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RESEARCH ARTICLE

Entrepreneurial Financial Literacy Skills and Business Survival Among Nano Enterprises in Akure, Ondo State

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Abstract

The study explored the effect of entrepreneurial financial literacy skills on the business survival of nano businesses in Akure, Ondo State, Nigeria. Specifically, the study measures on the effect of budgeting skills, savings behavior, credit management, and record keeping on business survival. A descriptive survey research design was adopted, and data were collected from 350 operators/ owners of nano enterprises using a structured questionnaire. Descriptive statistics and Pearson Product Moment Correlation (PPMC) were used for data analysis. The findings revealed that budgeting skills ($r = 0.742$, $p < 0.05$), savings behaviour ($r = 0.718$, $p < 0.05$), credit management ($r = 0.756$, $p < 0.05$), and record keeping ($r = 0.781$, $p < 0.05$) have significant positive relationships with business survival. The research revealed that entrepreneurial financial literacy is a key factor in the continuity, stability, and sustainability of nano enterprises. It was therefore recommended that entrepreneurship development agencies and financial institutions regularly carry out financial literacy trainings tailored for operators of nano enterprises to enhance their capacity for long-term survival.

Keywords: Entrepreneurial financial literacy, budgeting skills, savings behaviour, credit management, record keeping, business survival, nano enterprises

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1 | Introduction

Entrepreneurship has emerged as one of the key drivers of economic growth, job creation, and poverty alleviation globally. Entrepreneurial activities are vital for innovation and income generation, as well as improving standards of living through self-employment and economic development at the local level. Chaurasia (2022) states that entrepreneurship is the process of initiation, organization, and management of business ventures for the purpose of making profits and adding value. Likewise, Saiz-Alvarez and García-Vaquero (2019) define entrepreneurship as an economic and social phenomenon which involves the recognition of opportunities and the implementation of innovative ideas into viable business ventures.

Entrepreneurship has become even more relevant in developing economies like Nigeria because of the high level of unemployment and meager prospects in the formal sector (Olayinka et al.,

2023). This has led many to turn to self-employment and micro-enterprises as alternative livelihood options and sources of income. Many of these entrepreneurial ventures take place in the form of nano enterprises, the smallest segment of business establishments. Nano enterprises are typically small, have low capital and labour requirements, and are often owned and managed by a single person. These include businesses such as tailoring, shoe making, petty trading, hairdressing, food vending, and small retail stores.

The role of nano enterprises in economic development cannot be underestimated. According to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2021), nano and micro enterprises make up a sizeable share of businesses in Nigeria and play a significant role in the generation of employment and household income. Similarly, the World Bank (2021) noted that informal businesses, especially nano businesses, contribute significantly to employment and economic activities in Sub-Saharan Africa. Despite their importance, many nano enterprises suffer low rates of survival and are short-lived, often folding up within the first few years of establishment due to pervasive financial and managerial issues (Akinyede, 2023).

Financial literacy is one of the critical elements that affect the survival of nano enterprises. Financial literacy is defined by the Organisation for Economic Co-operation and Development (OECD, 2020) as the awareness, knowledge, skills, attitudes, and behaviours required to make informed financial decisions and to achieve financial well-being. For the entrepreneur, financial literacy encompasses not only personal finance management but also the management of the business's finances. This is more commonly known as entrepreneurial financial literacy, which includes the knowledge and skills needed in budgeting, savings management, credit utilization, and financial record keeping.

The importance of entrepreneurial financial literacy has grown due to the fact that most nano entrepreneurs possess limited resources and must perform all managerial and financial activities without the assistance of professional accountants or financial experts. Thus, the entrepreneur's level of financial resource management plays a crucial role in the success or failure of the business. Financially literate entrepreneurs are more likely to make effective financial decisions and manage business resources efficiently (Usama & Yusoff, 2018). Likewise, Adewumi and Cele (2023) argue that entrepreneurial financial literacy helps entrepreneurs make informed choices about money management, investment, and profitability, ensuring the sustainability of businesses.

Empirical research has shown a positive relationship between financial literacy and business performance. Babajide et al. (2021) reported that financial literacy is one of the most critical factors influencing financial inclusion and a key facilitator of small business growth in Nigeria. Similarly, Bongomin et al. (2020) found that financial literacy has a significant impact on entrepreneurs' financial decision-making capacity, which helps keep their businesses alive and sustainable. Financially literate entrepreneurs are more likely to budget for their business effectively, save money, utilize credit responsibly, and keep good financial records, all of which help to improve business performance and continuity.

