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Entrepreneurial Intention and Islamic Financial Literacy in the Age of Digital Economy: A Conceptual Perspective Using the Theory of Planned Behaviour

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Abstract
The digital economy has transformed entrepreneurial activities, financial systems, and business management practices globally. As financial technologies and online business platforms expand, entrepreneurs are required to possess not only digital competencies but also sound financial literacy grounded in ethical principles. Within societies, Islamic financial literacy plays a critical role in guiding financial behaviour and promoting ethical entrepreneurship. This conceptual paper examines the influence of Islamic financial literacy on entrepreneurial intentions in the digital economy using the Theory of Planned Behaviour (TPB). The paper proposes a conceptual framework in which Islamic financial literacy influences entrepreneurial intention through three TPB constructs: attitude toward ethical entrepreneurship, subjective norms based on Islamic values, and perceived behavioural control derived from financial competence. Drawing on recent literature, the study argues that Islamic financial knowledge enhances positive entrepreneurial attitudes, strengthens ethical social expectations, and increases confidence in financial decision-making. The integration of Islamic financial literacy into entrepreneurship education and management training is therefore essential for developing ethically responsible and innovative entrepreneurs in the digital age. The paper concludes that policymakers, educators, and financial institutions must collaborate to promote Islamic financial literacy and digital financial awareness as key drivers of sustainable entrepreneurial development and ethical business management in the contemporary digital economy.
Keywords: *Islamic financial literacy; entrepreneurial intention; digital economy; Theory of Planned Behaviour*

1.0 Introduction

Entrepreneurship has emerged as a critical driver of economic growth, innovation, wealth creation, and employment generation across both developed and developing economies. The rapid advancement of digital technologies has transformed the entrepreneurial landscape, giving rise to the digital economy, where financial technologies (FinTech), e-commerce, artificial intelligence, and digital platforms have fundamentally reshaped business models, market interactions, and value creation processes. These developments have created unprecedented opportunities for entrepreneurs while simultaneously increasing the demand for digital competencies, financial capability, and ethical decision-making (Nambisan, 2017). Consequently, aspiring entrepreneurs must possess not only technological skills but also sound financial knowledge and ethical awareness to effectively identify opportunities, manage risks, and sustain business growth in increasingly complex digital environments. Entrepreneurial intention, defined as an individual's conscious willingness and commitment to establish a new business venture, is widely recognized as one of the strongest predictors of entrepreneurial behaviour (Ajzen, 1991). The Theory of Planned Behaviour (TPB) provides a robust theoretical foundation for understanding entrepreneurial intention by proposing that intention is shaped by three interrelated determinants: attitude toward the behaviour, subjective norms, and perceived behavioural control. Collectively, these constructs influence an individual's motivation, confidence, and readiness to engage in entrepreneurial activities (Liñán & Chen, 2009). The TPB has therefore become one of the most extensively applied theoretical frameworks in entrepreneurship research due to its strong explanatory and predictive capabilities.

Within Islamic societies, however, financial literacy extends beyond conventional financial knowledge and encompasses an understanding of Shariah-compliant financial principles and ethical business conduct. Islamic financial literacy equips individuals with the knowledge and competencies required to make financial decisions that comply with Islamic principles, including the prohibition of interest (riba), avoidance of excessive uncertainty (gharar) and gambling (maysir), and the promotion of risk-sharing, fairness, transparency, accountability, and social justice (Rahman & Haneef, 2022). These principles foster ethical entrepreneurship by encouraging responsible financial management, sustainable business practices, and value creation that benefits both individuals and society. In the context of the digital economy, where technological innovations continually introduce new financial products and digital business models, Islamic financial literacy becomes increasingly important in guiding entrepreneurs to adopt ethically sound and financially sustainable practices.

Recent empirical evidence suggests that financial literacy significantly enhances entrepreneurial motivation, opportunity recognition, business decision-making, and entrepreneurial intention, particularly among young people and emerging entrepreneurs operating in digitally enabled environments (Rahman et al., 2024). Nevertheless, despite growing scholarly interest in entrepreneurship, digital transformation, and Islamic finance, limited attention has been given to integrating Islamic financial literacy with the Theory of Planned Behaviour in explaining entrepreneurial intention within the digital economy. Existing studies have largely examined these constructs independently, leaving an important theoretical gap regarding how Islamic financial literacy may influence entrepreneurial intention through the cognitive mechanisms proposed by the TPB.

