial motivation is not merely a result of personal ambition but a dynamic process influenced by individual cognition and structural reality. The model is pertinent to this study, since it systematically elucidates how psychological, attitudinal, and environmental variables collectively impact the development and persistence of entrepreneurial aspirations.

Social Cognitive Career Theory (SCCT)

Social Cognitive Career Theory (SCCT), based on Bandura's social learning framework and further developed by Lent, Brown, and Hackett (1994), provides a thorough elucidation of the formation of entrepreneurial aspirations through reciprocal interactions among personal cognition, attitudes, and environmental factors. In contrast to linear career theories, SCCT defines entrepreneurial aspiration as a dynamic process shaped by belief systems, expected outcomes, and goal-oriented conduct (Brown & Lent, 2017). Central to SCCT is self-efficacy, which denotes an individual's conviction in their ability to execute entrepreneurial activities proficiently. From an analytical perspective, self-efficacy serves as a psychological regulator that influences risk perception, opportunity identification, and perseverance in the face of adversity. Individuals possessing robust self-efficacy perceive problems as manageable rather than intimidating, hence enhancing their propensity to pursue entrepreneurship. This elucidates why individuals with similar abilities may exhibit substantial variation in entrepreneurial ambition: self-assurance in one's capabilities, rather than actual competence, emerges as the pivotal determinant (Damodar, Shetty, Dsouza, Prakash, & Gudi, 2024).

The second construct, result expectancies, incorporates an attitudinal aspect by emphasising perceptions regarding the repercussions of entrepreneurial involvement. These expectations determine the perception of entrepreneurship as either beneficial or burdensome. When individuals associate entrepreneurship with financial autonomy, social esteem, or personal satisfaction, favourable outcome expectations bolster entrepreneurial ambition (Riad, Elsheikh, Domnori, Fratila, Carter, Kaya, & EDSA Delegates, 2025). In contrast, adverse expectations, such as fear of failure, societal condemnation, or cultural stigma can reduce aspirations even among individuals with elevated self-efficacy. Outcome expectations function as evaluative assessments that convert psychological assurance into motivating dedication. The final construct, personal goals, signifies a deliberate decision to pursue entrepreneurship as a professional trajectory. These objectives are profoundly influenced by environmental and economic factors, which either enable or hinder their attainment. In environments marked by scarce job prospects, individuals may establish entrepreneurial objectives as a means of economic survival and autonomy. Nevertheless, structural impediments such as restricted financial access, elevated startup costs, and market instability undermine goal commitment or postpone entrepreneurial endeavours. In contrast, supportive ecosystems, such as government incentives, infrastructures, mentorship programs, and youth entrepreneurial initiatives enhance goal persistence and convert desire into practical purpose.

The significance of SCCT in this study is its ability to elucidate the reciprocal interactions among psychological factors (self-efficacy), attitudinal orientations (outcome expectations), and environmental conditions (economic opportunities and constraints) in shaping entrepreneurial aspirations. In Nigeria, where infrastructural challenges coexist with increasing business prospects, SCCT effectively encapsulates both the obstructive and facilitative elements that impact entrepreneurial ambition. Consequently, the theory closely correlates with the study's independent variables and offers a sophisticated analytical framework for comprehending the formation, maintenance, or inhibition of entrepreneurial aspirations.