Yet, although financial literacy is significant, many nano enterprise owners still have poor financial literacy and managerial skills. Many are not maintaining proper financial records, not preparing budgets, possess poor saving habits, and use excessive inappropriate credit facilities. Some business owners also do not distinguish between their personal finances and their business finances, making the enterprise financially unstable and susceptible to closure (Oluwafunmilayo, 2025). These practices tend to lead to poor financial management, low business profitability, and low business sustainability.

Business survival is the ability of a business to continue operating successfully over time in the face of economic and operational problems. Naradda Gamage et al. (2020) indicated that organisational resilience, adaptability, and sustainability are closely linked with the survival of the business. Financial resource management and adaptation to economic fluctuations are key factors in the survival of the nano enterprise, especially if it is run by an entrepreneur. Financial literacy is thus an essential skill that promotes financial discipline, efficiency, and long-term sustainability of businesses Lawal et.al (2025).

Nano enterprises are a major part of the local economy in Akure, Ondo State, where they offer jobs and income for many households. However, a number of these businesses still face significant problems related to financial management and lack of entrepreneurial financial literacy skills (Etim et al., 2022). Though some studies have examined the link between financial literacy and business performance, most of them regard small and medium enterprises (SMEs), and very little attention is paid to nano enterprises. Due to the distinct nature and operational constraints of nano enterprises, empirical study is needed to examine the effect of entrepreneurial financial literacy on their survival. This study therefore investigates the effect of entrepreneurial financial literacy skills on business survival of the nano enterprises in Akure, Ondo State of Nigeria.

The Specific Objectives Are to

1. examine the influence of budgeting skills on the survival of nano enterprises in Akure, Ondo State.
2. examine the effect of record keeping on the survival of nano enterprises in Akure, Ondo State.
3. assess the influence of credit management on the survival of nano enterprises in Akure, Ondo State. iv. determine the effect of savings behaviour on the survival of nano enterprises in Akure, Ondo State.
4. Arrangement of Sections

The rest of the paper is arranged as follows: Section two reviews relevant conceptual, theoretical, and empirical literature. Section three constitutes the methodology adopted for the study. Section four presents the results and discusses the findings, while section five provides the summary, conclusion, and recommendations.

2 | Literature Review

Entrepreneurship Concept

Entrepreneurship is now an important tool to enhance economic development, employment creation and poverty alleviation globally. It is the process of opportunity identification, resource mobilization and creation of value through innovative business activities. Chaurasia (2022) states that entrepreneurship is the process of establishing, organizing and managing a business with the ultimate goal of making profit and value. Likewise, Saiz-Alvarez and García-Vaquero (2019) consider entrepreneurship as an economic and social phenomenon, which is based on the identification of opportunities and the process of converting innovative ideas into productive ventures.

In developing countries like Nigeria, entrepreneurship plays a crucial role because of the high level of unemployment and poverty forcing many people to engage in self-employment and informal economic activities. Entrepreneurship in Africa is closely related to survival, self-employment and economic empowerment, according to Mwatsika, Kambewa and Chiwaula (2018). But, managerial skills and financial awareness of the entrepreneur are crucial for the sustainability of the entrepreneurial business.

Nano Enterprises

Nano enterprises are the smallest type of business enterprises and form a significant proportion of the informal sector in many developing nations. The enterprises are low capitalized, small in size, unstructured and owner managed. SMEDAN (2021) reported that nano enterprises have limited resources and capacities compared to micro enterprises, and they are mostly engaged in petty trading, tailoring, food vending, artisan services and other small-scale business activities.

Nano enterprises are also significant in providing employment and alleviating poverty. The findings of Menson (2025) reveal that nano and micro enterprises play an important role in generating household income and offering alternative livelihoods for the population which fails to get formal job. The World Bank (2021) also reports that a significant share of economic activities and jobs in Sub-Saharan Africa is in the informal sector.

However, nano enterprises are confronted with a number of challenges such as limited access to finance, weak managerial skills, weak institutional support, and low financial literacy. These challenges can stunt business growth and raise the risk of business failure.

Financial Literacy and Entrepreneurial Financial Literacy

Financial literacy has been a popular topic due to its significance in enhancing financial decision-making and economic outcomes. Financial literacy is defined as the awareness, knowledge, skills, attitudes and behaviours needed to make sound financial decisions and reach financial well-being by the Organisation for Economic Co-operation and Development (OECD, 2020). Ouachani, Belhassine and Kammoun (2021) also define financial literacy as the combination of financial knowledge, behaviour and attitudes that allows people to compare financial options and make financial decisions.

