



Strategic Entrepreneurship and Poverty Reduction in North Central Nigerian Communities

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Abstract

Poverty remains a pervasive socio-economic challenge in North Central Nigeria, with over 60 percent of the population experiencing multidimensional poverty despite decades of policy interventions. This study investigates the effect of strategic entrepreneurship on poverty reduction in North Central Nigerian communities, with a focus on three key dimensions: Innovation, Strategic Resource Management, and Institutional Support. Drawing on a quantitative research design, structured questionnaire data were collected from a purposive sample of 1,041 respondents drawn from an estimated population of 18,000 entrepreneurs, small and medium enterprise owners, community development officers, and participants in government and NGO entrepreneurship programs across Kogi, Nasarawa, Benue, Niger, Plateau, and Kwara states. Poverty reduction was operationalized through income generation, employment creation, and economic inclusion. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) via SmartPLS. The findings indicate that Strategic Resource Management exerts the strongest effect on poverty reduction outcomes ($\beta = 0.41$, $p < 0.001$), followed by Innovation ($\beta = 0.34$, $p < 0.001$) and Institutional Support ($\beta = 0.27$, $p < 0.001$). The model accounts for 47 percent of the variance in poverty reduction outcomes ($R^2 = 0.47$). The study recommends policies that promote resource optimization, innovation adoption, institutional backing, and inclusive participation of women and youth in entrepreneurial activities. By establishing the empirical link between strategic entrepreneurship and poverty alleviation, this research contributes to the discourse on sustainable development in emerging economies.

Keywords: Strategic Entrepreneurship; Poverty Reduction; Innovation; Employment Creation

1.0 Introduction

Poverty remains one of the most pressing socio-economic challenges confronting Nigeria in the twenty-first century. According to the National Bureau of Statistics (2022), over 60 percent of Nigerians experience multidimensional poverty, with the situation most acute in North Central communities where access to basic infrastructure, healthcare, quality education, and productive employment opportunities is severely limited. State-level poverty data from the NBS (2022) reveal particularly alarming conditions across the North Central geopolitical zone: Kogi State records a poverty incidence of approximately 53.1 percent, while Nasarawa State stands at 50.5 percent. Benue State, often regarded as the food basket of the nation, paradoxically reports a poverty rate of about 67.7 percent, with Niger State at 45.4 percent, Plateau State at 49.4 percent, and Kwara State at 40.0 percent. These figures, all substantially above the national benchmark for sustainable poverty reduction, reflect the structural depth of deprivation in these communities. High youth unemployment, rapid population growth, persistent insecurity, and weak industrial diversification continue to compound vulnerability across communities. Despite decades of government interventions and economic reform

programs, poverty levels in states such as Kogi, Nasarawa, Benue, Niger, Plateau, and Kwara remain alarmingly high, underscoring the urgent need for sustainable and locally driven development strategies capable of generating inclusive economic opportunities.

Entrepreneurship has long been identified as a potential pathway for poverty alleviation in developing economies (Bruton, Ketchen, & Ireland, 2013; Ajide & Dada, 2023). However, conventional subsistence entrepreneurship, which focuses primarily on survival, has proven insufficient in addressing the scale and depth of poverty in Nigerian communities. Scholars and policymakers have increasingly turned their attention to strategic entrepreneurship, a more deliberate, innovation-driven approach that integrates opportunity identification with long-term competitive positioning (Hitt et al., 2011). Strategic entrepreneurship combines entrepreneurial orientation, including innovation, proactiveness, and risk-taking, with effective strategic resource management in order to generate sustainable wealth and inclusive growth (Kyrgidou & Hughes, 2010). Unlike subsistence entrepreneurship, strategic entrepreneurship emphasizes scalability, value creation, institutional alignment, and sustained economic impact, making it particularly relevant in contexts where poverty persists despite abundant natural and human resources.

Strategic entrepreneurship contributes to poverty reduction through employment creation, human capital development, innovation diffusion, and effective utilization of local resources (Hitt et al., 2011). The integration of institutional support mechanisms such as government programs, microfinance, mentorship, and capacity-building initiatives further enhances the transformative potential of entrepreneurship in Nigerian communities. Recent evidence from Sub-Saharan Africa confirms that when institutional arrangements are aligned with resource endowments, SME performance improves significantly (Birungi et al., 2024). Additionally, the World Bank (2024) notes that entrepreneurship-driven growth remains a critical lever for breaking entrenched poverty cycles in middle-income economies.

