

Assessing Challenges and Opportunities Facing Entrepreneurship in Developing Economies

Wilson Effiong Akpan

Business Administration Department Exeed College in partnership with Woolf University Malta

DOI: <https://dx.doi.org/10.47772/IJRISS.2025.910000609>

Received: 28 October 2025; Accepted: 04 November 2025; Published: 19 November 2025

ABSTRACT

The nuanced nature of the changes in the contemporary business environment has introduced new waves of challenges and opportunities for entrepreneurship. This can be in the form of expanding globalisations, emerging market trends, proliferation of artificial intelligence and digital technologies as well as social, economic and political dynamics of nations. This study assessed the challenges and opportunities of entrepreneurship in developing economies using Nigeria as a case study. The study employed qualitative research approach using interviews from 20 participants selected using purposive sampling procedure. The study was conducted through exploratory research design with primary data collected through semi-structured interview and analysis was through themes and premises. The findings showed that the challenges of entrepreneurship are situated within the context of financial, infrastructural, institutional and socio-cultural. Also, the study demonstrated that entrepreneurs have immense opportunities before them in developing economies in Nigeria because of population growth, untapped market, digital penetrations and advancements as well as urbanisation. The study concluded that the challenges and opportunities of entrepreneurship in Nigeria is based on the delicate balance between localisation and globalisation. It was recommended from this study that there should be increased development of entrepreneurship ecosystem through combined effort of actors such as government, non-government organisations, private sector and academics. It was also suggested that accessibility to finance, strengthening institutions and developing infrastructure would pave the way to more profitable and sustainable enterprises in developing economies.

Keywords: Challenges, Economic Growth, Entrepreneur, Entrepreneurship, Opportunities

INTRODUCTION

The increasing importance of attaining sustainable development goal 9 in terms of enhancing innovation, infrastructure and industry, places significance on the role of entrepreneurship as a global socio-economic driver (Assylbekkyzy & Turmanov, 2024). Modern entrepreneurship has contributed in substantial ways to developed and developing economies from diverse perspectives (Gherghina, Botezatu, Hosszu & Simionescu, 2020; Assylbekkyzy & Turmanov, 2024). Entrepreneurship has continued to emerge as a panacea for driving economic activities and growth by creating jobs, initiating employment opportunities, opening up markets and sectors as well as introducing and establishing innovations (Ratten, 2023; Solomon & Emmanuel, 2025). In emerging economies, entrepreneurship is particularly impactful in addressing poverty, unemployment, inequality, and social development (Marcotte, 2014; Meyer & De-Jongh, 2018; Estrin, Mickiewicz, Stephan, & Wright, 2019; Gunawan, 2024). As a result of the emerging developments and trends such as globalisation, industrialisation, climate change and sustainability, artificial intelligence and advancing technologies, entrepreneurship can be said to be faced with new paradigms of challenges and opportunities that have required more and continuous research. Hence this study comes as an avenue to make a point in entrepreneurship research and provide future directions on how entrepreneurs can manage challenges and harness opportunities in the volatile, uncertain, complex and ambiguous (VUCA) business environment.

Entrepreneurs and the process of entrepreneurship can be described as veritable aspects of contemporary global economies. It involves individuals who create, organize, coordinate and manage business enterprises, often taking on operational, financial and market risks in pursuit of opportunities and attain profitable venture as well

as success (Porfirio, Carrilho & Mónico, 2016; Prince, Chapman & Cassey, 2021). Because of the unique features of entrepreneurship and the nuanced nature of its key elements such as ability to develop new ideas by creative thinking, willingness to embark on calculated risks to attain business outcomes, proactiveness in taking initiatives, thinking ahead and resilience. It is continuously important for scholars and researchers as well as entrepreneurs to be aware of the challenges, barriers and hinderances as well as opportunities, potentials and prospects (Giossi, Anastasiadou, Gamanis & Gamanis, 2019; Gherghina, Botezatu, Hosszu & Simionescu, 2020; Onwuka, Nwachuya, Okaforocha, Imoagwu & Ezeife, 2025).

Zafar, Khan, Khan, Parachi and Saleem (2022) argued that challenges and opportunities influencing entrepreneurship capabilities in Pakistan are based on the complexities that emanate from the emerging nature of the economy. In developing and emerging economies such as Nigeria, entrepreneurship has emerged as a central pillar but with incidents of high unemployment, fluctuating economic circumstances, weak institutions and formal sectors, as well as large informal markets, Nigerian entrepreneurs are faced with challenges and opportunities in rapidly growing consumer demand, digitalization, and urbanization (Onwuzulike, Ononiwu & Shitu, 2024). This study is focused on assessing the dynamics of entrepreneurship in Nigeria by evaluating the barriers in entrepreneurship and the prospects of entrepreneurship. By comprehending the entrepreneurial process and characteristics of successful entrepreneurs, individuals can better navigate the challenges and opportunities of starting and growing a business.

This study is significant because it delves into the nuances of challenges and opportunities of entrepreneurship in the context of emerging economies such as Nigeria. This study seeks to provide insights on how resolve intrinsic and extrinsic challenges in entrepreneurship in emerging economies such as systemic, infrastructural, institutional, financial, cultural, and educational (Adekunle, 2024; Chukwuka & Dibie, 2024). More so the findings from this study would generate insights that can assist policymakers and regulators in addressing institutional and infrastructural hinderances to entrepreneurship. In addition, this study is significant in contributing to knowledge about entrepreneurship challenges and opportunities, thereby advancing literature and subject matter for scholars, researchers, educators and students by offering grounded evidence and theoretical insights.

