MODELLING FINANCIAL LITERACY AS MODERATOR FOR ENVIRONMENTAL TURBULENCE INTENSITY AND SMALL BUSINESS SURVIVAL IN LAGOS STATE

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Abstract
Sound knowledge of financial literacy coupled with opportunities explore from environmental turbulence intensity and diversifying the threat from the business environment play major role in small business survival across the globe. Though, lack of financial literacy and poor management of environmental turbulence intensity hindered survival of small businesses in Nigeria. Thus, the study investigates moderating influence of financial literacy with environmental turbulence intensity on small business survival in Lagos State. Quantitative approach via survey research design, Cochran (1997) formula sample size and Partial Least Square 3.0 as a statistical tool were employed to investigate the problem as well as used Partial Least Square 3.0 as a statistical tool. Findings revealed that financial literacy moderated with environmental turbulence intensity had negative and insignificantly influenced on small business survival in Lagos State. The study concluded that financial literacy moderated with environmental turbulence intensity adversely affect small business survival due to Nigeria environmental turbulence pressure and high level of financial illiteracy among small business investors. Thus, the study recommended that small business owners in Nigeria should take utmost cognizance of environmental turbulence intensity and fully equip themselves with knowledge of financial structure of sourcing funds and getting sound investment in their small business decision model so as to achieve small businesses survival in Lagos State.

Keywords: Environmental turbulence intensity, effectuation theory**,** financial literacy, small business survival

1.0 Introduction

Financial literacy plays a significant role in achieving small business going concerned. Small businesses contribute to economic activities and development, create employment as well as contribute to nation's gross domestic product. Due to significant contribution of small businesses, financial literacy become major skill needed by small business investors to understand financial processes of getting loans, conditions of loans, danger of loan interest rate on businesses and how to mitigate the interest rate risk on small businesses.

Financial literacy focused on the consciousness and actions employed in financial decisions so as to achieve sound financial survival in the face of environmental turbulence intensity factors like market turbulence, technological turbulence, and competitive intensity (Anjani & Darto, 2023). Although, there exists link between financial literacy, environmental turbulence intensity and small business survival; as

Small businesses connote more than 80% of domestic workforce in developing economies like Indonesia, Kenya, Ghana, and Nigeria among others, offering day to day job and income to millions of populations in developed, emerging and developing economies (World Bank Report, 2024). Despite major contribution of small businesses in the World economy, small businesses are the most financial vulnerable which hinder survival of small businesses across globe (Kurniasari, Abd Hamid & Lestari, 2025). Continuous failure of small businesses has turn out to be a challenging problem to Government; as more than 60% of new small businesses

fail after five years of establishment, and only 4 of 10 new small businesses grow (Kurniasari et al., 2025). This challenging problem is not limited to small businesses in emerging and developing economies but also developed economies like USA, UK, France, and Spain among others.

In the USA, according to U.S Bureau of Labor Statistics (2024), that 21% of newly established businesses in 2018 closed within their first year of operation, followed by 31.3% in the second year, 37.9% in the third, 42% in the fourth, and 48% in the fifth year in 2023. The risk of failure for small businesses is increased by certain obstacles, such as a lack of financial literacy via financial incapability, lack of financial expertise and inadequate financial resources (Arsawan et al., 2022; Fatoki, 2018; Hossain et al., 2021). This challenging problem of lack of financial literacy is applicable to Nigeria; where most small businesses could have access to finances from deposit money banks which resulted in small businesses collapsed.

The unpredictable nature of the business climate has made it extremely difficult for managers and owners of small enterprises, in particular, to achieve company survival in terms of business continuity. Small businesses, whether in developed, emerging, or developing nations, play a substantial role in economic activity, growth, and employment worldwide (U.S. Chamber of Commerce Report, 2023; SMEDAN, 2022; World Bank Report, 2022). This demonstrated that the survival of small businesses has become a top priority for governments at all levels, including the federal, state, and local ones, because of the critical role that small firms play in both the domestic and international economies.

