

Ethical Entrepreneurship and Sustainable Development Goals (SDGs): Evidence from Nigerian Entrepreneurial Ecosystems.

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Abstract

Ethical entrepreneurship has become an important lever for fostering sustainable development because it combines economic, social, and environmental responsibilities in business operations. Despite flourishing entrepreneurial ecosystems in Nigeria, there is limited empirical evidence on how these ecosystems foster ethical entrepreneurial actions that contribute to the Sustainable Development Goals (SDGs). This study investigated the impact of ethical entrepreneurship on SDG achievement in Nigerian entrepreneurial ecosystems, focusing on business integrity, fairness in business transactions, moral standards, and legal standards. Grounded in Stakeholder Theory and Sustainable Entrepreneurship Theory, the study employed a quantitative cross-sectional survey design. Data were collected through a structured questionnaire from 284 owners and managers of Agro-Allied small and medium-sized enterprises (SMEs) in Kwara State, Nigeria, selected through a multistage sampling procedure. The data were analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM) in SmartPLS 4. The results indicated that business integrity ($\beta = 0.220$, $p < 0.001$), fairness in business transactions ($\beta = 0.281$, $p < 0.001$), and moral standards ($\beta = 0.424$, $p < 0.001$) had significant positive effects on SDG achievement, whereas legal standards had a positive but statistically insignificant effect ($\beta = 0.010$, $p = 0.867$). The model explained 75.7% of the variance in sustainable development outcomes ($R^2 = 0.757$), indicating strong explanatory power. The study concludes that voluntary ethical principles, particularly moral standards, fairness, and business integrity, are more influential in promoting sustainable development than legal adherence alone. It recommends that entrepreneurs, policymakers, and entrepreneurship support institutions strengthen ethical leadership, stakeholder fairness, and integrity-based business practices to accelerate SDG achievement within Nigerian entrepreneurial ecosystems.

Keywords: *Business Integrity; Entrepreneurial Ecosystems; Ethical Entrepreneurship; Moral Standards; Sustainable Development Goals.*

1. Introduction

The adoption of the United Nations (UN) Sustainable Development Goals (SDGs) in 2015 signaled a global pledge to pursue inclusive economic growth, social equity, environmental sustainability, and institutional capacity building by 2030. These 17 SDGs are increasingly used as a lens for governments, businesses and entrepreneurial actors to organize their activities around sustainable development (Shao et al., 2026; Dinbabo, 2025). Entrepreneurship is considered an important means to realize the SDGs, as

entrepreneurs generate jobs, drive innovation, alleviate poverty, and address critical social and environmental issues. Thus, the conversation around entrepreneurship has moved on from solely focusing on profit to balancing or encompassing ethical conduct, social responsibility, environmental care, and sustainable value creation. Recent research suggest that such (sustainable) entrepreneurial activities have a greater potential to make substantial contributions to SDG accomplishment through innovation, social impact and responsible resource use (Adomako & Nguyen, 2024; Pigola et al., 2024).

Ethical Entrepreneurship is a business venture that is established and operated on the basis of moral values, transparency, accountability, equity, the wellbeing of the stakeholders, and the environment. In contrast with traditional entrepreneurship that is concerned with economic profits, ethical entrepreneurship attempts to incorporate social and environmental matters with economic goals. The notion is very close to responsible entrepreneurship, sustainable entrepreneurship as well as social innovation which all highlight the creation of shared value among various stakeholders. Studies have demonstrated that entrepreneurs who adopt ethical values are in a better position to build trust amongst stakeholders, stimulate innovation, increase organizational legitimacy, and lead to outcomes of sustainable development (Uriarte et al., 2024). In addition, dedication to ethical entrepreneurial behaviour is also associated with increased social innovation capacity and entrepreneurial performance (especially when in line with SDG goals) (Adomako & Nguyen, 2024).

Nigeria is home to one of Africa's largest and most active entrepreneurial spheres, driven by population growth, a burgeoning digital economy and a thriving startup culture. Entrepreneurship has emerged as a significant instrument of economic growth and employment generation and poverty alleviation in the country (Bamgboye, 2024). Entrepreneurship has gained momentum in government policy and private sector interventions as well as international development programs as a means to address broader sustainable development goals. Yet, as the entrepreneurial activity (number of businesses/ entrepreneurs) grew, Nigeria still possessed severe developmental challenges high levels of unemployment, poverty, environmental degradation, corruption, inadequate infrastructure, and social inequality (Ikuemonisan, 2024). These challenges suggest the need for caution in claiming that entrepreneurial growth by itself leads to sustainable development unless there is also a commitment to ethical business practice and responsible entrepreneurship.

The Nigerian entrepreneurship ecosystem is multifaceted, spanning the spectrum from technology startups, small and medium-sized enterprises (SMEs) to innovation hubs, incubators, accelerators, universities, financial institutions and regulatory agencies (Abah & Abah, 2023). Although these entities play vital roles in the growth of the economy, there are ongoing concerns that they have engaged in unscrupulous business practices, including false advertising, disregarding environmental standards, exploiting labor, evading taxes, and poor corporate governance. These actions may serve to compromise stakeholder confidence as well as diminish social value creation and the potential for advancing the SDGs. Adesua-Lincoln (2025) asserts that environmental sustainability and circular economy measures are still relatively in their infancy in many Nigerian SMEs as a result of poor knowledge, lack of strict regulations, and financial ability. Concurrently, growing evidence suggests that those entrepreneurs who adhere to ethical principles, ecological sustainability, and social responsibility are more likely to create long-term value and enhance sustainable development outcomes (Adomako & Nguyen, 2024). Evidence from Niger State likewise shows that entrepreneurship development is strengthened when local enterprise resources are supported by institutional and innovation mechanisms (Mikugi et al., 2025). Hence, the following research questions are raised to guide the current study:

- (i) What is the effect of business integrity on the Sustainable Development Goals within Nigerian entrepreneurial ecosystems?
- (ii) What is the effect of fairness in business transactions on the Sustainable Development Goals within Nigerian entrepreneurial ecosystems?

- (iii) What is the effect of compliance with legal standards on the Sustainable Development Goals within Nigerian entrepreneurial ecosystems?
- (iv) What is the effect of adherence to moral standards on the Sustainable Development Goals within Nigerian entrepreneurial ecosystems?

This study contributes to the literature by providing empirical evidence on how ethical entrepreneurship influences the achievement of the Sustainable Development Goals within Nigerian entrepreneurial ecosystems. It also offers practical insights for policymakers, ecosystem builders, investors, educators, and entrepreneurs seeking to promote sustainable development through responsible business practices.

2. Literature Review

2.1. Ethical Entrepreneurship

Due to increasing concerns about the social and environmental impact of entrepreneurial activities, ethical entrepreneurship has become a prominent strand of investigation in the entrepreneurship, business ethics and sustainability literatures. Entrepreneurship was initially confined to the domain of opportunity recognition, innovation, risk-taking and wealth creation. That said, modern scholars contend that an “entrepreneur’s success” must not be judged only through an economic-oriented lens but by its ethical dimension and the contribution of entrepreneurial activities to social welfare (Uriarte et al., 2024). Because of the rising importance of sustainability, corporate citizenship and stakeholder welfare, ethical entrepreneurship is now the dominant lens through which to examine how entrepreneurial ventures may generate economic, social and environmental value concurrently.

Ethical entrepreneurship consists of searching for, developing and exploiting business opportunities in novel or existing markets in accordance with ethical values, such as fairness, transparency, accountability, integrity and responsibility to other stakeholders (Bernacchio et al., 2025). It is entrepreneurial processes and actions that pursue economic returns, but at the same time take into account the wider consequences, including those for employees, customers, communities, governments and the natural environment. To this end, ethical entrepreneurs are challenged to bring ethical issues into strategic decisions, resource allocation, innovation processes and relationships with stakeholders (Hägg et al., 2024). Ethical entrepreneurship is the practice of demonstrating that business enterprises can be profitable while contributing to social justice, environmental sustainability, and community well-being.