In Nigeria, poverty remains a critical socio-economic challenge despite decades of policy interventions and economic reforms. Although Nigeria is one of the largest economies in Africa, a substantial proportion of its population continues to experience multidimensional poverty, unemployment, and income inequality. According to the National Bureau of Statistics (2022), over 60 percent of Nigerians experience multidimensional poverty, particularly in rural communities in the North Central geopolitical zone, where access to basic infrastructure, healthcare, quality education, and productive employment opportunities remains limited. Inflation hit a record 31.7 percent in early 2024, while youth unemployment remained above 33 percent, compounding economic vulnerability in these communities (World Bank, 2024). These realities underscore the urgent need for sustainable and locally driven development strategies capable of generating inclusive economic opportunities.

Entrepreneurship has long been identified as a potential pathway for poverty alleviation in developing economies (Bruton, Ketchen, & Ireland, 2013). Strategic entrepreneurship contributes to poverty reduction through employment creation, human capital development, innovation diffusion, and effective utilization of local resources (Hitt et al., 2011). However, limited empirical evidence exists on how specific dimensions of strategic entrepreneurship, namely Innovation, Strategic Resource Management, and Institutional Support, collectively drive poverty reduction outcomes in North Central Nigerian communities. This study addresses this gap.

Objectives of the Study

The broad objective of this study is to examine the effect of strategic entrepreneurship on poverty reduction within North Central Nigerian communities.

1. To assess the effect of innovation on poverty reduction in North Central Nigerian communities.
2. To evaluate the influence of strategic resource management on poverty reduction in North Central Nigerian communities.
3. To examine the effect of institutional support mechanisms on poverty reduction in North Central Nigerian communities.

The following null hypotheses are tested:

H₀₁: Innovation in strategic entrepreneurship has no significant effect on poverty reduction in North Central Nigerian communities.

H₀₂: Strategic resource management has no significant influence on poverty reduction in North Central Nigerian communities.

H₀₃: Institutional support mechanisms have no significant effect on poverty reduction in North Central Nigerian communities.

2.0 Literature Review

2.1 Conceptual Review

Strategic Entrepreneurship

Strategic entrepreneurship is a concept that integrates the principles of entrepreneurship with strategic management to achieve sustainable business growth and socio-economic impact. Unlike conventional entrepreneurship, which often focuses on starting businesses primarily for survival or short-term profit, strategic entrepreneurship emphasizes long-term planning, innovation, and competitive positioning. It involves identifying opportunities in the market, leveraging available resources efficiently, and aligning business objectives with broader economic or social goals (Hitt et al., 2011). Core characteristics of strategic entrepreneurship include proactiveness, innovation, risk management, and resource optimization, all of which enable ventures to scale and sustain growth in challenging economic environments (Kyrgidou & Hughes, 2010). By creating income-generating activities and employment, entrepreneurial

ventures provide households with financial stability and improve overall community welfare (Bruton, Ketchen, & Ireland, 2013).

In Nigeria, micro, small, and medium enterprises (MSMEs) contribute 48 percent of national GDP, account for 96 percent of businesses, and support 84 percent of employment making them indispensable to economic development, particularly in rural and semi-urban communities where poverty levels are high (SMEDAN, 2021). These enterprises often operate in agriculture, local manufacturing, services, and emerging digital sectors, providing multiple avenues for income diversification and wealth creation. This approach also promotes social inclusion by facilitating the participation of women and youth in productive economic activities, thereby reducing household dependency ratios and fostering community resilience (Naudé, 2010; Awotunde, 2025).

Innovation and Poverty Reduction

Schumpeter's Innovation Theory posits that economic development is propelled by the introduction of novel ideas that disrupt existing market structures, stimulate competition, and enhance productivity (Schumpeter, 1934). Entrepreneurs who embrace innovation are able to differentiate their ventures, create competitive advantages, and increase profitability, all of which contribute to sustained enterprise growth and poverty reduction. For instance, innovations in agribusiness such as improved processing techniques, value addition, and digital marketing of farm products have enabled smallholders to increase revenue and reduce post-harvest losses. Similarly, local manufacturing entrepreneurs who innovate in packaging, production methods, or product customization can attract wider consumer bases and improve profit margins (Adeyemi & Okonkwo, 2022).

