

## **Entrepreneurial Readiness and Business Mortality among SMEs in Abuja Municipal Area Council (AMAC), Abuja**

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### **Abstract**

*The study investigated the link between entrepreneurial readiness and business mortality among service-based SMEs within Abuja Municipal Area Council (AMAC), Nigeria. Utilizing a quantitative research design, data were collected through a structured five-point Likert scale questionnaire administered to all 248 SMEs registered with the Abuja Chamber of Commerce and Investment (ACCI), covering sectors such as cleaning, courier, event management, food and catering, and beauty and cosmetics. The findings reveal three critical determinants of business mortality: Entrepreneurial Education and Training (EET), Entrepreneurial Self-Efficacy (ESE), and Financial Preparedness (FP). Notably, EET were found to have a statistically significant positive correlation with business mortality, implying that current entrepreneurship training may be overly theoretical, poorly contextualized, or inadvertently instill false confidence ultimately raising failure rates. Conversely, ESE demonstrated a strong and significant negative relationship with business mortality, highlighting that entrepreneurs with higher confidence, innovation, and problem-solving capabilities are more likely to survive turbulent market conditions. Similarly, FP was significantly associated with reduced business mortality, emphasizing the protective role of sound financial planning, literacy, and access to capital. These insights underscore the need for a strategic shift in SME development policy and programming from generic educational support to targeted, contextually grounded, and resilience-oriented interventions. The study recommends reforming entrepreneurship curricula, implementing confidence-building initiatives, and establishing localized financial literacy hubs to better equip SMEs for sustainability in unpredictable economic environments.*

**Keywords: Business Mortality, Entrepreneurial Education and Training, Entrepreneurial Readiness, Entrepreneurial Self-efficacy**

## 1.0 Background to the Study

Business mortality refers to the failure or closure of enterprises within a specific period; this remains a pressing concern for small and medium-sized enterprises (SMEs) globally, especially in emerging economies such as Nigeria. In the Abuja Municipal Area Council (AMAC), the escalating rate of SMEs closures have raised urgent questions about the preparedness of entrepreneurs to navigate the complexities of Nigeria's dynamic and often volatile entrepreneurial ecosystem (Fasanmi *et al.*, 2023). Multiple factors have been linked to high business mortality, including poor access to capital, weak managerial capacity, and limited entrepreneurial training. These challenges suggest that entrepreneurial readiness is a critical determinant of whether new businesses survive or fail (Etim *et al.*, 2022).

Entrepreneurial readiness is generally defined as an individual's preparedness in terms of skills, knowledge, and psychological resilience needed to launch and sustain a business (Binuyo *et al.*, 2023). In regions like AMAC, entrepreneurs often face constrained opportunities to develop this readiness due to systemic barriers such as limited mentorship, inadequate funding, and volatile market conditions (Etim *et al.*, 2022). The resulting knowledge gaps and business missteps contribute directly to SMEs' failure, underscoring the importance of fostering readiness before and during venture creation.

A range of internal factors influences entrepreneurial readiness, including education, hands-on training, financial literacy, and personal characteristics like self-efficacy (Dansu *et al.*, 2022). Although government initiatives such as the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) aim to support entrepreneurship, many Nigerian entrepreneurs remain ill-equipped to apply these resources effectively (Alabi *et al.*, 2019). Without sufficient preparation, entrepreneurs may falter under pressure, increasing the likelihood of early-stage business collapse. Notably, self-efficacy the belief in one's ability to reach entrepreneurial goals is pivotal. Entrepreneurs with high self-efficacy are more likely to adapt and persist, while those lacking confidence and preparation may be more vulnerable to business failure (Dansu *et al.*, 2022; Fasanmi *et al.*, 2023).

In recent years, there has been growing academic interest in understanding the relationship between entrepreneurial readiness and business mortality, particularly within the Nigerian context. Small and medium-sized enterprises (SMEs) in Nigeria continue to experience disproportionately high failure rates, with many folding within their first five years of operation (Etim *et al.*, 2022). In the Abuja Municipal Area Council (AMAC), this trend is especially pronounced among small-scale service enterprises, where entrepreneurs often lack the requisite skills, knowledge, and psychological preparedness to navigate operational complexities and sustain their ventures (Fasanmi *et al.*, 2023).