This paper addresses this gap by developing a conceptual framework that integrates Islamic financial literacy with the Theory of Planned Behaviour to explain entrepreneurial intention in the digital economy. Specifically, the paper argues that Islamic financial literacy can strengthen entrepreneurial intention by positively influencing entrepreneurial attitudes, enhancing perceived behavioural control through improved financial competence, and reinforcing supportive subjective norms rooted in Islamic ethical values. By providing this integrated perspective, the study contributes to the literature on entrepreneurship, Islamic finance, and digital economy research while offering practical insights for policymakers, educators, and entrepreneurship development institutions seeking to promote ethical and sustainable entrepreneurial ecosystems.

2.0 Statement of the Problem

Entrepreneurship has become a cornerstone of economic development in the digital era, where technological innovations, financial technologies (FinTech), e-commerce, artificial intelligence, and digital platforms continue to redefine business creation and value generation. While these advancements have significantly lowered entry barriers for new ventures and expanded market opportunities, they have also increased the complexity of financial decision-making. Entrepreneurs are now expected to possess not only digital competencies but also advanced financial knowledge and ethical awareness to effectively manage digital financial ecosystems, evaluate investment opportunities, mitigate risks, and ensure business sustainability (OECD, 2023). However, evidence suggests that many aspiring entrepreneurs, particularly in developing and emerging economies, continue to exhibit low levels of financial literacy, thereby limiting their ability to exploit opportunities presented by the digital economy. For Muslim entrepreneurs, the challenge extends beyond conventional financial literacy to include a sound understanding of Islamic financial principles. The increasing availability of Islamic banking products, Islamic fintech solutions, *sukuk, mudarabah, musharakah*, Islamic crowdfunding, *takaful,* and other Shariah-compliant financial instruments has created alternative financing opportunities that align with Islamic ethical values. Nevertheless, many potential entrepreneurs remain inadequately informed about these financial instruments and their practical application in entrepreneurial ventures. This limited level of Islamic financial literacy constrains access to appropriate sources of finance, reduces confidence in financial decision-making, and hinders the establishment of ethically compliant and financially sustainable businesses (Alam & Rizvi, 2023). Consequently, the inability to integrate Islamic financial knowledge with digital entrepreneurial practices may impede the development of competitive and socially responsible enterprises within the digital economy.

Although entrepreneurship scholars have extensively investigated the determinants of entrepreneurial intention, much of the existing literature has focused on conventional financial literacy, entrepreneurial education, and psychological factors in isolation. Similarly, studies grounded in the Theory of Planned Behaviour (TPB) have consistently demonstrated that attitude toward entrepreneurship, subjective norms, and perceived behavioural control significantly influence entrepreneurial intention. However, limited attention has been devoted to examining how Islamic financial literacy may shape these cognitive determinants of entrepreneurial intention, particularly within the rapidly evolving context of the digital economy. Existing research has largely overlooked the possibility that Islamic financial literacy may not only directly enhance entrepreneurial intention but also indirectly influence it by strengthening favourable entrepreneurial attitudes, increasing perceived behavioural control through improved financial competence, and reinforcing supportive subjective norms rooted in Islamic ethical values. Furthermore, the intersection of Islamic finance, digital entrepreneurship, and behavioural intention remains underexplored in the entrepreneurship and management literature.

Despite growing scholarly interest in digital entrepreneurship and Islamic finance, there is still no widely accepted conceptual framework that systematically integrates Islamic financial literacy with the Theory of Planned Behaviour to explain entrepreneurial intention in the age of the digital economy. This theoretical gap limits the understanding of how ethical financial knowledge can foster entrepreneurial readiness among current and prospective Muslim entrepreneurs operating in digitally driven business environments. Against this backdrop, this paper addresses this important gap by developing a conceptual framework that integrates Islamic financial literacy with the Theory of Planned Behaviour to explain entrepreneurial intention in the digital economy. By synthesizing insights from entrepreneurship, behavioural theory, and Islamic finance literature, the study contributes to extending the Theory of Planned Behaviour and provides a foundation for future empirical research. The proposed framework also offers practical implications for policymakers, entrepreneurship educators, Islamic financial institutions, and business development agencies seeking to promote financially competent, ethically responsible, and digitally empowered entrepreneurs capable of contributing to sustainable economic development.