Empirical evidence from Nigerian communities suggests that innovative enterprises supported by access to finance, technical assistance, and policy guidance achieve higher growth rates and greater socio-economic impact than non-innovative enterprises (Eze & Bello, 2021). Ajide and Dada (2023) further confirm, using panel data from 18 African countries, that entrepreneurship significantly reduces poverty and exhibits unidirectional causality from entrepreneurship to poverty reduction, underscoring the transformative potential of innovative entrepreneurial activity across Sub-Saharan Africa.

Strategic Resource Management and Poverty Reduction

Strategic resource management is a key pillar of strategic entrepreneurship, focusing on the effective acquisition, allocation, and utilization of resources to achieve sustainable business growth and socio-economic impact. The Resource-Based View (RBV) posits that enterprises gain and sustain competitive advantage by effectively using valuable, rare, inimitable, and non-substitutable resources (Barney, 1991). In the context of North Central Nigerian communities, where entrepreneurial activities often face significant infrastructural, financial, and institutional constraints, managing resources strategically becomes critical to business survival, scalability, and poverty reduction. Effective resource management enhances business sustainability, supports income generation, and creates employment opportunities, all of which are central to poverty reduction outcomes.

Recent studies reinforce the primacy of resource management in SME performance. Sipos et al. (2025) demonstrate, through a multi-country analysis, that resource-based marketing innovation significantly enhances SME competitiveness and resilience. Birungi et al. (2024) similarly found that resource endowments significantly influence performance of SMEs in the manufacturing sector of Uganda, further validating the centrality of the RBV framework in African entrepreneurship contexts.

Institutional Support Mechanisms and Poverty Reduction

Institutional support mechanisms play a pivotal role in enabling strategic entrepreneurship and fostering poverty reduction in Nigerian communities. They provide entrepreneurs with access to critical resources such as funding, training, infrastructure, technical assistance, and market linkages, all of which are necessary for scaling ventures and sustaining economic impact (OECD, 2018; SMEDAN, 2021). These programs offer financial support, business development training, mentorship, and technical assistance, addressing some of the critical barriers that constrain small and medium enterprises (SMEs) in rural and semi-urban areas (Adeyemi & Okonkwo, 2022).

In many North Central Nigerian communities, NGO-supported initiatives have helped bridge gaps in formal education, business management, and financial literacy, thereby enhancing entrepreneurial resilience and poverty alleviation outcomes (Eze & Bello, 2021). Research indicates that enterprises with reliable access to institutional resources experience higher growth rates, increased employment generation, and improved income outcomes (Hitt et al., 2011). A 2025 systematic review of African SMEs confirms that inadequate government support and limited access to finance remain among the most critical barriers to SME resilience on the continent, reinforcing the need for strengthened institutional frameworks (Awotunde, 2025). Additionally, policy inconsistency, corruption, and weak regulatory frameworks can undermine the sustainability of institutional support programs (Naudé, 2010; Justina, 2024). Addressing these challenges requires strategic coordination among government agencies, development organizations, community groups, and entrepreneurs themselves.

Conceptual Framework

The conceptual framework of this study posits that strategic entrepreneurship, operationalized through Innovation (IN), Strategic Resource Management (SRM), and Institutional Support (IS), serves as an independent variable that directly influences Poverty Reduction Outcomes (PRN), which is the dependent variable measured through income generation, employment creation, and economic inclusion. The framework integrates insights from the Resource-Based View and Schumpeter's Innovation Theory to explain the pathways through which strategic entrepreneurial activity leads to improved socio-economic outcomes in North Central Nigerian communities.

2.2 Theoretical Review

The Resource-Based View (RBV)

The Resource-Based View, developed by Barney (1991), offers a powerful theoretical foundation for understanding the relationship between strategic entrepreneurship and poverty reduction in Nigeria. By emphasizing the acquisition, development, and strategic deployment of resources, RBV explains how entrepreneurs can create sustainable enterprises, generate income, foster employment, and strengthen community resilience. The RBV posits that enterprises gain and sustain competitive advantage by effectively using valuable, rare, inimitable, and non-substitutable resources (Barney, 1991). This study adopts RBV as its guiding theory to analyze how innovation, strategic resource management, and institutional support collectively contribute to reducing poverty in North Central Nigerian communities. Contemporary scholarship further extends RBV to examine how entrepreneurial capabilities and knowledge resources mediate competitive advantage in SME contexts (Sipos et al., 2025; D'Oria et al., 2021).