Small business survival focused on actions taken by managers or owners of small businesses in an effort to generate income and establish a sustainable competitive edge by seizing opportunities and controlling risks brought on by unstable environments and a lack of financial literacy. Small business survival has been hampered by environmental turbulence intensity and financial literacy, despite the fact that small businesses make a significant contribution to economic growth and development. According to Faisal, Maarif, Fahmi, and Yulianto (2022), financial literacy is necessary for small businesses to thrive by gaining market share, gaining a competitive edge, taking advantage of business environment opportunities, and implementing coping mechanisms in the face of environmental pressures and threats.

Environmental turbulence intensity is the rate of innovation across sectors where competition is volatile and unpredictable (Staniec, 2018). As viewed by Arici and Gok (2023) that environmental turbulence intensity as a dynamic, unpredictable, expanding, and fluctuating environment. Environmental turbulence intensity dimensions in terms of market turbulence, technological turbulence, and competitive intensity serve as opportunity and a threat for small business survival measures such as competitive advantage and revenue generation. There have been rapid and dynamic changes happened in various industries. As a result, interactions between sectors have expanded unexpectedly in recent years. All of these changes and advances have raised the intensity and competition of Environmental Turbulence (ET), and small businesses have begun to focus more on financial literacy to meet these difficulties. With the vital role play by small businesses, financial literacy can be used in managing unpredictable environmental factors in various sectors.

Anjani and Darto (2023) further stated that financial literacy and environmental turbulence were pregnant with volatile changes due to its unpredictable structure that might determine small business survival in terms of competitive advantage and revenue generation.Amos et al. (2021) pointed those small businesses in Nigeria consistently face micro and macro-environmental challenging problem that limit their long-term survival. The challenging problems are evidenced by the persistent decline revenue generation and competitive

disadvantage among small businesses in Nigeria which resulted in collapsed of small businesses.

In Nigeria, despite the policies established by the country's National Development Policy on MSMEs across sectors to ensure their continuity and long-term survival (PwC's MSME Survey, 2023; SMEDAN Report, 2022). However, the industry is still burdened with issues of financial illiteracy and environmental turbulence intensity elements, which have a detrimental effect on small business survival and, eventually, negatively affect the economy as a whole (Nigeria National Bureau of Statistic, 2024).

There have been several related studies on environmental turbulence and firm performance (Anjani & Darto, 2023; Abbas, & Hassan, 2017; Arici & Gok, 2023; Faisal et al., 2022; Tsai, & Yang, 2014 among others) as well as related studies on influence of financial literacy on firm performance (Agyapong, & Attram, 2019; Menike, 2019; Usama, & Yusoff, 2019; Yakob, Zalila, Yakob, & Hafizuddin-Syah, 2021; Mudzingiri, Mwamba, & Keyser, 2018; Sudindra, 2018; Nzira, 2018; Odebiyi, Fasesin, & Ayo-Oyebiyi, 2020 among others). Despite several related studies, no known studies have examined how financial literacy relate with environmental turbulence intensity and survival of small businesses in Lagos State. Therefore, there exist gap identified which motivated this study.

The gap identified among past related studies served as the novelty and uniqueness of investigating relevance of how financial literacy moderate environmental turbulence intensity and small business survival. Thus, this study intended to investigate howfinancial literacy moderate environmental turbulence intensity and small business survival in Lagos State.The objective of the study is to examined financial literacy as moderator between environmental turbulence intensity and small business survival in Lagos State

Research Question
How does financial literacy moderate between environmental turbulence intensity and small business survival in Lagos State?

Research Hypothesis
H_{01}: Financial literacy has no moderating influence between environmental turbulence intensity and small business survivalin Lagos State.

2.0 Literature Review
The literature review focused on conceptual definitions, theoretical framework, empirical review and gap in the literature.