3.0 Conceptual Review

The conceptual framework for this study is grounded in the Theory of Planned Behaviour (TPB) (Ajzen, 1991), which provides a well-established theoretical basis for explaining entrepreneurial intention. The framework integrates Islamic financial literacy with the three core constructs of the TPB attitude toward entrepreneurship, subjective norms, and perceived behavioural control to explain entrepreneurial intention within the context of the digital economy. It posits that Islamic financial literacy serves as an important antecedent that shapes individuals' entrepreneurial cognition and strengthens their intention to establish

Shariah-compliant and digitally enabled business ventures. The Theory of Planned Behaviour proposes that entrepreneurial intention is determined by three psychological factors. First, attitude toward entrepreneurship refers to an individual's positive or negative evaluation of starting and operating a business. Individuals who perceive entrepreneurship as rewarding, socially valuable, and personally fulfilling are more likely to develop strong entrepreneurial intentions. In the digital economy, positive attitudes are influenced by the perceived opportunities presented by digital technologies, online markets, financial technologies (FinTech), and digital innovation.

3.1 Islamic Financial Literacy and Attitude toward Ethical Entrepreneurship

Islamic financial literacy encompasses the knowledge, understanding, and practical application of Shariah-compliant financial principles in personal and business financial decision-making. Unlike conventional financial literacy, which primarily focuses on financial knowledge and capability, Islamic financial literacy integrates ethical, moral, and religious dimensions that govern financial transactions in accordance with Islamic law. It includes knowledge of Islamic banking products, profit-and-loss sharing mechanisms (mudarabah and musharakah), sukuk, takaful, zakat, waqf, Islamic crowdfunding, and the prohibition of riba (interest), gharar (excessive uncertainty), and maysir (gambling) (Antara et al., 2016). Consequently, Islamic financial literacy equips prospective entrepreneurs with both the technical competence and ethical foundation required to operate sustainable and socially responsible businesses. Within the Theory of Planned Behaviour (Ajzen, 1991), attitude refers to an individual's overall positive or negative evaluation of performing a particular behaviour. Individuals are more likely to develop favourable entrepreneurial intentions when they perceive entrepreneurship as beneficial, rewarding, and compatible with their personal values. Financial literacy plays a crucial role in shaping these evaluations because individuals with greater financial knowledge are better able to assess business opportunities, evaluate financial risks, and appreciate the long-term benefits of entrepreneurial activities (Lusardi & Mitchell, 2014). Enhanced financial capability therefore reduces uncertainty and strengthens confidence in entrepreneurial decision-making.

Islamic financial literacy extends this relationship by embedding entrepreneurship within an ethical framework guided by the objectives of Shariah (Maqasid al-Shariah). Entrepreneurs who understand Islamic financial principles are more likely to perceive entrepreneurship not merely as a profit-generating activity but also as a means of promoting justice, wealth creation, social welfare, and economic development. Such knowledge encourages responsible business practices, transparency, fairness, accountability, and equitable wealth distribution, thereby fostering more favourable attitudes toward ethical entrepreneurship (Rahman & Haneef, 2022). In the digital economy, where entrepreneurs increasingly rely on digital financial services and online business models, Islamic financial literacy further enhances confidence in utilizing Shariah-compliant digital financial solutions while maintaining ethical business standards. Although previous studies have established positive associations between financial literacy and entrepreneurial attitudes, relatively few have examined how Islamic financial literacy specifically shapes attitudes toward ethical entrepreneurship within digitally enabled business environments. Addressing this gap, the present conceptual framework proposes that Islamic financial literacy positively influences entrepreneurs' attitudes toward ethical entrepreneurship.