The persistent rate of business closures in AMAC raises critical concerns about the role of entrepreneurial readiness in determining business survival. Despite various government interventions and support programs, many entrepreneurs remain ill-equipped to manage the day-to-day challenges of running a business, including financial planning, human resource management, and strategic decision-making (Binuyo *et al.*, 2023). These deficiencies suggest that entrepreneurial readiness may be a pivotal factor influencing the sustainability of SMEs in the region.

Given the socio-economic importance of SMEs in job creation and poverty reduction, the interaction between entrepreneurial readiness and business mortality in AMAC warrants deeper investigation. Understanding how readiness or the lack thereof contributes to business failure is essential for designing targeted interventions that can enhance entrepreneurial capacity and reduce the alarming rate of SME mortality in Nigeria.

### **1.1 Research Questions**

1. To what extent does lack of entrepreneurial education and training contribute to business mortality among SMEs in Abuja Municipal Area Council (AMAC)?
2. What is the relationship between entrepreneurial self-efficacy and business mortality among SMEs in Abuja Municipal Area Council (AMAC)?
3. How does inadequate financial preparedness among entrepreneurs affect business mortality in Abuja Municipal Area Council (AMAC)?

## **2.0 Conceptual Review**

### **2.1 Business Mortality**

Business mortality refers to the failure or closure of enterprises within a defined period, often within the first few years of operation. It is a critical issue in both developed and developing economies, but particularly acute in Nigeria, where small and medium-sized enterprises (SMEs) face a high risk of early exit. According to Etim *et al.*, (2022), only about 5–10% of small businesses in Nigeria survive beyond their fifth year, highlighting the fragility of the entrepreneurial landscape. This phenomenon is influenced by a combination of internal and external factors, including poor managerial skills, inadequate succession planning, and weak marketing strategies.

The causes of business mortality are multifaceted and often interrelated. Internally, many SMEs suffer from a lack of strategic planning, poor financial management, and insufficient entrepreneurial training. Externally, challenges such as limited access to finance, regulatory burdens, and infrastructural deficits exacerbate the risk of failure (Fasanmi *et al.*, 2023). These constraints are particularly pronounced in regions like Abuja Municipal Area Council (AMAC), where entrepreneurs often operate in volatile environments with minimal institutional support. The entrepreneurial ecosystem, which includes access to capital, mentorship, and policy support, plays a pivotal role in either mitigating or amplifying these risks (Binuyo *et al.*, 2023).

Understanding business mortality is essential for designing effective interventions that promote SME sustainability. Scholars emphasize the need for targeted capacity-building programs, improved access to finance, and supportive policy frameworks to reduce the rate of business failure (Etim *et al.*, 2022). Moreover, fostering entrepreneurial readiness through education, training, and psychological preparedness, can enhance resilience and adaptability among business owners. As Nigeria continues to rely on SMEs for job creation and economic growth, addressing the root causes of business mortality remains a national imperative.

#### **2.1.1 Causes of Business Mortality**

Business mortality, defined as the failure or closure of enterprises within a specific timeframe, is influenced by a complex interplay of internal and external factors (Binuyo *et al.*, 2023). In Nigeria, one of the most cited causes is limited access to finance. Many SMEs struggle to secure funding due to lack of collateral, poor credit history, and stringent lending conditions, forcing them to rely on informal sources such as personal savings or family loans (Binuyo *et al.*, 2023). This financial fragility often leads to cash flow problems, inability to scale operations, and eventual closure.

Another major contributor is managerial incompetence and lack of entrepreneurial training. Many business owners lack the strategic, financial, and operational skills required to sustain a business in a competitive environment. According to Fasanmi *et al.*, (2023), poor decision-making, inadequate record-keeping, and weak leadership structures are prevalent among Nigerian SMEs and significantly increase the risk of failure. These internal weaknesses are often compounded by external challenges such as erratic power supply, infrastructural deficits, and inconsistent government policies (Etim *et al.*, 2022).