Paswan (2025) draws a few sides of ethical entrepreneurship as this encompasses ethical agency of leaders, honesty and transparency, corporate social responsibility, stakeholder orientation, responsibility, environmental stewardship, fairness in commercial dealings, and obeying both legal and moral rules. Entrepreneurs with these traits are more likely to build relationships of trust with stakeholders, gain organizational legitimacy, and meet long-term business sustainability (Nawrath, 2025). Ethical entrepreneurship, as a result, goes beyond legal requirements and includes proactively assuming responsible business conduct and sustainable value generation.

2.2. Business Integrity: Honesty and Transparency

Honesty and transparency are considered core ethical values in business and have a significant influence on firm trust, firm credibility, firm accountability, and firm sustainability. In entrepreneurial settings, honesty is defined as the degree to which entrepreneurs have the duty to be truthful in their communications, to fulfill their promises, to provide correct information, and to refrain from using any misleading activities when dealing with their stakeholder (Muldoon et al., 2024). Transparency, meanwhile, is the degree of openness in the decision-making process, the dissemination of pertinent information, operational business clearness and the degree to which it is possible for organizational procedures to make organizational process transparent to the stakeholders. As a result, honesty and transparency are essential core ethical values that direct entrepreneurs and establish strong relationships with stakeholders (Nafisa et al., 2026).

Transparency complements honesty, as it requires that all those involved have the opportunity to obtain truthful, timely, relevant information about what an organization is doing. Transparency is treated as full disclosure and is related to clear communication about business goals, governance, business processes, financial results, and social and environmental outcomes. In current business contexts, where stakeholders closely monitor and press for the accountability of firms, transparency serves as an important means to build trust and to mitigate information asymmetry between entrepreneurs and stakeholders. Nawaz and Wagner (2025) revealed that transparency leads to informed decision-making and credibility building among partners in business, customers, investors and regulatory bodies. Thus, transparent synonymous to ethically sound entrepreneurial conduct, greatly enhances the agility and survival rates of organizations.

In brief, we can say that honesty and transparency are fundamental aspects of ethical business entrepreneurship. Honesty promotes truthfulness, integrity and fairness in the behavior of entrepreneurs, and transparency encourages openness, accountability and the participation of stakeholders. These principles collectively contribute to trust-building, organizational legitimacy, stakeholder relations, and sustainable entrepreneurial development (Uriarte et al., 2024; Atobishi & Podruzsik, 2025). In the context of the Nigerian entrepreneurial ecosystems, honesty and transparency have a vital role to play for addressing institutional shortcomings, enhancing responsible business conduct, and furthering the realization of sustainable development goals.

2.3. Fairness in Business Transactions

Fairness in business dealings is a core aspect of ethical entrepreneurship and involves justice, equity, fairness, and respect within any exchanges between entrepreneurs and their stakeholder groups. It is the application of justice to the process of doing business and treating customers, employees, suppliers, investors, competitors and society fairly. Entrepreneurs need to steer clear of exploitative practices, meet their contractual obligations, give them truthful information, have justifiable pricing systems and ensure they that they don't make business decisions that go to unduly harm a stakeholder group (Nawrath, 2025). As part of an ethical entrepreneurship approach, fairness is conceived as a guiding moral principle for the entrepreneur and the support of trust-based relationships, which are the key enablers for long-term business survival.

The idea of fairness is grounded in the ethical theories of justice, notably distributive and procedural justice. Distributive justice pertains to the fair distribution of benefits and burdens among the stakeholders, whereas procedural justice relates to the justness of the decision-making procedures (Singh & Sinha, 2025). In an entrepreneurial context, fairness relates to a just return and treatment for the stakeholders, given their inputs and rightful expectations. Entrepreneurs who believe in fairness tend to see that consumers are given products and services consistent with what they are told to expect, that workers are paid fair wages and treated well, that suppliers are not kept waiting for payment, and that those who put money into their businesses are given honest accounts of how things are going and of the risks involved (Eib & Bernhard-Oettel, 2025).

Therefore, fairness in business transactions is a very important element of ethical entrepreneurship. It includes fair treatment, honesty in transactions, fair pricing, competition that is responsible, and the rights of stakeholders. Fairness helps build trust, organisational legitimacy, stakeholder satisfaction, and the sustainability of business over time. In ethical entrepreneurship, fairness is a principle that guides the entrepreneur in combining economic goals with social responsibility and sustainable generation of value. In the context of Nigerian entrepreneurial ecosystems, cultivating fairness in business transactions has the potential to increase trust among stakeholders, yield better business results, and contribute more effectively to the realization of Sustainable Development Goals.

2.4. Legal and Moral Standards

Both legal regulations and moral principles are the essential pillars of ethical entrepreneurship, which define the scope of the entrepreneurial activities. Ethical entrepreneurship is informed by the need for profit and innovation, as well as for meeting legal obligations and principles that shape responsible conduct of business (Bernacchio et al., 2025). Meanwhile, moral standards are composed of societal values, beliefs and ethics that influence what people consider as good or bad behavior, while its legal standards are the written rules and regulations that have been promulgated by the government or other regulatory bodies (Jaspe & Ortega, 2023). Summarily, ethical entrepreneurs are not only assumed to meet legal requirements, but also to be moral in their dealings with stakeholders and society.

Legal regulations are the lowest level of acceptable behavior that businesses must meet as they also include the laws for business registration, tax, labor, consumer protection, environment, intellectual property, competition and corporate governance. Consistency with legal standards is necessary to retain organizational legitimacy, prevent sanctions, and generate positive attention for new ventures. Because it signals that the entrepreneur is playing according to the rules of the institutional game, legal compliance is the basis for entrepreneurial ethics (Asrizal et al., 2025). Entrepreneurs who ignore the law put their companies at risk of damage to their reputation, fines and operational risks that can threaten long-term viability.

The ethical entrepreneur must be able to trust that regulation and morality based on the law of the land will strengthen the trust of stakeholders and the possibility of their continuing relationship with the organization (Adomako & Tran, 2025). Stakeholder Theory posits that firms owe duties to various stakeholder groups, its shareholders, employees, suppliers, and customers whose interests should be considered and protected. Adherence to the law signals to stakeholders that entrepreneurs operate within institutionalized boundaries, and obedience to ethical prescriptions reflects off-hand care of stakeholders' welfare (Saleh et al, 2025). As a result, it can be expected that an entrepreneur that is consistently following the legal and moral path is the one that will be able to establish strong relationships of trust and therefore be the one who will most likely be in a position to secure investment, increase customer loyalty and obtain long term support from the organization.

2.5. Sustainable Development Goals (SDGs)

The SDGs have become the overarching global instrument for advancing sustainable economic growth, social inclusion, environmental protection, and institutional capacity building. Since the adoption of the 2030 Agenda for Sustainable Development in 2015, the SDGs have also found their way into entrepreneurship research, as such emphasizing the contribution of entrepreneurial ventures to societal and environmental complexity. Entrepreneurship is not now conceived simply as a vehicle for wealth creation and economic growth but rather as a potential means of generating sustainable value that aids in the achievement of wider development goals (Adomako & Nguyen, 2024). In this regard, an ethical form of entrepreneurship is emerging as the means by which entrepreneurs can cohesively link business enterprises to the objectives of sustainable development.

The idea of sustainable development is based on meeting the needs of the present without compromising the ability of future generations to meet their own needs. In the entrepreneurial settings, SDGs serve as a lens to view the integration of economic, social and environmental dimensions as the core of business activities and operations (Audretsch et al., 2024). Ethical entrepreneurship shares a similar discourse with this view as a responsible business, stakeholder welfare, social justice, transparency and environmental care are central to ethical entrepreneurship (Uriarte et al., 2024). Accordingly, ethical entrepreneurship has come to be seen as a key driver for delivering the SDGs via sustainable innovation, responsible use of resources and economic inclusion.

