



# Enhancing the Scope of Startup Activities through Eudaimonic Well-being: The Role of Mediation of Entrepreneurial Self-efficacy

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Received: 18 March 2026

Accepted: 22 July 2026

DOI: <https://doi.org/10.32479/irmm.24085>

## ABSTRACT

The paper examines the impact of eudaimonic well-being and entrepreneurial self-efficacy on the start-up activity of students in higher education. This research employs quantitative methods. Questionnaires were sent to 183 business students. Structural equation modeling empirically tests the idea. Eudaimonic well-being is positively related to entrepreneurial self-efficacy, such that individuals with higher levels of meaning, autonomy, and personal growth have more confidence about their entrepreneurial ability. Moreover, entrepreneurial self-efficacy is highly related to the operations of a startup. That is, self-confidence increases participation in entrepreneurial activities. However, eudaimonic well-being does not significantly influence startup activity. Importantly, entrepreneurial self-efficacy fully mediates the relationship between eudaimonic well-being and breadth of startup activity. The study adds to the entrepreneurial literature by demonstrating the role of psychological well-being in startup activity and the role of entrepreneurship education in well-being and self-efficacy. Policymakers and universities should develop treatments to improve students' psychological well-being and entrepreneurial confidence to boost start-up activity.

**Keywords:** Eudaimonic Well-being, Entrepreneurial Self-efficacy, Startup Activities, Entrepreneurship Education, Mediation Effect

**JEL Classifications:** L26, M13, J24

## 1. INTRODUCTION

Some studies reveal that entrepreneurs care about more than profit alone. They want their businesses to thrive and make a positive difference in people's lives (Ryff, 2019; Shir and Ryff, 2022). From this growing perspective, Eudaimonic well-being (EWB) has acquired prominence as a framework for understanding entrepreneurial behavior and sustainable success. EWB highlights the value of life purpose, autonomy, and personal growth (Ryff, 2019; Chu et al., 2025). It is important to understand why people take risks and engage in entrepreneurial activities despite the uncertainty, as EWB is a higher-order human performance driven by intrinsic characteristics (Chang et al., 2015; Padilla-Angulo et al., 2024).

Entrepreneurial self-efficacy (ESE) denotes a person's assurance in his/her ability to accomplish entrepreneurial tasks competently,

and it has a major effect on entrepreneurial intention, tenacity, and performance (Chen et al., 2020; McCombs, 2025). Individuals with high entrepreneurial self-efficacy (ESE) are better able to discern opportunities, manage resources, and make purposeful decisions in the face of uncertainty, leading to better business results (Karami and Liñán, 2022; Salaheldeen, 2025). In addition, ESE enhances mental health by cultivating core aspects of EWB, such as autonomy, competence, and self-esteem (Koh and Yean, 2025; HassanAhmadi and Hoseinzadeh, 2026).

Recent studies have shown that the connection between Emotional Well-Being (EWB) and Entrepreneurial Self-Efficacy (ESE) is bidirectional and mutually reinforcing, creating a virtuous cycle that promotes individual development and entrepreneurial success (Zawadzki, 2024; Chu et al., 2025). EWB improves intrinsic motivation, resilience, and self-confidence, thereby strengthening

individuals' confidence in their entrepreneurial abilities (Balgiu et al., 2025; Newman et al., 2018). Conversely, ESE allows people to pursue meaningful entrepreneurial activities, therefore increasing their sense of purpose and encouraging personal development (Zambianchi, 2018; Suwarno et al., 2026). However, empirical evidence on this bidirectional link is fragmented, with low consensus on its directionality, border conditions, and underlying processes (Chu and Tran, 2025; Padilla-Angulo et al., 2024).

Besides individual cognition, entrepreneurial self-efficacy (ESE) and entrepreneurial well-being (EWB) are related to the breadth, variety, and strategic orientation of startup activities (Bodolica et al., 2024; Kanth and Sinha, 2025). Entrepreneurs with higher EWB tend to be involved in socially oriented, purpose-driven enterprises, showing greater innovation, adaptability, and resilience (Croonen et al., 2025; Karimi and Reisi, 2023). Likewise, those with higher entrepreneurial self-efficacy (ESE) tend to engage in more diverse entrepreneurial activities because they believe they can handle risks and opportunities (Bagheri and Yazdanpanah, 2017; Caliendo et al., 2023). The findings illustrate the importance of psychological resources in shaping both entrepreneurial goals and the extent and quality of engagement in entrepreneurship (Games et al., 2025; Soundarya et al., 2025).