3.2 Islamic Financial Literacy and Subjective Norms

Subjective norms represent an individual's perception of social expectations regarding whether a particular behaviour should be performed (Ajzen, 1991). These expectations originate from influential reference groups, including family members, friends, educators, religious leaders, professional networks, and the wider society. Within entrepreneurial contexts, supportive subjective norms strengthen individuals' willingness to establish businesses by increasing social approval and reducing perceived social risks associated with entrepreneurship. In predominantly Muslim societies, entrepreneurial behaviour is strongly influenced by Islamic ethical values and community expectations. Entrepreneurship is widely regarded as a legitimate and honourable means of earning a livelihood, provided that business activities comply with Islamic principles of honesty, fairness, transparency, and social responsibility. Islamic financial literacy enhances individuals' understanding of these principles and increases awareness of socially accepted financial practices, including halal investment, Islamic financing, zakat obligations, and ethical wealth creation. Consequently, individuals become more likely to perceive entrepreneurship as both socially desirable and religiously encouraged.

Empirical evidence suggests that religiosity, ethical values, and social norms significantly influence entrepreneurial intention among Muslim youths and emerging entrepreneurs (Yusuf et al., 2024). Individuals possessing greater Islamic financial knowledge are better equipped to align entrepreneurial decisions with religious teachings and societal expectations, thereby strengthening positive subjective norms. Furthermore, the increasing adoption of Islamic fintech and digital financial platforms has reinforced the relevance of Islamic financial literacy in shaping socially acceptable entrepreneurial behaviour within digital business ecosystems. Despite these developments, existing entrepreneurship research has devoted limited attention to understanding how Islamic financial literacy contributes to the formation of subjective norms within the Theory of Planned Behaviour. Most previous studies have examined religiosity or social norms independently without integrating Islamic financial competence as an explanatory mechanism. Therefore, this study proposes that Islamic financial literacy positively strengthens subjective norms supporting entrepreneurial behaviour.

3.3 Islamic Financial Literacy and Perceived Behavioural Control

Perceived behavioural control refers to an individual's perception of the ease or difficulty of performing a particular behaviour and reflects confidence in possessing the necessary resources, knowledge, and capabilities to achieve desired outcomes (Ajzen, 1991). Within entrepreneurship research, perceived behavioural control is closely associated with entrepreneurial self-efficacy, financial capability, and confidence in successfully creating and managing a business venture. Financial literacy contributes significantly to perceived behavioural control by improving individuals' ability to understand financial information, evaluate investment opportunities, prepare budgets, manage cash flows, and access appropriate sources of finance (OECD, 2023). Entrepreneurs with greater financial competence are generally more confident in making strategic business decisions and overcoming financial uncertainties. This confidence becomes even more critical in the digital economy, where entrepreneurs must navigate digital payment systems, electronic commerce, financial technologies, cybersecurity risks, and rapidly evolving digital financial services.

Islamic financial literacy further enhances perceived behavioural control by providing entrepreneurs with specialized knowledge of Shariah-compliant financing alternatives, including mudarabah, musharakah, sukuk, Islamic venture capital, Islamic crowdfunding, and takaful. Such knowledge enables entrepreneurs to identify appropriate financing options while ensuring compliance with Islamic ethical principles. As entrepreneurs become more knowledgeable about available Islamic financial instruments, their confidence in establishing and managing businesses increases substantially (Alam & Rizvi, 2023). Recent studies demonstrate that financial capability significantly predicts entrepreneurial self-efficacy and entrepreneurial intention, particularly among entrepreneurs operating within digitally enabled business environments (Rahman et al., 2024). Nevertheless, limited research has explicitly examined Islamic financial literacy as a determinant of perceived behavioural control within the Theory of Planned Behaviour. Accordingly, this study proposes that Islamic financial literacy positively enhances entrepreneurs' perceived behavioural control.