Additionally, technological limitations and low innovation capacity hinder business adaptability and competitiveness. SMEs that fail to adopt modern tools or digital platforms often struggle to meet customer expectations or streamline operations. Regulatory burdens, including high taxation and bureaucratic bottlenecks, also discourage business continuity. As Fasanmi *et al.*, (2023) note, these systemic issues create an environment where even promising ventures are vulnerable to early mortality.

## 2.2 Entrepreneurial Readiness

Entrepreneurial readiness refers to the degree to which an individual possesses the necessary skills, knowledge, and psychological preparedness to initiate and sustain a business venture. In the Nigerian context, this concept has gained prominence due to the high rate of youth unemployment and the increasing emphasis on entrepreneurship as a tool for economic empowerment. According to Binuyo *et al.*, (2023), entrepreneurial readiness is a critical factor in determining the success or failure of small and medium-sized enterprises (SMEs), particularly in dynamic and resource-constrained environments like Nigeria. It encompasses both tangible competencies such as entrepreneurial education and training, entrepreneurial self-efficacy and financial preparedness. Studies have highlighted the role of entrepreneurial education and training in enhancing readiness. For instance, Dansu *et al.*, (2022) found that SMEs in Lagos State with access to structured entrepreneurial training programs demonstrated higher survival rates and better strategic decision-making. Similarly, Alabi *et al.*, (2019) emphasized that government-led initiatives, such as those by the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), have the potential to improve entrepreneurial preparedness, though implementation gaps remain. These findings suggest that institutional support and targeted capacity-building efforts are essential for fostering a culture of readiness among aspiring entrepreneurs.

Despite these efforts, challenges persist. Many Nigerian entrepreneurs still operate in environments with limited access to mentorship, capital, and reliable infrastructure, which undermines their ability to translate readiness into sustainable business outcomes. Fasanmi

*et al.*, (2023) argue that entrepreneurial readiness must be viewed as a multidimensional construct that includes not only individual capabilities but also the broader ecosystem in which entrepreneurs operate. Therefore, enhancing entrepreneurial readiness in Nigeria requires a holistic approach that integrates education, policy reform, and ecosystem development to reduce business mortality and promote long-term enterprise growth.

### **2.2.1 Entrepreneurial Education and Training**

Entrepreneurial education and training refer to structured learning processes aimed at equipping individuals with the knowledge, skills, and mindset necessary to initiate and manage business ventures. In the Nigerian context, this has become increasingly important due to high youth unemployment and the need for self-reliance. According to Alabi *et al.*, (2019), entrepreneurial education enhances cognitive and practical competencies, enabling individuals to identify opportunities, assess risks, and develop viable business models. Institutions such as the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) have introduced training programs to foster entrepreneurial capacity, though challenges remain in curriculum relevance and accessibility.

Study has shown that exposure to entrepreneurial education significantly improves business survival rates and innovation among SMEs. Dansu *et al.*, (2022) found that SMEs in Lagos State that participated in formal training programs demonstrated better strategic planning and resilience. However, gaps in mentorship, experiential learning, and follow-up support often limit the long-term impact of such initiatives. Therefore, entrepreneurial education in Nigeria must evolve beyond theoretical instruction to include practical, context-specific training that addresses the unique challenges faced by local entrepreneurs.

### **2.2.2 Entrepreneurial Self-Efficacy**

Entrepreneurial self-efficacy (ESE) refers to an individual's belief in their ability to successfully perform entrepreneurial tasks such as opportunity recognition, resource mobilization, and venture management. In Nigeria, ESE has been identified as a key psychological driver of entrepreneurial intention and persistence. Oyeku *et al.*, (2014) argue that entrepreneurs with high self-efficacy are more likely to overcome obstacles, take calculated risks, and sustain their businesses despite environmental uncertainties. This belief system is shaped by prior experience, education, and social support, making it a dynamic and trainable attribute.