The purpose of this study is to identify and assess the key challenges and opportunities for entrepreneurs in emerging economies, exploring the theoretical underpinnings of Schumpeter Theory of Entrepreneurship and the Push versus Pull theory as well as recommend measures to support entrepreneurship ecosystems. In light of the purpose of this study the key research questions to be answered from this investigation are:

- What are the key challenges facing Nigerian entrepreneurs in the entrepreneurial process?
- To what extent are the opportunities available for Nigerian entrepreneurs in the entrepreneurship process?
- What recommendations can be proposed as solutions and drivers of Entrepreneurship in Nigeria?

LITERATURE REVIEW

Concept of Entrepreneurship

Entrepreneurship is the process of initiating, managing and running a business venture that involves identification of opportunities in terms of market needs or problems, developing products or services as solutions to meet that need, taking risks and efforts in business as well as managing and expanding the venture to attain success (Giossi, Anastasiadou, Gamanis & Gamanis, 2019; Prince, Chapman & Cassey, 2021). Entrepreneurship has been argued to be vital to societies and economies through a rewarding and challenging journey harnessing opportunities (Giossi et al., 2019; Khuan, 2024). Entrepreneurship has been defined by Drucker (1985) as the practice of systematic creation of ideas and innovation that involves the purposeful search for opportunities and changes which present for economic benefit and social innovation (Alexandre, 2021; Assylbekkyzy & Turmanov, 2024). It was emphasised that successful entrepreneurship is more than just a matter of innate talent or chance but requires a disciplined, intentional, strategic, tactful and results-oriented approaches to identifying and exploiting on opportunities (Drucker & Maciariello, 2014; Prelipcean & Ungureanu, 2023).

Entrepreneurship is viewed as a practice of orderly inventing, innovating and creating enterprises that search for, respond to, and exploit diverse opportunities into profitable ventures.

Drucker (1985) as cited in Kurzynski (2012) expressed distinction between entrepreneurship and management, observing that entrepreneurs allocate resources to opportunities, while managers allocate them to solve problems. Wadhvani et al (2020) posited that entrepreneurship has undergone various dimensions of historical evolution, developments in terms context, time, and change. There have been variations of entrepreneurship to meet with emerging trends, times and context such as social entrepreneurship, serial entrepreneurship, corporate entrepreneurship, sustainable entrepreneurship, green entrepreneurship, female entrepreneurship, technopreneurship and digital entrepreneurship just to mention a few (Wadhvani et al., 2020; Adom & Anambane, 2020; Abdulla & Ahmad, 2023). These nuanced expressions of entrepreneurship reflect the evolving and progressing nature of enterprises and the economy, representing multifaceted opportunities for individuals, groups and societies to pursue passions, prosperities and create successful ventures.

Thompson, Verduijn and Gartner (2020) described entrepreneurship-as-practice from the perspective of grounding contemporary theories of practice into entrepreneurship studies. The authors argued that entrepreneurship-as-practice is focused on comprehending what entrepreneurs do through their daily activities, processes, routines, procedures interactions, engagements and decision-making instead of just their results and outcomes. This brings a more granular insight to the concept of entrepreneurship that relates to this study based on the challenges and opportunities of entrepreneurship in emerging economies. The paradigm shift towards entrepreneurship-as-practice offers significant perspective for moving from entrepreneurship as a trait or event of launching a business) to a continuous, socially embedded process of acting, doing, evolving and becoming (Thompson et al., 2020). Hence, entrepreneurship can be said to exist within a social and cultural context, it is not just about entrepreneur genius but about interacting with others, navigating institutions, and utilising available resources, tools and patterns.

According to Igwe, Odunukan, Rahman, Rugara and Ochinanwata (2020) entrepreneurship form the context of emerging economies such as Nigeria, is based on the dynamic process of identifying and exploiting economic opportunities while navigating challenging socio-economic dynamics to create value, generate income, and contribute to national development. Entrepreneurship in Nigeria is shaped by necessity, driven by innovation, semi-informal and increasingly supported by digital technology tools and evolving ecosystems (Igwe et al., 2020). Since the COVID-19 pandemic, entrepreneurship has risen in Nigeria, with a large and growing youth population that are tech-savvy leveraging digital technology platforms to launch startups in diverse sectors such as fintech, e-commerce, agritech, entertainment and edutech (Aladejebi, 2020; Avelar et al., 2024).

Challenges of Entrepreneurship in Emerging Economies.

The complexities facing entrepreneurs and entrepreneurship in terms of challenges, barriers and hinderances are diverse and have been researched in nuanced perspectives. Authors, research and scholars such as Estrin et al (2019), Zafar et al (2022), Harrison, (2022), Ratten (2023), Abdulla and Ahmad (2023) as well as Abreu et (2025) have pointed out the necessity behind understanding the challenges of entrepreneurship in emerging economies such as India, Brazil, Pakistan, Nigeria, Malaysia, South Africa and Mexico. This is because small and medium enterprises (SMEs) hold unique characteristics that makes them prone and sensitive to pressures. A clear mapping and identification of contemporary challenges that entrepreneurs face provides an avenue for decisive actions to ensure effective entrepreneurship processes (Harrison, 2022).

Firstly, entrepreneurship is challenged by lack of resources which can be financial and non-financial. Oaya and Mambula (2017) argued that SMEs financing challenges stems from variables such as inadequate capital, lack of collateral and credibility to take formal funding. It has been stated that financial resources are limiting factors for small businesses in emerging economies this is because of their accessibility to financing options (Ohachosim, Onwuchekwa & Ifeanyi, 2017; Okoye & Mensah, 2025). Financial resource constraints are difficulties in accessing and raising capital such as credit markets, venture capital, angel investing. In essence, entrepreneurs have been known to often struggle with a lack of access to funding, high interest rates, and complex loan application processes, inefficiency in financial management and accountability, thereby making it difficult to start and grow their businesses. From the point of view of non-financial resources, entrepreneurship faces

limitations in the areas of skilled manpower, appropriate infrastructure and technology systems (Vorley & Williams, 2017; Gherghina, Botezatu, Hosszu & Simionescu, 2020).

