

The Effect of Financial Literacy on Entrepreneurial Intention with Self-Efficacy as a Moderator

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ABSTRACT

Entrepreneurship is considered a strategic solution to reduce unemployment among graduates, yet many students still lack the confidence and financial knowledge needed to start a business. This research addresses the gap by examining the influence of financial literacy on entrepreneurial interest, moderated by self-efficacy, among students of the Business Administration Department at Politeknik Negeri Ujung Pandang. The study employed a quantitative method with data collected through questionnaires distributed to 168 students. The analysis was conducted using Moderated Regression Analysis (MRA) via IBM SPSS Statistics 25. The findings showed that financial literacy had a positive effect on students' entrepreneurial interest. Among the financial literacy indicators, financial attitude scored the highest, while financial knowledge was the lowest. Self-efficacy was also found to be high, with generality as the strongest indicator. Additionally, self-efficacy strengthens the relationship between financial literacy and entrepreneurial interest. These results suggest the importance of improving both financial understanding and confidence in one's entrepreneurial abilities. Institutions are encouraged to integrate more practical and reflective learning strategies in entrepreneurship and finance courses to boost students' readiness to start their own ventures.

Keywords: Financial Literacy, Entrepreneurial Intention, Self-Efficacy

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1. INTRODUCTION

Unemployment is the most important issue faced by developing and developed countries around the world (Usman, 2023). In the context of developing countries, unemployment remains a critical issue in Indonesia, particularly among the educated youth demographic. Despite an increase in the number of universities graduates each year, formal job opportunities have not increased at the same rate. As indicated by data from the Central Bureau Statistics as of 2024, the phenomenon of educated unemployment continues to be a salient issue, with a considerable proportion of the unemployed population comprising diploma and university graduates. This situation underscores the mounting imperative for alternative solutions, such as entrepreneurship, to mitigate reliance on constrained employment opportunities.

It is imperative to emphasize the significance of entrepreneurial interest among university students in addressing this challenge. As posited by Gustina et al. (2022), the cultivation of entrepreneurial intention among students has been demonstrated to have a mutually beneficial effect, engendering a symbiotic relationship between education and employment. This symbiotic relationship is characterized by the generation of employment opportunities that are in alignment with the students' skill sets and educational backgrounds. The aforementioned dynamic has been shown to have a multifaceted impact, including the mitigation of unemployment and the stimulation of local economic growth. Moreover, entrepreneurship is widely acknowledged as a discipline involving an individual's ability to creatively and innovatively add value to products, while courageously facing risks and seizing opportunities to increase income (Dalif et al., 2024). In this regard, the internalization of entrepreneurial values, such as independence, risk-taking, and innovation is also influenced by cultural values that shape one's entrepreneurial character (Aswan & Usman, 2020).

In line with this, the Indonesian government has initiated a series of programmes aimed at enhancing entrepreneurial competencies within the higher education sector. These initiatives have been spearheaded by the Directorate General of Learning and Student Affairs (Belmawa) and the Directorate General of Vocational Education. These include the Program Mahasiswa Wirausaha (PMW), Expo Kewirausahaan Mahasiswa Indonesia (KMI Expo), and Merdeka Belajar Kampus Merdeka (MBKM) policy. The objective of these initiatives is to cultivate an entrepreneurial mindset, motivation and foundational skills among students (Nafie & Hamid, 2021).

However, preliminary observations at Politeknik Negeri Ujung Pandang (PNUP) indicate that many students, particularly those enrolled in the Department of Business Administration, continue to encounter difficulties in applying entrepreneurial knowledge in real-life settings. It is hypothesized that the discrepancy can be attributed to two primary factors: financial literacy and entrepreneurial self-efficacy. Financial literacy is a concept that refers to the ability to manage business resources effectively. For individual entrepreneurs, embarking on the entrepreneurial journey necessitates a high level of financial literacy to assess risks and make informed decisions (Liu et al., 2025). Self-efficacy, defined as the belief in one's capability to perform entrepreneurial

tasks, has been shown to drive confidence in taking risks and solving business problems (Soelaiman et al., 2024).

As Usher & Morris (2023) emphasize, self-efficacy is closely linked to persistence in facing challenges and to proactive behavior in developing entrepreneurial ideas. It is unfortunate that a significant number of students continue to voice concerns regarding their capabilities and apprehensions surrounding the prospect of failure, thereby impeding their inclination to embark on entrepreneurial endeavors.

Furthermore, the findings of earlier studies on these variables have demonstrated inconsistencies. For instance, some studies have reported a significant positive effect of financial literacy on entrepreneurial interest (Liu et al., 2025; Rahman et al., 2024; Sufian & Wen, 2024), while others have found no significant relationship or even negative effects (Effrisanti & Wahyono, 2022; Angelika & Sumaryanto, 2024; Ani et al., 2024). It is important to note that the majority of these studies examined only the direct influence of financial literacy on entrepreneurial interest, without considering the potential moderating role of self-efficacy. In addition, Usman (2022) argued that the students of the Department of Business Administration at Politeknik Negeri Ujung Pandang have not possessed clear entrepreneurial intention. To date, only a few studies have incorporated self-efficacy as a moderating variable in understanding the relationship between financial literacy and entrepreneurial interest. These inconsistencies and research gaps highlight the necessity for further investigation to provide a more comprehensive explanation of the manner in which financial literacy and self-efficacy interact in shaping entrepreneurial interest, particularly among vocational students.