One important element for the connection between ethical entrepreneurship and the SDGs is value creation over the long term. Sustainable value creation is producing economic value by simultaneously

enhancing social welfare and environmental well-being. Ribeiro and Leitão (2024) contend that sustainable and ethical entrepreneurship are based on the same pillars, given that both call for the integration of economic, social and environmental goals in the business-related decision making. Ethical entrepreneurs, too, advance those SDGs by creating products, services and business models that meet societal needs and clean up their act from an environmental perspective.

In underdeveloped or the developing countries like Nigeria, the significance of the SDGs is even larger because of the prevailing developmental challenges such as poverty, unemployment, inequality, environmental degradation and poor infrastructure. Ethical entrepreneurship is a potential solution to these problems, by motivating entrepreneurs to take advantage of business opportunities that deliver economic and social value. According to Bamgboye (2024), entrepreneurship has become a vital force of sustainable development in Nigeria due to what it entails in terms of encouraging innovation, solving unemployment issues and enhancing living standards. Yet, how much it contributes is to a significant degree determined by the ethical orientation of the entrepreneurial actions. Enterprises led by ethical principles are more likely to contribute to inclusive growth, environmental protection and social progress than those led exclusively by profit considerations.

2.5.1. Economic Sustainability

Economic sustainability is an essential aspect of sustainable development and encompasses the ability of an economic system, an organization, or a business to manage resources efficiently to maintain its financial viability and produce goods and services, and to generate economic value over time while considering social and environmental obligations. Under the Sustainable Development Goals (SDGs), the focus of economic sustainability is on achieving a certain level of economic growth, good jobs, innovation, using resources efficiently, and reducing poverty while sharing the wealth (Raman et al., 2025). In contrast to conventional economic models that emphasize short-term maximization of profits, economic sustainability encourages the development of long-term economic value that meets current necessities without jeopardizing the capacity of future generations to satisfy theirs (Elsawy & Youssef, 2023).

Economic sustainability particularly aligns with SDG 8 (Decent Work and Economic Growth), which aims at fostering sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Entrepreneurship has long been recognized as a key engine for economic sustainability as entrepreneurial activities drive innovation, generate jobs, improve productivity, and lead to economic diversification. Nevertheless, modern sustainability literature posits that growth contributions by entrepreneurs should be realized in ethical and responsible ways that advance societal welfare in the long-term and not through mechanisms that are likely to result in short-term financial gains (Adomako & Nguyen, 2024).

Recent research shows that ethical entrepreneurship can strengthen economic sustainability through sustainable value creation. Sustainable value is created when entrepreneurs design and bring to market products, services, and business models that generate economic returns while also creating positive social impact. Atobishi and Podruzsik (2025) argue that new ventures embracing ethical values are more likely to survive over the long term because ethical conduct can build trust, legitimacy, and resilient business models capable of responding to changing economic conditions. Ethical business conduct can therefore function as a strategic resource for long-run economic sustainability.

2.5.2. Environmental Sustainability

Environmental sustainability is a core component of sustainable development and involves the sustainable use, preservation and management of natural resources so that the capacity of ecological systems to support life now and in the future is not compromised. Environmental sustainability under the SDG framework relates to the sustainable management and protection of natural ecosystems, and aims to combat climate change, halting biodiversity loss, pollution, resource depletion, and environmental damage through sustainable patterns of production and consumption. The principle has become increasingly significant in the literature of entrepreneurship as enterprises are subjected to greater

demands to have a positive impact on the environment, while remaining economically viable and socially responsible (Köseoglu, 2025b).

Among ethical entrepreneurs, environmental sustainability means acting in a way that the negative effects of the business on the environment are kept to a minimum and that the environment is protected and resources are used in a sustainable manner. Ethical entrepreneurial individuals understand that the functioning of the natural environment is core to business and, accordingly, are responsible for mitigating environmental degradation via environmental attuned decision making, green innovation, sustainable production methods, and responsible resource management (Uriarte et al., 2024). In this sense, environmental sustainability is an important aspect of ethical entrepreneurship since it indicates an entrepreneur's moral duty to protect ecological systems and to sustain the well-being of society over time.

In addition, Felisa et al. (2026) pointed out that the connection between environmental sustainability and ethical entrepreneurship was closely related with some SDGs, such as the 12th (Responsible Consumption and Production), 13th (Climate Action), 14th (Life Below Water) and 15th (Life on Land). These objectives promote the sustainable use of natural resources, and the abatement of environmental pollution, climate change, and protection of ecosystems. Entrepreneurs are more and more regarded as key players in delivering these aims as they have the potential to innovate and create new environmentally sustainable products, services, technologies and business models (Daştan et al., 2025). Hence, ethical entrepreneurship is a key medium through which the goals of environmental sustainability can be turned into economic reality.

2.5.3. Poverty Reduction

The reduction of poverty is also one of the most critical goals of sustainable development, and is the main focus of SDG 1 (No Poverty) that aims at ending extreme poverty in addition to reducing other forms of multidimensional poverty. Poverty is not only a lack of income but also a lack of access to education, healthcare, job opportunities, financial resources, social protection, or minimum standards of living. Modern sustainable development studies view poverty as a multi-faceted problem that limits human capabilities and damages the financial, social, and environmental sustainability of a society (Musaddad et al., 2025). Hence, addressing poverty has become a pivotal issue in entrepreneurship literature, and more specifically the ethical entrepreneurship, focusing on generating economic and social value through responsible business conduct.

In ethical entrepreneurship, the pursuit of financial returns is balanced with the social and environmental contribution of entrepreneurial activities to sustainable and inclusive livelihoods for poor people and communities and for business itself through wealth generation, job creation, social innovation, and equal access to opportunities (Azamat et al., 2023). Ethical entrepreneurs acknowledge that their business endeavors must generate institutional profitability as well as social good through meaningful solutions to urgent developmental issues such as poverty, joblessness, and disparity (Kummitha et al., 2025). Hence, poverty alleviation is an important output of the way in which ethical entrepreneurship promotes sustainable development.

2.6. Theoretical Review

2.6.1. Stakeholder Theory

Stakeholder theory is a well-equipped theory to describe the linkage between ethical business and the realization of the Sustainable Development Goals (SDGs) in the context of Nigerian entrepreneurial spaces. Developed by Freeman (1984), the theory asserts that organizations should pursue value creation for all stakeholders such as employees, customers, suppliers, communities, governments and the environment, not just shareholders. This ethos is strongly reflected in ethical entrepreneurship, which values integrity, accountability, fairness and social responsibility in how business is done.

In Nigeria, ethical entrepreneurs promote sustainable development by adopting practices that align with their stakeholders to challenge societal and environmental issues. Entrepreneurial ecosystems that include the interests of stakeholders have a better ability to promote the SDGs via inclusive economic growth, innovation, and environmental sustainability (Köseoglu, 2025a). In the same vein, Moraes et al. (2025) demonstrate how stakeholder cooperation between entrepreneurs, governments, financial institutions, universities, and local communities enables sustainable transitions and strengthens the capability of entrepreneurial ecosystems to produce long-term developmental results.

Stakeholder theory also implies that entrepreneurs that attend to the needs of various stakeholders have a higher chance of realizing shared value and long-term competitive advantages. This applies particularly to Nigeria since small scale business ventures are the best means of income generation for a large number of people, poverty alleviation, and care for the environment. Sustainable entrepreneurial ecosystems are said to be facilitated by actors promoting responsible innovation, resource efficiency and social inclusion as a collective support of stakeholder (Gregori et al., 2025). Thus, an ethical entrepreneurship grounded in Stakeholder Theory serves a means to the end of achieving SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), SDG 12 (Responsible Consumption and Production), and SDG 13 (Climate Action), ultimately enabling sustainable development at the national level.