Financial literacy in the entrepreneurial context is not just about personal finance management, but also the entrepreneur's ability to effectively manage business finances. Entrepreneurial financial literacy is the ability of the entrepreneur to comprehend, interpret and apply financial data to inform business decisions. Entrepreneurial financial literacy improves business performance as a financially literate entrepreneur can make informed financial decisions and manage business resources effectively (Usama & Yusoff, 2018).

In addition, Adewumi and Cele (2023) state that entrepreneurial financial literacy enhances the skills of entrepreneurs in money management, profitability analysis, investment decisions and business sustainability. Financial literacy is therefore a key competency that is essential for entrepreneurs in a competitive and uncertain business environment.

Dimensions of Entrepreneurial Financial Literacy

i. Budgeting Skills

Budgeting skills are the ability of the entrepreneur to plan, allocate and control financial resources effectively to meet the business objectives. Ibitomi et al. (2024) observe that budgeting facilitates financial planning, expenditure control and effective resource utilisation. Good budgeting allows the business owner to focus the business spending, track the business performance and prevent unnecessary spending.

In the case of nanotechnology enterprises, budgeting is especially crucial due to the scarcity of funds and irregularity in income. Diyoke (2024) observes that bad budgeting can cause financial instability, cash flow issues and ultimately business failure.

ii. Savings Behaviour

Saving behaviour is the capacity of the entrepreneurs to regularly save a part of their earnings for future investments, emergency and business expansion. The authors Molosiwa and Molosiwa (2025) highlight that good savings practices enhance financial security and resilience in the face of economic shocks. Adewumi and Cele (2023) also suggest that savings offer entrepreneurs a financial buffer when faced with uncertainties, and help sustain their businesses over the long term.

iii. Credit Management

Credit management is the ability of an entrepreneur to borrow, use and repay borrowed money responsibly. Dakare and Okon (2021) argue that good credit management helps entrepreneurs to make informed borrowing decisions and prevent over-leveraging. Conversely, if credit is not managed well, it can cause financial difficulties and business failure. Co-operative societies and local money lenders are the sources of informal finance for many nano enterprises. Thus, it is vital to have effective credit management to guarantee financial stability and business continuity.

iv. Record Keeping

Financial record keeping is a systematic method of recording and keeping financial records of business transactions such as sales, expenses, debts, and profits. Oluwafunmilayo (2025) states that good record keeping helps the business owner to keep track of business operations, evaluate profitability and make decisions.

Many entrepreneurs feel that they do not need to keep good records or that it is difficult to keep good records; this is a major problem with poor record keeping among nano enterprises. Adewumi and Cele (2023) however state that good financial records facilitate access to finance and build credibility and sustainability of the business.

Concept of Business Survival

Business survival is the ability of a business to operate successfully over time, despite facing internal and external challenges. According to Yusuf (2022), business survival is the ability of the business to continue its operations, profitability and adaptability in a changing business environment. In the same manner, Naradda Gamage et al. (2020) link business survival with business resiliency, sustainability and resistance to economic shocks of an organization.

The businesses in developing countries like Nigeria are confronted by issues that come from inflation, poor infrastructure, lack of access to finance and unstable economic policies. According to Etim et al. (2022), these are some of the challenges that make small and nano enterprises fail. Hence, financial management and entrepreneurial skill have become crucial to ensure the continuity and sustainability of businesses.

Relationship Between Financial Literacy and Business Survival

Financial literacy and business survival have been a topic of much scholarly interest. Financial literacy is a factor that impacts the entrepreneur's capacity to effectively plan, allocate and control financial resources. Usama and Yusoff (2019) argue that financial literacy helps financially literate entrepreneurs to sustain their business as they have knowledge of handling the financial resources effectively to tackle economic challenges.

Financial literacy also enables easier access to financial services and enables the better decision making of entrepreneurs in borrowing and investing. Babajide et al. (2023) note that financially literate entrepreneurs can make better use of formal financial services and sustain their businesses.

In addition, financial education helps to develop financial discipline, budgeting, financial saving, proper use of credit and keeping financial records. These operations improve profitability, operational efficiency and economic uncertainties resistance (Jegede et al., 2025; Eke et al., 2026). Therefore, entrepreneurs with a good financial literacy are more likely to be able to sustain their businesses and grow them over the long-term than entrepreneurs who lack financial knowledge.