However, even with these advances, there still remain a few critical holes in the literature. Second, there are few research that have explored the interplay between EWB and ESE in a holistic framework, rather the majority have investigated either the components of EWB and ESE alone or their impact on entrepreneurial outcomes (Marshall et al., 2020; Silveyra et al., 2021). Second, the EWB-ESE relationship is seldom explored empirically in a two-way approach, despite this being a core premise of the theory (Chu and Tran, 2025; Zawadzki, 2024). Rather, they are often limited to assuming a fixed influence of one of the constructs on the other. Third, there is less research on the scope of startup activities as an entrepreneurial outcome than on more traditional metrics such as intention and performance (Kanth and Sinha, 2025; Bodolica et al., 2024).

Although ESE is deeply rooted in the theoretical underpinnings of social cognitive theory and self-determination theory, the mediating role of ESE during the transformation process eudaimonic well-being into specific entrepreneurial actions is under-researched (Newman et al., 2018; Padilla-Angulo et al., 2024). Silveyra et al. (2021) and Marshall et al. (2020) state that existing research is neither generalizable and integrative in explanatory ability as it only delivers partial evidence and is usually limited to specific contexts or samples. The knowledge gap is partly due to the disparities in the methods EWB is evaluated and the manner in which entrepreneurial activity is understood, which make it more difficult to build theories (Shir and Ryff, 2022; Kanth and Sinha, 2025).

Cultural norms, institutional frameworks, and available resources can significantly influence the correlation between well-being, self-efficacy, and entrepreneurial activities. However, data from emerging and transitional economies are scarce compared to those from industrialized economies (Karimi and Reisi, 2023; Soundarya

et al., 2025). However, the present findings have limited external validity due to contextual limitations and the need for empirical evaluation in different situations.

Bridging these gaps is essential in today's entrepreneurial environment, where rapid digital progress and growing risk are the norm. Here, psychological assets such as self-efficacy and well-being are beginning to have a significant impact (Baldacchino and Sasseti, 2025; Games et al., 2025). So we set out to empirically test the mediating role of ESE in the association between eudaimonic well-being, entrepreneurial self-efficacy, and scope of startup activity. The work contributes to the existing knowledge base on the subject by integrating several principles into one model. In doing so, it accomplishes three objectives: First, it develops a more complete and integrative theoretical framework; Second, it provides evidence for the psychological underpinnings of entrepreneurial behavior; And third, it extends the application of previous findings to less explored settings. The findings of this study possess practical and theoretical implications by showing the need to develop entrepreneurial capabilities with an emphasis on psychological well-being. This will create more sustainable, meaningful, and efficient entrepreneurial ecosystems (Newman et al., 2018; Shir and Ryff, 2022).

## 2. LITERATURE REVIEW

### 2.1. Eudaimonic Well-being

Eudaimonic well-being (EWB) is a concept rooted in ancient Greek philosophy, specifically Aristotle's idea of "eudaimonia", which emphasizes living a virtuous life and achieving one's full potential through meaningful engagement and personal growth (Dhiman, 2021; Steger et al., 2008). Unlike hedonic well-being, which focuses on happiness and pleasure, eudaimonic well-being deals with deeper aspects of human development, such as purpose, self-realization, and moral virtue (Dhiman, 2021; Joseph, 2015; Lambert et al., 2015). Some essential elements of eudaimonic well-being include purpose in life, personal growth, autonomy, positive relationships, and self-acceptance. Personal growth involves developing one's capacity and striving for self-improvement (Salavera and Usán, 2019; Zhang et al., 2025). Purpose in life leads to involvement in meaningful activities that align with one's values and true self (Sotgiu et al., 2019; Zhang et al., 2025). Autonomy leads to the exercise of self-determination and intrinsic motivation in life choices (Swindells et al., 2013). Positive relationships lead to building meaningful relationships with others (Zhang et al., 2025). Self-acceptance leads to embracing one's strengths and weaknesses (Salavera and Usán, 2019; Zhang et al., 2025).

### 2.2. Entrepreneurial Self-efficacy

Entrepreneurial self-efficacy (ESE) is an individual's confidence in their capacity to execute entrepreneurial duties and roles effectively. It is based in social cognitive theory and plays a significant impact in influencing entrepreneurial intentions, decision-making, and business performance (D'Armas Regnault et al., 2022; McCombs, 2025; Salaheldeen, 2025). Entrepreneurial self-efficacy (ESE) is an important construct in entrepreneurial research, rooted in Bandura's social cognitive theory that emphasizes individuals' belief in their capacity to execute entrepreneurial duties effectively

(Liguori et al., 2018; McCombs, 2025; Salaheldeen, 2025). The development of ESE theory has evolved through the integration of various frameworks, including the social cognitive, theory of planned behavior (TPB) and social cognitive career theory (SCCT), to explain its role in entrepreneurial intentions, behaviors, and outcomes (Jing, 2008; Liguori et al., 2018; Tsai et al., 2016). ESE is a core component of the SDGs, which mediate the relationship between subjective norms, attitudes, and entrepreneurial intentions (Laguía González et al., 2019; Tsai et al., 2016).