2.6.2. Sustainable Entrepreneurship Theory

Sustainable Entrepreneurship Theory argues that sustainable development principles should be integrated into entrepreneurial activity so that ventures generate economic, environmental, and social value. Sustainable entrepreneurship therefore extends beyond conventional profit maximisation by recognising and exploiting opportunities that address social and environmental problems while remaining economically viable (Ribeiro & Leitão, 2024; Gregori et al., 2025). This theoretical lens aligns closely with ethical entrepreneurship, which incorporates integrity, accountability, fairness, and responsibility toward stakeholders and society more broadly.

Within Nigerian entrepreneurial ecosystems, Sustainable Entrepreneurship Theory explains how entrepreneurs can integrate the Sustainable Development Goals (SDGs) into their activities. In emerging markets, entrepreneurial ventures can develop innovative responses to poverty, unemployment, resource scarcity, waste management, and climate-related challenges. Such activities reflect the theory's central premise that entrepreneurial ventures can generate economic, social, and environmental value simultaneously (Moraes et al., 2025).

In addition, the ability for sustainable entrepreneurs to thrive is bolstered when there is a coalescing of institutions, governments, universities, investors, and communities to promote responsible innovation and sustainable business models. Recent research shows that sustainability-oriented entrepreneurial ecosystems enable transformative outputs through fostering environmental stewardship, social inclusion, and long-term economic vitality (Gregori et al., 2025; Moraes et al., 2025). Sustainable entrepreneurship theory thus elucidates how ethical business people in Nigeria can make positive contributions to SDG1- No Poverty, SDG 8- Decent Work and Economic Growth, SDG 9- Infrastructure, Industry and Innovation, SDG 12- Responsible Consumption and Production and SDG 13- Climate Action. Through infusing ethics with entrepreneurial creativity, Nigerian entrepreneurial ecosystems have the potential to generate inclusive and sustainable development that leaves a positive imprint on current and the coming generations (Köseoglu, 2025a).

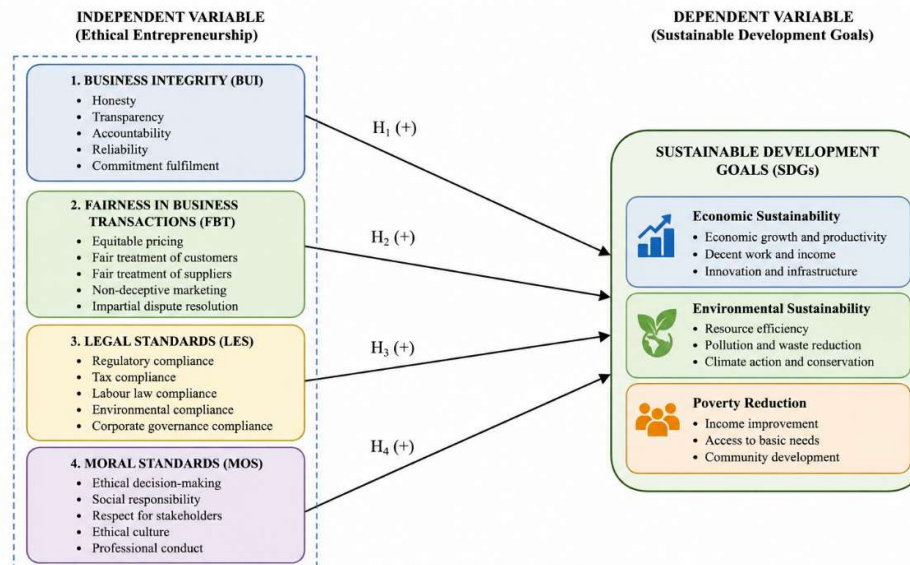


Figure 1. Conceptual Framework of the Study.

3. Methodology

This study examines the effect of Ethical Entrepreneurship on Sustainable Development Goals (SDGs): Evidence from Nigerian Entrepreneurial Ecosystems applying Stakeholder and Sustainable Entrepreneurship theories as a theoretical framework. The quantitative research approach was employed in testing the (causal) relationships among the variables. The reasons for choosing Agro-Allied SMEs for the study are that they occupy a strategic position within Nigeria's entrepreneurial ecosystem and contribute significantly to economic growth, employment creation, food security, poverty reduction, and environmental sustainability. The study was a quantitative cross-sectional survey since the data was gathered from the target respondent group at one time and it is a common approach used in entrepreneurship research. It provides an effective way to measure existing attitudes, perceptions and intentions among the selected Agro-Allied SMEs in Kwara State, Nigeria.

This research is limited to the owners and managers of the selected Agro-business Entrepreneurs and the focus is on those individuals who have direct interactions and numerous ethical challenges relating to transparency, fairness, environmental responsibility, and regulatory compliance. The target population comprised owners and managers of Agro-Allied SMEs including, grains, flour and oilseeds processing, renewable energy and bio-processing, dairy and livestock processing, poultry, egg and feed processing, cassava and tubers processing, totaling 2,100 respondents. The study's sample size is 336, calculated using Taro Yamane's statistical formula, while 284 copies of the questionnaire (accounting for 85% responses) were eventually retrieved for analysis. The sampling method was probability sampling, more specifically, multistage sampling applied at various stages in the sampling process of the study, beginning with the selection of industrial clusters and ending with the use of stratified and simple random sampling in the selection of the Agro-Allied SMEs to be used for the study. The measurement of variables is presented in Table 1.

Table 1. Measurement of Variables

Variables	Variable Type	Acronym	Proxy/Dimension	Relevant SDGs	Sources
Sustainable Development Goals (SDGs)	Dependent	SDG	Economic Sustainability	SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), SDG 10 (Reduced Inequalities)	Raman et al., 2025
			Environmental Sustainability	SDG 6 (Clean Water and Sanitation), SDG 12	Frank et al., 2021

				(Responsible Consumption and Production), SDG 13 (Climate Action), SDG 15 (Life on Land)	
			Poverty Reduction	SDG 1 (No Poverty), SDG 2 (Zero Hunger)	Leal Filho et al., 2021
Ethical Entrepreneurship	Independent	BUI	Business Integrity	Honesty, Transparency, Accountability, Trustworthiness, Commitment, Fulfilment	Efunniyi et al., 2024
Ethical Entrepreneurship	Independent	FBT	Fairness in Business Transactions	Equitable Pricing, Fair Treatment of Customers, Fair Treatment of Suppliers, Non-Deceptive Marketing, Impartial Dispute Resolution	Fatmawati et al., 2024
Ethical Entrepreneurship	Independent	LES	Legal Standards	Regulatory Compliance, Tax Compliance, Labour Law Compliance, Corporate Governance Compliance, Industry Standards Compliance	Fatmawati et al., 2024
Ethical Entrepreneurship	Independent	MOS	Moral Standards	Ethical Decision-Making, Social Responsibility, Respect for Stakeholders, Ethical Culture, Professional Conduct	Roy et al., 2023

Source: Author's adaptation from prior studies

3.1. Econometric Model

To test the hypotheses of the study, the following model is specified:

$$SDG_i = \beta_0 + \beta_1 BUI_i + \beta_2 FBT_i + \beta_3 LES_i + \beta_4 MOS_i + \mu_i \quad (1)$$

where SDG_i represents the Sustainable Development Goals outcome for respondent i ; β_0 is the constant term; $\beta_1 - \beta_4$ are the regression coefficients; BUI_i represents Business Integrity; FBT_i represents Fairness in Business Transactions; LES_i represents Legal Standards; MOS_i represents Moral Standards; and μ_i is the error term. Specifically, the SDG construct is measured through three dimensions: Economic Sustainability (ECS), Environmental Sustainability (ENS), and Poverty Reduction (POR). Accordingly, the models are specified as follows:

Model I: Economic Sustainability

$$ECS_i = \beta_0 + \beta_1 BUI_i + \beta_2 FBT_i + \beta_3 LES_i + \beta_4 MOS_i + \mu_i \quad (2)$$

Model II: Environmental Sustainability

$$ENS_i = \beta_0 + \beta_1 BUI_i + \beta_2 FBT_i + \beta_3 LES_i + \beta_4 MOS_i + \mu_i \quad (3)$$

Model III: Poverty Reduction

$$POR_i = \beta_0 + \beta_1 BUI_i + \beta_2 FBT_i + \beta_3 LES_i + \beta_4 MOS_i + \mu_i \quad (4)$$

The a priori expectations are: $\beta_1 > 0$, $\beta_2 > 0$, $\beta_3 > 0$, $\beta_4 > 0$. This means that improvements in Business Integrity, Fairness in Business Transactions, Legal Standards, and Moral Standards are expected to positively influence sustainable development outcomes; within Nigerian entrepreneurial ecosystems. The study used a structured, self-administered questionnaire.