In the view of Palimaka (2021) from a study done in Poland, the challenge of entrepreneurship emanates from financial and non-financial aspects. This is evident in the way start-ups struggle to raise initial capital because of lack of collateral or credit history, risk aversion from potential investors, banks and other financial institutions banks (Palimaka, 2021). Moreover, SMEs have had issues in effective financial planning and cashflow management in terms of difficulty of balancing income and expenses that can lead to delays in relevant payments or inability to pay suppliers/employees (Abdulla & Ahmad, 2023). The non-financial resource challenges are centred on entrepreneurs lacking the necessary business management, marketing, or technical expertise. In addition, lack of physical resources such as land, materials, networks, equipment and machinery can be problematic for entrepreneurship processes (Palimaka, 2021). Consequently, Atiase, Mahmood, Wang and Botchie (2018) opined that the underdeveloped venture capital ecosystems in developing countries in Africa hinders entrepreneurship effectiveness because of critical resource challenges.

Another area of challenge is with respect to inadequate market infrastructure raising issues with supply chain, information and communication technology, transportation, and security issues. Entrepreneurship in developed economies has been known to grasp with conduciveness of business environment and conditions in terms of infrastructure (Adekunle, 2024). Infrastructural challenges can be seen from inside and outside the enterprise, causing mixed limitations to operations and activities of entrepreneurs. Internal infrastructural challenges of entrepreneurship are lack of technical know-how, innovation and structural configurations. Some enterprises struggle with having the necessary tools, devices and instruments to run effectively and efficiently, this can be because of limited funds to invest in capacity. More so, external infrastructural challenges of entrepreneurship are deficiencies in transport systems, reliable electricity, internet connectivity and industry essentials for business operations (Al-Shaikh, 2013; Audretsch, Heger & Veith, 2015; Agrawal, Samadhiya, Banaitis & Kumar, 2025). The hinderances emanating from infrastructural context have complicated entrepreneurship in developed economies such as Nigeria, as it has caused increasing cost of business operations. For instance, frequent power outages and erratic electricity supply compels many entrepreneurs to be dependent on costly alternatives such as diesel generators, solar or renewable energy thereby reducing profit margins. Also, inadequacy public facilities further compound the operational difficulties of SMEs, especially in sectors such as food processing, agriculture and healthcare (Gumel & Bardai, 2023; Adekunle, 2024).

Furthermore, institutional and regulatory constraints bare significant challenges for entrepreneurship in developing economies (Abdulla & Ahmad, 2023; Okoye & Mensah, 2025). This is necessary because enabling institutional framework is crucial for advancing entrepreneurship as seen in developed economies (Alexandre, 2021). However, several developing economies are described by regulatory bureaucracy, institutional inefficiencies, weak legal structures and systems as well as complex business procedures. These have overly burdened SMEs, increasing operational costs and time-consuming. Furthermore, weakness in regulatory protocols, enforcement of contracts and intellectual property rights undermines trust and discourages innovation, particularly in high-tech and creative industries (Adekunle, 2024). This means that rregulatory instability and frameworks cause red tape, corruptions and political instability that create substantial barriers and increase business uncertainties for SMEs in Nigeria (Wale-Oshinowo & Majekodunmi, 2024).

In congruence, SMEs in developing countries are challenged with limited support for innovation and collaborations for startups. There are not enough research institutions, startup incubators, and accelerators in many developing economies such as Nigeria (Udegbumam, Udeoba, Ndu-Anunobi & Abasili, 2024). This is evident also in limited investment in research and development (R&D), hindering the creation of novel goods and services. The weak collaboration between academia, research and industry additionally decreases opportunities for entrepreneurship knowledge transfer and innovation. As a result, entrepreneurship is facing challenges in different areas like; support, collaboration and innovation incubators that restricted scaling and competing in both local and international markets (Udegbumam et al., 2024).

Finally, emerging and developing economies pose challenges of social and cultural context for SMEs. Foo, Vissa and Wu (2020) argued that entrepreneurs need to navigate diverse cultural norms, patterns and address social inequalities in the process of entrepreneurship. The authors posited that socio-cultural incidents such as conflict,

religious biases and social friction as well as hostility from communities, tend to cause limitations for successful entrepreneurship and might sabotage of business operations. From the perspective of Rusu, Isac, Cureteanu and Csorba (2012) as well as Ratten (2023) SMEs in many developing economies often depend heavily on informal networks and relationships in terms of social capital rather than formal institutions, challenges in the areas of trust and connections may determine access to resources more than merit or innovation. Most developing economies are plagued with tribal and ethnic conflicts that exacerbate the challenges of entrepreneurship in a nuanced perspective causing new dimensions in which entrepreneurs have to salvage social capital.

Overall, this study seeks to investigate the interplay of the above-mentioned challenges towards entrepreneurship and identify the one that is most significant in influencing entrepreneurship processes and outcomes. Hence the study seeks to prove how financial and non-financial resource challenges, network of institutions, culture, finance, infrastructure, regulation and support systems enable or inhibit entrepreneurship.

Opportunities of Entrepreneurship in Emerging Economies.