The present study aims to analyse the effect of financial literacy on entrepreneurial interest, with self-efficacy as a moderating variable, among students of the Business Administration at PNUP. The objective of the research is to establish a connection between theoretical concepts and practical applications in the field of entrepreneurship, thereby offering a more profound comprehension of the personal and psychological factors that influence students' inclination towards entrepreneurship.

2. RESEARCH METHOD

This research was conducted at the Department of Business Administration, Politeknik Negeri Ujung Pandang. The objective of this study is to examine the effect of financial literacy on entrepreneurial intention, with self-efficacy as a moderating variable, among students of the Department of Business Administration at Politeknik Negeri Ujung Pandang. The population in this study consists of 287 active students. The sampling technique used is a combination of non-probability sampling, specifically purposive sampling and proportionate stratified random sampling, resulting in a total sample of 168 respondents who have completed the Entrepreneurship course. This research employs a quantitative approach with an associative and descriptive research type. Data collection was carried out through questionnaires and interviews. The questionnaire was developed using a 4-point Likert scale, consisting of Strongly Agree (4), Agree (3), Disagree (2), and Strongly Disagree (1). The use of a 4-point Likert scale aims to obtain clearer results and

to avoid neutral responses from the participants. The conceptual framework of this research is presented below.

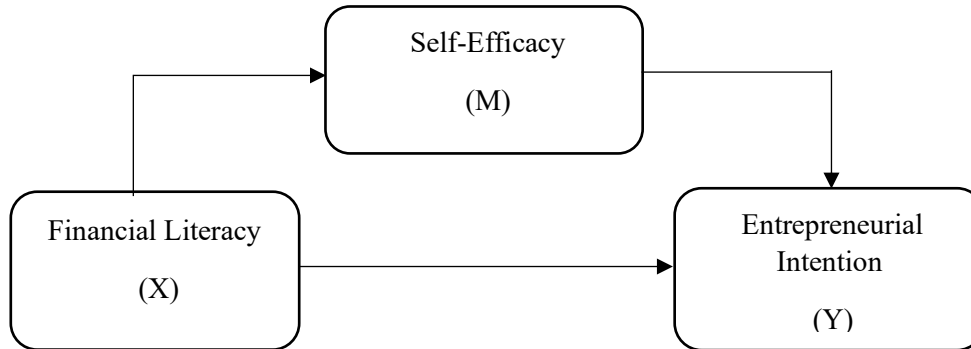


Figure 1. The Conceptual Framework

The questionnaire consists of several indicators adapted from previous research. The financial literacy variable is measured using three indicators adapted from the OECD (2023). The entrepreneurial intention variable is measured using four indicators adapted from (Andini & Engriani, 2019). The self-efficacy variable is measured using three indicators adapted from (Lianto, 2019).

Table 1. Score Interval and Categories

Interval Scor	Respondent's Response	Conversion		
		Financial Literacy	Entrepreneurial Intention	Self-Efficacy
1-1,75	Strongly Disagree	Very Poor	Very Uninterested	Very Low
1,76-2,5	Disagree	Poor	Uninterested	Low
2,51-3,25	Agree	Good	Interested	High
3,26-4,00	Strongly Agree	Very Good	Very Interested	Very High

Source: Sekaran & Bougie (2018)

The total score obtained from each item in the questionnaire was then interpreted. To interpret the score, a conversion table was used, as illustrated in Table 1. Furthermore, a recap table was prepared to present the total score for each variable, followed by calculating the mean score for all questionnaire items to draw conclusions.

3. RESULT AND DISCUSSION

3.1. Result

3.1.1. Respondent Characteristics

The general characteristics of the respondents can be seen based on gender, study program, and year of enrollment. This information is expected to provide a general overview of the students in the Business Administration Department of Politeknik Negeri Ujung Pandang.

Respondent Characteristics Based on Gender

Table 2. Respondent Characteristics Based on Gender

No.	Gender	Frequency	Percentage (%)
1	Male	42	25%
2	Female	126	75%
	Total	168	100%

Source: Processed using IBM SPSS Statistics 25, 2025

Table 2 presents the respondent characteristics based on gender. The table shows that 42 respondents, or 25%, who completed the questionnaire were male, while 126 respondents, or 75%, were female. These results indicate that the majority of students from the Business Administration program who participated in this study were female.

Respondent Characteristics Based on Study Program in the Business Administration Department

Table 3. Respondent Characteristics Based on Study Program in the Business Administration Department

No.	Study Program	Frequency	Percentage (%)
1	Diploma 3 (D3) Business Administration	55	32.7%
2	Diploma 4 (D4) Business Administration	113	67.3%
	Total	168	100%

Source: Processed using IBM SPSS Statistics 25, 2025

Table 3 presents the respondent characteristics based on the study program. The results indicate that 113 respondents, or 67.3%, came from the Diploma 4 (D4) Business Administration Program, while 55 respondents, or 32.7%, came from the Diploma 3 (D3) Business Administration Program. This shows that students from the D4 Program had a higher participation rate in entrepreneurship courses compared to those from the D3 Program.