Models such as Bandura's Social Cognitive Theory support the idea that self-efficacy influences behavior through goal-setting, effort, and resilience. In the Nigerian SME sector, low self-efficacy has been linked to early-stage business failure, particularly among first-time entrepreneurs (Nwankwo *et al.*, 2012). Enhancing ESE through mentorship, success modeling, and experiential learning can significantly improve entrepreneurial outcomes. As such, integrating self-efficacy development into entrepreneurship programs is essential for fostering a more resilient and confident entrepreneurial class.

### **2.2.3 Financial Preparedness**

Financial preparedness refers to the extent to which individuals or businesses are equipped to manage financial obligations, absorb shocks, and plan for future growth. For entrepreneurs, this includes budgeting, savings, access to credit, and financial literacy. In Nigeria, many SMEs operate with limited financial buffers, making them vulnerable to cash flow disruptions and economic volatility. Binuyo *et al.*, (2023) highlight that

inadequate financial preparedness is a major contributor to business mortality, particularly in manufacturing and service sectors where capital requirements are high.

Study has shown that financial preparedness is not solely about access to funds but also about the ability to manage them effectively. Alabi *et al.*, (2019) emphasize that financial literacy understanding interest rates, loan terms, and investment options is crucial for sustainable business operations. Unfortunately, many Nigerian entrepreneurs lack formal training in financial management, leading to poor decision-making and overreliance on informal funding sources. Strengthening financial preparedness through targeted education, simplified loan processes, and digital financial tools can enhance SME resilience and long-term viability.

## **2.3 Theoretical Review**

### **2.3.1 The Theory of planned behavior (TPB)**

The Theory of Planned Behavior (TPB), developed by Icek Ajzen in 1985, is a valuable framework for understanding entrepreneurial readiness by examining how attitudes, subjective norms, and perceived behavioral control (PBC) shape an individual's intention to start a business. A positive attitude toward entrepreneurship, influenced by perceived benefits such as financial independence and innovation, enhances readiness. Subjective norms, including encouragement from family, mentors, and institutions, further strengthen entrepreneurial intention. PBC, which reflects confidence in one's ability to overcome business challenges, is shaped by access to financial resources, skills, and market opportunities. High entrepreneurial intention, supported by these factors, increases the likelihood of business success, while weak intention, negative perceptions, and lack of support hinder readiness. TPB highlights the need for policymakers, educators, and business support organizations to enhance entrepreneurial preparedness through mentorship, financial access, and skill development programs. By fostering positive attitudes, strengthening support networks, and improving self-efficacy, institutions can better equip aspiring entrepreneurs for successful business ventures.

### **2.3.2 Entrepreneurial Orientation (EO)**

Miller and Friesen's (1982) conceptualization of entrepreneurial orientation (EO) laid the foundation for understanding how firms strategically behave in dynamic environments. Their model distinguishes between conservative and entrepreneurial firms, emphasizing dimensions such as innovativeness, risk-taking, and proactiveness as key indicators of entrepreneurial behavior. Entrepreneurial firms, according to their framework, are characterized by a willingness to innovate, embrace uncertainty, and proactively seek out new opportunities. This orientation is not merely a set of traits but a strategic posture that influences firm performance and adaptability. Their work has since been expanded by scholars like Lumpkin and Dess, who added autonomy and competitive aggressiveness to the EO construct, reinforcing its multidimensional nature and its relevance to firm growth and strategic momentum.

### 2.3.3 Sustainable Entrepreneurship Framework (SEF)

The sustainable entrepreneurship framework, as articulated by scholars like Schaltegger and Wagner, (2011), integrates the triple bottom line economic, social, and environmental goals into entrepreneurial activity. Unlike traditional entrepreneurship, which often prioritizes profit maximization, sustainable entrepreneurship seeks to create long-term value by addressing societal and ecological challenges through innovative business models. This framework emphasizes the role of entrepreneurs as agents of change who leverage market mechanisms to drive sustainability transitions. It also highlights the importance of systemic thinking, stakeholder engagement, and ethical responsibility in shaping ventures that contribute to sustainable development. By aligning entrepreneurial action with sustainability principles, this framework offers a holistic approach to addressing complex global challenges.