Notwithstanding the immense challenges entrepreneurs and entrepreneurship is poised to face in the contemporary VUCA business environment, there are plethora of opportunities that can be identified, harnessed and exploited. Foo et al (2020) stated that emerging economies hold growth potentials and prospects that entrepreneurship can exploit market gaps and needs. The arguments of Hamdan, Ghura, Alareeni and Hamdan (2021) indicated that emerging economies have a varied extension of opportunities as regarding their geographical locations, stage of economic development, dynamics of institutional, cultural, and societal contexts. The authors further posited that opportunities in entrepreneurship are expounded because of the growing levels of globalisation and the rapid rise of entrepreneurs in the global economy. Entrepreneurship in developing economies offers a wide context of opportunities, driven by rapid population growth that provides markets for goods and services, localised business potentials, and gaps in technological advancements (Hamdan et al., 2021). This underscores that the opportunities for entrepreneurship in developing economies emanate for the interrelationships and interdependencies of localisation and globalisation.

From the perspective of Al-Shaikh (2013) which is similar to Alfaiza et al (2025), the opportunities for entrepreneurship in developing economies are increasingly formed by the nuanced interplay between prospects in terms of unique cultural, social, economic contexts and constraints in terms of limited infrastructure, informal markets, and unmet basic needs. However, Alfaiza et al (2025) the opportunities for entrepreneurs arising from the balancing act of localisation and globalisation puts some negative pressures on entrepreneurship because larger firms dominate the activities in the global market.

In the view of Stoica, Roman and Rusu (2020) opportunities of entrepreneurship in developing economies showcase in emerging economic growth. This is especially seen in how selected European countries grew their economies by virtue of different types of entrepreneurs. The authors found that opportunity-driven entrepreneurship and early-stage entrepreneurship are drivers in stimulating economic growth. From the perspective of Nigeria as a developing economy, entrepreneurship has immense opportunities that is observed in the growing youth population, openness to international markets, transnational flows of knowledge, innovation and technology as well as investment flows. Entrepreneurs in Nigeria are leveraging indigenous and global opportunities to create context-specific solutions that business enterprises can address (Onwuzulike, Ononiwu & Shitu, 2024). Furthermore, the developing economies hold significant opportunities in term of large untapped markets in meeting the needs of growing middle class, the presence of frugal innovation for resource constrained countries such as Nigeria (Onwuzulike et al., 2024). Hence, developed economies have resource constraints and distinct challenges that provide strong demand for market offerings and solutions that are innovative, accessible, affordable and applicable (Stoica et al 2021; Onwuzulike et al., 2024).

Another prospect in developing markets for entrepreneurship, is the possibilities for market diversification due to high degree of heterogeneity, with substantial differences in income levels, cultural practices, and consumer peculiarities across regions. This diversity permits enterprises to segment markets and target specific niches with tailored offerings (Onwuzulike et al., 2024). In comparison, Soluk, Kammerlander and Darwin (2021) identified digital entrepreneurship as a plethora of opportunities found in developing countries based on the expansive digital revolution. The accelerated advancements in internet access, adoptions of mobile technology and digital

channels is transforming the way and manner businesses operate in developing economies regions. As such digitalization is enabling entrepreneurs to tap into market opportunities for reaching consumers more efficiently, reducing operational costs, and innovating processes (Soluk et al., 2021)

Finally, emergence of diversity, equity and inclusion (DEI) philosophies has prompted opportunities in entrepreneurship in the form of social entrepreneurship, female/women entrepreneurship and ethical entrepreneurship. Foo et al (2020) and Gan (2025) opined that DEI ideologies and requirements have had considerable influence in the entrepreneurship landscape, specifically in developing economies. Entrepreneurs are having opportunities in fostering more inclusive, equitable and socially responsive forms of enterprise. Chouhan and Vaishnav (2025) asserted that women entrepreneurship has arisen from the paradigm shift in DEI in terms of moving from profit-driven models toward redressing structural inequalities and enhancing social justice. The increase in recognizing the degree of marginalization of women in economic context in many developing countries has led more women to launch and scale their own businesses, often with a focus on community development and family well-being (Foo et al., 2020). Onwuzulike et al., 2024; Gan, 2025). In essence, the above discussions on the aspects and facets of opportunities for entrepreneurship present the need for more research on how entrepreneurs can harness identified opportunities in developing economies.

Underpinning Theories

The comprehension of the challenges and opportunities of entrepreneurship in developing economies can be underpinned by theories such as Schumpeter Theory of Entrepreneurship, Push and pull theory.

Schumpeter's Theory of Entrepreneurship

The theory of entrepreneurship by Schumpeter (1934) highlights the function of entrepreneurs as agents of transformation, change and growth in economies. According to Schumpeter, entrepreneurs drive innovation, which distort, disrupts and dismantles existing markets by creating new opportunities. This process is called "creative destruction" where entrepreneurship alters markets, modifies industries and transforms economies (Mehmood, Alzoubi & Ahmed, 2019). The creative destruction process from entrepreneurship is a key aspect of Schumpeter's theory, whereby challenges and opportunities serves as avenues for new innovations to replace old ones, leading to economic outcomes.

This theory resonates with this study because entrepreneurs navigate challenges and opportunities as economic revolutionaries who introduce, invent and innovate new products, services, or processes that interfere with current markets and initiate new ones. Schumpeter theory of entrepreneurship asserts that entrepreneurs drive economic growth through innovation, which creates new opportunities and increases productivity (Mehmood et al., 2019; Estrin, Korosteleva & Mickiewicz, 2020).

One of the criticisms of the Schumpeter's theory of entrepreneurship is that it overemphasis and stresses the influence of individual entrepreneurs neglecting the role of collective efforts and institutions in driving innovation and economic growth. Despite the above, the theory by Schumpeter frames entrepreneurship as a catalyst for structural and cultural transformation in developed economies, supporting the nuanced ways entrepreneurs manage challenges and harness opportunities in resource constrained environments.