Table 4. Respondent Characteristics Based on Academic Cohort

No.	Study Program	Cohort Year	Frequency	Percentage (%)
1	Diploma 3 (D3) Business Administration	2022	55	32,7%
		2021	51	30,4%
2	Diploma 4 (D4) Business Administration	2022	62	36,9%
	Total		168	100%

Source: Processed using IBM SPSS Statistics 25, 2025

Table 4 presents the characteristics of respondents based on their academic cohort. The data indicates that 55 respondents (32.7%) were from the 2022 cohort of the D3 program, 51 respondents (30.4%) were from the 2021 cohort of the D4 program, and 62 respondents (36.9%) were from the 2022 cohort of the D4 program. In total, 117 respondents (69.6%) belonged to the 2022 cohort. The higher number of respondents from the 2022 cohort is due to the fact that this cohort comprises a larger proportion of currently active students who have taken the entrepreneurship course, compared to the 2021 cohort.

3.1.2. Descriptive Statistical Analysis

Table 5 provides a summary of respondents' responses toward the variables of financial literacy, entrepreneurial intention, and self-efficacy.

Table 5. Summary of Respondents' Responses

No.	Indicators	Mean Score
Financial Literacy		
1	Financial Knowledge	3.06
2	Financial Behavior	3.10
3	Financial Attitude	3.42
Entrepreneurial Intention		
1	Enjoyment	3.24
2	Interest	3.24
3	Attention	3.15
4	Engagement	3.07
Self-Efficacy		
1	Magnitude	3.22
2	Strength	3.20
3	Generality	3.26

Source: Processed Primary Data, 2025

The average score for the overall financial literacy variable is 3.20, falling within the interval of 2.51–3.25, indicating a good level. Among the indicators, financial attitude had the highest mean score (3.42), followed by financial behavior, with financial knowledge having the lowest score. These findings suggest that students possess a supportive understanding, habit, and attitude toward personal financial management. However, improvement is still needed in deeper understanding of financial risk and more effective budgeting practices.

Table 5 shows the recapitulation of respondent responses related to entrepreneurial intention. The overall average score is 3.18, which is also within the good category. The indicators

of enjoyment and interest scored the highest (3.24), while engagement had the lowest score (3.07), indicating there is still room to enhance students' active participation in entrepreneurial activities or projects.

As shown in table 5, the overall mean score for self-efficacy is 3.22, categorized as good. This indicates that students generally have strong confidence in their abilities to handle various situations, including complex and unfamiliar ones. They believe in their capacity to develop their potential and achieve desired goals. Thus, self-efficacy in this study is at a high level, serving as an important psychological capital in carrying out tasks, facing challenges, and making novel decisions, including in entrepreneurial contexts.

3.1.3. Instrument Testing

Validity Test

Table 6. Validity Test

Variable	Item	r- table	r- count	Sig.	Description
Financial Literacy	X.1	0,152	0,710	0,000	Valid
	X.2	0,152	0,742	0,000	Valid
	X.3	0,152	0,709	0,000	Valid
	X.4	0,152	0,671	0,000	Valid
	X.5	0,152	0,689	0,000	Valid
	X.6	0,152	0,658	0,000	Valid
	X.7	0,152	0,778	0,000	Valid
	X.8	0,152	0,706	0,000	Valid
	X.9	0,152	0,597	0,000	Valid
Entrepreneurial Intention	Y.1	0,152	0,767	0,000	Valid
	Y.2	0,152	0,588	0,000	Valid
	Y.3	0,152	0,754	0,000	Valid
	Y.4	0,152	0,819	0,000	Valid
	Y.5	0,152	0,841	0,000	Valid
	Y.6	0,152	0,788	0,000	Valid
	Y.7	0,152	0,818	0,000	Valid
	Y.8	0,152	0,736	0,000	Valid
	Y.9	0,152	0,804	0,000	Valid
	Y.10	0,152	0,558	0,000	Valid
	Y.11	0,152	0,709	0,000	Valid
	Y.12	0,152	0,739	0,000	Valid
Self-Efficacy	M.1	0,152	0,714	0,000	Valid
	M.2	0,152	0,802	0,000	Valid
	M.3	0,152	0,768	0,000	Valid
	M.4	0,152	0,794	0,000	Valid

Variable	Item	r- table	r- count	Sig.	Description
	M.5	0,152	0,822	0,000	Valid
	M.6	0,152	0,817	0,000	Valid
	M.7	0,152	0,829	0,000	Valid
	M.8	0,152	0,782	0,000	Valid
	M.9	0,152	0,795	0,000	Valid

Source: Processed using IBM SPSS Statistics 25, 2025

Table 6 presents the results of the validity test for the variables of financial literacy, entrepreneurial intention, and self-efficacy. All statement items were found to have r-count values greater than r-table (0.152) and positive correlations. Moreover, all items associated with entrepreneurial knowledge variables obtained a Sig. value of 0.000, indicating Sig. < 0.05. Based on these results, all questionnaire items for each indicator are declared valid.