### 2.3. Scope of Startup Activities

Startups usually focus on innovative ideas and technologies to create new products or services. These activities often involve a high level of uncertainty and risk, especially in the early stages (Khodov, 2017; Soegoto et al., 2023). Startup activities include getting project ideas, planning, iterative product development, and integrating customer feedback, as seen in methodologies such as Lean Startup and Agile (Buffardi, 2018; Soegoto et al., 2023). Securing funding is an important activity for startups, often involving venture capital, crowdfunding, or government incentives. For example, tax exemptions for the first 5 years are recommended in some areas to support startup growth (Buffardi, 2018; O'Brien, 2023; Quarch et al., 2025). Startups prioritize understanding and meeting customer needs through iterative product development and feedback loops. This customer-centric approach is at the core of methodologies like Lean Startup (Soegoto et al., 2023). Startups face challenges such as high failure rates, limited funding, and intense competition. Success often depends on innovative ideas, effective management, and access to resources (Khodov, 2017; O'Brien, 2023).

### 2.4. Eudaimonic Well-being and Entrepreneurial Self-efficacy

EWB, which is characterized by meaning, autonomy, and personal growth, exhibits a positive correlation with entrepreneurial motivation and self-efficacy. For example, high self-efficacy in creative problem-solving is a significant predictor of EWB, suggesting that individuals who believe in their ability to solve problems creatively are more likely to experience personal growth and fulfillment (Zambianchi, 2018). EWB mediates the relationship between various factors (e.g., parental influence, autonomy) and entrepreneurial orientation, suggesting that fostering well-being can increase self-confidence and entrepreneurial intent (Suwarno et al., 2026). Studies show that eudaimonic well-being fosters intrinsic motivation for entrepreneurship by promoting autonomy and personal growth, which is essential for entrepreneurial self-efficacy (Chu and Tran, 2025; Ryff, 2019). Eudaimonic well-being is closely aligned with SDT, emphasizing autonomy, competence, and connectedness as core psychological needs. This need is fundamental for entrepreneurial self-efficacy, as it increases intrinsic motivation and confidence in entrepreneurial tasks (Chang et al., 2015; Padilla-Angulo et al., 2024). Autonomy and competence, in particular, are positively correlated with entrepreneurial motivation and job satisfaction, which further strengthens self-efficacy (Padilla-Angulo et al., 2024). Psychology Capital (PsyCap), comprising self-efficacy, resilience, optimism, and hope, is strongly associated with eudaimonic well-being. These traits enhance entrepreneurs' ability to navigate challenges and maintain confidence in their

abilities, thereby directly boosting entrepreneurial self-efficacy ((Marshall et al., 2020). Eudaimonic well-being fosters intrinsic motivation by emphasizing meaningful personal engagement and growth. This intrinsic drive increases entrepreneurial self-efficacy by aligning entrepreneurial goals with personal values and aspirations (Chen et al., 2020; Chu and Tran, 2025; Shir and Ryff, 2022). Eudaimonic well-being serves as a critical psychological foundation for entrepreneurial self-efficacy by meeting intrinsic needs, fostering resilience, and aligning personal growth with entrepreneurial goals. This mechanism highlights the importance of integrating psychological and emotional dimensions into entrepreneurial development programs to improve well-being and efficacy.

- $H_1$ : There is an influence of eudaimonic well-being on entrepreneurial self-efficacy.

### 2.5. Eudaimonic Well-being Dan Scope of Startup Activities

Entrepreneurs with higher eudaimonic well-being exhibit a higher propensity to engage in purpose-driven, socially oriented entrepreneurial activities that correspond with their principles and enhance their sense of meaning and autonomy (Croonen et al., 2025; Junaid and Jurado, 2024). Eudaimonic well-being contributes to entrepreneurial success by increasing resilience, creativity, and motivation. These psychological traits, when combined with external support such as mentorship and community networking, create a dynamic system that promotes entrepreneurial outcomes (Karimi and Reisi, 2023; Soundarya et al., 2025). Entrepreneurs with a strong sense of eudaimonic well-being are better equipped to manage entrepreneurial pressures, which can serve as a protective resource throughout their entrepreneurial journey (Karimi and Reisi, 2023; Ryff, 2019). Entrepreneurs with strong eudaimonic well-being can focus on creating businesses that align with their personal values and growth, thereby enabling more sustainable and innovative decision-making (Croonen et al., 2025). Founders with higher eudaimonic well-being are better equipped to make informed decisions and implement strategies in the face of uncertainty. This is especially relevant in high-risk environments, where resilience and adaptability are essential (Baldacchino and Sasseti, 2025; Games et al., 2025). Eudaimonic well-being influences entrepreneurial intentions and ambitions by fostering autonomy, meaning, and a connection to broader societal goals. This intrinsic motivation can guide founders in assessing risks that align with their long-term values and goals (Chu et al., 2025; Suwarno et al., 2026).