All constructs were measured on a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. Descriptive and inferential statistics were used for data analysis, while Partial Least Squares Structural Equation Modelling (PLS-SEM) was employed to assess the measurement and structural models. Content validity was established through expert review by academics and industry practitioners to confirm the relevance of the items to the Agro-Allied SME context. Internal consistency was assessed during the pilot study using Cronbach's alpha, with values above 0.70 considered acceptable. Construct validity was evaluated through convergent validity, using an Average Variance Extracted (AVE) threshold of 0.50, and discriminant validity. The structural model was assessed using bootstrapping in SmartPLS 4.

4. Results and Discussion

4.1. Descriptive Statistics

This section presents the descriptive statistics of the study variables and their measurement items in Table 2. The analysis provides information on the central tendency, dispersion, and distributional characteristics of the data collected from the respondents.

Table 2. Descriptive Statistics

Name	Instruments	Mean	Std.dev	Excess kurtosis	Skewness	Cramér-von Mises p value
BUI-1	Our business maintains honesty in all dealings with customers and stakeholders.	3.728	0.789	-0.759	0.137	0.000
BUI-2	Management provides accurate and truthful information about products and services.	3.449	1.009	-0.395	-0.206	0.000
BUI-3	Business decisions are guided by transparency and accountability.	3.846	0.924	0.755	-0.743	0.000
BUI-4	The organization fulfills its promises and commitments to stakeholders.	3.583	1.053	-0.935	-0.179	0.000
BUI-5	Ethical conduct is prioritized over short-term financial gains.	3.547	0.903	-0.113	-0.400	0.000
FBT-1	Customers are treated fairly regardless of their background or status.	3.756	1.002	-0.196	-0.606	0.000
FBT-2	Prices of products and services are set in a fair and transparent manner.	3.657	1.002	0.407	-0.804	0.000
FBT-3	Suppliers and business partners receive equitable treatment.	3.535	1.014	-0.417	-0.336	0.000
FBT-4	The organization avoids deceptive marketing and advertising practices.	4.114	1.038	0.794	-1.208	0.000
FBT-5	Complaints and disputes are handled fairly and impartially.	3.622	0.887	-0.719	-0.101	0.000
LES-1	The business complies with all relevant government regulations and laws.	3.780	1.057	-0.142	-0.677	0.000
LES-2	Tax obligations are fulfilled promptly and accurately.	3.654	1.049	-1.220	-0.092	0.000
LES-3	The organization adheres to labour laws and employment regulations.	3.650	1.122	-0.100	-0.689	0.000
LES-4	Business operations comply with industry-specific legal requirements.	4.205	0.746	0.177	-0.696	0.000
LES-5	Management regularly monitors compliance with applicable legal standards.	3.760	1.047	-0.112	-0.666	0.000
MOS-1	Employees are encouraged to act according to ethical principles.	3.614	0.988	-0.105	-0.345	0.000
MOS-2	MOS2: Management demonstrates a strong commitment to moral values.	3.673	0.926	-0.551	-0.531	0.000
MOS-3	The organization discourages unethical practices even when they may be profitable.	3.531	0.966	-0.032	-0.392	0.000

MOS-4	Decisions are made with consideration for their impact on society and stakeholders.	3.551	1.218	-0.825	-0.350	0.000
MOS-5	Respect, honesty, and responsibility are promoted throughout the organization.	3.886	0.803	-0.081	-0.479	0.000
SGD-1	Our enterprise adopts practices that promote clean water use and sanitation, and encourages efficient use of resources.	3.638	0.924	0.648	-0.817	0.000
SGD-2	Our enterprise actively minimizes waste and environmental pollution, and mitigates the effects of climate change	3.492	1.086	-0.462	-0.258	0.000
SGD-3	Our enterprise promotes the protection and preservation of land and natural ecosystems.	3.764	1.019	-0.908	-0.433	0.000
SGD-4	Our enterprise contributes to the creation of decent employment opportunities and promotes sustainable economic growth within its area of operation.	3.575	0.939	-0.939	0.112	0.000
SGD-5	Our enterprise supports innovation through the introduction of new products and services, and contributes to industrial and infrastructural development in the community.	3.795	0.925	-0.663	-0.392	0.000
SGD-6	The enterprise promotes equal economic opportunities for different groups within society.	3.630	0.958	-0.951	-0.091	0.000
SGD-7	The enterprise contributes to poverty reduction through employment generation and improves income levels among individuals and households.	3.689	0.866	-0.713	-0.083	0.000
SGD-8	Our enterprise supports initiatives that enhance food security and create opportunities that improve the living conditions of disadvantaged groups.	3.614	1.028	-0.360	-0.288	0.000
SGD-9	The enterprise contributes to reducing hunger and economic hardship within the community	3.984	0.869	-0.378	-0.548	0.000

Researcher's Computation (2026)

Table 2 presents the descriptive statistics of the study variables comprising business integrity (BUI), fairness in business transactions (FBT), legal standards (LES), moral standards (MOS), and sustainable development goals (SDGs). The mean values of all measurement items range from 3.449 to 4.205, indicating that respondents generally agreed with the statements measuring ethical entrepreneurship and sustainable development goals. Among the ethical entrepreneurship dimensions, LES-4 (Business operations comply with industry-specific legal requirements) recorded the highest mean score of 4.205, suggesting a strong perception of compliance with legal requirements among the surveyed enterprises. Similarly, FBT-4 (The organization avoids deceptive marketing and advertising practices) reported a high mean value of 4.114, while BUI-3 (Business decisions are guided by transparency and accountability) recorded a mean of 3.846. The standard deviation values ranged from 0.746 to 1.218, indicating moderate variability in respondents' opinions and suggesting a reasonable level of consensus across the survey items.

With respect to the SDG indicators, respondents expressed favourable perceptions regarding their enterprises' contributions to sustainable development, as evidenced by mean scores exceeding the midpoint of the scale. SGD-9 (The enterprise contributes to reducing hunger and economic hardship within the community) recorded the highest mean value of 3.984, followed by SGD-5 (support for innovation and infrastructural development) with a mean of 3.795. The skewness statistics are generally negative, indicating that responses were concentrated toward the agreement end of the scale, while the kurtosis values largely fall within acceptable ranges, suggesting no serious departure from normality. However, the Cramér-von Mises test produced p-values of 0.000 for all items, indicating that the

individual item distributions deviate significantly from a perfectly normal distribution. Such results are common in survey data based on Likert scales and do not necessarily pose a concern, particularly when large sample sizes and robust multivariate estimation techniques are employed.