Empirical Review and Hypotheses Development

Tchokote, Bawack, and Nana (2025) investigated the combined effects of entrepreneurial education and personality traits (attitude) on the entrepreneurial aspirations of higher education students in Global South nations. Based on the Theory of Planned Behaviour (TPB), the study employed a sample dataset of 596 students, utilising Partial Least Squares Structural Equation Modelling (PLS-SEM) in conjunction with Fuzzy Set Qualitative Comparative Analysis (fsQCA). The findings indicated that attitude towards entrepreneurship is the most significant predictor of entrepreneurial goals, while subjective norm and perceived behavioural control were negligible. Personality factors, locus of control, and proactive personality positively influence entrepreneurial aspirations, whereas a high demand for achievement has a negative impact on aspirations. Although entrepreneurial education enhances attitudes, it does not significantly alter perceived behavioural control or subjective norms. The research emphasised cultivating positive entrepreneurial attitudes through targeted educational and promotional strategies. *The researchers collected data from 596 students across various countries in the Global South through surveys, which were analysed using PLS-SEM and fsQCA methodologies. The sample size is limited to represent countries in higher education across the Global South. The sampling techniques were inadequately articulated/non-existent, hence, there are concerns regarding representativeness. The multi-analytical procedures employed, despite their rigour, may hinder the study's full potential, as individuals may struggle to comprehend them for practical application.*

H_0: Attitudinal factors do not have a positive and statistically significant effect on the entrepreneurial aspirations of Nigerian university students.

John (2022) evaluated the economic stress in Nigeria as an underexplored variable that influences variations in entrepreneurial aspirations. The study utilised 211 undergraduates, randomly chosen from various institutions of higher education in Enugu State, Nigeria. Data was gathered through the Financial Stress Scale College Version (FSS-CV) and a structured questionnaire. The analysis revealed a significant value below the 0.05 threshold, indicating that economic stress in Nigeria has a significant impact on entrepreneurial aspirations. Consequently, the findings substantiated the study's premise that economic stress, characterised by inadequate infrastructure, limited access to credit, and unreliable power supply, significantly deters people from entrepreneurial ventures. *The study encompassed a survey of 211 undergraduate students, utilised a structured questionnaire, was conducted in institutions within Enugu State, Nigeria, and employed a cross-sectional methodology. However, the diminutive population size (211) and restricted geographical scope constrain representativeness and generalisability to other regions of the country or the entire national student demographic. The sample methods were not fully delineated, which may have resulted in potential selection bias. Adopting a cross-sectional study design precludes the observation of temporal changes in entrepreneurial ambitions and may be unsuitable for drawing causal inferences. Using self-reported instruments may be associated with response bias, and attributing a causal predictor solely to economic stress overlooks other significant factors. The research methodologically provides localised information with restricted applicability to global regions.*

H_0: Economic Factors do not have a Positive and Statistically Significant effect on the Entrepreneurial Aspirations of Nigerian University Students.

Caputo, Nguyen, and Delladio (2025) employed the theory of planned behaviour and social cognitive theory to elucidate the effects of psychological factors (risk-taking, entrepreneurial mindset, and cognitive antecedents) with entrepreneurial knowledge on the aspiration to pursue entrepreneurship. A cross-sectional study design was employed to survey 422 respondents using questionnaires, and the data were analysed using partial least squares structural equation modeling. The results demonstrated that risk-taking is significantly linked to opportunities and has a significant impact on entrepreneurial self-efficacy. It indicated that the significance of entrepreneurial knowledge in developing entrepreneurial aspiration is rooted in its role in shaping cognitive antecedents. The study emphasised that an entrepreneurial mindset can transform coping defence mechanisms to enhance attitude and self-confidence. However, the attitude towards entrepreneurship is the most significant determinant in entrepreneurial aspiration and determines behaviour. Furthermore, it was noted that entrepreneurial aspirations served as a mediator among attitudes towards entrepreneurship, entrepreneurial self-efficacy, and risk-taking (psychological entrepreneurial aspiration. *Although the study provided valuable insights, employing a cross-sectional research design to poll 422 respondents may result in a limited sample that does not accurately represent the larger student population, particularly in terms of discipline or geographic location. The reliance on closed-ended questionnaires limits the qualitative understanding of cognitive and behavioural processes. The various frameworks employed (TPB, social cognitive theory, and external influences) will likely overlap conceptually in practice, rendering the application of results challenging. Cross-sectional data do not provide causal inferences or track the temporal progression of aspirations. Despite being statistically robust when applied through PLS-SEM, the methodology exhibits limited generalisability. It may not adequately account for the reality and contextual nuances pertinent to entrepreneurship among students over time.*