- $H_2$ : There is an effect of eudaimonic well-being on the scope of startup activities.

### 2.6. Entrepreneurial Self-efficacy Dan Scope of Startup Activities

ESE has a positive impact on the scope of startup activities by increasing individuals' confidence in their entrepreneurial abilities. For example, students with higher entrepreneurial orientations and self-efficacy tend to engage in broader startup activities, especially when supported by a strong university entrepreneurial environment (Bodolica et al., 2024). ESE is highly correlated with entrepreneurial passion, especially in the dimensions of discovery, establishment, and development. This passion encourages individuals to expand their

entrepreneurial activities and innovate (Bagheri and Yazdanpanah, 2017). ESE enables entrepreneurs to leverage intangible resources to create businesses (Karami and Liñán, 2022). ESE increases confidence, which directly impacts decision-making by enabling entrepreneurs to take calculated risks and make strategic choices. High ESE is associated with increased resource mobilization, opportunity recognition, and strategic decision-making, all of which are critical to startup success (McCombs, 2025; Salaheldeen, 2025). Entrepreneurs with high ESE show greater perseverance and effort in decision-making, even in challenging circumstances. This persistence is critical to navigating the uncertainties of the startup environment (Caliendo et al., 2023; Trevelyan, 2011).

- $H_3$ : There is an influence of entrepreneurial self-efficacy on the scope of start-up activities.

### 2.7. Eudaimonic Well-being, Entrepreneurial Self-efficacy and Scope of Startup Activities

Eudaimonic well-being and entrepreneurial self-efficacy are closely intertwined, reinforcing one another. EWB offers the psychological basis of entrepreneurial self-confidence and ESE allows for meaningful rewarding entrepreneurial engagement. Together they create a virtuous circle that fosters personal development and entrepreneurial success (HassanAhmadi and Hoseinzadeh, 2026; Koh and Yean, 2025; Suwarno et al., 2026; Zambianchi, 2018). Studies show ESE as a link between psychological well-being and entrepreneurial outcomes. For instance, eudaimonic well-being increases ESE which in turn encourages entrepreneurial intent and perseverance (Marshall et al., 2020; Silveyra et al., 2021). ESE has also been linked with the continued engagement in entrepreneurship which might influence the scope and depth of startup operations (Kanth and Sinha, 2025; Marshall et al., 2020). Eudaimonic well-being, through its impact on ESE, can increase the diversity and complexity of entrepreneurial ventures. Employers with higher ESE are more likely to take on challenging and innovative tasks, potentially expanding the scope of their activities (Kanth and Sinha, 2025; Marshall et al., 2020).

- $H_4$ : There is an effect of eudaimonic well-being on the scope of startup activities mediated by entrepreneurial self-efficacy.

Based on the hypothesis formulation above, the research framework in this study is as follows (Figure 1).

## 3. RESEARCH METHOD

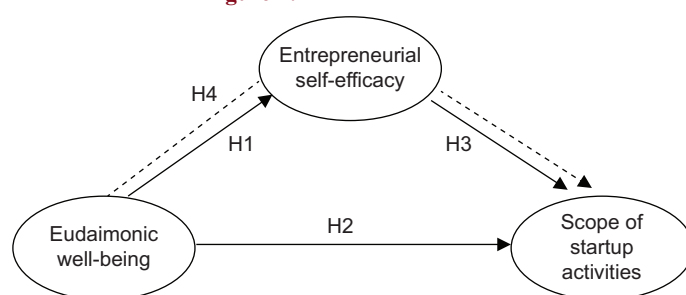
### 3.1. Participant

This research is a type of quantitative research with a descriptive and verifiable approach. Data collection was carried out on students at several private universities. The data type is primary data, obtained from several private universities in Indonesia.