Schumpeter's Innovation Theory

Schumpeter's Theory of Economic Development (1934) provides complementary theoretical grounding for this study. Schumpeter argued that innovation is the primary engine of economic growth, as it introduces new products, processes, and markets that stimulate productivity and wealth creation. In the context of North Central Nigeria, this theory explains how entrepreneurial innovation can disrupt subsistence economic patterns and create pathways out of poverty. This view is reinforced by more recent empirical work showing that entrepreneurship drives structural transformation and productive employment creation across African economies (Ajide & Dada, 2023; Brookings, 2024).

2.3 Empirical Review

Eze and Bello (2021) examined the performance of micro and small enterprises in rural Nigeria with the objective of determining how innovation affects enterprise growth and income generation. Using a survey design with 320 respondents and regression analysis, the study found that innovation-driven ventures experienced significantly higher growth rates, greater employment creation, and improved income generation compared to non-innovative enterprises. The study recommended that entrepreneurs be supported with access to financial and technical resources to enhance enterprise competitiveness and sustainability.

Adeyemi and Okonkwo (2022) analyzed entrepreneurship interventions in semi-urban Nigerian communities with the objective of assessing how innovation and resource management interact to drive socio-economic impact. The study adopted a quantitative approach with a sample of 410 entrepreneurs and used multiple regression analysis. Results showed that entrepreneurs who combined innovation with strategic resource management were better able to scale their businesses and create meaningful socio-economic impact. The study recommended strengthening access to finance and technical support for entrepreneurs.

Adepoju and Olatunji (2020) examined the impact of government and NGO interventions on entrepreneurial growth in northern Nigeria with the objective of evaluating how institutional support affects small business growth. Using a mixed-method approach with 280 respondents, the study found that access to microfinance, training, mentorship, and market facilitation significantly enhanced the growth prospects of small businesses. The study recommended that government and NGO programs be better targeted and consistently funded to maximize impact.

Ajide and Dada (2023) investigated the triangular relationship among poverty reduction, entrepreneurship, and economic growth in Africa using panel data from 18 African countries. Employing batteries of panel data estimation techniques including impulse response analysis, the study established that entrepreneurship significantly reduces poverty across Sub-Saharan Africa, with unidirectional causality running from entrepreneurship to poverty reduction. The study concludes that entrepreneurship-driven growth is indispensable for sustainable development in emerging economies.

Birungi et al. (2024) examined entrepreneurial ecosystem pillars and SME performance in the manufacturing sector of Uganda using a descriptive cross-sectional survey of 310 SMEs. The study found that both institutional arrangements and resource endowments significantly influence SME performance, with institutional arrangements exhibiting stronger predictive power. This finding corroborates the current study's theoretical positioning and underscores the importance of a supportive ecosystem for entrepreneurial success in Sub-Saharan Africa.

Justina (2024) examined the nexus between entrepreneurship development and poverty reduction using primary data from Niger Delta communities in Nigeria. Employing ANOVA-based analysis, the study found that entrepreneurship activities significantly contribute to poverty alleviation, while structural barriers including inadequate finance, insecurity, and poor policy implementation constrain entrepreneurial impact. The study highlights that context-specific strategies are required to maximize the poverty reduction effect of entrepreneurship.

Despite these positive findings, several studies highlight persistent challenges. Limited access to affordable finance, infrastructural deficits, low technical skills, and policy inconsistency remain significant barriers to maximizing the impact of entrepreneurship on poverty reduction (Naudé, 2010; Eze & Bello, 2021; Awotunde, 2025).

3.0 Methodology

This study adopted a quantitative research design, which is suitable for examining the effect of strategic entrepreneurship on poverty reduction in North Central Nigerian communities. Quantitative research allows for objective measurement, statistical analysis, and identification of patterns in how innovation, strategic resource management, and institutional support influence poverty reduction outcomes (Hitt et al., 2011; Adeyemi & Okonkwo, 2022).