Financial literacy
In this study, financial literacy connotes as knowledge and comprehension of numerous legal means of sourcing and expending financial resources for investment so as to achieve business survival. Financial literacy notion centers on the capacity to effectively handle firm financial sources and financial expenditure, including the understanding of how to make wise choices regarding investments in real estate, insurance, college funding, budgeting, retirement, and tax preparation (Ohiokha & Ohiokha, 2021). Atkinson and Messy (2005) defined financial literacy as the ability and confidence of investors and consumers to comprehend financial concepts and products, as well as their capacity and confidence to identify financial opportunities and risks, make informed decisions, know where to get help, and take other effective actions to improve their financial well-being. This study further conceptualized financial literacy as investor proficiency in financial ideas and principles as well as financial mix sources, including time

value of money, compound interest, debt management, financial planning, and revenue saving strategies so as to investment in opportunities and achieve going concerned.

Environmental Turbulence Intensity

Ansoff (2007) defined Environmental Turbulence Intensity (ETI) as the degree of increase in the complexity of the external environment; Faisal et al. (2022) claimed that ETI focuses on industrial innovation in an environment of volatile competition; Nashiruddin (2018) saw ETI as the degree of unpredictable changes in the industry and technology; and Staniec (2018) claimed that ETI is a dynamic and unpredictable trend in the business community. Because of this, organizations are subject to significant levels of environmental turbulence. If ETI is managed effectively, it will increase commercial prospects and inventiveness. The only way for businesses exposed to high ETI to survive is to focus on their planned and operational efficiency.

ETI was measured or proxied in this study using competitive intensity, market turbulence, and technology turbulence. Competitive intensity, according to Arici and Gok (2023), is the degree to which businesses in a certain industry put pressure on one another. Staniec (2018) views technological turbulence as the extent of technological advancements or vicissitudes within an industry, while Arici and Gok (2023) further define market turbulence as the unexpected pressures and rising and falling of the market that small businesses face. These three ETI indicators influenced how companies function and analyze economic difficulties in order to thrive.

Small Business Survival

According to Ohiokha and Ohiokha (2021), a small business is one that is owned and run by at least ten people, has an organizational structure with assets between ₦5 million and ₦50 million, has a negligible market share, and employs fewer than fifty people, or those between the ages of 10 and 49. In order to classify the small enterprises used in this study, the National Bureau of Statistics' (2019) definition was adopted.

According to this study, "business survival" refers to all of a company's endeavors, including its supply chain and demand networks, to enhance its performance and guarantee its continued existence after five years of operation. Perceived revenue generation and perceived competitive advantage served as stand-ins for firm survival. According to this study, perceived competitive advantage is a trait that enables an organization to outperform its rivals, whereas revenue generation is conceptually defined as the actions a corporation does to make money. The dependent variable in this study was small business survival proxied with revenue generation and perceived competitive advantage.

Theoretical Framework

This study underpinned on Theory of Effectuation; as the theory explained the link between small business survival, financial literacy and environmental turbulence intensity.

Theory of Effectuation

The effectuation theory (2001) served as the theoretical foundation for the objective of the study. The idea was first put forth by Saravathy (2001). According to Sarasvathy (2001), effectuation theory is a means-driven survival strategy in uncertain times where rational decision-making entails mobilizing financial and non-financial resources and capacities to tackle and manage environmental pressures and using various network strategies to jointly shape the future of survival and market control of firms. According to Chetty, Ojala, and Leppäaho (2015), effectuation theory emphasized the importance of generating opportunities and grabbing unexpected outcomes in order to live. The notion of effectuation is predicated on

the following premises: (i) readily available resources, including my identity, contacts, and knowledge; (ii) experimentation, which involves trying out different approaches before starting the business; (iii) affordable loss, which is figuring out how much loss is reasonable rather than estimating expected returns; (iv) flexibility to explore new opportunities in the business environment; and (v) pre-commitments within the network to manage the future (Sarasvathy, 2008).

