

Navigating the Entrepreneurial Ecosystem

A Qualitative Analysis of Institutional Challenges and Strategic Pathways for Business in Benin (2000–2026)

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ABSTRACT

The entrepreneurial ecosystem in West Africa is characterised by complex institutional voids and structural constraints. Understanding how entrepreneurs navigate this environment is critical for fostering sustainable enterprise development, yet nuanced qualitative insights from the region remain limited. This study aims to identify and analyse the key institutional challenges faced by established entrepreneurs and to delineate the strategic pathways they employ to build and sustain their ventures within this context. A qualitative, multi-case study design was employed, utilising in-depth, semi-structured interviews with 32 founders of small and medium-sized enterprises. Data were analysed using a thematic analysis approach to construct detailed case narratives and identify cross-cutting themes. Analysis revealed three dominant institutional challenges: opaque regulatory bureaucracies, constrained access to formal venture capital, and unreliable physical infrastructure. A key strategic theme was the pervasive reliance on informal networks for resource mobilisation, with over 80% of participants describing this as their primary method for securing start-up capital and navigating regulatory hurdles. Entrepreneurial success is less dependent on overcoming institutional barriers individually and more on the strategic leveraging of social capital to create parallel, informal support systems that compensate for formal institutional weaknesses. Policymakers should focus on simplifying business registration processes and fostering formal angel investor networks. Support organisations should facilitate structured peer-mentoring programmes that systematise beneficial informal knowledge transfer. entrepreneurial ecosystems, institutional voids, qualitative case study, strategic pathways, informal networks, West Africa This paper provides a novel, empirically-grounded framework of 'institutional circumvention', detailing the specific mechanisms through which social capital is converted into economic resources within a West African context.

Keywords: *Entrepreneurial ecosystems, Institutional voids, Qualitative case study, West Africa, Strategic navigation, Business environment*

Article Highlights

- Identifies three core institutional challenges: opaque bureaucracy, constrained venture capital, and unreliable infrastructure.
- Reveals over 80% of entrepreneurs rely primarily on informal networks for capital and navigating regulations.
- Proposes a novel framework of 'institutional circumvention' for converting social capital into economic resources.
- Calls for policy reforms to simplify registration and foster formal angel investor networks.

Policy Implications

The study recommends simplifying business registration and creating formal angel networks to complement, rather than replace, effective informal systems.

This qualitative analysis offers a ground-level view of entrepreneurial strategy in an environment of institutional voids.

ABSTRACT-ONLY PUBLICATION

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