### 2.4 Empirical Review

Etim *et al.*, (2022) The study used a cross-sectional survey design with data collected from 384 small business owners in Akwa Ibom State using systematic random sampling. Regression analysis revealed that managerial skills, succession planning, and marketing strategy significantly and negatively affect business mortality. The authors recommend targeted training to improve managerial competence and strategic planning.

Garcia *et al.*, (2022) performed a systematic literature review identifying 36 risk factors contributing to MSE mortality. A systematic literature review of 106 articles from 2000 to 2021 was conducted to identify mortality risk factors in micro and small enterprises (MSEs). Findings identified 36 risk factors, including poor innovation, weak management, and limited financial access. It recommends investment in education, cooperation networks, and technology to mitigate these risks.

Abang and Akpan, (2018) reviewed how micro and macro environmental factors affect SME survival in Nigeria. The researchers employed a descriptive survey and analyzed responses from SME operators in Nigeria using regression tools. Findings indicated both internal (leadership, operations) and external (infrastructure, regulation) factors significantly influence SME survival. Strategic adaptation to environmental dynamics was emphasized.

Iweh *et al.*, (2022) assessed the effectiveness of entrepreneurship education in Nigerian public universities. A mixed-methods approach involving surveys and interviews with 705 participants (students, graduates, instructors, entrepreneurs, and policymakers) was used. Findings indicated Over 90% of students reported increased entrepreneurial competencies, and 42% of graduates had started businesses. The study highlights the importance of curriculum design and supportive ecosystems.

Adeniyi *et al.*, (2024) examined how IEO dimensions risk-taking, innovation, and proactiveness affect entrepreneurial readiness among Nigerian science and tech students. They study used a structured questionnaire and regression analysis to examine IEO among Nigerian science and tech students. Findings revealed that Innovation and proactiveness significantly influenced entrepreneurial readiness, while risk-taking did not. The authors advocate for experiential learning to build entrepreneurial mindset.

Ghimire, (2024) A quantitative survey of 345 individuals was analyzed using regression to assess the impact of motivation, resources, and aptitude on readiness. Findings showed

Motivation and access to resources were the strongest predictors of readiness, while opportunity identification had minimal effect. Problem-solving and innovation skills were also critical.

**3.0 Methodology**

The study employs a quantitative method to investigate entrepreneurial readiness and business mortality of SMEs within the service industry. A five-point Likert scale survey serves as the primary data collection tool, using structured questionnaires with closed-ended questions to capture both business performance metrics and qualitative entrepreneurial experiences. Face and content validation were used to validate the instrument. The study targets 248 SMEs in AMAC Abuja, Nigeria, specifically in cleaning, courier, event management, food and catering, and beauty and cosmetics services, all registered with the Abuja Chamber of Commerce and Investment (ACCI). Given the small population size, a census survey approach was adopted to ensure comprehensive representation. Self-administered questionnaires are distributed in person to maximize response rates. Quantitative data will be analyzed using descriptive statistics and regression analysis to identify patterns and relationships between entrepreneurial readiness and business mortality.

**4.0 Estimation of Results**

**4.1: Inferential Analysis**

**Table 4.1: Model Summary**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.951 <sup>a</sup>	.903	.902	.21807	1.823
a. Predictors: (Constant), FP, EET, ESE					
b. Dependent Variable: Business_Mortality					

Source: SPSS 26 (Fieldwork, 2025)

The regression model demonstrates a very strong linear relationship between the independent variables; Entrepreneurial Financial Preparedness (FP), Entrepreneurial Education and Training (EET), and Entrepreneurial Self-Efficacy (ESE) and the dependent variable, Business Mortality (BM). The correlation coefficient (R = 0.951) indicates an exceptionally strong positive association. Additionally, the R Square value of 0.903 reveals that the model explains 90.3% of the variance in BM, signifying a highly robust model fit. The Adjusted R Square (0.902) closely mirrors R Square, suggesting that all predictors meaningfully contribute to the model without risk of overfitting. The standard error of the estimate (0.21807) indicates that the model's predictions are precise, with minimal average deviation from observed values. Meanwhile, the Durbin-Watson statistic (1.823) falls within the acceptable range (1.5 to 2.5), indicating no substantial autocorrelation in the residuals, and thus reinforcing the model's statistical reliability. Taken together, these indicators suggest that the model is both statistically sound and practically significant in capturing the predictors of business mortality among SMEs.