Push and Pull Theory

The push and pull theory in relation to the concept in entrepreneurship was initially developed by Shapero and Sokol (1982) based on the assumption about the distinction between necessity-driven entrepreneurship and opportunity-based entrepreneurship. Kirkwood (2009) as well as Górány et al (2021) argued that push and pull theory of entrepreneurship presents a dual hypothesis on the motivations and driving forces behind entrepreneurial activity, specifically in the context of developing economies. This theory is relevant in the study of challenges and opportunities of entrepreneurship because it distinguishes push factors as conditions that compel individuals into entrepreneurship due to necessity such as barriers, constraints and limitations while pull factors represents opportunities which attract and draw individuals toward entrepreneurship

Góday et al (2021) posited that entrepreneurship in the 21st century can be theorized by pull and push factors in many developing economies. The push factors can be challenges such as high unemployment rates, job insecurity, low-income levels, and political, socio-economic instability, thereby making entrepreneurship necessity based. In comparison, pull factors represent the opportunities that drive entrepreneurship, where individuals are motivated by the desire to have financial freedom and independence, market prospects, innovations and social impact.

This theory is relevant in underpinning this study by exerting the dual nature of entrepreneurship in developing regions such as Nigeria, underscoring both the systemic challenges that force entrepreneurial activities out of necessity, and the opportunities created by market gaps, technological changes, and evolving social contexts that draw entrepreneurial activities (Kirkwood, 2009; Serazul, 2012; Góday et al., 2021).

The push and pull theory of entrepreneurship is often criticised for its potential oversimplification in the distinction between “push” (challenges) and “pull” (opportunities) factors. This can sometimes be mixed up as individuals can be motivated by a combination of both. Furthermore, the theory was deemed not to fully consider other crucial factors, such as the business conditions, individual capabilities and institutional support. Irrespective of this, the push and pull theory of entrepreneurship is veritable for comprehending the dynamics of the challenges and opportunities of entrepreneurship in developing economies.

Theoretical Framework

By incorporating these two theories, this study captures the dual perspectives of the realities of entrepreneurship in developing economies. This study uses the Schumpeter Theory of Entrepreneurship as well as the Push and pull theory as lenses to enable a more nuanced comprehension of how entrepreneurship operates in transforming societies and economies.

METHODOLOGY

The method adopted in carrying out an investigation into a phenomenon is influenced by the kind problem and questions to be asked as well as answered (Creswell & Creswell, 2018). This study seeks to explore and access challenges and opportunities of entrepreneurship in the context of developed countries such as Nigeria. The use of qualitative research approach by means of interviews was considered suitable for this study to explore deeper issues on how entrepreneurs navigate challenges and opportunities in developing economies. According to Saunders, Lewis and Thornhill (2019) qualitative research methods are justifiable for use in research that requires an in-depth understanding of the experiences, opinions and perspectives of individuals with knowledge or expertise about a phenomenon.

This study collected primary data from a sample of 20 interviewees which are selected through purposive sampling technique. The interviewees were identified as business owners, entrepreneurs and managers in Lagos state that is known as a commercial hub for thriving entrepreneurial activities. The use of primary data in this study allowed for sourcing information about the research context directly from the source and gives credence to the originality of the data collated. In addition, the qualitative data was analysed using themes and premises that address the key research questions. Consequently, this study used qualitative insights for gathering and capturing in-depth explorations on how individual entrepreneurship experiences interpret challenges and opportunities in specific environments. In summary, qualitative research may hold limitations of subjective interpretations but it holds significance for investigating multifaceted, contextually and embedded, entrepreneurship challenges and opportunities in developing economies.

In terms of ethical considerations, this study ensured that issues such as consent, anonymity data privacy and protection were addressed. This was done by using participants that were above 18 years and gave their consent before entering the study and were assured of anonymity. Furthermore, this research received ethical approval from Woolf University in Malta and the data collected were stored in a protected database.

DATA ANALYSIS, RESULTS AND DISCUSSION OF FINDINGS

The thematic analysis from the interview responses provided well-rounded insights for this study on the challenges and opportunities facing entrepreneurship in Nigeria. Firstly, the findings from this study showcase key challenges facing Nigerian entrepreneurs in terms of accessibility to suitable finance and financing options, inadequacies in infrastructure, limited institutional frameworks and instability in socio-economic dynamics. This was in line with the narratives in the study of Adekunle (2024) based on the expression that entrepreneurship in developing economies is limited in accessing necessary resources, platforms and configurations. The interviewees had similar responses in stating that many aspiring entrepreneurs in Nigeria are lacking access to reliable enterprise resources, inaccurate consumer data, struggle in financing because of high collateral and interest rates, as well as ineffective government funding schemes that are often bureaucratic, poorly monitored, or politicized. Nigerian entrepreneurs face inadequate infrastructure that hinders operational efficiency, the participants mentioned that epileptic power supply, unreliable transportation and logistics channels as well as limited internet access and digital tools. The findings from this study supported the position of Ikeije and Onuba (2015) as well as Igwe et al (2020) indicating that challenges of entrepreneurship are financial, technical and material. Overall, the challenges in entrepreneurship are varied and pulsative based on the stages of entrepreneurship life cycle. Regardless of these challenges, Nigerian entrepreneurs show features of high resilience, agility, adaptability and innovative, often designing and developing unique solutions to indigenous problems. This study points out that the main challenges of entrepreneurship in developing economies such as Nigeria are intrinsic to social, cultural, economical and political incidences. This is reflected in entrepreneurship being limited in attaining its potential and fully contributing to economic growth and development. This finding was in line with the argument of Zwan et al (2016).