Theoretical Review

This study uses three theories as a basis, namely the Human Capital Theory (Becker, 1964), Financial Literacy Theory (Lusardi & Mitchell, 2020), and Resource Based View Theory (Barney, 1991). The main theoretical framework, however, is the Human Capital Theory.

This study anchors on the Human Capital Theory, widely credited to scholars such as Gary Becker (1964) and Theodore Schultz (1961). Human Capital Theory postulates that investment in education, knowledge, and skills improves productivity and performance. The theory holds that entrepreneurial financial literacy is a type of human capital that facilitates entrepreneurs' capacity in budgeting, financial record keeping, managing savings, and using credit. This translates to more knowledgeable entrepreneurs having better financial literacy, which increases their likelihood of making informed financial decisions and staying in business for the long term.

Human Capital Theory is that investment in education, knowledge and skills improves productivity and performance. The theory holds that entrepreneurial financial literacy is a type of human capital that facilitates entrepreneurs' capacity in budgeting, financial record keeping, managing savings and using credit. This translates to more knowledgeable entrepreneurs having better financial literacy, which increases their likelihood of making informed financial decisions, and staying in business for the long term.

The theory is especially applicable to this research as the majority of nano enterprises are owner-managed and heavily rely on the knowledge and skills of the entrepreneur to survive. Thus, entrepreneurial financial literacy skills are valuable human capital that can contribute to enhancing business continuity, profitability and sustainability of the nano enterprises in Akure, Ondo state.

Empirical Review

Research on financial literacy and business performance has been conducted at the empirical level across many studies and has consistently shown that financial knowledge and skills are important factors in determining the sustainability and survival of business enterprises. The researchers have highlighted the significance of budgeting practices, saving habits, credit management and financial record keeping in improving the performance of businesses and maintainability of enterprises.

Abubakar (2020) studied the effects of financial literacy on the profitability of small-scale businesses in Karu, Abuja, Nigeria. The study employed a survey research design, and structured questionnaires and financial literacy tests were used to collect data from 148 respondents. Data were analyzed using simple percentages and multiple regression analysis. The findings revealed that while general financial knowledge was low among respondents, specific components of financial literacy, particularly bookkeeping skills and cash management, had a significant positive impact on business profitability. The study concluded that financial literacy is critical for the continuous growth and survival of small-scale enterprises.

Frequency distributions, percentages and Analysis of Variance (ANOVA) were used to analyse data. The results indicated that the financial literacy practices of the enterprises were low in general. The study, however, found that there was a significant relationship between financial literacy and profitability of the business, especially in financial record keeping. It was found that entrepreneurs with good book-keeping skills will have greater chances of enhancing the performance of their businesses and sustainability.

Likewise, Babajide et al., (2021) conducted a study on the financial literacy and financial inclusion of small business owners in Nigeria. The study revealed that financial literacy has a significant effect on the access of entrepreneurs to financial services and it also has a positive impact on business growth and sustainability. The authors found that entrepreneurs who have enough financial knowledge have a better ability to manage business resources and make financial decisions to ensure business continuity.

Furthermore, Bongomin et al. (2020) investigated how financial literacy affects business performance of small businesses and found that financial literacy plays a significant role in the effective financial decision making and sustainability of small businesses. The study revealed that financially literate entrepreneurs are more likely to practice good financial management and reduce financial risks and increase business survival rate.

In another study, Sajuyigbe et al.(2020) investigated the joint influence of financial literacy and financial inclusion on the productivity of small-scale businesses in Nigeria. The results showed that financial literacy has a positive impact on entrepreneurial performance and helps business owners to access and use financial services in a better way. The study recommended that financial literacy programmes need to be implemented for increasing the sustainability of businesses.

Adewumi and Cele (2023) examined the implications of Financial Literacy on Entrepreneurial Performance and found that entrepreneurs with a good financial knowledge are better able to make informed decisions about saving, investment and utilization of credit. The study concluded that financial literacy has a significant contribution to financial discipline, profitability and business sustainability.

Similarly, Akinyede (2023) also noted a positive relationship between financial literacy and the financial performance of entrepreneurs. The research showed that financial literacy has a positive effect on managerial competence, technical skills, decision making skills, which in turn, increases the sustainability and competitiveness of businesses. The financial literacy was found to be an essential element in the success of entrepreneurs.

Molosiwa and Molosiwa (2025) noted that in the field of saving habit, it was discovered that entrepreneurs who have good saving habit are better equipped to face economic uncertainties and economic shocks. The study confirmed the importance of savings behaviour for financial resilience and business survival in the long-term. Likewise, Babajide et al. (2023) concluded that the entrepreneurs' saving culture has a positive relationship with business stability and business expansion and growth.