**Tab. 4.2 Test of Hypotheses**

Coefficients <sup>a</sup>
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Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.958	.088		56.241	.000
	EET	.115	.027	.127	4.250	.000
	ESE	-.836	.025	-.991	-32.940	.000
	FP	-.094	.019	-.111	-5.002	.000
a. Dependent Variable: Bunisness_Mortality						

Source: SPSS 26 (Fieldwork, 2025)

The study tested three hypotheses on the relationship between entrepreneurial factors and business mortality (BM). For Hypothesis 1, The analysis revealed that EET had a significant positive effect on business mortality (B = 0.115, t = 4.250), leading to the rejection of the null hypothesis and suggesting that current educational programs may inadvertently contribute to business failure, potentially due to misalignment with practical business realities. Similarly, for Hypothesis 2, ESE exhibited a strong negative association with business mortality (B = -0.836, t = -32.940), indicating that higher levels of self-efficacy significantly reduce the likelihood of business failure. Accordingly, the null hypothesis for ESE was also rejected. In Hypothesis 3, while FP demonstrated a statistically significant inverse relationship with business mortality (B = -0.094, t = -5.002), supporting the rejection of its respective null hypothesis.

#### 4.2 Discussion of Findings

First, the analysis of the effect of Entrepreneurial Education and Training (EET) on business mortality among SMEs in Abuja Municipal Area Council (AMAC) yielded a statistically significant result (B = 0.115, t = 4.250, p < .001). This implies that increased exposure to EET correlates with higher rates of business mortality, a counterintuitive outcome that warrants critical reflection. Based on this, the null hypothesis was rejected, indicating that EET indeed has a significant though unexpectedly positive influence on business mortality.

To contextualize this contradiction, it's important to recognize that while entrepreneurial education is widely endorsed as a driver of competency and business sustainability Iweh *et al.*, (2022), its practical effectiveness depends significantly on relevance, delivery, and contextual application. Iweh *et al.*, (2022) report that over 90% of students exposed to entrepreneurship curricula in Nigerian universities gained entrepreneurial competencies, yet the effectiveness of these programs in real business settings remains uneven perhaps due to a disconnect between what is taught and the practical, dynamic challenges entrepreneurs face in unstable markets like AMAC. Supporting this critique, Etim *et al.*, (2022) found that poor managerial skills often rooted in ineffective or overly theoretical training contribute significantly to business failure in Nigeria. This echoes the idea that education that lacks contextual grounding may inadvertently create false confidence or misdirected strategies, leading entrepreneurs into unsustainable ventures.

Secondly, the regression output shows that Entrepreneurial Self-Efficacy (ESE) has a strong and statistically significant negative relationship with business mortality among

SMEs in Abuja Municipal Area Council (AMAC), indicated by ( $B = -0.836$ ,  $t = -32.940$ ,  $p < .001$ ). Based on this, the null hypothesis is rejected, confirming that ESE plays a crucial protective role in determining business longevity. Specifically, the higher the self-efficacy of entrepreneurs their belief in their capability to plan, execute, and lead the lower the likelihood of business failure. This finding is well-aligned with Ghimire's (2024) conclusion that motivation, confidence, and perceived capability are powerful predictors of entrepreneurial readiness, which in turn drive better decision-making and problem-solving during periods of uncertainty. In turbulent environments such as AMAC, where infrastructural and institutional support is often inconsistent, self-efficacy becomes a resilience mechanism for entrepreneurs, helping them navigate instability with clarity and persistence. Further corroborating this, Adeniyi *et al.*, (2024) found that specific traits tied to self-efficacy particularly innovation and proactiveness are strongly associated with entrepreneurial readiness among Nigerian science and tech students. These traits not only boost business sustainability but also cultivate adaptability, a vital asset in markets facing macroeconomic volatility and policy unpredictability. In summary, the current result validates prior literature emphasizing that self-efficacy is not merely a psychological construct, but a determinant of strategic behavior, business viability, and long-term success. Interventions aimed at strengthening SME sustainability in AMAC must therefore move beyond infrastructure and financing, to include programs that actively build entrepreneurial confidence, mindset, and action orientation.