Reliability Test

Table 7. Reliability Test

No.	Variable	Cronbach's Alpha	Description
1	Financial Literacy (X)	0.866	Reliable
2	Entrepreneurial Intention (Y)	0.924	Reliable
3	Self-Efficacy (M)	0.925	Reliable

Source: Processed using IBM SPSS Statistics 25, 2025

As shown in Table 7, all research variables obtained Cronbach's Alpha values greater than 0.60, indicating that all items used to measure each variable in the questionnaire are reliable. This means the instrument used in this study consistently measures the intended constructs.

3.1.4. Classical Assumptions Testing

Normality Test

Table 8. Kolmogorov-Smirnov Normality Test Result

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		168
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	3.53075138
Most Extreme Differences	Absolute	.091
	Positive	.052
	Negative	-.091
Test Statistic		.091
Asymp. Sig. (2-tailed)		.002 ^c
Monte Carlo Sig. (2-tailed)	Sig.	.112 ^d

99% Confidence Interval	Lower Bound	.104
	Upper Bound	.120

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. Based on 10000 sampled tables with starting seed 2000000.

Source: Processed using IBM SPSS Statistics 25, 2025

Table 8 presents the results of the normality test using the Kolmogorov-Smirnov method. Given the large sample size in this study, it is recommended to consider the Monte Carlo significance value for a more accurate assessment. Based on the table, the Monte Carlo Sig. (2-tailed) value obtained is 0.112, which is greater than the threshold of 0.05. Therefore, it can be concluded that the data in this study are normally distributed.

Multicollinearity Test

Table 9. Multicollinearity Test Result

		Coefficients ^a					Collinearity Statistics	
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	4.062	2.356		1.724	.087		
	Literasi_Keuangan	.253	.098	.164	2.576	.011	.602	1.662
	Efikasi_Diri	.922	.090	.657	10.298	.000	.602	1.662

a. Dependent Variable: Minat Berwirausaha

Source: Processed using IBM SPSS Statistics 25, 2025

Table 9 displays the results of the multicollinearity test. Based on the output, the Variance Inflation Factor (VIF) values are 1.662 (i.e., < 10), and the Tolerance values are 0.602 (i.e., > 0.10) for both independent variables. These results indicate that no multicollinearity exists among the independent variables in the regression model. Hence, the predictors used in this study are statistically independent and do not distort the regression estimations.

3.1.5. Inferential Statistical Analysis

Simple Linear Regression

Table 10. Simple Linier Regression Result

		Coefficients ^a			t	Sig.
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	12.470	2.824		4.415	.000
	Literasi Keuangan	.892	.097	.579	9.154	.000

a. Dependent Variable: Minat_Berwirausaha

Source: Processed using IBM SPSS Statistics 25, 2025

Based on table 10, the regression equation can be formulated as follows:

$$Y = \alpha + \beta X + \varepsilon$$

$$Y = 12.470 + 0.892X + \varepsilon$$

Interpretation:

- The constant coefficient (α) is 12.470, indicating a positive baseline level of entrepreneurial intention (Y) when the financial literacy variable (X) is equal to zero. This suggests that, even in the absence of financial literacy, the baseline entrepreneurial intention score is 12.470.
- The regression coefficient (β) of the financial literacy variable is 0.892, meaning that for every one-unit increase in financial literacy, entrepreneurial intention increases by 0.892 units.
- Since the regression coefficient for financial literacy is positive (0.892), it implies a positive influence of financial literacy on entrepreneurial intention. In other words, the higher the financial literacy possessed by students, the greater their intention to engage in entrepreneurship. Conversely, a decrease in financial literacy is likely to reduce entrepreneurial interest.

Coefficient of Determination

Table 11. Coefficient of Determination Result

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.579 ^a	.335	.331	4.539

a. Predictors: (Constant), Literasi_Kuangan

b. Dependent Variable: Minat_Berwirausaha

Source: Processed using IBM SPSS Statistics 25, 2025

Table 11 shows the result of the coefficient of determination (R^2) derived from the regression model, which is used to determine the extent to which the independent variable (financial literacy) explains the variance in the dependent variable, namely entrepreneurial intention. The R Square value is 0.335, indicating that 33.5% of the variation in students' entrepreneurial intention (Y) can be explained by their financial literacy (X). The remaining 66.5% is influenced by other factors not included in this study. These other potential influencing variables may include entrepreneurial knowledge, income expectations, institutional support, digital literacy, social environment, and student creativity.

t-test

Table 12. t-test result

Variable	t _{count}	t _{table}	Sig.
Financial Literacy (X)	4.415	1,974	0,000

Dependent Variable: Entrepreneurial Intention (Y)

Source: Processed using IBM SPSS Statistics 25, 2025

Table 12 presents the results of the t-test assessing the influence of the independent variable (financial literacy) on the dependent variable (entrepreneurial intention). Based on the table, the t-count is 4.415, while the t-table value is 1.974. Because $t\text{-count} > t\text{-table}$ ($4.415 > 1.974$) and the significance value is $0.000 < 0.05$, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted. Thus, financial literacy (X) has a statistical influence on entrepreneurial intention (Y) among students of the D3 and D4 Business Administration programs at the Department of Business Administration, PNUP.