Secondly, the study findings showed the opportunities available for Nigerian entrepreneurs in the entrepreneurship process. The interviewees expressed positive opinions on the increasing potentials and prospects in Nigeria such as growing demand from rising population, developing urbanizations, changing consumer preferences and penetration of digital technologies. It was further elaborated from the interview responses that the numerous unsolved problems in Nigeria in the areas of agriculture, electricity, healthcare, education, logistics, financial inclusion, logistics, and housing serve as opportunities dynamics. Nigerian entrepreneurs are easily spotting problems that need solving with innovative ideas. The findings agreed with Marcotte (2014) and Khuan (2024) with respect to growing introduction of incubators and accelerators tapping into the opportunities of emerging economies through problem identification and resolutions. There are reasonably available opportunities in the Nigerian space especially in terms of tech-startups and urban-based entrepreneurs, cross-border expansion prospects as well as growing digital economy. In addition, the participants expressed that Nigeria has in recent times prevalence of entrepreneurial hubs, meetups, and mentorship programs in major commercial cities such as Lagos, Port Harcourt and Abuja. The interviewees agreed that there are institutional opportunities by virtue of the Nigerian government increasing investment and policy commitments for startups, entrepreneurs and businesses. There are government reforms aimed at enhancing the ease of doing business for entrepreneurship in Nigeria.

The final theme from the responses of the interviewees was in terms of recommendations that are proposed as solutions and drivers of entrepreneurship in Nigeria. The interviewees gave responses on the need for advancing institutional quality, reducing corruption, better regulations, contract enforcements and support for entrepreneurs. The participants stated that infrastructure investment by public and private stakeholders in physical infrastructure, ICT infrastructure, power, roads, internet. In addition, it was suggested that expanding the access to finance for entrepreneurs through microfinance, venture capital ecosystems, crowdfunding, government grants and subsidies. There were also recommendations in the areas of developing educational and training programs, vocational exercise, mentorship, incubators. These would strengthen expertise, skills and competencies of entrepreneurs to be effective in their navigation of challenges and opportunities. Finally, the participants recommended that shift in cultural opinions, encouraging risk-taking and supportive social norms as well as developing ecosystem by combining the efforts of actors such as government, non-government organisations, private sector and academia.

CONCLUSION AND IMPLICATIONS OF THE STUDY

This study delved into challenges and opportunities of entrepreneurship in contemporary settings of developing economies using Nigeria as a context. It was concluded that the entrepreneurship is a vibrant source of economic activities but faces inherent challenges of financing access, weak infrastructures, inadequate institutions, economic difficulties and socio-cultural irregularities in Nigeria. However, there are immense opportunities arising from the growth potential of developing economies with untapped markets, growing populations, increasing digital penetration and adoption, increasing urbanization as well as global expansion.

This study has implication for theories by showing how well Schumpeter's theory and Push-Pull theory explain entrepreneurship in Nigeria. This study provides insights on the relevance of the push and pull theory that reflects how entrepreneurs can view challenges as a push towards enterprising ventures and opportunities as a pull that draws them to take advantage of opportunities. Through the knowledge and understanding of contemporary challenges and opportunities of entrepreneurship in this study it can be said that entrepreneurs can know how best to maneuver future directions in the entrepreneurship process because developing economies hold transformative outcomes that can serve as profitable and sustainable enterprises. This study also contributes to broader literature about entrepreneurship in emerging economies. This study has implications for policymakers, educational institutions, entrepreneurs, and institutional support agencies in terms of guiding them with an array of up-to-date information from the practical perspectives of entrepreneurs.

Limitations Of The Study And Suggestions For Future Research.

This study can be said to be limited in terms of context and methodology based on the use of Nigeria as case context of developing economies and adopting qualitative research. Hence further studies can consider a wide range of developing economies context while others can view the challenges and opportunities of entrepreneurship from quantitative research using survey or experimentation to give more empirical evidence to the phenomenon. The suggestions for future studies also include the use of longitudinal studies to capture dynamics over time.

REFERENCES

1. Abdulla, F. S. & Ahmad, A. (2023). Challenges faced by women entrepreneurs of 21st Century: Literature review. *Journal of Management and Science*, 21(1), 16-16.
2. Abreu, W. K., Sigahi, T. F., Rampasso, I. S., Moraes, G. H. S. M. D., Ávila, L. V., Serafim, M. P., & Anholon, R. (2025). Understanding the challenges of entrepreneurship in emerging economies: a grey systems-based study with entrepreneurs in Brazil. *Journal of Modelling in Management*, 20(2), 564-584.
3. Adekunle, D. T. A. (2024). Challenges associated with entrepreneurship, vocational education and self-employment in Nigeria". *Iconic Research and Engineering Journals*, 7(9). 91 -106
4. Adelekan, S. A., & Tijani, A. A. (2017). Effect of support for entrepreneurship development on economic growth and development in Nigeria. *European Scientific Journal*, ESJ, 13(13)1-15.
5. Agrawal, R., Samadhiya, A., Banaitis, A., & Kumar, A. (2025). Entrepreneurial barriers in achieving sustainable business and cultivation of innovation: a resource-based view theory perspective. *Management Decision*, 63(4), 1207-1228.
6. Aladejebi, A. (2020). Managing small businesses in Nigeria during Covid-19 Crisis: Impact and survival strategies. *IOSR Journal of Business and Management (IOSR-JBM)*, 22(8), 24-34
7. Alexandre, L. (2021). Entrepreneurship. In: *The Palgrave Encyclopedia of the Possible*. Palgrave Macmillan, Cham. https://doi.org/10.1007/978-3-319-98390-5_201-1
8. Alfaiza, S. A., Hassan, H. B., Riyadh, H. A., Beshr, B. A. H., Taha, T. A., & Zangnaa, M. G. (2025). Navigating dynamic market challenges to enhancing sustainable entrepreneurship in SMEs through opportunities and disadvantages. *Journal of Innovation and Entrepreneurship*, 14(1), 43.
9. Al-Shaikh, F. N. (2013). Opportunities and challenges of entrepreneurship in developing countries: the case of Jordan. *Journal for International Business and Entrepreneurship Development*, 7(2), 163-178
10. Assylbekkyzy, F. & Turmanov, O. (2024). Modern entrepreneurship approaches: A Review. *International Journal of Business and Management Research*, 12(2), 40-43.