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Consequently, the idea of effectuation is used to reduce the failure costs for entrepreneurs and to strategically prepare for the long-term survival of their businesses (Sarasvathy, 2001). According to this study, income generation and competitive advantage were indicators of small business survival, whereas market and technology turbulences and competitive intensity were indicators of environmental turbulence intensity (ETI). Thus, hypotheses were developed based on the viewpoint that linked the underlying theory to the study's objective.

Empirical Review and Gap in the Literature

Several related empirical studies such as Ohiokha and Ohiokha (2021) and Njoroge (2013) focused on connection between financial literacy, firm success and survival of small and medium scale enterprises. Their study discovered that financial literacy has increased SMEs' profit margins, increased their sales growth, and increased their market share. It was determined that SMEs' survival and success is influenced by their financial attitudes and expertise. Wise (2013) studied impact of financial literacy on new venture survival as well as Alakoso, Afolayan, Alauyan, and Akinrinade (2024) investigated the influenced of entrepreneurial financial literacy on survival of informal organizations in Ilorin metropolis. Their studies found that there is a significant effect of financial literacy on small business survival. However, these scholars such as Alakoso et al. (2024), Ohiokha and Ohiokha (2021), Wise (2013) and Njoroge (2013) failed to factor in how financial literacy could determine both environmental turbulence intensity and small business survival. Thus, there exist empirical gap.

Furthermore, Arici and Gok (2023) use environmental turbulence as a moderator to examine the impact of ETI on company performance. The findings indicate that performance is unquestionably linked to a firm's innovativeness, and that this relationship is increased as turbulence intensity increases. They also suggest that strategic agility is a key component of firm innovativeness, and that this effect may decrease as turbulence intensity increases. According to Ali and Varoglu (2022), businesses use strategic agility to adapt to changes and improve their competitiveness. Sheng, Feng, Chen, and Chu (2021) and Bodlaj and Cater (2019) both conducted empirical research on ET's perceived significance of innovation and corporate innovativeness, as well as market volatility and mass customisation capabilities.

Results show that market and environmental volatility have a major impact on SMEs' capacity for innovation and customization.

Also, Aina and Egbuta (2024) research looks at Lagos State businesses' market share and environmental scanning. The results of a cross-sectional survey research design show that environmental scanning significantly affects market share. Arokodare (2021) examines how performance and strategic agility are impacted by environmental turbulence (ET). Results show a high correlation between strategic agility and performance, which is somewhat tempered by environmental turbulence in Lagos State's oil and gas marketing firms. Turulja and Bajgoric (2019) concentrate on ET, firm performance, and innovation. The results show that ET and innovation have a major impact on businesses' performance. Dynamic capacity to deal with environmental ambiguity and the impact of strategic foresight are the main emphasis of Haarhaus and Liening (2020). Results show that strategic foresight is improved by dynamic capacities to handle environmental ambiguity. Environmental turbulence through innovation and operational suppleness in service organizations are significantly correlated, according to Ojha, Struckell, Acharya, and Patel (2021) empirical investigation of ET through innovation and operational flexibility in B2B service organizations.

Lastly, Pratono and Mahmood (2014) investigate the impact of ET on the relationship between entrepreneurial management and business performance. They found that ET had a significant impact on the relationship between entrepreneurial management and performance. The moderating influence of environmental turbulence, which offers both opportunities and difficulties, especially in the form of new technology and new market direction, determines how well corporate organizations perform. Customer interactions have a big influence on project success, while technological upheaval has a good moderating effect (Voss & Kock, 2013).

According to past empirical studies reviewed, there exist paucity of prior research on environmental turbulence intensity components (market turbulence, technological turbulence, and competitive intensity) on small business survival with moderating influenced of financial literacy in Lagos State. As a result, this study was inspired by a gap in the literature.