4.2. Measurement Model

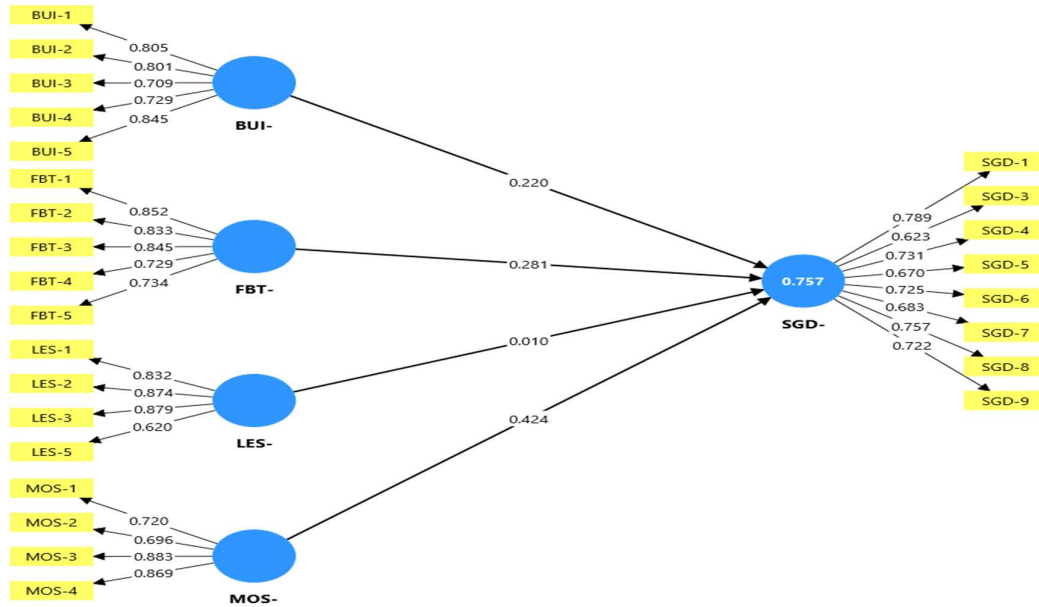


Figure 2. PLS-SEM Algorithm.

Source: Researcher's Computation (2026) via SmartPLS4.

4.2.1. Quality Criteria

This section assesses the quality of the measurement model using reliability, validity, and collinearity diagnostics of PLS-SEM Algorithm presented in Figure 2 and Table 3. The evaluation is conducted to ascertain the adequacy of the measurement instruments and the suitability of the data for subsequent structural model analysis.

Table 3. Construct Reliability and Validity, Discriminant Validity, and Collinearity, Coefficient Determinants.

Constructs/Indicators	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)	Factor Loadings	Collinearity (VIF)
BUI-	0.838	0.849	0.885	0.608		
BUI-1					0.805	1.797
BUI-2					0.801	1.979
BUI-3					0.709	1.593
BUI-4					0.729	1.570
BUI-5					0.845	2.188
FBT-	0.858	0.861	0.899	0.641		
FBT-1					0.852	2.717
FBT-2					0.833	2.106
FBT-3					0.845	2.687
FBT-4					0.729	1.601
FBT-5					0.734	1.539
LES-	0.819	0.853	0.881	0.653		
LES-1					0.832	1.978
LES-2					0.874	2.488
LES-3					0.879	2.196
LES-5					0.620	1.400
MOS-	0.806	0.846	0.873	0.635		
MOS-1					0.720	1.516

MOS-2					0.696	1.368
MOS-3					0.883	2.219
MOS-4					0.869	2.265
SGD-	0.862	0.866	0.892	0.510		
SGD-1					0.789	2.044
SGD-3					0.623	1.500
SGD-4					0.731	1.865
SGD-5					0.670	1.648
SGD-6					0.725	1.987
SGD-7					0.683	1.622
SGD-8					0.757	1.946
SGD-9					0.722	1.760
	R-square	R-square adjusted				
SGD-	0.757	0.754				

Researcher's Computation (2026)

Table 3 presents the results of the measurement model assessment, including reliability, convergent validity, collinearity diagnostics, and the coefficient of determination. The findings indicate that all constructs satisfy the recommended reliability thresholds. Specifically, Cronbach's alpha values range from 0.806 to 0.862, exceeding the minimum acceptable benchmark of 0.70, thereby confirming internal consistency reliability. Similarly, the composite reliability coefficients (ρ_a and ρ_c) for all constructs are above 0.80, indicating a high degree of consistency among the measurement items. Convergent validity is also established, as the Average Variance Extracted (AVE) values range from 0.510 to 0.653, exceeding the recommended threshold of 0.50. Furthermore, the factor loadings of the retained indicators range from 0.620 to 0.883, demonstrating that the items adequately represent their respective latent constructs. These results collectively confirm that the measurement scales possess satisfactory reliability and convergent validity.

The collinearity assessment reveals that the Variance Inflation Factor (VIF) values range from 1.368 to 2.717, which are substantially below the critical threshold of 5.0. This indicates the absence of multicollinearity concerns among the indicators and suggests that the constructs provide distinct explanatory information. Regarding the structural model, the coefficient of determination (R^2) for Sustainable Development Goals (SGD) is 0.757, while the adjusted R^2 is 0.754. This implies that Business Integrity (BUI), Fairness in Business Transactions (FBT), Legal Standards (LES), and Moral Standards (MOS) jointly explain approximately 75.7% of the variation in Sustainable Development Goals within the Nigerian entrepreneurial ecosystem. The high explanatory power of the model suggests that ethical entrepreneurship dimensions are substantial predictors of sustainable development outcomes, highlighting the importance of ethical business practices in advancing sustainability objectives.

4.3. Bootstrapping

This section presents the bootstrapping results in Figures 3 and 4 used to test the study hypotheses and evaluate the significance of the structural relationships among the constructs. The procedure provides estimates of path coefficients, t-statistics, and p-values for determining the statistical significance of the hypothesized relationships in Tables 4 and 5.

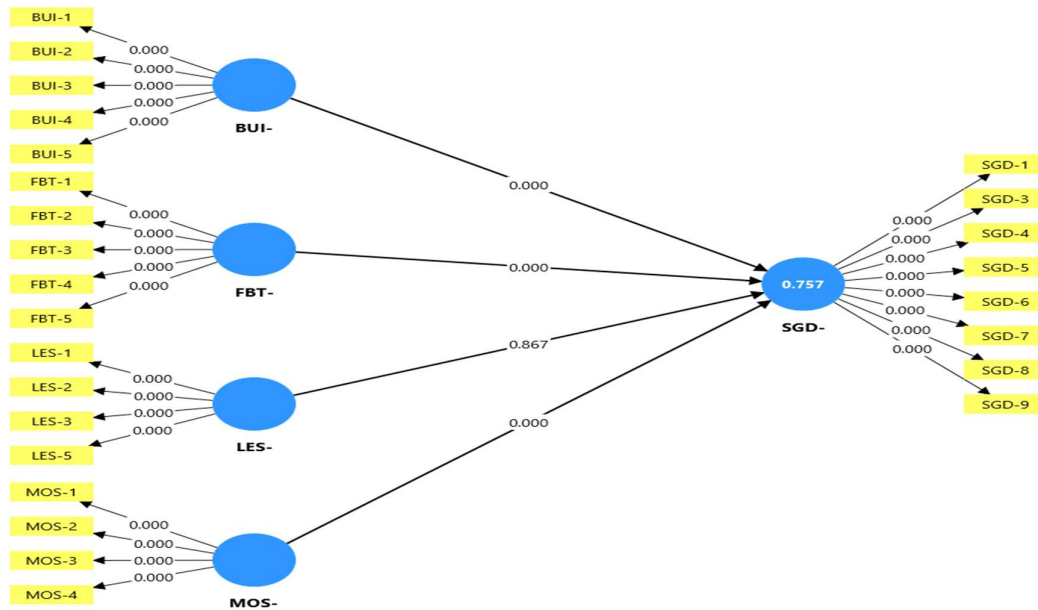


Figure 3. Bootstrapping.

Source: Researcher's Computation (2026) via SmartPLS4.

Table 4. Path Coefficients

Hypotheses	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
BUI- → SGD-	0.220	0.220	0.063	3.491	0.000
FBT- → SGD-	0.281	0.279	0.046	6.159	0.000
LES- → SGD-	0.010	0.013	0.057	0.167	0.867
MOS- → SGD-	0.424	0.424	0.070	6.062	0.000

Researcher's Computation (2026)

4.4. Hypotheses Testing and Discussion of Findings

Table 4 displays the outcomes of the structural model, which indicates the impact of BUI, FBT, LES, and MOS on SGD in Nigerian entrepreneurial ecosystems. The coefficients were evaluated with t-statistics and p-values via bootstrapping procedure. The decision rule was as follows: $p\text{-value} < 0.05$ was taken as significant, which means that there existed a significant association and null hypothesis was rejected at 5% level of significance.