***H_0*: Psychological Factors do not have a Positive and Statistically Significant effect on the Entrepreneurial Aspirations of Nigerian University Students.**

Methodology

The study employed a quantitative approach due to its relevance in systematic data collection and statistical analysis, as it reduces subjectivity and produces results amenable to generalisation (Ahmadin, 2022). The study population comprised 218,950 final-year students from six universities in Nigeria (three private institutions and three state-owned), irrespective of faculty or department. These cohorts were chosen for several reasons; they possess significant exposure to entrepreneurship via their coursework. They are expected to apply the entrepreneurial knowledge and skills acquired as graduates in the labour market. Focusing on various faculties/departments mitigated selection bias and ensured an adequate group size. Out of the total population of 218,950, the Taro Yamane (1967) method was used to determine the suitable sample size, resulting in 399 respondents. Data collected using closed-ended questionnaire that assessed the study's independent and dependent variables, enabling a thorough evaluation of the hypotheses. Questionnaires were chosen for their standardised replies collation, cost-effectiveness, efficiency, and suitability for statistical analysis (Bujang, Omar, Foo, & Hon, 2024). The questionnaire was disseminated electronically via Google Forms, not the traditional paper format, to improve access on any device and participation. This was possible and efficient because internet-based administration permits real-time data collection, minimises printing and travelling expenses, and allows concurrent communication with participants, including reminders. The questionnaire was distributed via the respective faculty and departmental heads to guarantee it reached a significant number of responders. Further, data gathered were examined using SPSS software due to its efficacy and user-friendliness in social science research. Hypotheses were evaluated using regression analysis at a 0.05 significance level to determine the logical relationships between the variables (entrepreneurial aspirations and psychological, attitudinal, and economic factors). Importantly, the reliability of the research instruments was evaluated through a pilot study of 30 final-year students. The pilot test evaluated item understanding, completion duration, and overall relevance, and modifications were made based on the feedback obtained. The results are presented in Table 1 below;

Table 1. Reliability Statistics

Cronbach Alpha (cumulative value = 0.877		
Item- Total Statistics		
Entrepreneurial aspiration	4	0.876
Attitudinal factors	4	0.734
Economic factors	4	0.758
Psychological factors	4	0.822

Source: SPSS Computation

The statistical reliability was confirmed by a cumulative Cronbach's alpha of 0.877, beyond the 0.7 level deemed acceptable in research (Bujang et al., 2024).). Also, the individual variable results exhibited significant reliability, attitudinal factor (0.734), entrepreneurial aspirations (0.876), psychological factor (0.822), and economic factor (0.758), hence affirming the instrument's robust internal consistency.

Findings and Discussion

The regression analysis produced a model description, an analysis of variance (ANOVA), and coefficient tables. A judgement criterion was devised, indicating that a statistically significant link is recognised for a p-value lower than the predetermined significance level of 0.05. The R-squared value quantifies the degree to which the independent variable influences the dependent variable. The ANOVA result was used to confirm whether a statistically significant correlation exists, leading to acceptance or rejection of the null hypothesis based on the observed p value. In the correlation coefficient table, a value of -1 indicates a negative relationship, whereas a value of +1 denotes a positive relationship.

Hypotheses Testing:

H_0: Attitudinal, Psychological and Economic Factors have no positive and statistically significant effect on Entrepreneurial Aspirations

Regression Analysis

Model Summary					**ANOVA**
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig.
1	.707a	.650	.600	2.763	.000

Coefficients						**Multicollinearity**	
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
	B	Std. Error	Beta				
(Constant)	2.876	.000		6.789	.000		
Attitudinal Factors	.655	.159	.430	4.123	.000	.615	1.626
Economic Factors	.788	.237	.510	3.324	.001	.581	1.721
Psychological Factors	.801	.180	.525	4.450	.000	.604	1.656

