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PROPOSING THE ENTREPRENEURIAL RESILIENCE CAPABILITY (ERC) THEORY: AN INTEGRATED FRAMEWORK FOR ENTERPRISES IN NIGERIA'S CONFLICT-AFFECTED REGIONS

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Abstract
Challenges such as insecurity, disrupted markets, internal displacement, and food crises are common for businesses operating in conflict-affected regions. While previous studies have drawn on theories such as Population Ecology, Contingency Theory, the Resource-Based View (RBV), and Dynamic Capabilities, none of these theories sufficiently explain how entrepreneurs tolerate and succeed amid protracted instability. The study employed a conceptual method through an integrative review of literature. This paper proposes the Entrepreneurial Resilience Capability (ERC) Theory, a consolidative framework combining the ecological logic of survival, the contingency logic of fit, the RBV logic of resource leverage, and the dynamic capabilities logic of adaptation. ERC contributes to entrepreneurship research by offering a holistic lens for studying resilience, survival, and performance in contexts of insecurity and food crises. A conceptual framework is presented, with propositions for future empirical authentication.

Keywords: Entrepreneurial Resilience Capability (ERC); Conflict-affected regions; Food crises; Population Ecology Theory; Contingency Theory; Resource-Based View (RBV); Dynamic Capability

Introduction

Conflict and insecurity remain entrenched, ongoing challenges in several regions of Nigeria, leading to declining entrepreneurial activities and worsening food crises [1, 2]. Entrepreneurs in these environments face disrupted supply chains, market volatility, and institutional breakdowns [1]

Integrating multiple theories in a study is a powerful tool, specifically in a dynamic and complex field like entrepreneurship. It involves combining two or more theories to explain a phenomenon beyond what a single theory could explain [3]. Theory integration enables researchers to bridge conceptual gaps and address theoretical gaps. Entrepreneurship research in environments characterised by high uncertainty can be difficult to approach through a single theoretical lens [3]. While theories such as Population Ecology [4], Contingency Theory [5], RBV [6], and Dynamic Capabilities [7] have been widely employed, each addresses only a part of resilience, survival, and performance. This paper combines these theories to develop the Entrepreneurial Resilience Capability (ERC) Theory as a new conceptual framework for understanding entrepreneurial survival, growth, and performance in conflict-affected environments. The paper also explains how ERC can contribute to food security, discourage insecurity, and encourage business survival and growth in affected regions.

Literature Review

This subsection establishes conceptual definitions and theoretical foundations of theories that were integrated to propose ERC.

Population Ecology Theory

The theory of population ecology can also be seen as organisational ecology [8] and was proposed by [4]. It is a branch of sociological theory on entrepreneurship, which holds that the outcome of a business depends on the social and economic context in which it is found. The population ecology of organisations originated from the population ecology aspect of biology, which describes selection and adaptation strategies [9]. It assumes the availability of resources and that the number of firms competing for them determines the number of surviving firms in a system [10]. The starting and ending of a firm's life are dependent on the population of firms, and the processes that differentiate these organisational populations usually have external environmental consequences [11]. The environment makes the selection, and the organisation adapts to the environment or becomes a victim of the selection [9]. This is especially true for nano and micro-enterprises, which have limited capacity to adapt but may still succeed if they align closely with current demands.

Regarding the development of the proposed Entrepreneurial Resilience Capability (ERC) Theory, the researcher believes that population ecology offers a valuable macro-level perspective. It explains why some entrepreneurial ventures endure despite significant constraints, because they are "selected" based on environmental fit. The author also believes that, when combined with other perspectives, such as Contingency Theory, Dynamic Capabilities, and the Resource-Based View, it helps enhance the understanding of entrepreneurial survival and resilience, especially in hostile environments.