3.0 Research Methodology

Small business owners or managers in the five divisions of Lagos State (IBILE), Ikeja, Badagry, Ikorodu, Lagos Island, and Epe divisions were given a questionnaire as part of the study's survey research design. The approach was selected because it makes it simple for researchers to ask questions and discuss subjects with participants (Blaxter, Hughes, & Tight, 2006). A cross-sectional survey design will be used to collect data from a sample of small enterprises operating in a variety of industries, including manufacturing, trade, education, lodging and food services, construction, agriculture, and other services, in order to meet the goals of the study.

The study's population consists of 8,395 small enterprises that are registered with SMEDAN (2017) and the National Association of Small Scale Enterprises (NASME) (2018) in Lagos State. The sampling size was determined using the Cochran (1997) formula and a mixed sampling technique. The study used convenience sampling to deliver an equal number of questionnaires to small business owners or managers in each of Lagos State's five (5) divisions, with the exception of Ikeja division, which is the state capital of Lagos, after determining the sample size using the Cochran (1997) formula.

$$n = \frac{NZ^2pq}{d^2(N-1) + Z^2pq} \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots 3.1$$

Where:
n = Sample size
N = Population size
Z = Standardized normal variable and its value that corresponds to 95 % confidence interval equals 1.96.
P = Degree of variability (0.5)
q = 1-p
d= Degree of accuracy (0.05)
α= level of significance (5%)

$$n = \frac{8{,}395\ (1.96)^2\ 0.5 \times 0.5}{(0.05)^2\ (8{,}395-1) + (1.96)^2\ 0.5 \times 0.5} = 367$$

A single-stage cluster sampling method was employed in the investigation. Based on the quantity of businesses and their economic significance in Lagos, these sites were chosen. The researchers used this sampling strategy because it made it possible to divide the population into convenient clusters, or five divisions in Lagos State. They then randomly selected the necessary number of clusters as sample subjects and examined every element in each of the clusters (known as IBILE in Lagos State). The study spans Lagos State's five divisions (IBILE), which was selected because it is Nigeria's commercial center for small enterprises (SMEDAN, 2017; NBS, 2022).

The study's sample size is 367, and the instrument was spread equally among the divisions, with 73 questionnaires sent to each, with the exception of Ikeja, which received 75 because it is the capital of Lagos State. A total of 367 questionnaires were generated from all the instruments given to the five divisions. Each division association of small business owners' phone numbers that were registered with NASME in Lagos State received the instrument. A modified 6-point Likert scale will be used, with SA standing for "Strongly Agree," A for "Agree," PA for "Partially Agree," PD for "Partially Disagree," D for "Disagree," and SD for "Strongly Disagree" (Sekaran & Bougie, 2010). Six points indicates the greatest score, and one point indicates the lowest score. The scale is in ordinal form.

4.0 Result and Discussions

Table 4.1:
Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Environmental Turbulence Intensity (ETI)	**0.425**	**0.530**	**0.753**	**0.524**
Small Business Survival (SBS)	**0.721**	**0.617**	**0.832**	**0.624**
Financial Literacy (FL)	**0.821**	**0.573**	**0.713**	**0.601**

Source: Researchers' computation, 2025.

The Average Variance Extracted (AVE) values for every construct in Table 4.1 were higher than the suggested cutoff point of 0.5. This suggests significant convergent validity since it

shows that each construct's indicators explain for more than 50% of its variance. It suggests that each construct's measurement items are trustworthy and reliably gauge the underlying idea. The relationships between the constructs were shown by the AVE. A construct is said to have good discriminant validity if its AVE is higher than its relationship to other constructs.

Table 4.2:
Discriminant Validity; Fornell-Larcker Criterion

	Environmental Turbulence Intensity (ETI)	Financial Literacy (FL)	Moderating Effect 1 (ETI*FL)	Small Business Survival (SBS)
Environmental Turbulence Intensity (ETI)	**0.531**			
Financial Literacy (FL)	0.433	**0.591**		
(ETI*FL) Moderating Effect 1	-0.400	-0.374	1.000	
Small Business Survival (SBS)	0.466	0.683	-0.372	**0.624**

Source: Researchers' computation, 2025.