Predictors: *Attitudinal Factors, Psychological Factors, Economic Factors*
Dependent Variable: *Entrepreneurial Aspirations*

Source: Field Survey (2025)

The model summary table shows a favourable correlation between attitudinal factors, economic factors, psychological factors, and entrepreneurial aspiration, as indicated by the computed R-value of 0.707. An R-squared value of 0.650 indicates that 65% of the variability in entrepreneurial aspirations is attributed to independent variables (attitudinal, economic, and psychological factors). The ANOVA reveals a statistically significant effect of the independent variables on the dependent variable, as evidenced by a p-value of 0.000. It shows that attitudinal, economic, and psychological factors have an effect on individuals' entrepreneurial aspirations. Since the computed p-value of 0.000 is less than the established significance threshold of 0.05, the null hypothesis is rejected and the alternative hypothesis is accepted. Consequently, attitudinal, economic, and psychological factors have an effect on the entrepreneurial aspirations of students in Nigeria. The coefficient values further provide empirical evidence that the independent variables (attitudinal factors, economic factors, psychological factors) have an effect on the dependent variable (entrepreneurial aspiration), as a constant value of 0.000 is obtained.

Analysing the results individually, a positive correlation is evident, as indicated by a coefficient of 0.655, suggesting that a one-unit increase in attitudinal factors leads to a 0.655-unit increase in entrepreneurial aspirations. The statistical significance of this discovery is further reinforced by a p-value of 0.000, which is below the established significance threshold of 0.05. Consequently, the null hypothesis is rejected, and the alternative hypothesis is supported, indicating that individual attitudinal characteristics influence entrepreneurial aspirations. These findings correspond with those of Tchokote et al. (2025), who found that students' attitude towards entrepreneurship was the primary predictor of entrepreneurial aspirations; students' personality traits and a proactive disposition positively affected their entrepreneurial goals.

The result reveals a positive correlation between economic factors and entrepreneurial aspirations, as indicated by a coefficient value of 0.788, suggesting that a one-unit increase in economic factors is associated with a 0.788-unit increase in entrepreneurial aspirations. The observed p-value of 0.001, below the established significance level of 0.05, leads to rejecting the null hypothesis and accepting the alternative hypothesis, indicating that Nigeria's economic challenges influence students' entrepreneurial aspirations. This finding corresponds with the research undertaken by John (2022), who assessed the economic stress in Nigeria as a component limiting entrepreneurial inclination. The result showed that economic stress in Nigeria influences students' entrepreneurial aspiration, marked by insufficient infrastructure, restricted access to financing, and inconsistent power supply.

Additionally, the results reveal a positive correlation between psychological factors and entrepreneurial aspirations, as indicated by a coefficient of 0.801, suggesting that a one-unit increase in psychological factors corresponds to a 0.801-unit increase in entrepreneurial aspirations. The observed p-value of 0.000, below the predetermined significance level of 0.05, suggests a statistically significant relationship between the variables. Hence, we accept the alternative hypothesis that psychological factors influence individuals' entrepreneurial goals. This corroborates the findings of Caputo et al. (2025), who found that psychological factors (risk-taking mindset, self-efficacy, and entrepreneurial knowledge) substantially influence entrepreneurial aspirations.

Furthermore, the multicollinearity diagnostics indicate that multicollinearity is not a significant issue in the regression model. The tolerance values for attitudinal factors (0.615), economic factors (0.581), and psychological factors (0.604) exceed the recommended minimum threshold of 0.10. In contrast, the associated Variance Inflation Factor (VIF) values, ranging from 1.626 to 1.721, remain significantly below the critical value of 10. The results indicate that the independent factors exhibit low correlation with one another, and each variable independently contributes to elucidating variances in entrepreneurial aspirations. As a result, the regression coefficients are consistent and dependable, and the predicted impacts of attitudinal, economic, and psychological factors on entrepreneurial aspirations remain unaffected by multicollinearity.