Contingency Theory

(12)[5] are the proponents of the contingency theory, which states that the strength of the link between two factors depends on the extent of a third factor [12]. Contingency theory was introduced in the 1960s to address the limitations of the bureaucratic theory and to facilitate the best practice of management. It dominated academic conversations on organisation design over the 1960s and 1970s [12]. Despite attracting huge support from scholars, the contingency theory is not without some criticisms. [13] assert that contingency theory is not dynamic, as it is said to have failed to deal with inevitable organisational changes.

In their study, [14], while addressing the issue of moderator variables, stated that moderator variables surfaced based on the premise of contingency theory proposed by [5]. The contingency theory believes that the strength of the relationship between two variables depends on the extent of a third variable.

Resource-Based View

The Resource-Based View (RBV) is among the most influential theories in strategic management and has served as a useful framework for understanding firm performance. The theory was first introduced by [15] and later expanded by [6], who emphasised that a firm's internal resources are responsible for its success, rather than external market forces. According to RBV, firms possess valuable, rare, inimitable, and non-substitutable (VRIN) resources that, when utilised effectively, can lead to a sustained competitive advantage. RBV categorises resources into: tangible resources (equipment or financial capital), intangible resources (brand reputation or patents), human resources (including the knowledge and skills of employees), and organisational resources (culture and internal routines). The theory highlights that not all resources are equally valuable, but only those that meet the VRIN criteria are genuinely strategic [6, 16]. In other words, it is not sufficient to possess resources; the firm must utilise and manage them strategically to gain a competitive advantage.

However, RBV is not without its criticisms. Scholars have pointed out that the theory is often too static; it fails to explain how firms acquire or modify resources over time. It also does not adequately address the role of external environments, which are crucial in dynamic or uncertain business settings [17]. These limitations make RBV less effective in explaining how firms adapt during crises or in highly volatile markets, such as those affected by conflict or economic instability. In this context, RBV underpins the development of the proposed Entrepreneurial Resilience Capability Theory, which aims to explain how entrepreneurs survive and thrive despite limited resources and environmental adversity.

Dynamic Capabilities Theory

To address the limitations of RBV, scholars introduced the concept of dynamic capabilities, defined as a firm's ability to reconfigure and adapt its resource base in changing environments [7]. This extension of RBV holds particular relevance for entrepreneurs operating in unstable environments. In these cases, it is not just about possessing strong resources but also about being able to pivot, innovate, and rebuild when faced with challenges. Dynamic capabilities refer to a company's capacity to incorporate, construct, and reorganise both internal and external capabilities to be effective in a fast-changing business environment [7]. Sensing, seizing, leveraging, transformation, and reconfiguration have been recognised as key routines for cultivating dynamic capabilities [7]. ***Sensing*** refers to the search for information about the prevailing status of the business landscape. ***Seizing,*** on the other hand, refers to the ability of the firm to react to sensed opportunities through innovation of new products, processes, and services, while ***reconfiguration*** refers to a firm's ability to reorganise its assets and internal resources to fit into the prevailing environmental reality [18].

Theory Integration

Integration of multiple theories in a study is a powerful tool, especially in a dynamic and complex field like entrepreneurship. It refers to the combination of two or more theories to better explain a phenomenon beyond what a single theory could explain [3]. Theory integration allows researchers to bridge conceptual gaps and theoretical insufficiencies. Entrepreneurship studies, environments characterised by high uncertainty, may be difficult to study through a single theoretical lens [3]. In the past, researchers have successfully integrated theories to create new theories. Examples include [19], who saw Building Information Modelling (BIM) emerge as a tool to address sustainability challenges in building technology, drawing on the Technology Acceptance Model (TAM) and the Theory of Planned Behaviour (TPB). [20] integrated Diffusion of Innovation Theory (DOI), Technology Acceptance Model (TAM), the Theory of Planned Behaviour (TPB), and Technology Organisation Environment (TOE) framework to create a more robust theory known as the IS Security Innovation Adoption Model used for the adoption process of information system security innovation in organisations. [21]. In a similar study, [22] drew from strategic leadership and organisational behaviour theories to come up with an updated Upper Echelons Theory (UET), which is meant to measure leadership as a product of the background of its management team.