### 3.2. Procedure

The employed sample method is purposive sampling, with the criteria for individuals who can be sampled in this study are students studying in the field of business science. The number of respondents in this study was 183 private university students in Indonesia. Data collection was conducted by the distribution of

**Figure 1:** Research framework



**Table 1: Respondent profile**

| Demographic                     | Frequencies | Percentage |
|---------------------------------|-------------|------------|
| Gender                          |             |            |
| Male                            | 46          | 25.1       |
| Female                          | 137         | 74.9       |
| Semester                        |             |            |
| 1-2                             | 0           | 0          |
| 3-5                             | 49          | 26.8       |
| 6-8                             | 134         | 73.2       |
| Business Owner                  |             |            |
| Yes                             | 50          | 27.3       |
| No                              | 133         | 72.7       |
| Parent's Job as an Entrepreneur |             |            |
| Yes                             | 125         | 8.3        |
| No                              | 58          | 31.7       |

Source: Data processed (2026)

questionnaires to participants in 2025 at several private universities in Indonesia. Questionnaires were distributed to students who were pursuing business education.

### 3.3. Endogenous Variables

This research has endogeneous variables: Entrepreneurial self-efficacy and scope of startup activities. One of them plays a role as a mediation variable. Each variable was measured on a Likert Scale of 1 to 5 from strongly disagree to strongly agree.

### 3.4. Exogenous Variables

This study has exogenous variables: eudaimonic well-being. Variables are measured on a Likert Scale of 1 to 5 from strongly disagree to strongly agree.

### 3.5. Statistical Analysis

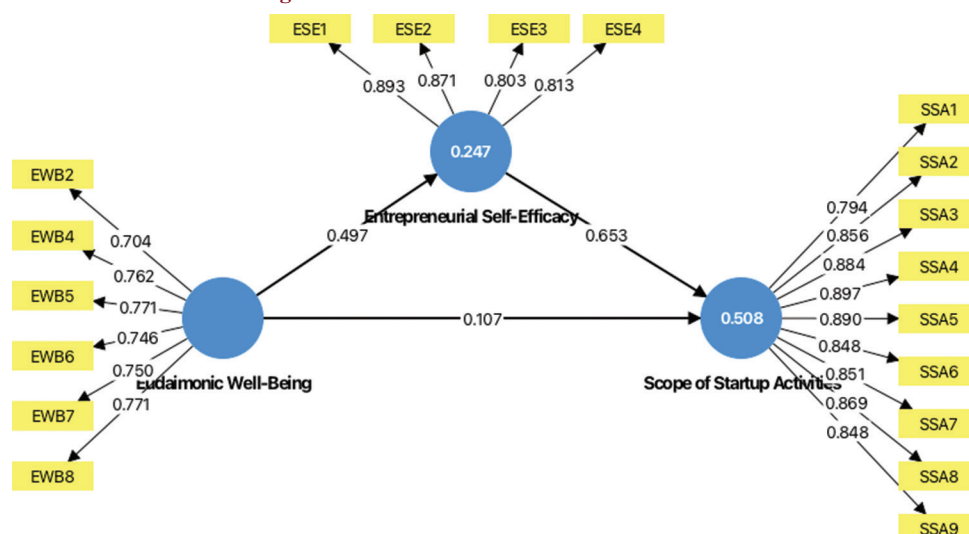
Data analysis was carried out using Partial Least Square-Structural Equation Modeling with SMART PLS 4.0. The test is carried out by testing measurement models and structural models. Validity and reliability tests are stages in testing the measurement model. The research instrument is said to be valid and reliable if the outer loading value is  $> 0.7$  and Cronbach Alpha  $> 0.8$ . The testing of the research hypothesis was carried out by testing the structural model. The hypothesis is stated to be supported if the  $P < 0.05$ .

## 4. RESULTS AND DISCUSSION

### 4.1. Respondent Profile

The profile of respondents in this study is divided into gender, semester, business owner, and parents' work as entrepreneurs. The profile can be seen in Table 1.



**Figure 2:** Measurement and structural test results

**Table 2: Outer loading**

| Variable indicators                                                               | Outer loadings |
|-----------------------------------------------------------------------------------|----------------|
| Entrepreneurial self-efficacy                                                     | 0.893          |
| ESE1 – I am assured in my ability to effectively identify new business prospects. |                |
| ESE2 – I am assured of my ability to successfully develop a new product.          | 0.871          |
| ESE3 - I am confident in creative thinking                                        | 0.803          |
| ESE4 – I am assured in effectively commercializing a novel concept or innovation. | 0.813          |
| Eudaimonic well-being                                                             | 0.704          |
| EWB2 – My social relationships are supportive and rewarding                       |                |
| EWB4 – I actively enhance the pleasure and well-being of others.                  | 0.762          |
| EWB5 – I am competent and capable in important activities                         | 0.771          |
| EWB6 – I am a good person and live a good life                                    | 0.746          |
| EWB7 – I'm optimistic about my future                                             | 0.750          |
| EWB8 – People respect me                                                          | 0.771          |
| Scope of startup activities                                                       | 0.794          |
| SSA1 – I collect information about a market or competitor                         |                |
| SSA2 – I wrote a business plan                                                    | 0.856          |
| SSA3 – I started product or service development                                   | 0.884          |
| SSA4 – I started a marketing or promotional effort                                | 0.897          |
| SSA5 – I purchase materials, equipment, or machinery for a business               | 0.890          |
| SSA6 – I'm trying to get external funding                                         | 0.848          |
| SSA7 – I filed a patent, copyright, or trademark                                  | 0.851          |
| SSA8 – I registered a company                                                     | 0.869          |
| SSA9 – I sell a product or service                                                | 0.848          |