3.4 Theory of Planned Behaviour Components and Entrepreneurial Intention

The Theory of Planned Behaviour (Ajzen, 1991) remains one of the most influential behavioural theories for explaining entrepreneurial intention. According to the theory, entrepreneurial intention is jointly determined by attitude toward entrepreneurship, subjective norms, and perceived behavioural control. Individuals who possess favourable attitudes toward entrepreneurship, perceive strong social support, and believe they have the capability to establish a business are significantly more likely to develop entrepreneurial intentions. The TPB has been extensively validated across different countries, cultures, and entrepreneurial contexts, consistently demonstrating strong predictive power for entrepreneurial intention (Liñán & Chen, 2009). Numerous empirical studies have confirmed that positive entrepreneurial attitudes, supportive subjective norms, and high perceived behavioural control significantly increase individuals' intentions to establish business ventures. More recently, scholars have argued that the digital economy introduces new entrepreneurial opportunities while simultaneously requiring higher levels of financial competence, technological capability, and ethical decision-making. Consequently, financial literacy has emerged as an important antecedent that indirectly strengthens entrepreneurial intention through its influence on the TPB constructs.

From an Islamic perspective, entrepreneurial behaviour extends beyond economic objectives to encompass ethical accountability, social justice, responsible wealth creation, and compliance with Shariah principles. Integrating Islamic financial literacy into the Theory of Planned Behaviour therefore enriches the explanatory power of the model by incorporating ethical financial competence as a critical antecedent of entrepreneurial cognition. This integrated framework suggests that Islamic financial literacy enhances entrepreneurial intention by fostering positive entrepreneurial attitudes, reinforcing supportive subjective norms, and increasing perceived behavioural control within the context of the digital economy.

3.5 Proposed Conceptual Relationships

Based on the Theory of Planned Behaviour (Ajzen, 1991) and the literature on Islamic financial literacy and entrepreneurship, the proposed conceptual framework posits that Islamic financial literacy functions as a key antecedent of entrepreneurial intention in the digital economy. Specifically, the framework argues that Islamic financial literacy influences entrepreneurial intention indirectly by shaping the three core determinants of the Theory of Planned Behaviour: attitude toward ethical entrepreneurship, subjective norms, and perceived behavioural control. Individuals with higher levels of Islamic financial literacy are expected to develop more favourable attitudes toward ethical entrepreneurial activities, perceive stronger social support rooted in Islamic values and societal expectations, and exhibit greater confidence in their ability to establish and manage Shariah-compliant business ventures. Accordingly, the proposed conceptual framework advances the following relationships:

- Islamic Financial Literacy → Attitude toward Ethical Entrepreneurship
- Islamic Financial Literacy → Subjective Norms (through Islamic values, religious beliefs, and societal expectations)
- Islamic Financial Literacy → Perceived Behavioural Control (through enhanced financial knowledge, competence, and self-efficacy)
- Attitude toward Ethical Entrepreneurship → Entrepreneurial Intention

- Subjective Norms → Entrepreneurial Intention
- Perceived Behavioural Control → Entrepreneurial Intention

Collectively, these relationships suggest that Islamic financial literacy is a critical cognitive and ethical resource that strengthens entrepreneurial intention by enhancing the psychological determinants identified in the Theory of Planned Behaviour. The framework further recognises the digital economy as the contextual environment in which these relationships operate, given that contemporary entrepreneurs must simultaneously possess digital competencies, financial capability, and ethical awareness to exploit opportunities created by digital technologies and Islamic financial innovations. Consequently, the proposed model extends the Theory of Planned Behaviour by incorporating Islamic financial literacy as a theoretically meaningful antecedent of entrepreneurial intention in digitally driven entrepreneurial ecosystems.

3.0 Implications for Management and Entrepreneurship

The proposed conceptual framework offers significant implications for management practice, entrepreneurship development, and public policy, particularly within the context of the rapidly evolving digital economy. By positioning Islamic financial literacy as a strategic antecedent of entrepreneurial intention, the framework highlights the importance of integrating ethical financial knowledge with entrepreneurial competencies to cultivate responsible, resilient, and digitally empowered entrepreneurs. From a management perspective**,** the findings underscore the need for organizations and business leaders to promote Islamic financial literacy as part of leadership development and entrepreneurial capacity-building initiatives. Managers and entrepreneurs equipped with knowledge of Shariah-compliant financial principles are better positioned to make informed financial decisions, manage risks effectively, access appropriate Islamic financing instruments, and uphold ethical standards in business operations. Such competencies can enhance corporate governance, strengthen stakeholder trust, improve financial sustainability, and contribute to long-term organizational performance in increasingly digital business environments.