H₀₁: Business Integrity has no significant effect on Sustainable Development Goals in Nigerian entrepreneurial ecosystems.

The result shows that Business Integrity has a positive and significant impact on SDGs ($\beta = 0.220$, $t = 3.491$, $p = 0.000$). The positive turning point coefficient suggests that an increase of honesty, transparency, accountability and fulfillment of commitments among firms in the entrepreneurial community contributes to greater achievement of sustainable development. Since the $p\text{-value}$ is 0.05 , H_0 is rejected. This indicates that the companies that have their principles aligned are able to contribute in environmental sustainability, economic growth, reduction of poverty and other outcomes related to SDG. The result is consistent with the stakeholder theory perspective which suggests that organizations that are transparent and ethical in their dealings are in a better position to generate sustained long-run value for their stakeholders and society. The result also means that integrity-based business practices are a critical means by which entrepreneurial ventures can help sustain development in the nation's economy as evidenced in the work of López-Cabarcos et al., (2025).

H₀₂: Fairness in Business Transactions has no significant effect on Sustainable Development Goals in Nigerian entrepreneurial ecosystems.

Results indicate that Fairness in Business Transactions has a significant positive effect on Sustainable Development Goals ($\beta = 0.281$, $t = 6.159$, $p = 0.000$). The size of the coefficient shows that a fair treatment of customers, suppliers and other stakeholders is a significant driver of sustainability goals. Therefore, the null hypothesis is rejected. That result suggests that maintaining fairness in price, contracts, dispute handling, and relations with stakeholders enables firms to contribute more to inclusive growth and sustainable economic development. The result validates this stream of the ethical entrepreneurship literature which posits that fairness promotes trust, cooperation and stakeholder participation which are essential components for a sustainable business outcome (Mega et al., 2024). This high t-statistic confirms further the strength of this relationship and highlights the strategic value of fairness as an antecedent of sustainable development outcomes.

H₀₃: Legal Standards have no significant effect on Sustainable Development Goals in Nigerian entrepreneurial ecosystems.

The result indicates a positive but insignificant effect of Legal Standards on SDGs ($\beta = 0.010$, $t = 0.167$, $p = 0.867$). While the size of the coefficient is positive, the magnitude of the effect is essentially negligible and the effect is not statistically significant at the usual 5% level. Hence, the null hypothesis is accepted. This implies that simply meeting legal/regulatory/tax and industry requirements may not be enough for sustainable development improvements to be realized in entrepreneurial firms. This suggests, then, that for many firms' legal compliance is regarded as a minimum standard that should be met, rather than a strategic device for improving sustainability. As a result, legal compliance, although still necessary for organizational legitimacy and survival, may not be sufficient in itself to foster meaningful improvements in sustainable development performance either in prospective-oriented or retrospective-oriented organizations unless it is complemented by a more comprehensive Ethical and/or Socially Responsible (SR) business conduct.

H₀₄: Moral Standards have no significant effect on Sustainable Development Goals in Nigerian entrepreneurial ecosystems.

The findings reveal that Moral Standards exerts the strongest positive and statistically significant impact on Sustainable Development Goals among all the ethical entrepreneurship constructs examined ($\beta = 0.424$, $t = 6.062$, $p = 0.000$). Since the p-value is smaller than the significance level of 0.05, the null hypothesis is decided to be rejected. The coefficient suggests that a one-unit increase in moral standards leads to a large increase in sustainable development quality. This is in line with the importance of ethical values, social responsibility, listening to stakeholders, and ethical decision-making to promote sustainability. This indicates that moral value-driven entrepreneurial firms are more likely to make a significant contribution in addressing the key issues of poverty reduction, environmental sustainability, innovation, and inclusive economic growth. The prevalence of moral standards as the most powerful predictor suggests moreover that sustainability is not simply a matter of regulatory compliance but is grounded in the ethical values and moral obligations that inform organizational conduct (Lemos, 2024). In general, the results indicate that ethical entrepreneurship is a key factor in driving Nigerian entrepreneurs to pursue Sustainable Development Goals and moral standards emerged as the single most important determinant followed by fairness in business transactions and business integrity.

4.4.1. Bootstrapping for Individual Models

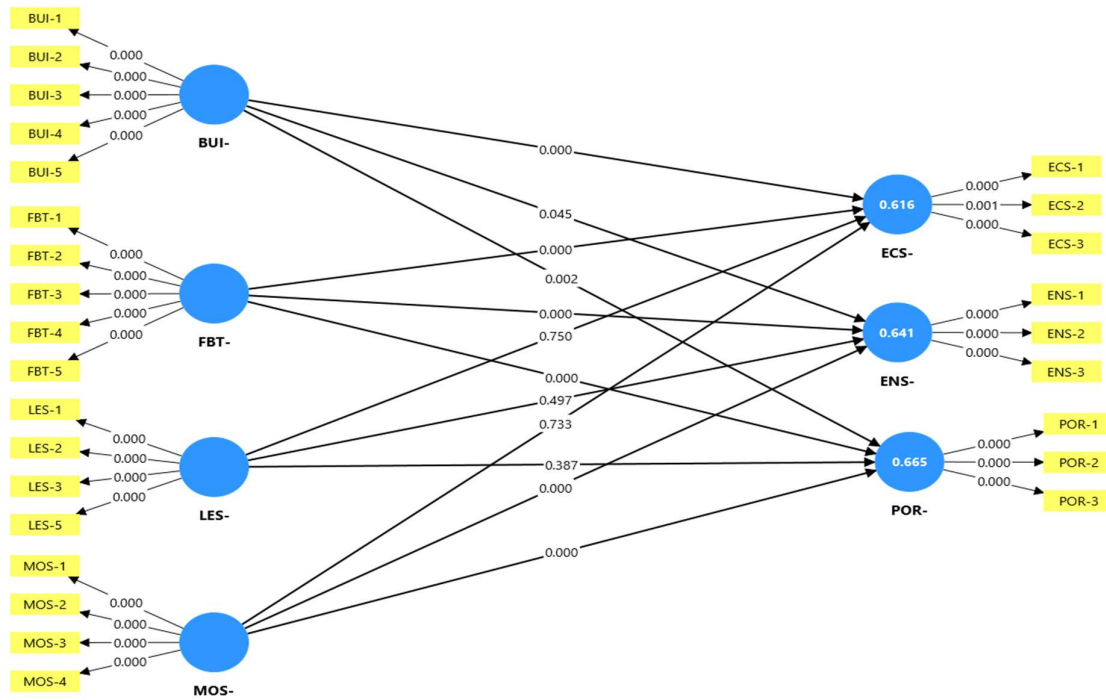


Figure 4. Bootstrapping of the PLS-SEM Model.

Source: Researcher's Computation (2026) via SmartPLS4.