Source: Data processed (2026)

**Table 3: HTMT ratio**

| Correlation among variables                                   | Heterotrait-monotrait ratio (HTMT) |
|---------------------------------------------------------------|------------------------------------|
| Eudaimonic Well-Being <-> Entrepreneurial Self-Efficacy       | 0.568                              |
| Scope of Startup Activities <-> Entrepreneurial Self-Efficacy | 0.765                              |
| Scope of Startup Activities <-> Eudaimonic Well-Being         | 0.472                              |

Source: Data processed (2026)

In the measurement model test, the research tool underwent validation and reliability testing. In testing the instrument's validity, the outer loadings for each variable construct are shown. An outer loading value  $>0.7$  indicates that the question indicator has a strong relationship with the construct of the variable. Table 2 shows the outer loading value of each question indicator.

Table 2 shows that all variables have an outer loading value  $>0.7$ . This indicates that all variable indicators have met the validity. One indicator of the eudaimonic well-being variable was deleted because its outer loading was  $<0.7$ . In the entrepreneurial self-efficacy variable, the largest outer loading was for item ESE1 (0.893): "I am confident that I have successfully identified new business opportunities". This shows that beliefs related to the success of identifying new business opportunities are the largest shaping factor of the ESE variables in this study. The largest outer loading value in the eudaimonic well-being variable was found in items EWB 5 and EWB 8 with an outer loading score of 0.771. Item EWB 5 is related to the statement "I am competent and capable in an important activity" and EWB8 "People respect me". These two question items are the largest shaping factors for the eudaimonic well-being variable in this study. This shows that self-appreciation and respect are important factors in a person's eudaimonic well-being. In the scope of startup activities, the largest outer loading value was for item SSA4 (0.897): "I started a marketing or promotional effort". This shows that efforts to carry out marketing or promotional activities in the early stages of business activities are the main factor shaping the variable scope of startup activities.

Based on Table 1, the predominant number of participants in this study were women (74.9%). At the semester level, the majority of respondents were in the final semester (semesters 6-8), accounting for 73.2%. The majority of respondents also do not have a business, as only 27.3% already have one. Meanwhile, among respondents, the majority have parents who work as entrepreneurs (68.3%).

The data analysis in this study was conducted by testing measurement and structural models. The test results can be seen in Figure 2.

**Table 4: Reliability test**

| Indicator                     | Cronbach's alpha | Composite reliability (rho <sub>a</sub> ) | Composite reliability (rho <sub>c</sub> ) | Average variance extracted (AVE) |
|-------------------------------|------------------|-------------------------------------------|-------------------------------------------|----------------------------------|
| Entrepreneurial self-efficacy | 0.867            | 0.878                                     | 0.909                                     | 0.715                            |
| Eudaimonic well-being         | 0.846            | 0.854                                     | 0.886                                     | 0.564                            |
| Scope of startup activities   | 0.956            | 0.956                                     | 0.962                                     | 0.740                            |

Source: Data processed (2026)

Table 3 above is the result of the discriminant validity test. This test is intended to ensure that each variable is different from the other. The results of the discriminant validity test showed that the HTMT ratio value of the relationship between variables was below 0.9. This shows that each variable in the study meets the discriminant validity test.

Testing the reliability of the research variables by looking at Cronbach's alpha, composite reliability and AVE scores. The research variables are considered reliable if Cronbach's alpha and composite reliability are  $>0.7$  and the AVE is  $>0.5$ . Table 4 shows that Cronbach's alpha and composite reliability values for all variable constructs are  $>0.7$ , and the AVE values are  $>0.5$ . This shows that all variables in this study meet the reliability test.

To test the goodness of fit of the research model, the index score in Table 5 shows a range close to 1. In addition, the SRMR (Standardized Root Mean Square Residue) value is also  $<0.1$ . This shows that the entire model in the study meets the criteria of goodness of fit.