Conclusions and Recommendations

The study's findings indicate a favourable and statistically significant effect of attitudinal, economic, and psychological factors on the entrepreneurial aspirations of students in Nigeria. Attitudinal dimensions include the beliefs and values (positive or negative) that students hold regarding entrepreneurship. It suggests that individuals with favourable attitudes towards entrepreneurship—viewing it as an attractive career, possessing confidence in their capacity to launch a venture, and exhibiting a heightened willingness to assume risks- display a greater propensity for engaging in entrepreneurial activities. Economic issues have a significant effect on students' entrepreneurial aspirations. This implies that without financial support, resources, infrastructure, and governmental help, students' propensity to engage in entrepreneurial activities is constrained. Consequently, a positive association exists between students' sense of a favourable economic climate and the heightened propensity to pursue entrepreneurial aspirations. The study indicates that psychological factors (self-efficacy, locus of control, and achievement motivation) influence students' entrepreneurial aspirations in Nigeria. Consequently, heightened self-efficacy among students may motivate them to embark on entrepreneurial endeavors, driven by their firm conviction in their ability to succeed in such endeavors. Similarly, those with an internal locus of control, viewing themselves as competent, exhibit a heightened inclination to pursue entrepreneurial activities.

Based on the research findings, the following recommendations are made;

- It is advisable to implement practical entrepreneurship modules in Nigerian universities that aim to reshape students' attitudes and beliefs regarding entrepreneurial initiatives, utilising case studies of successful Nigerian entrepreneurs.
- Schools should engage in entrepreneurship groups and boot camps that allow students to cultivate confidence, establish networks, and experience risk-taking. Moreover, governments and institutions should support internship programs with successful entrepreneurs whom students can emulate as role models in cultivating a positive mindset and enhancing the effectiveness of their entrepreneurial careers.
- This study has demonstrated a direct positive correlation between economic factors and the entrepreneurial aspirations of students in Nigeria. It is recommended that financial institutions and government agencies provide students with structured microfinancing, seed grants, and startup funding to alleviate capital barriers.
- Universities are expected to partner with governmental and private entities to create incubation centers that provide students with access to office premises, resources, and advisory services at a minimal cost. Furthermore, critical infrastructures such as reliable electricity and internet access must be improved to ensure that students receive more substantial support in pursuing sustainable entrepreneurial ventures.
- The research demonstrates a direct positive correlation between psychological factors and the entrepreneurial aspirations of students in Nigeria, necessitating the organisation of workshops to enhance students' confidence in their entrepreneurial abilities through problem-solving, innovation, and resilience development. Furthermore, universities and organisations should encourage personal responsibility in entrepreneurial training through task responsibility and achievements.
- Given the study's limitations, future research should broaden the subject region and incorporate both qualitative (interviews) and quantitative methods to obtain comprehensive conclusions. Research should be conducted to explore alternative methodologies related to the period for data gathering, particularly longitudinal, to ascertain the association between the variables over time.

Gaps and Suggestions for Further Studies

The study provides empirical evidence on the impact of attitudinal, economic, and psychological factors on students' entrepreneurial aspirations in Nigeria; however, significant gaps persist. The survey exclusively targeted final-year students from selected private and state universities, omitting federal universities, polytechnics, and vocational institutes. This constrains the applicability of the findings across various higher education contexts. Theoretically, although substantial connections were identified, the study did not investigate mediating or moderating variables that could elucidate how or under what conditions these characteristics affect entrepreneurial aspirations. Furthermore, the study focused on ambitions rather than actual entrepreneurial behaviour, thereby neglecting the aspiration (action gap). Future research should utilise longitudinal and mixed-method approaches to document shifts in entrepreneurial aspirations and offer more profound contextual insights. Broadening the population breadth and integrating mediating variables such as entrepreneurial education, mentorship, and institutional support would strengthen theoretical robustness. Subsequent studies should investigate the progression from entrepreneurial ambition to actual business establishment.

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