3.1.6. Moderate Regression Analysis

Coefficient of Determination (R^2) with Moderating Variable

Table 13. Coefficient of Determination (R^2) – Moderate Regression Analysis

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.740 ^a	.548	.545	3.744

a. Predictors: (Constant), Financial Literacy*Self-efficacy

b. Dependent Variable: Entrepreneurial_Intention

Source: Processed using IBM SPSS Statistics 25, 2025

The coefficient of determination (R^2) shown in Table indicates the explanatory power of the moderated regression model, where self-efficacy acts as a moderating variable between financial literacy and entrepreneurial intention. The R^2 value increased to 0.548 (54.8%) after incorporating the interaction term (financial literacy \times self-efficacy), compared to the previous model without moderation. This suggests that the inclusion of self-efficacy enhances the model's ability to explain the variation in entrepreneurial intention. Therefore, it can be concluded that self-efficacy moderated financial literacy on students' entrepreneurial intention, particularly for students in the Business Administration Department at PNUP.

t-test – Moderate Regression Analysis

Table 14. t-test Result – Moderated Regression Analysis

Coefficients ^a				
Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.

		B	Std. Error	Beta		
1	(Constant)	20.566	1.271		16.175	.000
	Financial Literacy*Self Efficacy	.021	.001	.740	14.181	.000

a. Dependent Variable: Entrepreneurial Intention

Source: Processed using IBM SPSS Statistics 25, 2025

Based on table 14, the interaction term between financial literacy and self-efficacy yields a t-value of 14.181, which is greater than the t-table value of 1.974, with a significance level (p-value) of 0.000, which is less than 0.05. These results indicate that the interaction between financial literacy and self-efficacy has an effect on entrepreneurial intention. In other words, self-efficacy significantly moderates the relationship between financial literacy and entrepreneurial intention among students of the Business Administration Department at PNUP. Thus, the second hypothesis (H_2) is accepted.

3.2. Discussions

Financial Literacy of Business Administration Department Students at Politeknik Negeri Ujung Pandang

Based on the results of descriptive analysis, the financial literacy variable consists of three indicators: financial knowledge, financial behavior, and financial attitude. These three indicators have an average score of 3.20. This value falls within the interval of 2.51–3.25, which is categorized as good. This indicates that, in general, students have a fairly adequate level of financial literacy, both in terms of knowledge, habits or behavior, and awareness or attitude in managing finances. The results of this study suggest that although not yet fully ideal, students already possess a basic foundation in understanding personal and business financial concepts, which is important for achieving financial well-being and entrepreneurial readiness.

Among the three measured indicators, financial attitude obtained the highest average score, namely 3.42. This value shows a high level of awareness among students regarding the importance of financial planning and management for the future. This positive attitude may be formed from the daily life experiences of students, such as financial limitations, managing pocket money, and the need to save for long-term goals. In vocational education, learning that connects financial aspects with simple entrepreneurial activities can also contribute to shaping long-term thinking about money management. Therefore, financial attitude needs to be maintained as it serves as a very important initial foundation before students are able to understand and master other technical financial aspects.

On the other hand, the indicator with the lowest average score is financial knowledge, which is 3.06. Although still categorized as good, this value shows that some students have not fully mastered basic financial concepts such as credit, risk, and financial management. This may be influenced by the way the material is delivered, which still focuses on theory without sufficiently emphasizing the practical aspects. Students tend to find it difficult to understand concepts that do not directly benefit them in daily life. In addition, the lack of habituation in using

financial terms practically in a business context is also an obstacle. Students already possess a positive financial attitude, but if not balanced with a strong conceptual understanding, then making more complex financial decisions such as preparing a business budget will be difficult to carry out optimally.

To improve students' financial literacy, especially in the knowledge aspect, students can be encouraged to be more active in group discussions. This strategy allows for knowledge transfer between students who already understand the material and those who are still struggling. Moreover, utilizing digital platforms as a means of self-learning is also a relevant step, considering that financial information is now easily accessible through social media, educational videos, and other online sources. In addition, participating in financial simulations or case studies can sharpen students' skills in a more practical manner in facing economic changes.

Overall, it can be concluded that the financial literacy of Business Administration Department students at Politeknik Negeri Ujung Pandang falls into the good category. A strong financial attitude is a good starting point but must be balanced with enhanced conceptual understanding so that students do not act solely based on intuition or habit but also on measurable knowledge. Therefore, strengthening students' financial literacy in the future needs to focus on contextual, practical, and case-based learning approaches so that students' financial literacy can develop evenly.

Students' Perception of Entrepreneurial Interest at the Business Administration Department, Politeknik Negeri Ujung Pandang

Based on the results of the descriptive analysis, the entrepreneurial interest variable is measured through four main indicators: enjoyment, interest, attention, and involvement. The analysis results show that this variable has an overall average score of 3.18. This score falls within the 2.51–3.25 interval, which is categorized as good. These results indicate that students have a positive tendency toward the entrepreneurial world.