The population of the study consists of entrepreneurs, small and medium enterprise owners, community development officers, and participants in government and NGO entrepreneurship programs across North Central Nigerian states. The focus is on rural and semi-urban communities in Kogi, Nasarawa, Benue, Niger, Plateau, and Kwara states, which according to the National Bureau of Statistics (2022) record some of the highest poverty rates in Nigeria, making them appropriate study areas. Based on available data from the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) and related community development programs, the total population is estimated at 18,000 individuals. This provides a comprehensive representation of the entrepreneurship ecosystem in the targeted communities.

A purposive sampling technique was employed to select respondents actively participating in entrepreneurial activities or managing enterprise support programs. This approach ensures that the data collected reflects the experiences and perceptions of individuals directly involved in strategic entrepreneurship initiatives. Using the Taro Yamane (1967) formula for sample size determination at a 95 percent confidence level and 3 percent margin of error, a sample size of 1,0410 respondents was determined to achieve adequate coverage and statistical reliability. The sample includes entrepreneurs managing micro, small, and medium enterprises, participants in government and NGO training programs, and community officers facilitating enterprise support schemes.

Data collection was carried out using structured questionnaires. The questionnaire included sections measuring the independent variables: Innovation adoption, Strategic Resource Management, and Institutional Support. The dependent variable, Poverty Reduction, was operationalized and measured through household income improvement, employment creation, and economic inclusion, using adapted Likert-scale items drawn from validated instruments in prior studies (Hitt et al., 2011; Beugré, 2010; Adeyemi & Okonkwo, 2022).

Data analysis was conducted using SmartPLS 4.0, which is suitable for examining complex relationships between latent constructs such as innovation, strategic resource management, institutional support, and poverty reduction outcomes (Hair, Hult, Ringle, & Sarstedt, 2022). SmartPLS allows for both measurement model evaluation to confirm reliability and validity, and structural model evaluation to test hypothesized relationships between variables. The measurement model was first assessed through outer loadings, composite reliability, Cronbach's alpha, and Average Variance Extracted (AVE), before the structural model was evaluated for path coefficients and R^2 values.

The model specification for the study is expressed as follows:

$$PRN = \beta_0 + \beta_1 IN + \beta_2 SRM + \beta_3 IS + \varepsilon$$

Where:

PRN = Poverty Reduction Outcomes, measured through income generation, employment creation, and economic inclusion

IN = Innovation, including new product, process, or service adoption by entrepreneurs

SRM = Strategic Resource Management, including effective allocation of financial, human, and physical resources

IS = Institutional Support, including access to government programs, NGO interventions, training, and mentorship

ε = Error term

Measurement of Variables

Variable	Symbol	Variable Description	Source
Poverty Reduction Outcomes	PRN	Measured through income generation, employment creation, and economic inclusion	Hitt et al., 2011; Adeyemi & Okonkwo, 2022; Beugré, 2010
Innovation	IN	Adoption of new products, services, or processes by entrepreneurs	Hitt et al., 2011; Eze & Bello, 2021; Ajide & Dada, 2023
Strategic Resource Management	SRM	Effective utilization of financial, human, and physical resources to achieve business growth	Barney, 1991; Sipos et al., 2025; Birungi et al., 2024
Institutional Support	IS	Access to government programs, NGO initiatives, training, mentorship, and community support structures	SMEDAN, 2021; Birungi et al., 2024; Justina, 2024

Source: Authors' Compilation, 2026

4.0 Results and Analysis

This section presents and analyzes data collected from 1,000 respondents across selected states in North Central Nigeria on the effect of strategic entrepreneurship on poverty reduction. The data were obtained through structured questionnaires designed to measure Innovation, Strategic Resource Management, Institutional Support, and Poverty Reduction Outcomes. The measurement model was first assessed to confirm reliability and validity, before the structural model was used to test the hypothesized relationships among the constructs.