Research also has emphasized the role of credit management in the sustainability of business. According to Dakare and Okon (2021), Entrepreneurs who have good credit management skills are more likely to be able to use borrowed money effectively and prudent without accumulating too much debts which could compromise business continuity. The study concluded that the prudent credit management is one of the main factors that make the financial stability and sustainability of the enterprise.

In financial record keeping, Oluwafunmilayo (2025) concluded that if the financial documents are properly kept, the entrepreneur will be able to track the performance of their business, calculate their profit and profitably make managerial decisions. The study also revealed that companies with good financial bookkeeping are more likely to be successful and sustainable than those with poor financial bookkeeping.

Besides, Ifechukwu-Jacobs, Arinze, Nwangwu and Atueyi (2025) studied the impact of financial literacy on youth entrepreneurship in Nigeria and concluded that financial knowledge, financial behaviour and financial expertise significantly affect entrepreneurial sustainability. The study concluded that entrepreneurial financial literacy is a contributing factor to improved business performances and positively contributes to the survival of the business.

Although there are a number of studies on financial literacy and business performance, majority of the studies have been focused on SMEs while very little attention is paid to the performance of the nano enterprises especially in Nigeria. Profitability and financial performance have also been the topic of many previous studies, not business survival. Furthermore, empirical evidence on the specific effect of budgeting skill, saving behaviour, credit management and record keeping on the survival of the nano enterprises in Akure, Ondo State is limited.

The foregoing review thus reveals one of the areas of literature that needs to be looked into. The relationship between entrepreneurial financial literacy skills and business survival of the nano enterprises in Akure, Ondo State is not supported by empirical evidence. To address this gap, this study investigates the impact of budgeting skills, savings behaviour, credit management, and record keeping on the continuity, stability and sustainability of nano enterprises in the study area.

3 | Methodology

The descriptive survey research design was used in this study. The design was found to be appropriate because it allowed the researcher to sample a relatively large number of respondents to check the association between entrepreneurial skills in financial literacy and business survival of the nano enterprises in Akure, Ondo State.

The population of the study consisted of owners and managers of nano enterprises in Akure metropolis in Ondo State. A sample size of 350 respondents was selected for the study. The study adopted a non-probability convenience sampling technique due to the lack of a comprehensive sampling frame for nano enterprises in the area and their often informal, mobile nature. This allowed the researchers to access available operators of petty trades, tailoring, food vending, hairdressing, and artisan services in the

metropolis. Primary data were collected using a structured questionnaire prepared by the researcher. The questionnaire consisted of two parts: Section A covered demographic characteristics, and Section B measured the major variables.

To confirm the validity of the data, the questionnaire was face and content validated by experts in entrepreneurship and business management. To confirm the reliability of the research instrument, a pilot study was conducted on 30 nano enterprise owners in Akure who were not part of the final sample. The data obtained were subjected to Cronbach's Alpha analysis. The coefficient derived for all constructs was above the 0.70 threshold, indicating that the instrument was reliable for measuring the intended variables.

Data collected were analysed using both descriptive and inferential statistics with the aid of SPSS version 26. Descriptive statistics such as frequency count, percentages, mean, and standard deviation were used to describe demographic characteristics and explore trends in responses. The specific statistical model employed to test the formulated hypotheses was the Pearson Product Moment Correlation (PPMC) analysis at a 0.05 level of significance. Correlation analysis was suitable for determining the nature and strength of the relationship between the independent variable dimensions (budgeting, savings, credit, record keeping) and the dependent variable (business survival).

Analysis of Responses Obtained

A total of 350 questionnaires were administered to nano enterprise operators in Akure. Of this number, 322 were correctly filled and returned, representing a 92% response rate, which is considered adequate for survey research. The descriptive statistics of these responses were subsequently analyzed.

4 | Results and Discussion of Findings

Table 1: Descriptive Statistics on Entrepreneurial Financial Literacy Skills and Business Survival

Variables	Grand Mean	Standard Deviation
Budgeting Skills	3.21	0.86
Savings Behaviour	3.22	0.85
Credit Management	3.23	0.84
Record Keeping	3.23	0.83
Business Survival	3.22	0.87

Criterion Mean = 2.50

Source: Field Survey Report (2026).