In general, students of the Business Administration Department at Politeknik Negeri Ujung Pandang that they feel happy, interested, and attentive to the world of entrepreneurship, and also show a desire to pursue this path in the future. This means that students not only understand the business world conceptually, but also begin to show an internal drive to understand, enjoy, and even engage in entrepreneurial activities, both through classroom learning and real-life experiences. Entrepreneurship is also seen as an alternative solution to face employment challenges as well as a platform to express ideas, be creative, and carry out activities in a more flexible and independent way.

The indicator with the highest average score is enjoyment and interest, each with a value of 3.24. This indicates that students feel emotional attraction and high enthusiasm for entrepreneurial activities, which is the starting point for developing the intention to become an entrepreneur. This tendency may be caused by exposure to success stories of young entrepreneurs, entrepreneurial experiences, or even the mere euphoria experienced during entrepreneurship course practices. In a vocational campus environment like Politeknik Negeri Ujung Pandang, such

factors can easily trigger students' enthusiasm, as they feel more freedom to express ideas, make their own decisions, and directly experience the results of their efforts. Therefore, these research results are a positive signal for institutions to develop more interactive, applicable, and student-relevant entrepreneurship programs to facilitate the potential and enthusiasm that already exist.

Meanwhile, the indicator with the lowest average score is involvement, at 3.07. Although students have emotional and cognitive interest, this has not been fully realized in the form of active participation. This phenomenon can be explained from two perspectives. First, from the students' side, low involvement may arise because some entrepreneurial activities are considered too formal, less relevant, or technically burdensome such as ineffective group work or unpleasant experiences like minimal outcomes from expo activities. Second, from Politeknik Negeri Ujung Pandang's side, entrepreneurship activities that are not attractively packaged or too focused on academic assessment make students reluctant to participate to the fullest. In other words, involvement in an activity is not only determined by positive attitudes (such as enjoyment or interest) in entrepreneurship but also by perceptions of barriers and opportunities. If students feel the activity is uninteresting, ineffective, or difficult to access, then positive intention does not automatically translate into real involvement.

In addition to activities held in entrepreneurship courses, student organizations such as the Unit Kegiatan Mahasiswa Wirausaha (UKM Wirausaha) and the Department Student Association (HMJ) have great potential to be drivers in increasing entrepreneurial interest. Therefore, stronger collaboration is needed between the institution, student organizations, and other stakeholders. Empowering these organizations to hold entrepreneurship programs can be done by providing support in the form of facilities, funding, and creating ideal environments or platforms to enhance student involvement in entrepreneurship.

Thus, it can be concluded that students of the Business Administration Department at Politeknik Negeri Ujung Pandang have a relatively high entrepreneurial interest. However, further strategies are needed to bridge emotional interest with real involvement through improving the quality of entrepreneurship programs and providing concrete institutional support to encourage active student participation.

Self-Efficacy of Business Administration Students at Politeknik Negeri Ujung Pandang in Entrepreneurship

Based on the descriptive analysis, the self-efficacy variable consists of three indicators: magnitude, strength, and generality. The average score across all three indicators is 3.22, which falls into the "good" category according to the 2.51–3.25 interval. This indicates that students in the Business Administration Department of Politeknik Negeri Ujung Pandang generally possess confidence in facing entrepreneurial challenges. This confidence does not arise instantly; rather, it is shaped through academic and non-academic experiences that help students recognize their potential, anticipate challenges, and assess their ability to overcome them.

Among the three indicators, generality obtained the highest average score of 3.26. This suggests that students are capable of applying their learning and experiences from one situation to

another, including within entrepreneurial contexts. This adaptability may stem from the flexible thinking and hands-on learning approach cultivated during vocational education. Through experiential learning, students build the confidence to explore new ventures, as they feel they have encountered similar challenges before. The ability to learn from mistakes, reflect on failures, and improve strategies is a key component of high self-efficacy. This shows that students are capable of learning from experience and willing to take risks namely traits that are essential in entrepreneurship.

The strength indicator scored an average of 3.20, which is also categorized as good. However, this indicates that some students still lack consistent perseverance or mental endurance when facing entrepreneurial pressure. This could be due to limited exposure to real-world business environments that are often full of uncertainties. While students may start off with confidence, they may not yet be resilient enough to face high-risk situations such as financial loss, market competition, or the need to make quick decisions. This is understandable, given that most students are still within the relatively safe and structured environment of education, where they may not yet be tested by real-world adversity.

Overall, the self-efficacy level of Business Administration students is relatively strong, particularly in terms of adaptability and learning from experience. However, it is still necessary to strengthen their mental resilience and long-term optimism, as experience alone is not enough without consistent practice in dealing with pressure.

Therefore, Politeknik Negeri Ujung Pandang is encouraged to play a more active role in enhancing student self-efficacy through systematic and realistic approaches. These could include gradually scaled entrepreneurship projects, business simulations that emphasize learning from failure, and mentorship or peer discussion opportunities. Inviting successful alumni entrepreneurs to share their journeys could also provide inspiration and additional motivation. With these efforts, students will be more equipped not only with ambition but also with the mental readiness and confidence needed to pursue entrepreneurship.