4.1 Measurement Model Assessment

Table 4.1: Outer Loadings of Measurement Model

Item	Innovation (IN)	Strategic Resource Management (SRM)	Institutional Support (IS)	Poverty Reduction Outcomes (PRN)
IN1	0.84			
IN2	0.81			
IN3	0.79			
IN4	0.83			

Item	Innovation (IN)	Strategic Resource Management (SRM)	Institutional Support (IS)	Poverty Reduction Outcomes (PRN)
SRM1		0.86		
SRM2		0.88		
SRM3		0.85		
SRM4		0.87		
IS1			0.80	
IS2			0.82	
IS3			0.78	
IS4			0.81	
PRN1				0.85
PRN2				0.83
PRN3				0.84
PRN4				0.82

Source: SmartPLS Output, 2026

The results in Table 4.1 show that all indicator outer loadings range from 0.78 to 0.88, all exceeding the recommended threshold of 0.70 (Hair et al., 2022). This confirms that each measurement item sufficiently reflects its respective latent construct. For Innovation, loadings between 0.79 and 0.84 indicate that respondents consistently recognize the importance of introducing new products, improving service delivery, and adopting creative business practices. Strategic Resource Management records the highest loadings (0.85–0.88), suggesting that respondents perceive effective resource coordination as central to business survival and growth. Institutional Support and Poverty Reduction Outcomes also demonstrate satisfactory loadings, confirming that the measurement items adequately capture access to support systems and improvements in income, employment, and economic inclusion respectively.

Table 4.2: Variance Inflation Factor (VIF)

Construct	IN	SRM	IS
Poverty Reduction Outcomes	1.31	1.38	1.29

Source: SmartPLS Output, 2026

The VIF values presented in Table 4.2 are all below 2.0, well within the acceptable threshold of 3.3 recommended for PLS-SEM (Hair et al., 2022). This indicates very low multicollinearity among the independent variables, confirming that Innovation, Strategic Resource Management, and Institutional Support operate as distinct dimensions rather than overlapping constructs. Each variable contributes uniquely and independently to explaining poverty reduction outcomes, and the estimated path coefficients in the structural model can therefore be interpreted with confidence.

Table 4.3: Reliability and Validity

Construct	Cronbach's Alpha	Composite Reliability	AVE
Innovation	0.87	0.91	0.66
Strategic Resource Management	0.89	0.93	0.69
Institutional Support	0.85	0.90	0.63
Poverty Reduction Outcomes	0.88	0.92	0.68

Source: SmartPLS Output, 2026

The reliability and validity results in Table 4.3 indicate that all constructs are measured consistently and accurately. Cronbach's Alpha values range from 0.85 to 0.89, all exceeding the acceptable threshold of 0.70, demonstrating strong internal consistency. Composite Reliability values are all above 0.90, further confirming the statistical robustness of the constructs within the SEM framework. The Average Variance Extracted (AVE) values exceed 0.60 for all constructs, satisfying the threshold of 0.50 recommended by Hair et al. (2022) and confirming convergent validity. This means each construct explains more than half of the variance in its indicators, confirming that the measurement model is both reliable and valid and provides a strong foundation for hypothesis testing.

4.2 Structural Model and Hypothesis Testing

Table 4.4: Regression Results and Hypothesis Testing

Path	Beta (β)	T-Value	P-Value	Decision
IN \rightarrow PRN	0.34	4.62	< 0.001	H01 Rejected
SRM \rightarrow PRN	0.41	5.48	< 0.001	H02 Rejected
IS \rightarrow PRN	0.27	3.98	< 0.001	H03 Rejected
R² (PRN)	0.47			

Source: SmartPLS Output, 2026

Table 4.4 presents the path coefficients, t-values, p-values, and decisions on the null hypotheses. The results show that all three predictors exert a statistically significant and positive effect on poverty reduction outcomes.

For H01, Innovation (IN) recorded a path coefficient of $\beta = 0.34$ and a t-value of 4.62 ($p < 0.001$), indicating that a unit increase in innovative entrepreneurial activity is associated with a 0.34-unit improvement in poverty reduction outcomes. The null hypothesis H01 is therefore rejected, confirming that Innovation has a significant positive effect on poverty reduction in North Central Nigerian communities.

For H02, Strategic Resource Management (SRM) recorded the strongest path coefficient of $\beta = 0.41$ and a t-value of 5.48 ($p < 0.001$), indicating that effective resource management is the most critical driver of poverty reduction outcomes in the sampled communities. The null hypothesis H02 is rejected, confirming that Strategic Resource Management significantly influences poverty reduction.

For H03, Institutional Support (IS) recorded a path coefficient of $\beta = 0.27$ and a t-value of 3.98 ($p < 0.001$). While its effect is slightly weaker than the other predictors, it remains statistically significant. The null hypothesis H03 is therefore rejected, confirming that Institutional Support significantly affects poverty reduction outcomes.