Based on the results of the hypothesis test in Table 6,  $H_1$ ,  $H_3$ , and  $H_4$  are supported by  $P < 0.05$ . Meanwhile,  $H_2$  was rejected because the  $P > 0.05$ . Therefore, the results of the study show that eudaimonic well-being affects entrepreneurial self-efficacy; eudaimonic well-being does not affect the scope of startup activities; entrepreneurial self-efficacy affects the scope of startup activities; and eudaimonic well-being affects the scope of startup activities, mediated by entrepreneurial self-efficacy.

## 5. DISCUSSION

The findings of this study provide a sharper empirical elaboration of the conceptual relationship between eudaimonic well-being (EWB), entrepreneurial self-efficacy (ESE), and scope of startup activities, by emphasizing that the psychological mechanisms in entrepreneurship are multi-layered) and non-linear. In particular, this study's results show that the eudaimonic welfare dimension serves as a foundational psychological resource. However, its effectiveness in encouraging entrepreneurial behavior depends heavily on proximal cognitive mechanisms such as self-efficacy.

First, the significant influence of EWB on ESE ( $H_1$  supported) strengthens the framework of self-determination theory (SDT) and social cognitive theory, which place basic psychological needs such as competence, autonomy, and connectedness as the main determinants of individual self-confidence formation (Chang et al., 2015; Padilla-Angulo et al., 2024). EWB dimensions, such as purpose in life and personal growth, have been shown

**Table 5: Goodness of fit test**

|            | Saturated model | Estimated model |
|------------|-----------------|-----------------|
| SRMR       | 0.064           | 0.064           |
| d_ULS      | 0.782           | 0.782           |
| d_G        | 0.500           | 0.500           |
| Chi-square | 506.467         | 506.467         |
| NFI        | 0.821           | 0.821           |

Source: Data processed (2026)

to increase the internalization of entrepreneurial goals, leading individuals to be both extrinsically and intrinsically motivated toward entrepreneurial activities (Ryff, 2019; Chu and Tran, 2025). Thus, EWB functions as a cognitive-emotional enabler that strengthens perceptions of individual competence and confirms that eudaimonic well-being is a strategic antecedent of entrepreneurial capacity (Zambianchi, 2018).

Second, the lack of a direct influence of EWB on the scope of startup activities ( $H_2$  was rejected) is actually a critical finding that enriches the literature. Unlike prior studies that assumed a direct relationship between eudaimonic well-being and involvement in entrepreneurial activities (Croonen et al., 2025; Junaid and Jurado, 2024), these results show a translation gap between the orientation toward the meaning of life and entrepreneurial actions. EWB has been shown to function more as a distal motivational construct, not automatically producing behavior in the absence of a cognitive mediator. In the context of startups characterized by uncertainty, complex decision-making, and the need to mobilize resources (Khodov, 2017; O'Brien, 2023), psychological well-being alone is insufficient to encourage the expansion of activities without confidence in one's abilities. These findings implicitly criticize reductionist approaches in previous literature that tend to assume a direct relationship between well-being and entrepreneurial outcomes.

Third, the strong influence of ESE on the scope of startup activities ( $H_3$  supported) confirms that self-efficacy is the main proximal predictor in entrepreneurial behavior. This is consistent with the integration of the theory of planned behavior (TPB) and social cognitive career theory (SCCT), which posits that self-confidence is the main determinant of action (Liguori et al., 2018; Tsai et al., 2016). ESE allows individuals to expand startup activities through opportunity recognition, innovation, and measurable risk-taking (McCombs, 2025; Salahelden, 2025), as well as to maintain perseverance under uncertain conditions (Caliendo et al., 2023; Trevelyan, 2011). Thus, ESE functions as an operational mechanism that transforms psychological potential into concrete entrepreneurial actions.

Fourth, the finding that ESE significantly mediates the relationship between EWB and the scope of startup activities ( $H_4$  supported)

**Table 6: Hypothesis test**

|                                                                                          | Original<br>sample (O) | Sample<br>mean (M) | Standard<br>deviation (STDEV) | T statistics<br>( O/STDEV ) | P-<br>values | Notes                    |
|------------------------------------------------------------------------------------------|------------------------|--------------------|-------------------------------|-----------------------------|--------------|--------------------------|
| Eudaimonic Well-Being -> Entrepreneurial Self-Efficacy                                   | 0.497                  | 0.504              | 0.076                         | 6,517                       | 0.000        | H <sub>1</sub> supported |
| Eudaimonic Well-Being -> Scope of Startup Activities                                     | 0.107                  | 0.109              | 0.072                         | 1.497                       | 0.135        | H <sub>2</sub> rejected  |
| Entrepreneurial Self-Efficacy -> Scope of Startup<br>Activities                          | 0.653                  | 0.654              | 0.051                         | 12.876                      | 0.000        | H <sub>3</sub> supported |
| Eudaimonic Well-Being -> Entrepreneurial<br>Self-Efficacy -> Scope of Startup Activities | 0.325                  | 0.330              | 0.057                         | 5,682                       | 0.000        | H <sub>4</sub> supported |