The Influence of Financial Literacy on the Entrepreneurial Interest of Business Administration Students at Politeknik Negeri Ujung Pandang

The results of the simple regression analysis showed that financial literacy has a positive influence on the entrepreneurial interest of Business Administration students at Politeknik Negeri Ujung Pandang. Statistically, this suggests that financial literacy contributes to increasing students' interest in entrepreneurship. When students improve their financial literacy through financial courses and apply the knowledge in their daily lives, they are more likely to develop entrepreneurial intentions. In other words, the higher a student's financial literacy, the stronger their tendency to pursue entrepreneurial endeavors.

As students' financial literacy improves, their entrepreneurial interest tends to increase accordingly. This is because financial knowledge equips students with the ability to manage capital, plan cash flow, and minimize financial risk, namely skills that serve as essential tools in

entrepreneurship. Students who understand basic financial principles are more prepared to make business decisions, both in the short and long term.

Therefore, to boost entrepreneurial interest among students, instructors of financial and entrepreneurship-related courses are encouraged to implement more practical and accessible learning methods, such as integrating entrepreneurship education with financial simulations using problem-based learning (PBL), organizing group discussions, and utilizing digital platforms both in class and for self-directed learning. Learning in the classroom alone is insufficient. Providing additional resources such as high-quality and up-to-date books and articles, as well as involving students in curriculum development for financial subjects, is equally important.

As stated by Leong & Cheng (2025), "Interactive teaching strategies such as problem-based learning (PBL) and organized group discussions further enhance critical thinking and teamwork among students. Specifically, PBL challenges students to use their knowledge practically by solving complex sustainability-related financial problems."

In summary, an increase in financial literacy is directly proportional to entrepreneurial interest. Rahman et al. (2024) argue that when financial literacy is optimized through the use of surrounding resources, it can lead to a more prosperous life in the future. In this regard, entrepreneurship becomes one of the pathways for students to achieve such prosperity. Students with strong financial literacy are able to make wise and well-planned financial decisions, which increases their readiness to start a business. Conversely, low financial literacy may lead to hesitation and risk aversion, ultimately hindering students' courage to venture into entrepreneurship.

Guo et al. (2024) reinforce this by stating that individuals with higher financial literacy are more likely to initiate a business than those with lower literacy levels. A lack of knowledge in managing capital, calculating profit and loss, or developing a comprehensive business plan becomes a major obstacle for students entering the entrepreneurial world. Therefore, enhancing financial literacy must be a top priority in fostering a culture of entrepreneurship on campus.

These findings align with several previous studies. Rahman et al. (2024), in their research titled "The Influence of Financial Literacy and Family Environment on Entrepreneurial Interest of PAP FKIP UNS Students," found that financial literacy has a positive and significant effect on entrepreneurial interest. Similarly, Prastyatini & Seran (2022), in "The Influence of Community Business Culture and Financial Literacy on the Entrepreneurial Interest of Yogyakarta's Citizens," concluded that financial literacy significantly and positively affects entrepreneurial interest in the Yogyakarta area. Furthermore, Sufian & Wen (2024), in their study "The Influence of Financial Literacy on Entrepreneurial Intention among University Students in Malaysia," also confirmed a significant correlation between financial literacy and entrepreneurial interest among Malaysian students.

However, there are also studies that present contrasting results. For instance, Suhardi & Widodo (2024), in "The Influence of Financial Literacy, Entrepreneurship Education, and Family Environment on Students' Entrepreneurial Interest," concluded that financial literacy has a negative and insignificant effect on entrepreneurial interest. Similarly, Angelika & Sumaryanto

(2024), in their study "The Influence of Financial Literacy, Entrepreneurial Knowledge, and Attitudes on the Entrepreneurial Interest of Accounting Students in Yogyakarta," found that financial literacy had no significant effect. Another study by Ani et al. (2024), titled "The Influence of Financial Literacy and Entrepreneurial Knowledge on the Entrepreneurial Interest of Economics Faculty Students in West Kalimantan," also concluded that financial literacy had no significant impact on students' interest in entrepreneurship.

Self-Efficacy Moderates the Influence of Financial Literacy on the Entrepreneurial Interest of Business Administration Students at Politeknik Negeri Ujung Pandang

The results of the interaction test, also known as the Moderate Regression Analysis (MRA) presented in table 14, indicate that self-efficacy (M) moderates (strengthens) the influence of financial literacy on entrepreneurial interest. The test results show that self-efficacy as a moderating variable provides a parameter coefficient of 0.021 with a significance level of 0.000 (< 0.05). This signifies that the interaction between financial literacy and self-efficacy ($X*M$) is statistically significant.