The R^2 value of 0.47 indicates that Innovation, Strategic Resource Management, and Institutional Support collectively account for 47 percent of the variance in poverty reduction outcomes, which is a substantial proportion in social science research and suggests that strategic entrepreneurship provides a meaningful and robust explanation for changes in income levels, employment generation, and economic inclusion within the selected communities.

Table 4.5: Bootstrapping Results for Path Coefficients

Path	Original Sample	Sample Mean	Std. Dev	T-Value	P-Value	95% CI Lower	95% CI Upper
IN→PRN	0.34	0.336	0.073	4.62	< 0.001	0.191	0.478
SRM→PRN	0.41	0.408	0.075	5.48	< 0.001	0.262	0.556
IS→PRN	0.27	0.274	0.069	3.98	< 0.001	0.138	0.409

Source: SmartPLS Output, 2026

The bootstrapping results in Table 4.5 confirm the stability and reliability of the structural paths. The 95 percent confidence intervals for all three relationships do not include zero, indicating that the effects are statistically significant and not attributable to random chance. The relatively small standard deviations across all paths further suggest consistency in responses across the sample, strengthening confidence in the robustness of the findings.

5.0 Discussion of Findings

The findings of this study are strongly supported by prior theoretical and empirical works in entrepreneurship and development studies. By establishing that Innovation ($\beta = 0.34$, $p < 0.001$), Strategic Resource Management ($\beta = 0.41$, $p < 0.001$), and Institutional Support ($\beta = 0.27$, $p < 0.001$) all significantly influence Poverty Reduction Outcomes, the study confirms major arguments in strategic entrepreneurship literature while providing new empirical evidence from North Central Nigeria.

The strongest influence of Strategic Resource Management on poverty reduction outcomes aligns with the Resource-Based View (Barney, 1991). Barney argues that sustainable performance depends on how effectively firms organize and deploy their internal resources. The present findings reflect this theoretical position, showing that entrepreneurs who strategically manage financial, human, and physical resources are more likely to achieve income growth and employment expansion. This result is also consistent with Hitt et al. (2011), who emphasized that strategic entrepreneurship combines opportunity-seeking and advantage-

seeking behaviors to create wealth, and that effective resource orchestration drives firm performance. Adeyemi and Okonkwo (2022) similarly found that resource management significantly enhanced enterprise scalability in Nigerian communities. More recently, Birungi et al. (2024) and Sipos et al. (2025) reinforce these conclusions, confirming that resource-based capabilities remain central to SME performance and competitive advantage in African and emerging economy contexts.

The positive relationship between Innovation and poverty reduction outcomes supports Schumpeter's (1934) theory that innovation is the engine of economic growth. The current results show that innovative entrepreneurs in North Central Nigeria are more likely to improve income levels and create employment opportunities. This is consistent with Eze and Bello (2021), who found that innovation-driven enterprises achieved significantly higher growth rates and income generation compared to non-innovative enterprises in rural Nigeria. Critically, Ajide and Dada (2023), using panel data from 18 African countries, provide macro-level confirmation that entrepreneurship unidirectionally reduces poverty in Sub-Saharan Africa, lending strong regional validity to the innovation–poverty reduction pathway identified in this study.

The significant impact of Institutional Support ($\beta = 0.27$) on poverty reduction aligns with institutional theory and development literature. Reports from SMEDAN (2021) emphasize that structured institutional support improves business survival rates and employment generation in Nigeria. Adepoju and Olatunji (2020) similarly found that access to microfinance, training, and mentorship significantly enhanced small business growth in northern Nigeria, consistent with the present study's findings. Justina (2024) further corroborates these findings in a Nigerian context, demonstrating that structural barriers to institutional access directly constrain entrepreneurial poverty reduction outcomes. Awotunde (2025) and Birungi et al. (2024) collectively confirm that inadequate government support remains a systemic challenge for African SMEs, underscoring the policy urgency of this dimension.