The discriminant validity of constructs is confirmed by the result of the Fornell-Larcker criterion. Every construct item measures what it is conceptually intended to measure, as evidenced by the fact that the AVE for each construct exceeded its correlations with other constructs. This strengthens the measurement model's validity and enables the study to make insightful inferences about the connections between the variables under investigation. The results of the Fornell-Larcker criterion, which show that the study variables have discriminant validity, improve the study's legitimacy and caliber.

Table 4.3:
Latent Variable Correlations

	Environmental Turbulence Intensity (ETI)	Financial Literacy (FL)	(ETI*FL) Moderating Effect 1	Small Business Survival (SBS)	VIF
Environmental Turbulence Intensity (ETI)	1.000	0.433	-0.400	0.466	
Financial Literacy (FL)	0.433	1.000	-0.374	0.683	
ETI*FL (Moderating Effect 1)	-0.400	-0.374	1.000	-0.372	
Small Business Survival (SBS)	0.466	0.683	-0.372	1.000	

Source: Researchers' computation, 2025.

The latent variable correlations in Table 4.3 above showed that none of the research variables were higher than 0.80, indicating that the multiple regression model employed for all of the study's hypotheses did not have a multicollinearity issue. Similarly, the VIF confirmed the lack of multicollinearity by showing that none of the variables were up to 10.

Table 4.4:
Descriptive Statistic for the Study Variables

	Mean	Median	Min	Max	Standard Deviation	Excess Kurtosis	Skewness	Number of Observations Used
Environmental Turbulence Intensity (ETI)	0.000	0.213	-3.732	2.832	1.000	0.832	-0.691	343.000

Financial Literacy (FL)	0.000	0.328	-2.062	3.932	1.000	1.328	-1.829	343.000
Small Business Survival	0.000	0.632	-2.411	2.920	1.000	1.032	-1.732	343.000

Source: Researchers' computation, 2025.

The descriptive statistics of skewness and kurtosis were shown in Table 4.4 below. According to Tabachnick and Fidell (2001), skewness and kurtosis figures between -4 and +4 are used to check for normalcy. As a result, none of these variables went over -4 to +4, demonstrating that the research variables' data is normal.

Table 4.5:
Path Coefficients, Quality Criteria and f-Square

	Original Sample (O) – Coefficient (β)	**Sample Mean (M)**	**Standard Deviation (STDEV)**	**T Statistics (|O/STDEV|)**	**P Values**
Environmental Turbulence Intensity -> Financial Literacy	0.433	0.439	0.056	7.658	0.000
Environmental Turbulence Intensity -> Small Business Survival	0.186	0.192	0.061	3.067	0.002
Financial Literacy -> Small Business Survival	0.571	0.568	0.053	10.711	0.000
Moderating Effect 1 -> Small Business Survival	-0.051	-0.047	0.034	1.511	0.131
Quality Criteria; R Square				**R Square**	**R Square Adjusted**
Moderating Effect -> Small Business Survival (SBS) – Dependent Variable				0.508	0.504
f Square for Model Size Effect					
Small Business Survival (SBS) – Dependent Variable					0.507

Source: Researchers' computation, 2025.

Table 4.5 above dwell on path coefficients, quality criteria and f-square (size effect model) of the study hypothesis formulated. The Table 5 depicted that financial literacy moderated with Environmental Turbulence Intensity (ETI) had weighty, negative and insignificant influence on business survival of small businesses in Lagos State with adjusted $R^2 = 0.504$ which indicated that Environmental Turbulence Intensity with moderator of financial literacy accounted for 50.4% variance in business survival. Also, Table 4.5 the f Square focused on size effect of the study variables in the model, where the test for the size effect for predictive and reflective models, there exists thresholds to test the effect size or degree of strength of an effect thus: where $f^2 < 0.020$ (no substantial effect), $0.020 \leq f^2 < 0.150$ (weak effect size), $0.150 \leq f^2 < 0.350$ (medium effect size), and $f^2 \geq 0.350$ (large effect size). For this study, the effect size study model (f Square) in Table 4.5 depicted that Environmental Turbulence Intensity (ETI) moderated with financial literacy had large effect size on small business survival which can be supported by adjusted R^2 shown 50.4%. This indicated that in the study model interactive or moderated influenced between financial literacy and Environmental Turbulence Intensity (ETI) strongly explained small business survival. Thus, null hypothesis was rejected. The SEM path in figure 1 and 2 also supported the result in Table 4.6:

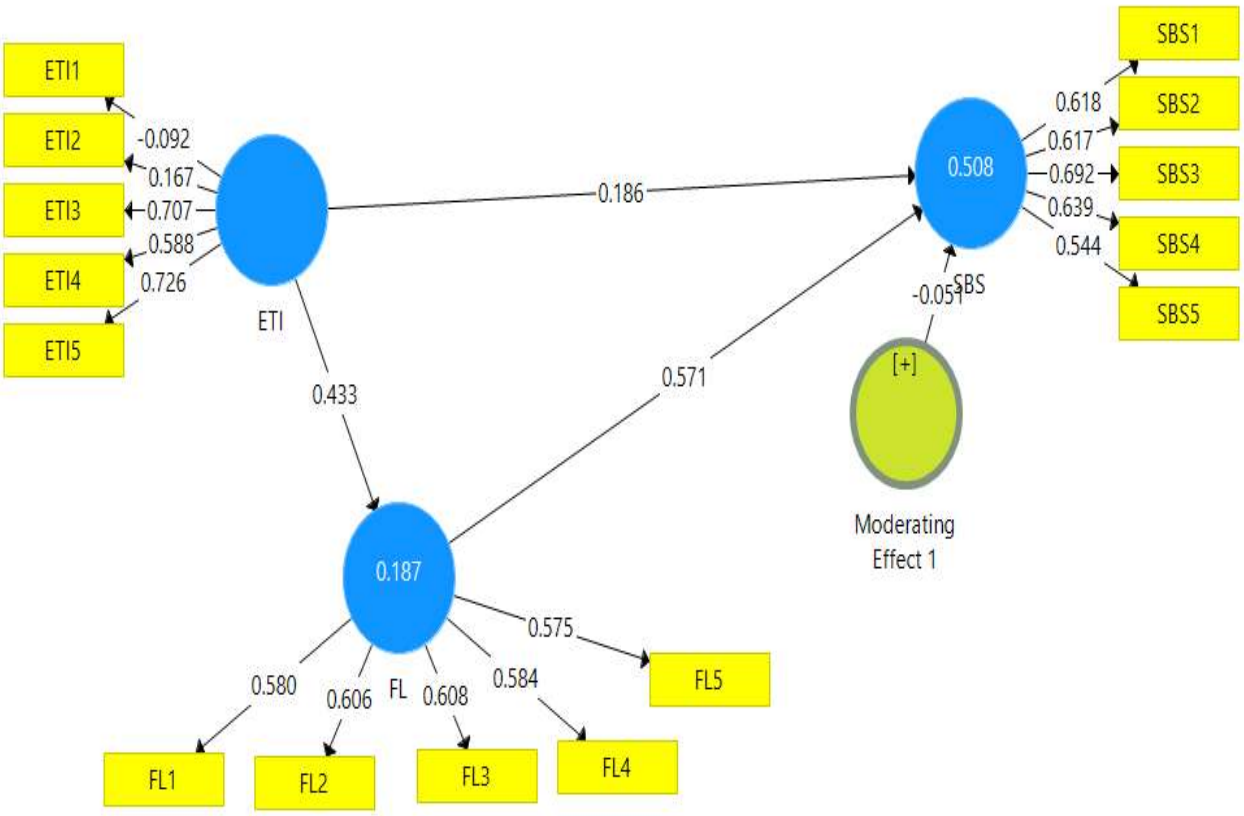
Table 4.6:
Model Fit

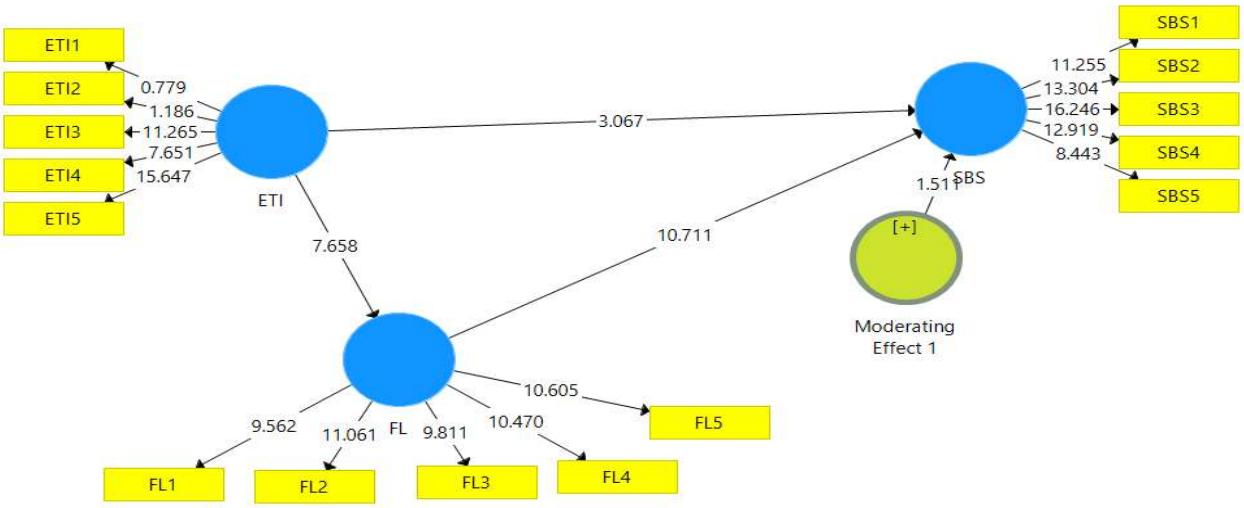
	Saturated Model	Estimated Model
SRMR	0.064	0.073
d_ULS	5.932	6.832
d_G	3.543	2.743
Chi-Square	2943.225	2943.225
NFI	0.422	0.422

Source: Researchers' computation, 2025.

Table 4.6 result evaluates the overall fit of the estimated model and the SRMR was below the preliminary suggested threshold of 0.080 (Aske et al., 2017), indicating an acceptable model fit.

Figure 1:
Structural Equation Model (SEM) for Path Coefficient of Determination (Adj.R^2) for the Study Hypothesis





From figure 1 above, the SEM shown that financial literacy as a moderator negatively interact with ETI and both negatively affect small business survival in Lagos State. This established that ETI created unstable and unpredictable economic pressure on small businesses survival as well as lack of financial literacy small business investors adversely influenced small businesses survival, therefore, both ETI and lack of financial literacy collapsed small businesses in Lagos State. Theoretically, the anchored theory like effectuation theory which established that in the uncertain times, there exist means-driven survival strategy that calls for rational decision-making to mobilize both financial and non-financial resources and capacities to address and manage environmental pressures for the purpose of firms' survival and market control. Thus, the anchored theory aligned with finding of the study that both ETI and financial literacy determined small businesses survival.

5.0 Conclusion and Recommendation

The study focused on the moderating role of financial literacy between environmental turbulence intensity and small business survival in Lagos State. The study anchored on effectuation theory and supported the finding of the study and concluded that moderating influenced of financial literacy with ETI adversely affects survival of small businesses in Lagos State. Thus, the study recommended that; small business owners should take utmost cognizance of ETI measures such as market turbulence, technological turbulence, and competitive intensity and fully have the knowledge of financial structure of sourcing and sound investment in their small business decision model so as to achieve small businesses survival in Lagos State.

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