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Entrepreneurial Resilience Capability (ERC) Theory

It is essential to reaffirm the necessity of ERC before outlining its components. Entrepreneurship in conflict-affected areas (e.g., the Middle Belt, the northeast, and the northwest of Nigeria) involves managing threats to security and food stability simultaneously. Entrepreneurs must not only survive but also adapt in the face of violence, supply disruptions, and market collapse. No single existing theory fully captures this complexity; therefore, ERC is an integrative, capability-based framework. The four theories offer distinct yet complementary insights into ERC.

Survival Selection (Population Ecology)

Population Ecology Theory [4] emphasises that organisational survival is impacted by environmental selection pressures. Unlike contingency or RBV, which focus on managerial expertise, ecology highlights external volatility: many firms fail not because of poor decisions but because environments are too hostile. In conflict zones, new or small ventures are vulnerable and could collapse at different stages. However, those that survive often do so by entrenching adaptive practices and resilience behaviours into their core operations. Over time, the population of surviving firms consists of those best suited to the challenging ecology. Recent research supports this perspective, showing that fragile contexts intensify ecological selection pressures and that resilience is often a result of cumulative adaptation rather than single strategies [23, 24] . Within ERC, population ecology emphasises that resilience is not guaranteed; only firms capable of withstanding repeated shocks are “selected” into survival.

Environmental Fit (Contingency Theory)

Contingency theory posits that organisational success depends on the “fit” between strategies, structures, and the external environment [25]. [5] are the proponents of the contingency theory, which states that the strength of the link between two factors depends on the extent of a third factor [12]. In highly volatile environments such as conflict-affected regions in Nigeria, entrepreneurs face daily disruptions, markets close suddenly, transport routes are blocked, or food becomes scarce due to violence. Businesses that attempt to apply standard business models without adjustment are not likely to survive. Instead, they must align decision-making processes, leadership styles, and resource allocations to the changing context. For instance, an entrepreneur who adapts food distribution schedules to avoid unsafe travel times is displaying contingency alignment. Recent work underscores that strategic alignment with turbulent environments significantly enhances resilience and performance [26]. Thus, in ERC, environmental fit represents the entrepreneur’s ability to interpret contextual cues and adjust operational strategies accordingly.

Resource Mobilisation (Resource-Based View – RBV)

The RBV emphasises that firms achieve a competitive advantage when they control valuable, rare, inimitable, and non-substitutable (VRIN) resources [6]. In conflict environments, entrepreneurs often lack traditional resources such as stable finance, but they can mobilise alternative assets like social networks, legitimacy, improvisational knowledge, and community goodwill [27]. These intangible resources may be more critical than financial capital, as they help secure supply routes, gain informal protection, or access scarce food items [27]. Recent research highlights how entrepreneurs creatively leverage scarce resources in adverse conditions. For example, [28] argued that intangible assets such as trust and reputation are essential for firm continuity in turbulent contexts. Hence, ERC integrates RBV by stressing that resilience is not just about owning resources, but mobilising them strategically to sustain operations when formal markets collapse.

Adaptive Reconfiguration (Dynamic Capabilities)

Adaptive reconfiguration refers to the ability of entrepreneurs and firms to adjust quickly when their environment changes. Dynamic capabilities theory consists of three components: *sensing* disruptions, *seizing* new opportunities, and *reconfiguring* resources and routines to survive [7]. [7, 18] explain that this capacity allows businesses to remain competitive in unstable conditions.

Recent studies show its importance in conflict-affected settings. For example, companies facing sanctions and political instability have managed to stay active by reorganising and reconfiguring their resource base [29]. Equally, research on food supply chains during the Ukraine-Russia war found that firms used reorganisation and innovation strategies to overcome shortages and maintain supplies [30]. Within the ERC framework, adaptive reconfiguration explains how scarce resources and environmental fit are translated into resilience and performance. It explains how entrepreneurs are not only able to survive conflict-related shocks but also to keep contributing to stability and food security through their ventures.