For entrepreneurship education**,** the study emphasizes the importance of redesigning entrepreneurship curricula to incorporate Islamic financial literacy alongside digital entrepreneurship, financial technology (FinTech), and innovation management. Universities, polytechnics, entrepreneurship development centres, and business incubators should integrate modules covering Islamic banking, Islamic investment, halal business models, Islamic crowdfunding, digital financial services, and ethical entrepreneurial decision-making. Equipping students and aspiring entrepreneurs with these competencies will improve their financial capability, entrepreneurial confidence, and readiness to establish sustainable and Shariah-compliant business ventures. The framework also provides important policy implications for governments, regulatory agencies, Islamic financial institutions, and entrepreneurship support organizations. Policymakers should formulate strategies that promote Islamic financial literacy through national financial education programmes, digital learning platforms, community outreach initiatives, and public–private partnerships. In addition, Islamic banks, FinTech firms, and entrepreneurship support agencies should collaborate to develop accessible digital learning resources, mentoring programmes, and innovative Shariah-compliant financial products tailored to the needs of start-ups and small businesses. Such initiatives would expand financial inclusion, improve access to ethical financing, and strengthen entrepreneurial ecosystems in Muslim-majority and other ethically conscious societies. Furthermore, the study has implications for the digital transformation of entrepreneurship. As digital technologies continue to reshape business models and financial transactions, entrepreneurs require an integrated set of competencies encompassing digital literacy, financial capability, and ethical awareness. Islamic financial literacy provides an important foundation for enabling entrepreneurs to confidently utilize digital payment systems, Islamic fintech solutions, crowdfunding platforms, e-commerce, and other emerging technologies while ensuring compliance with Shariah principles. This integration supports the development of innovative enterprises that are not only economically competitive but also socially responsible and ethically sustainable. Overall, the proposed conceptual framework contributes to the advancement of entrepreneurship and management by demonstrating that Islamic financial literacy is more than a financial competency; it is a strategic capability that strengthens entrepreneurial cognition, promotes ethical business conduct, and enhances entrepreneurial intention within the digital economy. Its integration into entrepreneurship education, management practice, and policy interventions has the potential to foster a new generation of entrepreneurs capable of driving inclusive, sustainable, and values-based economic development.

4.0 Conclusion

The digital economy has fundamentally transformed the entrepreneurial landscape by creating new opportunities for innovation, value creation, and business growth while simultaneously increasing the complexity of financial decision-making. Within this evolving environment, entrepreneurs require not only digital competencies but also sound financial knowledge and ethical awareness to successfully establish and sustain business ventures. This conceptual paper has argued that Islamic financial literacy constitutes a critical strategic capability that equips prospective entrepreneurs with the knowledge, skills, and ethical orientation necessary to navigate the increasingly sophisticated digital financial ecosystem while adhering to Shariah principles.

Drawing upon the Theory of Planned Behaviour (Ajzen, 1991), the paper proposed an integrated conceptual framework demonstrating that Islamic financial literacy influences entrepreneurial intention by shaping the three key antecedents of behavioural intention: attitude toward ethical entrepreneurship, subjective norms, and perceived behavioural control. The framework extends the explanatory scope of the Theory of Planned Behaviour by incorporating Islamic financial literacy as an important cognitive and ethical antecedent that strengthens entrepreneurial readiness in the digital economy. In doing so, the study contributes to the growing body of literature at the intersection of entrepreneurship, Islamic finance, and digital transformation by offering a more comprehensive understanding of the behavioural mechanisms underlying entrepreneurial intention among current and prospective Muslim entrepreneurs.

The proposed framework also offers important practical implications. Integrating Islamic financial literacy into entrepreneurship education, management development programmes, and national financial literacy initiatives can enhance entrepreneurs' financial competence, ethical decision-making, and confidence in utilizing Shariah-compliant financial instruments and digital financial technologies. Such efforts have the potential to strengthen entrepreneurial ecosystems, promote financial inclusion, support sustainable enterprise development, and contribute to broader socio-economic development in both Muslim-majority and multicultural economies.