11. Atiase, V. Y., Mahmood, S., Wang, Y., & Botchie, D. (2018). Developing entrepreneurship in Africa: investigating critical resource challenges. *Journal of Small Business and Enterprise Development*, 25(4), 644-666.
12. Audretsch, D. B., Heger, D., & Veith, T. (2015). Infrastructure and entrepreneurship. *Small Business Economics*, 44(2), 219-230.
13. Avelar, S., Borges-Tiago, T., Almeida, A., & Tiago, F. (2024). Confluence of sustainable entrepreneurship, innovation, and digitalization in SMEs. *Journal of Business Research*, 170, 114346.
14. Chouhan, K. & Vaishnav, B. (2025). Women entrepreneurs in emerging economies: Barriers, enablers, and policy perspectives. *International Journal for Multidisciplinary Research*. 7(5)
15. Chukwuka, E. J. & Dibia E. K. (2024). Contemporary Entrepreneurship: An international entrepreneurship perspective for economic development of Nigeria. *World*, 2579, 0544.
16. Creswell, J. W. & Creswell, J. D. (2018). *Research Design: Qualitative, quantitative, and mixed methods approach*. Sage, Los Angeles.
17. Drucker, P., & Maciariello, J. (2014). *Innovation and entrepreneurship*. Routledge
18. Estrin, S., Mickiewicz, T., Stephan, U., & Wright, M. (2019). Entrepreneurship in emerging markets. *The Oxford handbook of management in emerging markets*, 457.
19. Foo, M. D., Vissa, B., & Wu, B. (2020). Entrepreneurship in emerging economies. *Strategic Entrepreneurship Journal*, 14(3), 289-301.
20. Gao, Y. (2025). Looking for the Impact of Entrepreneurship on Regional Economic Resilience in China. *Sustainability*, 17(4), 1397. <https://doi.org/10.3390/su17041397>
21. Gan, S. (2025). Analysis and Research on Entrepreneurship opportunities under the Development of Economics and. In *Proceedings of the 2024 2nd International Conference on Economic Management, Financial Innovation and Public Service (EMFIPS 2024)* (Vol. 327, p. 382). Springer Nature.
22. Giossi, S., Anastasiadou, S., Gamanis, A. & Gamanis, G. G. (2019). Tracing the concept of entrepreneurship and the role of an entrepreneur: A critical review. *International Journal of Entrepreneurship and Innovative Competitiveness*, 1(1), 1-14.
23. Gódnay, Z., Machová, R., Mura, L. & Zsigmond, T. (2021). Entrepreneurship motivation in the 21st Century in terms of pull and push factors. *TEM Journal*. 10(1), 334-342
24. Gomes, S., & Ferreira, P. (2022). Entrepreneurial activity and economic growth: A dynamic data panel analysis of European countries. *Entrepreneurial Business and Economics Review*, 10(2), 7-20.
25. Gumel, B. I. & Bardai, B. B. (2023). Critical success factors (CSFs) of SMEs in Nigeria and the mediating impact of SMEDAN initiative between the CSFs and SMEs' Success. *International Journal of Business and Economics Research*.
26. Hamdan, A., Ghura, H., Alareeni, B., & Hamdan, R. K. (2021). Entrepreneurship growth in emerging economies: New insights and approaches. *Journal of Sustainable Finance & Investment*, 12(1), 1–12. <https://doi.org/10.1080/20430795.2021.1944750>
27. Harrison, C. (2022). Challenges faced by entrepreneurs in Nigeria: A study of the retail pharmacy sector. In *The African Context of Business and Society* (pp. 189-213). Emerald Publishing Limited.
28. Igwe, P. A., Odunukan, K., Rahman, M., Rugara, D. G., & Ochinanwata, C. (2020). How entrepreneurship ecosystem influences the development of frugal innovation and informal entrepreneurship. *Thunderbird International Business Review*, 62(5), 475-488.
29. Ikeije, U. U., and Onuba, C. O. (2015). Contributions and challenges of entrepreneurship in Nigeria: A sociological analysis. *European Journal of Business and Innovation Research*, 3(3), 1-9.
30. Iwu, C. G., Sibanda, L., & Makwara, T. (2025). African entrepreneurial ecosystem resource constraints: A COVID-19 perspective. *Journal of Entrepreneurship and Innovation in Emerging Economies*, 23939575251361581.
31. Khuan, H. (2024). The role of entrepreneurship in economic resilience. *Economics Studies and Banking Journal (DEMAND)*, 1(2), 110-129. <https://doi.org/10.62207/5rccds18>.
32. Kirkwood, J. (2009). Motivational factors in a push-pull theory of entrepreneurship, *Gender in Management: An International Journal*, 24(5), 346-364.
33. Kurzynski, M. (2012). Peter Drucker: modern day Aristotle for the business community. *Journal of Management History*, 18(1), 6-23.