Conceptual Framework

The proposed framework integrates four theoretical lenses: Contingency Theory (Alignment), Population Ecology (Survival Pressure), the Resource-Based View (Resource Mobilisation), and Dynamic Capabilities (Adaptive Reconfiguration) to explain how Entrepreneurial Resilience Capability (ERC) enhances entrepreneurial performance in fragile and conflict-affected regions.

Firstly, Alignment (Contingency Theory) emphasises the importance of aligning entrepreneurial strategies with volatile conditions, such as insecurity and disrupted markets. Secondly, Survival Pressure (Population Ecology Theory) reflects the selective pressures entrepreneurs face, where only those capable of withstanding environmental shocks survive and expand. Additionally, Resource Mobilisation (RBV) demonstrates how entrepreneurs utilise scarce yet unique tangible and intangible assets, such as networks, legitimacy, and knowledge, to maintain operations when traditional resources are limited. Finally, Adaptive Reconfiguration (Dynamic Capabilities) underscores the ability to sense, seize, and reconfigure organisational routines and resources in response to crises, including food shortages or security blockades.

Together, these four components form Entrepreneurial Resilience Capability (ERC), which serves two central roles:

1. **Mediator Role** – ERC mediates the relationship between Entrepreneurial Orientation (EO) and outcomes (performance, food security, and social stability). EO provides the strategic posture (innovativeness, risk-taking, proactiveness), but it is through ERC that such orientations are effectively transformed into resilient outcomes in fragile contexts.

2. **Moderator Role** – ERC moderates the direct relationship between EO and performance indicators, strengthening or weakening the effect depending on the degree of resilience capability embedded within the enterprise. In high-risk, conflict-affected environments, EO without ERC may not translate into meaningful outcomes, but with ERC, the EO-performance link may become more robust.

Hence, the framework presented in Figure 1 posits that entrepreneurial success in conflict and food-insecure contexts is not solely determined by orientation or resources in isolation, but by the harmonious integration of ecological survival logics, contextual alignment, dynamic reconfiguration, and resource mobilisation, captured within ERC.

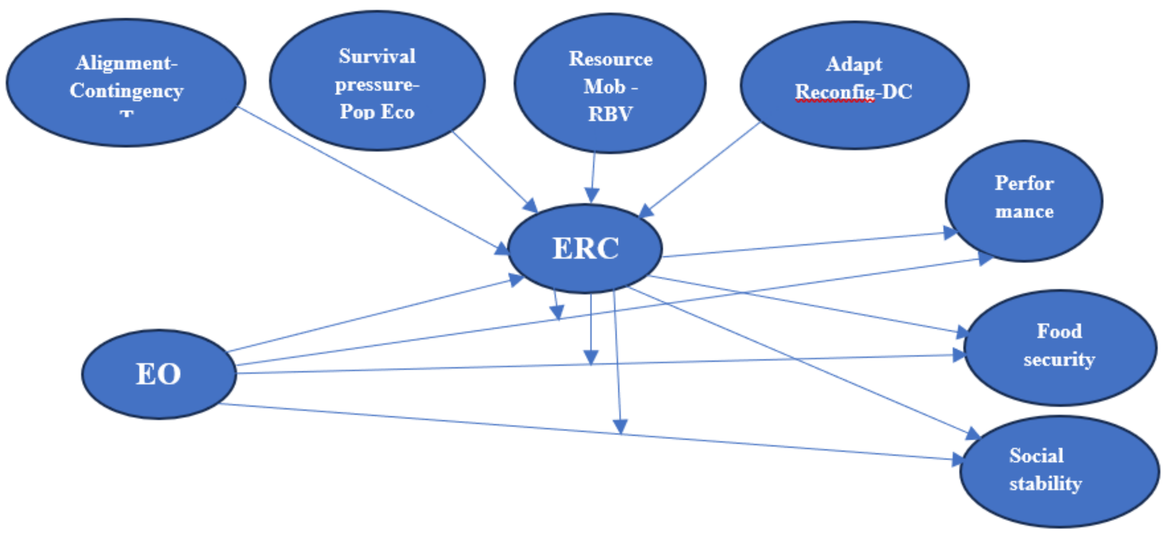

Fig. 1. ERC proposed Conceptual Framework

Research Propositions

The following propositions are advanced based on the framework:

P1: Alignment with volatile environments (Contingency Theory) positively influences the development of Entrepreneurial Resilience Capability (ERC).

P2: Survival pressure in conflict environments (Population Ecology) strengthens ERC by selecting firms that adapt effectively under stress.

P3: Resource mobilisation (RBV), including the use of intangible assets such as networks and legitimacy, positively contributes to ERC in fragile contexts.

P4: Adaptive reconfiguration (Dynamic Capabilities) enhances ERC by enabling firms to reconfigure resources and routines during crises.

P5: ERC mediates the relationship between Entrepreneurial Orientation (EO) and firm performance, food security, and social stability.

P6: ERC moderates the relationship between EO and outcomes, such that the effect of EO on performance, food security, and social stability is stronger when ERC is high.

P7: The combined effect of EO and ERC contributes significantly to promoting food security and social stability in conflict-affected economies.

P8: ERC contributes significantly to promoting food security and social stability in conflict-affected economies.

P9: ERC mediates the impact of Environmental Uncertainty on firm performance, especially in food-related

ventures.

Contribution to Security and Food Crises

The ERC framework redefines entrepreneurship not only as an economic activity but as a resilience mechanism that impacts human security and food system stability. In contexts of insecurity, resilient entrepreneurs help to sustain livelihoods despite violent disruptions, thereby reducing the effects of displacement, unemployment, and recruitment into violence. Their ability to preserve business continuity enables them to act as stabilisers in fragile economies.

In conditions of food crises, ERC highlights how adaptive entrepreneurs can alleviate shortages through innovative practices such as dynamic supply chain routing, storage innovations, small-scale processing, and local redistribution systems. These actions are crucial in zones where state structures or humanitarian actors often fail to reach. When scarce resources are mobilised and value chains are reconfigured under duress, resilient entrepreneurs contribute to food availability, accessibility, and affordability, thereby reinforcing both household survival and broader food security objectives.

Ultimately, ERC proposes that entrepreneurial action in crisis-affected regions has dual roles; it not only drives firm-level performance but also contributes to peacebuilding, social stability, and the resilience of food systems in conflict-affected regions.

Conclusion and Research Implications

The proposed Entrepreneurial Resilience Capability (ERC) Theory offers a novel lens for understanding how entrepreneurs in conflict-affected and food-insecure environments sustain operations and contribute to broader societal stability. Integrating insights from Contingency Theory, Population Ecology, the Resource-Based View, and Dynamic Capabilities**,** the framework is positioned as both a mediating process **(**linking entrepreneurial orientation to outcomes) and a moderating force (strengthening survival and performance under uncertainty). This dual role emphasises that resilience is not simply a byproduct of entrepreneurship but a deliberate capability that enables firms to thrive amid adversity. Beyond the firm level, ERC demonstrates how entrepreneurial action can extend to community survival, food security, and peacebuilding, thus linking business performance with developmental and humanitarian outcomes.

The proposal of ERC, a novel framework, has created research gaps for future research. The following are directions for future research. Development of measurement scales and testing for validity and reliability, use of a mixed-method approach to validate the theory, and use of agricultural entrepreneurs operating in the context of crisis-affected regions, e.g., Nigeria, Sudan, Russia, Ukraine, and the Middle East countries. Researchers should examine how ERC-driven entrepreneurs contribute to the resilience of the food value chain, agricultural innovation, local food distribution, and stabilisation in insecure regions.

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