As a conceptual study, this paper provides a theoretical foundation rather than empirical evidence. Future research should therefore empirically validate the proposed framework using robust quantitative methodologies such as Partial Least Squares Structural Equation Modelling (PLS-SEM) or Covariance-Based Structural Equation Modelling (CB-SEM) across different countries, demographic groups, and entrepreneurial settings. Future studies may also examine potential mediating and moderating variables—including digital financial literacy, entrepreneurial self-efficacy, religiosity, innovation orientation, and institutional support—to provide deeper insights into the mechanisms through which Islamic financial literacy influences entrepreneurial intention. Such empirical investigations will further enrich entrepreneurship and management literature and inform evidence-based policies aimed at fostering ethical, innovative, and digitally resilient entrepreneurs in the twenty-first-century economy.

5.0 Recommendation

1. **Integrate Islamic Financial Literacy into Entrepreneurship Education:** Universities, polytechnics, and entrepreneurship development institutions should incorporate Islamic financial literacy into entrepreneurship curricula. Such programmes should cover Shariah-compliant financing mechanisms, Islamic banking products, Islamic fintech, ethical investment, digital financial services, and sustainable business practices. This integration will equip aspiring entrepreneurs with both financial competence and ethical decision-making skills required in the digital economy.
2. **Strengthen National Financial Literacy Policies:** Governments and regulatory agencies should develop comprehensive financial literacy policies that incorporate Islamic financial principles alongside conventional financial education. National entrepreneurship programmes should promote awareness of Islamic financial instruments such as mudarabah, musharakah, sukuk, takaful, and Islamic crowdfunding to improve financial inclusion and support the growth of ethical enterprises.
3. **Promote Collaboration among Stakeholders:** Islamic financial institutions, fintech companies, business incubators, entrepreneurship support agencies, and higher education institutions should establish collaborative partnerships to provide training, mentorship, digital learning resources, and advisory services. Such collaborations will facilitate entrepreneurs' access to Shariah-compliant financial products while strengthening their entrepreneurial capabilities in digitally driven business environments.
4. **Leverage Digital Technologies for Financial Education:** Digital platforms, mobile applications, massive open online courses (MOOCs), webinars, and artificial intelligence-based learning tools should be utilized to deliver accessible and interactive Islamic financial literacy programmes. The use of digital technologies will expand the reach of financial education and enable entrepreneurs, particularly young people and those in underserved communities, to acquire relevant knowledge regardless of geographical location.
5. **Develop Supportive Entrepreneurial Ecosystems:** Policymakers should create enabling environments that encourage ethical entrepreneurship by strengthening institutional support for Islamic finance, improving access to Shariah-compliant financing, simplifying regulatory procedures for start-ups, and promoting innovation within Islamic fintech ecosystems. Such initiatives will encourage greater entrepreneurial participation while fostering sustainable economic development.
6. **Enhance Capacity Building for Entrepreneurs:** Entrepreneurship development agencies should organize continuous professional development programmes focusing on digital entrepreneurship, financial management, Islamic business ethics, and technological innovation. These initiatives will improve entrepreneurs' perceived behavioural control, increase business resilience, and enhance long-term venture sustainability.
7. **Empirically Validate the Proposed Framework:** Future researchers should empirically examine the proposed conceptual framework using advanced analytical techniques such as Partial Least Squares Structural Equation Modelling (PLS-SEM) or Covariance-Based Structural Equation Modelling (CB-SEM). Comparative studies across countries, industries, and demographic groups would provide valuable insights into the generalizability of the framework. Researchers are also encouraged to investigate the mediating and moderating roles of variables

such as digital financial literacy, entrepreneurial self-efficacy, religiosity, innovation orientation, institutional support, and digital readiness.

Implementing these recommendations will contribute to the development of financially literate, ethically responsible, and digitally competent entrepreneurs capable of leveraging emerging technologies while adhering to Islamic financial principles. Ultimately, this will strengthen entrepreneurial ecosystems, enhance business sustainability, and support inclusive socio-economic development in the age of the digital economy.

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