Furthermore, the R^2 value of 0.47 indicates that the three strategic entrepreneurship dimensions jointly explain 47 percent of the variation in poverty reduction outcomes, a substantial proportion in social science research. This supports earlier empirical research linking entrepreneurship to poverty alleviation in Sub-Saharan Africa. Unlike many prior studies that examined single dimensions independently, the present research integrates all three dimensions into a unified structural framework, providing a more holistic and empirically grounded understanding of how strategic entrepreneurship operates as a multidimensional tool for socio-economic transformation in North Central Nigeria. The practical implication of these results is significant: in communities where poverty remains structurally entrenched, the simultaneous promotion of innovation ($\beta = 0.34$), resource efficiency ($\beta = 0.41$), and institutional backing ($\beta = 0.27$) produces compounding poverty reduction effects that no single intervention strategy can achieve in isolation. The bootstrapping confidence intervals, none of which include zero, further confirm that these findings are stable, generalizable, and not attributable to chance variations in sampling. In sum, the study provides robust empirical evidence that strategic entrepreneurship, when implemented in its full multidimensional scope, offers a credible and measurable pathway to income improvement, job creation, and economic inclusion for vulnerable communities in North Central Nigeria.

6.0 Conclusion and Recommendations

This study examined the effect of strategic entrepreneurship on poverty reduction in North Central Nigerian communities, focusing on Innovation, Strategic Resource Management, and Institutional Support as key dimensions. The analysis revealed that all three dimensions of strategic entrepreneurship significantly and positively influence poverty reduction outcomes, collectively explaining 47 percent of the variance in income generation, employment creation, and economic inclusion. Strategic Resource Management emerged as the most critical driver, followed by Innovation and Institutional Support. These findings demonstrate that strategic entrepreneurship is a robust mechanism for promoting economic inclusion and local development in North Central Nigeria.

While entrepreneurship alone cannot resolve all structural poverty challenges, combining innovative practices, efficient resource management, and institutional backing can meaningfully enhance income, employment, and social resilience. Communities and policymakers that foster strategically oriented entrepreneurial activities are better positioned to achieve long-term economic growth and reduce multidimensional poverty.

Based on the findings, the following recommendations are made:

- i. **Strengthen Strategic Resource Management:** In line with Objective 2, which sought to evaluate the influence of strategic resource management on poverty reduction, this study found that SRM exerted the strongest effect on poverty reduction outcomes ($\beta = 0.41$, $p < 0.001$), accounting for the greatest share of improvements in income generation, employment creation, and economic inclusion among sampled communities. Accordingly, policymakers and development agencies should prioritize capacity-building programs that train entrepreneurs in financial planning, human resource management, and efficient allocation of physical assets. Enterprise development centers across Kogi, Nasarawa, Benue, Niger, Plateau, and Kwara states should offer targeted workshops on resource optimization strategies, supply chain management, and cost-efficiency techniques tailored to local MSMEs.
- ii. **Promote Innovation:** Consistent with Objective 1, which sought to assess the effect of innovation on poverty reduction, this study found that innovation significantly and positively influences poverty reduction outcomes ($\beta = 0.34$, $p < 0.001$), demonstrating that entrepreneurs who adopt new products, services, and processes achieve greater income improvements and employment creation. Government and NGO programs should therefore integrate innovation incubation into entrepreneurship support schemes. Entrepreneurs should be supported with access to technology, research, and development resources that enable them to introduce competitive offerings in local and national markets. Innovation hubs, agribusiness value addition centres, and digital entrepreneurship platforms should be established across the six North Central states to stimulate entrepreneurial creativity and market reach.
- iii. **Strengthen Institutional Support:** Addressing Objective 3, which examined the effect of institutional support mechanisms on poverty reduction, the findings confirmed that institutional support significantly enhances poverty reduction outcomes ($\beta = 0.27$, $p < 0.001$). Although it had the weakest effect among the three predictors, its contribution remains statistically robust and practically meaningful. Policymakers and development agencies should expand and consistently fund targeted programs including microfinance, mentorship, technical assistance, and market linkage programs. Institutional frameworks

should also be strengthened to address barriers such as policy inconsistency, corruption, and weak regulatory enforcement, which undermine the long-term sustainability of entrepreneurship support programs in North Central Nigeria.

- iv. Focus on North Central States: Future programs should specifically target the North Central states of Kogi, Nasarawa, Benue, Niger, Plateau, and Kwara, where poverty rates are documented to be disproportionately high. Place-based entrepreneurship policies that account for the specific constraints and opportunities in these communities will be most effective.

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