Thus, the findings of this study confirm that the second hypothesis is accepted, meaning self-efficacy positively moderates the influence of financial literacy on the entrepreneurial interest of Business Administration students at Politeknik Negeri Ujung Pandang. The interaction between financial literacy and self-efficacy is well-aligned, indicating that self-efficacy effectively serves as a moderating variable in this relationship. Students with high financial literacy will exhibit a stronger entrepreneurial interest if they also possess a high level of self-efficacy. When students have strong self-efficacy, the financial knowledge they possess is more likely to be optimally utilized in real-world entrepreneurial activities. Conversely, even strong financial literacy may not translate into entrepreneurial action if not supported by adequate self-efficacy.

This is in line with Bandura's theory, which posits that self-efficacy does not refer to the actual skill level one has, but rather to the individual's belief in what they can achieve with the skills they possess—regardless of how advanced or limited those skills may be. Furthermore, these results are consistent with the findings of Dewi et al. (2024), who stated that self-efficacy significantly moderates the influence of entrepreneurial literacy on entrepreneurial intention. Similarly, Thanh & Hoai (2023) found that self-efficacy enhances entrepreneurial enthusiasm and strengthens the intention to start a business.

However, not all studies support this relationship. For example, Srianggareni et al. (2020) found that self-efficacy actually weakened the relationship between entrepreneurial knowledge and entrepreneurial interest. This suggests that in certain contexts, self-efficacy may become a barrier, particularly when individuals perceive a misalignment between themselves and the entrepreneurial role. A similar conclusion was reached by Hsu et al. (2019).

In conclusion, the results of this study reinforce the perspective that self-efficacy serves as a psychological driver that enhances students' capabilities in financial decision-making, overcoming challenges, and maintaining commitment in entrepreneurship. Students with strong self-efficacy are more likely to utilize their financial literacy effectively, which increases their

readiness and consistency in the entrepreneurial journey. On the other hand, without strong self-efficacy, financial literacy alone may not lead to real entrepreneurial action.

4. CONCLUSION

Based on the results and discussion of this study regarding the effect of financial literacy on entrepreneurial interest with self-efficacy as a moderator among students of the Business Administration Department at Politeknik Negeri Ujung Pandang, involving a total of 168 respondents, several conclusions can be drawn. The financial literacy of Business Administration students, which serves as a fundamental aspect of entrepreneurship, falls into the “good” category. Among the indicators, financial attitude obtained the highest average score, while financial knowledge recorded the lowest. Students’ perception of entrepreneurial interest is generally categorized as interested, with joy and attraction being the highest indicator and involvement the lowest. The level of self-efficacy among students is considered high, where generality achieved the highest average score, whereas strength was the lowest. Furthermore, financial literacy has a positive effect on students’ entrepreneurial interest, indicating that higher financial literacy contributes to stronger entrepreneurial interest. In addition, self-efficacy was found to moderate this relationship, meaning that the higher the students’ self-efficacy, the stronger the influence of financial literacy on their entrepreneurial interest.

Based on these findings, several recommendations are proposed. Students are advised to maintain their financial attitude, particularly in planning and managing personal finances, as this forms a foundation for personal financial well-being and readiness for entrepreneurship. However, efforts to improve financial knowledge are necessary, especially in aspects such as debt repayment, financial risk, and comprehensive financial management. Moreover, students should continue to develop their self-efficacy, particularly in applying previous learning experiences to new entrepreneurial contexts. This can be enhanced through entrepreneurial simulations, reflection on failures, and institutional support such as mentoring and gradually challenging projects. Despite students’ high enthusiasm toward entrepreneurship, their level of involvement remains relatively low. Therefore, they are encouraged to participate more actively in entrepreneurship seminars, business expos, and idea development programs to broaden their entrepreneurial insights and experience.

From the institutional perspective, Politeknik Negeri Ujung Pandang, especially lecturers in entrepreneurship and finance courses, are encouraged to design a more practical and integrated learning approach by utilizing real business case studies, digital platforms, and access to up-to-date reading materials. Furthermore, collaboration between the institution and student organizations such as the Unit Kegiatan Mahasiswa (UKM) Wirausaha and Himpunan Mahasiswa Administrasi Niaga (HMAN) should be strengthened through seminars, business expos, competitions, and partnerships with industry stakeholders. This support, including funding and facility provision, can further stimulate students’ entrepreneurial interest and participation., and to expand the sample to various public universities for broader generalization.

Theoretically, this study contributes to the development of entrepreneurship and behavioral finance literature by confirming that financial literacy and self-efficacy play significant roles in shaping students' entrepreneurial interest. The findings strengthen previous theories suggesting that individual cognitive and psychological factors are essential determinants of entrepreneurial behavior. Practically, this research provides valuable insights for higher education institutions and policymakers to design entrepreneurship programs that integrate financial literacy education with psychological skill development, particularly self-efficacy enhancement. These insights can also guide lecturers in creating more engaging and application-oriented learning experiences that encourage students to translate their financial understanding and confidence into real entrepreneurial actions.

Finally, future researchers are advised to explore other potential variables influencing entrepreneurial interest, such as entrepreneurial personality traits, risk tolerance, or entrepreneurial experience. Other researchers can broaden the types of samples used in this study such as private students or stated university students in other regions to increase generalizability of the research. It is also suggested that longitudinal study can be considered for the next research to examine the real effect of the independent variables on the dependent variable in this study.

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