Table 5. Path Coefficient

Relationships	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ($ O/STDEV $)	P values
BUI- -> ECS-	0.661	0.658	0.073	9.043	0.000
BUI- -> ENS-	-0.148	-0.148	0.074	2.006	0.045
BUI- -> POR-	0.239	0.240	0.076	3.161	0.002
FBT- -> ECS-	0.209	0.204	0.052	4.052	0.000
FBT- -> ENS-	0.373	0.371	0.061	6.095	0.000
FBT- -> POR-	0.210	0.211	0.057	3.678	0.000
LES- -> ECS-	-0.021	-0.018	0.066	0.319	0.750
LES- -> ENS-	0.045	0.048	0.066	0.680	0.497
LES- -> POR-	0.054	0.056	0.062	0.865	0.387
MOS- -> ECS-	-0.028	-0.023	0.082	0.341	0.733
MOS- -> ENS-	0.572	0.572	0.069	8.274	0.000
MOS- -> POR-	0.378	0.377	0.092	4.092	0.000

Researcher's Computation (2026)

H₀₁: Business Integrity and Sustainable Development Goal Dimensions

The findings reveal that Business Integrity (BUI) has a positive impact on all three dimensions of Sustainable Development Goals. In particular, Business Integrity has a strong positive and significant impact on Economic Sustainability (ECS) ($\beta = 0.661$, $t = 9.043$, $p = 0.000$), which indicates that entrepreneurial firms that embrace truthfulness, openness, responsibility, and reliability in their dealings have a higher probability of making a sustainable contribution to economic growth and development. Likewise, Business Integrity positively and significantly affects Poverty Reduction (POR) ($\beta = 0.239$, $t = 3.161$, $p = 0.002$), which implies that fair business practice leads to more job opportunities, higher incomes, and better life for the community at large. On the other hand, the effect of Business Integrity on Environmental Sustainability (ENS) is negative, even though statistically significant ($\beta = -0.148$, $t = 2.006$, $p = 0.045$). This result indicates that although integrity fosters economic and social benefits, such effect does not appear to be directly channeled towards environmental sustainability projects in the

sampled entrepreneurial ecosystem as evidenced in the study by Alhares (2025). Therefore, the null hypothesis that Business Integrity does not significantly affect Sustainable Development Goals' dimensions is rejected.

H₀₂: Fairness in Business Transactions and Sustainable Development Goal Dimensions

Results show that Fairness in Business Transactions (FBT) positively and significantly influencing all the aspects of Sustainable Development Goal. The construct was found to have a positive and significant impact on Economic Sustainability ($\beta = 0.209$, $t = 4.052$, $p = 0.000$), Environmental Sustainability ($\beta = 0.373$, $t = 6.095$, $p = 0.000$), and Poverty Reduction ($\beta = 0.210$, $t = 3.678$, $p = 0.000$). These findings suggest that companies that treat their customers, suppliers, employees, and other stakeholders equitably are more likely to perform well on sustainable development. The somewhat stronger effect on Environmental Sustainability may also be interpreted as an indication that fair business conduct promotes sustainable resource use and green behaviour (Mega et al., 2024). The results are consistent with fairness encourages trust and cooperation and a committed stakeholder base as contributors to sustainable long-run performance. Hence, the null hypothesis which states that Fairness in Business Transactions does not significantly impact the dimensions of SDG is not accepted.

H₀₃: Legal Standards and Sustainable Development Goal Dimensions

The findings indicate that LESs have no positive effect on any of the SDG aspects assessed in this research. The coefficients for Environmental Sustainability ($\beta = 0.045$, $t = 0.680$, $p = 0.497$) and Poverty Reduction ($\beta = 0.054$, $t = 0.865$, $p = 0.387$) are positive but non-significant. Similarly, the association between Legal Standards and Economic Sustainability is also negative and insignificant ($\beta = -0.021$, $t = 0.319$, $p = 0.750$). These results suggest that just following laws, regulations, tax obligations, and industry standards may not be enough to influence entrepreneurial companies in the direction of sustainable development. This is possibly because legal compliance is seen by many companies as a mandatory duty rather than a strategic commitment to sustainability (Blind & Hess, 2023). Therefore, the null hypothesis that LES has no significant influence on the SDG components is not rejected.

H₀₄: Moral Standards and Sustainable Development Goal Dimensions

The results also indicate that MOS also has a positive impact on two out of three dimensions of SDGs. Results indicate strong positive and significant influence of Moral Standards on Environmental Sustainability ($\beta = 0.572$, $t = 8.274$, $p = 0.000$); this makes Environmental Sustainability the best predictor of ethical entrepreneurship dimensions in relation to environmental outcomes. In the same vein, Moral Standards affect significantly Poverty Reduction ($\beta = 0.378$, $t = 4.092$, $p = 0.000$) and more the value guided firms are socially responsible and aware of stakeholder welfare, the more viable they become in terms of poverty reduction and social development. Moral Standards has a negative and insignificant impact on Economic Sustainability ($\beta = -0.028$, $t = 0.341$, $p = 0.733$). The finding implies that although the environmental protection and social welfare goals are strongly supported by moral values, they are not necessarily expected to lead to better financial sustainability results as these results is in consonance with the study by Jaspe and Ortega (2023). As a result, the null hypothesis, which stated that Moral Standards have no impact on Sustainable Development Goal dimensions, is rejected partially since a significant impact is found on environmental sustainability and poverty reduction, but not on economic sustainability.

5. Social and Policy Implications

The results of this study would be of interest to the society and policymakers, entrepreneurs, regulators, and development partners in Nigeria. The positive implications of business integrity, fairness in business transactions, and moral standards on SDGs highlight that ethical entrepreneurship presents itself as a sustainable mechanism that can strengthen economic sustainability, environmental sustainability, and alleviation of poverty. The findings imply that a change in the mind-set of entrepreneurship development

policy towards more than just a compliance mentality is warranted through emphasizing ethical values as a part of doing business. Therefore, policies and capacity building programs at government agencies, entrepreneurship support organizations, and professional bodies should be designed to promote transparency, accountability, fairness, and ethical decision-making among entrepreneurs. Such efforts would not only lead to better business performance and higher trust from stakeholders, but also make significant contributions to national development priorities and the SDGs.

6. Conclusion and Recommendations

This research investigated the influence of ethical entrepreneurship on Sustainable Development Goals in the context of Nigerian entrepreneurial ecosystems, with ethical entrepreneurship conceptualized in terms of business integrity, fairness in business transactions, legal standards, and moral standards. Results showed that business integrity, fairness in business transactions and moral standards are significant predictors of sustainable development outcomes while legal standards is not. In particular, business integrity has a significant positive impact on economic sustainability and poverty alleviation; fairness in business transactions has a positive impact on all the sustainable development aspects; and moral standards is the best predictor of environmental sustainability and poverty alleviation.

This study concluded that the achievement of SDGs in the context of entrepreneurial ecosystems is more affected by voluntary ethical behavior and moral obligation rather than by simple compliance with the law. Thus, ethical entrepreneurship represents a relevant channel through which entrepreneurial firms can foster sustainable economic development, environmental sustainability, and social well-being. The results support the premise that entrepreneurs who value integrity, fairness and moral accountability are more likely to produce positive development outcomes and assist in achieving sustainable development goals in Nigeria. The following recommendations are proposed:

- (i) In principle, business owners and managers should ensure that they prioritize business integrity and reliability in their relationship with their clientele, suppliers, employees and investors as a way of fostering trust and driving the growth of sustainable economy.
- (ii) As justice in the exchange relation significantly affects all aspects of sustainable development, business owners would be well advised to treat their stakeholders fairly by adopting just pricing schemes, clear contracts, and neutral mediators in conflicts of interest. This will contribute to building resilient (stakeholder) relations, business sustainability, and inclusive socioeconomic development.
- (iii) As ethical considerations were found to be the most influential factor of environmental sustainability and one of the most important factors in predicting poverty reduction, entrepreneurial organizations should consider ethical values and social responsibility when making strategic decisions. Agencies should cultivate ethical cultures that foster responsible use of resources, environmental stewardship and engagement with community development.
- (iv) Because legal norms were not found to have an impact on sustainable development, it is recommended that regulatory bodies and policy makers supplement the enforcement of regulations with education on ethical entrepreneurship and awareness campaigns of the same nature. Attention should be paid to promote the internalization of ethical values by entrepreneurs over the exclusive use of compliance-based vehicles for business governance.
- (v) Training departments of government, entrepreneurship development centres, and professional associations should design training programmes, mentorship schemes and incentive packages to encourage ethical entrepreneurial practices. This intervention will empower entrepreneurs, strengthen sustainable business practices and help speed the realization of Sustainable Development Goals (SDGs) in the Nigerian entrepreneurial ecosystems.

Declarations

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Conflict of Interest

The author declares no conflict of interest.

Data Availability

The data supporting the findings of this study are available from the corresponding author upon request.

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