Source: Data processed (2026)

is a key theoretical contribution of this study. These results confirm that the relationship between psychological well-being and entrepreneurial outcomes is indirect, rather through cognitive mechanisms that serve as a psychological bridge (Marshall et al., 2020; Silveyra et al., 2021). Conceptually, EWB provides motivational energy and value orientation, while ESE acts as an execution mechanism that converts that energy into tangible action. These findings also align with the concept of psychological capital (PsyCap), which emphasizes the importance of hope, self-efficacy, optimism, and resilience for entrepreneurial success (Newman et al., 2018; Balgiu et al., 2025).

This study offers strong, relevant novelty. First, this study proposes and validates an indirect-only effect model, in which eudaimonic well-being does not have a direct influence on the scope of startup activities, but is significantly influenced through entrepreneurial self-efficacy. These findings introduce a new perspective that challenges dominant assumptions in the literature, which tend to view the relationship between psychological well-being and entrepreneurial activity as direct. Thus, this study shifts the paradigm from the direct-effect model to the mediated-psychological-process model.

Second, this study explicitly identifies the translation gap between “meaning-oriented cognition” (EWB) and “action-oriented behavior” (startup activities). This concept makes a new contribution by explaining why individuals with high levels of well-being do not necessarily engage in extensive entrepreneurial activity. By introducing this concept, the research enriches the discourse on the limited role of well-being in generating economic behavior without the support of cognitive-proximal factors.

Third, the study more comprehensively integrates three main theoretical frameworks social cognitive theory, self-determination theory (SDT), and theory of planned behavior (TPB) into one coherent empirical model. Such integration provides a more complete knowledge of how intrinsic motivation (EWB) is converted into self-confidence (ESE) and, in turn, into entrepreneurial behaviors (startup activities). This integrated method is yet underdeveloped in the previous literature, which tends to analyze these variables only in part.

Fourth, from an empirical standpoint, this research enhances the existing literature by showing that, in the setting of high-risk, dynamic startups, enabling psychological factors (EWB) must be expressed through executing factors (ESE). Therefore, this study proposes a novel dichotomy of psychological resources and behavioral activation processes in the entrepreneurial studies.

In summary, the uniqueness of the current research is to re-conceptualize the relationship between psychological well-being and entrepreneurial engagement in a more dynamic, nonlinear and mechanism-based paradigm. In this way this contribution not only advanced the development of the entrepreneurial theory but also opened up new research avenues, which underlined the significance of psychological mediators for connecting values, motives and actions in the context of modern-day entrepreneurship.

## 6. CONCLUSION

This study finds that eudaimonic well-being (EWB) functions as a psychological resource in increasing entrepreneurial self-efficacy (ESE) among students but not directly in increasing the scope of startup activities. Rather, ESE was a significant predictor of the level of startup activity, and fully mediated the EWB – startup activity relationship. The findings provide evidence for an indirect effect, meaning that meaning-based well-being and personal growth lead to entrepreneurial action only when mediated by confidence in own abilities. The results of this study thus support the hypothesis that psychological aspects do not work linearly but are part of the process of moving from intrinsic motivation to action competence in the context of student entrepreneurship.

This paper has certain shortcomings but also provides crucial theoretical and empirical advances. One concern is that the methodologies used in cross-sectional studies are unable to identify causality or changes in EWB, ESE, and startup activity over time. Furthermore, the respondents’ student status restricts the findings’ generalizability to other groups such as professional entrepreneurs or established enterprises. Furthermore, the model variables are mainly concerned with the basic psychological characteristics and do not adequately incorporate the contextual factors, such as the availability of resources, institutional support, and entrepreneurial ecosystems, that might influence the interactions among these variables. These constraints highlight the necessity for additional study to construct more holistic and contextually relevant models. The paper examines both the philosophical and practical ramifications of these discoveries and limits.

Moreover, more longitudinal and mixed-method academic research can be developed to integrate variables such as entrepreneurial aptitude, psychological capital, and environmental features to develop a fuller understanding. Colleges should implement entrepreneurial programs that improve meaning-based psychological well-being and self-efficacy by using experiential learning, mentoring, and company incubation. These interventions



should not just be aimed at enhancing students' intrinsic drive but also at stimulating actual acts in the real world through startup ventures in the long run.

## ACKNOWLEDGEMENT

Funding for this research was provided by Maranatha Christian University.

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