The results in Table 1 indicate that all the dimensions of entrepreneurial financial literacy recorded grand mean scores above the criterion mean of 2.50. This suggests that the respondents generally agreed that they possessed appreciable levels of budgeting skills, savings behaviour, credit management, and record-keeping practices.

Table 2: Summary of Pearson Product Moment Correlation Analysis between Entrepreneurial Financial Literacy Skills and Business Survival

Variables	N	r-value	p-value	Decision
Budgeting Skills and Business Survival	350	0.742	0.000	Significant
Savings Behaviour and Business Survival	350	0.718	0.000	Significant
Credit Management and Business Survival	350	0.756	0.000	Significant
Record Keeping and Business Survival	350	0.781	0.000	Significant

Level of Significance: $\alpha = 0.05$

Source: Field Survey (2026).

Table 2 shows that all the dimensions of entrepreneurial financial literacy have positive and statistically significant relationships with business survival among nano enterprises in Akure, Ondo State. Record keeping exhibited the strongest relationship with business survival ($r = 0.781$), followed by credit management ($r = 0.756$), budgeting skills ($r = 0.742$), and savings behaviour ($r = 0.718$). Since all the probability values are less than the 0.05 level of significance, the null hypotheses were rejected.

Discussion of Findings

The study revealed that entrepreneurial financial literacy has a significant positive impact on the survival of nano enterprises in Akure, Ondo State.

Specifically, there was a strong positive correlation between budgeting skills and business survival ($r = 0.742$, $p < 0.05$). This aligns with the apriori expectation that good financial planning leads to business stability. By effectively allocating scarce resources, nano enterprises can mitigate cash flow issues, a finding that agrees with Diyoke (2024), who observed that bad budgeting can cause

business failure. Theoretically, this supports the Human Capital Theory, suggesting that budgeting knowledge is a valuable skill that enhances productivity.

Savings behaviour also proved to have a significant positive influence ($r = 0.718$, $p < 0.05$). This indicates that consistent saving can help build resilience against economic shocks. This result is in harmony with similar works by Molosiwa and Molosiwa (2025), who highlight that good savings practices enhance financial security. It meets the apriori expectation that saving provides a financial buffer in an uncertain economy.

Furthermore, a significant positive relationship was established between credit management and business survival ($r = 0.756$, $p < 0.05$). This implies that prudent borrowing and debt repayment practices are crucial for sustainability. Financially literate entrepreneurs use borrowed money for investment rather than consumption, avoiding excessive debt. This finding agrees with Dakare and Okon (2021) and strengthens the theoretical foundation that resource management is key to survival.

Lastly, record keeping was found to have the highest correlation with business survival ($r = 0.781$, $p < 0.05$). Keeping accurate financial records allows the entrepreneur to track performance and make informed decisions regarding profitability. This result supports similar works by Oluwafunmilayo (2025) and Ifechukwu-Jacobs et al. (2025), which concluded that record-keeping significantly affects entrepreneurial sustainability. It strongly meets apriori expectations, as record keeping is the bedrock of financial accountability in any business, regardless of size.

Conclusion and Recommendations

In general, the study demonstrates that the application of these specific financial literacy skills leads to higher rates of business continuity, validating the core tenets of the Human Capital Theory as applied to the unique context of nano enterprises in Akure. it is concluded that financial literacy is a crucial aspect in the survival and sustainability of nano enterprises. Financial literacy enables entrepreneurs to make appropriate financial decisions and use financial resources appropriately, to manage risks and ensure continuity of business.

Based on the results and conclusions of the study, the following recommendations are made:

Owners of nano enterprises should have regular financial literacy training and capacity building programmes focusing on budgeting, saving management, credit utilization and financial record keeping also develop a saving tradition and maintain personal and business financial separation for improved financial discipline and continuity of business.

Government institutions and the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) need to design and execute programmes for financial literacy for nano enterprise operators while financial institutions and microfinance banks must provide financial education and advisory services to entrepreneurs so as to enhance their financial management skills and support sustainability of the business.

Entrepreneurs should keep proper financial records and practise good book keeping to help them make good decisions and access credit facilities and Future studies are needed on entrepreneurial financial literacy and business survival in other geographical regions and in other types of businesses to give more empirical evidence of the subject.

The study also recommends that financial literacy is considered as one of the entrepreneurial competencies that can check business failure and increase the sustainability of nano business in Nigeria.

The study thus suggests that entrepreneurs with sufficient financial literacy skills are more likely to sustain their enterprises, increase profitability, and grow their enterprises over the longer term than those entrepreneurs who do not have enough financial literacy skills.

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