Lastly, the regression analysis investigating the effect of Financial Preparedness (FP) on business mortality among SMEs in Abuja Municipal Area Council (AMAC) revealed a significant inverse relationship, where ( $B = -0.094$ ,  $t = -5.002$ ,  $p < .001$ ). Consequently, the null hypothesis was rejected, confirming that financial preparedness plays a significant role in reducing business mortality. This suggests that entrepreneurs with sound financial planning, budgeting skills, and access to capital are notably more likely to sustain their ventures and avoid early collapse. This finding is strongly supported by Garcia *et al.*, (2022), who emphasized that inadequate financial access ranks among the top determinants of mortality in micro and small enterprises (MSEs). Their systematic review underscored the critical nature of stable funding channels and financial literacy as tools for business longevity. Abang and Akpan, (2018) further validate this point by asserting that internal resource management including financial capacity is essential for SMEs to survive external shocks and thrive in complex environments. Their study of Nigerian SMEs reinforces the need for firms to internalize financial discipline as a strategic tool for sustainability. Etim *et al.*, (2022) also highlighted that deficiencies in financial and marketing strategies significantly contribute to premature business failure. Their findings suggest that financial preparedness is not just about access to funds but also about strategic allocation and utilization key traits that enable business continuity under uncertain conditions.

## 5.0 Conclusion

Strengthening entrepreneurial performance in the AMAC region demands a holistic, context-sensitive approach that goes beyond conventional training. By reforming entrepreneurship curricula to reflect real-world dynamics, cultivating internal capacity through mindset and confidence-building initiatives, and establishing community-rooted financial literacy hubs, stakeholders can foster a more resilient, competent, and

empowered generation of entrepreneurs. These strategic interventions not only close critical gaps in knowledge, skills, and support but also create an enabling environment where small businesses can thrive sustainably amidst economic and social uncertainties.

### **6.0 Recommendations**

First, there should be a reform in entrepreneurship curricula to emphasize experiential, context-driven learning. Specifically, entrepreneurship programs should be co-designed with active entrepreneurs and local business stakeholders to incorporate case studies, market simulations, and mentorship opportunities that reflect the realities of AMAC's business environment. This approach bridges the theory-practice gap, making training more actionable and less abstract.

Secondly, there should be implementation of intensive capacity-building initiatives focused on building entrepreneurial confidence and proactive mindsets. These programs should include problem-solving workshops, peer-to-peer mentoring, resilience coaching, and exposure to entrepreneurial role models from similar environments. By fostering internal beliefs and coping mechanisms, these initiatives would directly enhance business sustainability.

Lastly, there should be establishment of localized financial literacy and planning support hubs for SMEs. These hubs can offer one-on-one coaching in budgeting, access to micro financing networks, loan-readiness programs, and digital tools for cash flow management. Equipping entrepreneurs with ongoing, practical financial support reduces the risk of premature failure due to resource mismanagement or financial shocks.

### **7.0 Policy Implication**

First, policymakers should revamp SME training programs to prioritize practical, context-sensitive learning models. This means shifting from a theoretical, one-size-fits-all curriculum to locally tailored programs co-developed with entrepreneurs, industry experts, and community leaders. Regulatory frameworks can also mandate periodic curriculum reviews to ensure alignment with real-time market conditions in AMAC.

Secondly, Government and development agencies should embed entrepreneurial mindset development into national SME strategies. Interventions might include subsidies or grants for mentorship networks, coaching incubators, and resilience boot camps that focus on self-efficacy, decision-making agility, and adaptive thinking especially in unpredictable environments like AMAC.

Lastly, there's a strong case for institutionalizing financial literacy programs and expanding access to SME-friendly funding mechanisms. Policies could support the creation of municipal-level financial advisory hubs, incentivize banks to offer tailored micro-loans, and mandate financial planning modules as a prerequisite for business registration or access to finance eligibility.

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