34. Marcotte, C. (2014). Entrepreneurship and innovation in emerging economies: Conceptual, methodological and contextual issues. *International Journal of Entrepreneurial Behavior & Research*, 20(1), 42-65.
35. Mehmood, T., Alzoubi, H. M. & Ahmed, G. (2019). Schumpeterian entrepreneurship theory: Evolution and relevance. *Academy of Entrepreneurship Journal*, 25(4).
36. Meyer, N., & De-Jongh, J. (2018). The importance of entrepreneurship as a contributing factor to economic growth and development: The case of selected European countries. *Journal of Economics and Behavioral Studies*, 10(4), 287-299.
37. Nwajiuba, C. A., Igwe, P. A., Binuomote, M. O., Nwajiuba, A. O., and Nwekpa, K. C. (2020). The barriers to high-growth enterprises: What do businesses in Africa experience? *European Journal of Sustainable Development*, 9(1), 317-317.
38. Oaya, Z. C. T. & Mambula I. C. J. (2017). The impact of SMEs financing on business growth in Nigeria: A Study of Keffi and Mararaba Metropolis. *International Journal of Innovation and Economic Development*. 2 (3),44-55.
39. Okoye, C. F. & Mensah, K. E. (2025). Challenges and prospects of technology adoption by small and medium enterprises in Rivers state, Nigeria. *Ayden Energies Journal*, 13(2), 1-15.
40. Olaore, G. O., Adejare, B. O. & Udofia, E. E. (2020). Prospects and challenges of entrepreneurship internationalization on the competitiveness of SMEs. *Asia Pacific Journal of Innovation and Entrepreneurship*, 14(3), 303-315.
41. Onwuzulike, O. C., Ononiwu, M. I. & Shitu, K. (2024). Strategic management in emerging markets: Challenges and opportunities. *World Journal of Advanced Research and Reviews*, 23(03), 309–322
42. Palimaka, K. (2021). Financial and non-financial aspects of entrepreneurship: The Polish perspective. *Financial Internet Quarterly*, 17(4), 105-119.
43. Porfirio, J. A., Carrilho, T., and Mónico, L. S. (2016). Entrepreneurship in different contexts in cultural and creative industries. *Journal of Business Research*, 69(11), 5117-5123.
44. Prelipcean, G., & Ungureanu, A. (2023). Entrepreneurship in Emerging Economies: The Role of Innovation and Institutions. *IntechOpen*. doi: 10.5772/intechopen.109893.
45. Prince, S., Chapman, S. and Cassey, P. (2021). The definition of entrepreneurship: is it less complex than we think? *International Journal of Entrepreneurial Behaviour and Research*, 27(9), 26-47. <https://doi.org/10.1108/IJEBr-11-2019-0634>.
46. Ratten, V. (2023). Entrepreneurship: Definitions, opportunities, challenges, and future directions. *Global Business and Organizational Excellence*, 42(5), 79-90.
47. Rusu, S., Isac, F., Cureteanu, R. & Csorba, L. (2012). Entrepreneurship and entrepreneur: A review of literature concepts. *African Journal of Business Management*, 6(10), 3570.
48. Saunders, M.N.K., Lewis, P. & Thornhill, A. (2019) *Research methods for business students*. 8th Edition, Pearson, New York.
49. Schmitz, A., Urbano, D., Dandolini, G. A., de Souza, J. A., and Guerrero, M. (2017). Innovation and entrepreneurship in the academic setting: a systematic literature review. *International Entrepreneurship and Management Journal*, 13, 369-395.
50. Serazul, I. (2012). Pull and push factors towards small entrepreneurship development in Bangladesh. *Journal of Research in International Business Management*.2(3), 065-072.
51. Solomon, T. & Emmanuel, A. O. (2025). Entrepreneurship Development Programs as a Catalyst for Job Creation: Evaluating Business Training Initiatives in Nigeria *International Journal of Academic Management Science Research*, 9 (5) 43-51
52. Soluk, J., Kammerlander, N., & Darwin, S. (2021). Digital entrepreneurship in developing countries: The role of institutional voids. *Technological Forecasting and Social Change*, 170, 120876.
53. Stoica, O., Roman, A. & Rusu, V. D. (2020). The Nexus between Entrepreneurship and Economic Growth: A Comparative Analysis on Groups of Countries. *Sustainability*. 12(3), 1186.
54. Thompson, N. A., Verduijn, K., & Gartner, W. B. (2020). Entrepreneurship-as-practice: Grounding contemporary theories of practice into entrepreneurship studies. *Entrepreneurship & Regional Development*, 32(3-4), 247-256.
55. Udegbunam, I. P., Udeoba, C. E., Ndu-Anunobi, G. U., & Abasili, K. N. (2024). Talent acquisition for small and medium-sized enterprises (SMES) in Nigeria: Analysis of challenges and potential solutions. *International Journal of Social Science and Management Studies*, 3(1), 70-83.

56. Vorley, T. & Williams, N. (2017). Fostering entrepreneurship and economic growth: Pathways to economic resilience in Kosovo. *World Review of Entrepreneurship, Management and Sustainable Development*, 13(2-3), 159-177.
57. Wadhwani, R. D., Kirsch, D., Welter, F., Gartner, W. B., & Jones, G. G. (2020). Context, time, and change: Historical approaches to entrepreneurship research. *Strategic Entrepreneurship Journal*, 14(1), 3-19.
58. Wale-Oshinowo, B. A. & Majekodunmi, S. A. (2024). Workforce attrition and sustainable retention strategies in micro, small and medium-sized enterprises: trends and insights from the literature. *Journal of the Management Sciences*, 61(9), 177-194.
59. Zafar, D., Khan, S., Khan, M. I., Parachi, S., and Saleem, A. (2022). Factors influencing entrepreneurship capabilities in Pakistan. *International Journal of Social Science and Entrepreneurship*, 2(2), 47-71.
60. Zwan, P., Roy Thurik, R., Verheul, I. and Hessels, J. (2016). Factors influencing the entrepreneurial engagement of opportunity and necessity entrepreneurs. *Eurasian Business Review*. 6:273–295.