
**TRANSFORMATIONAL LEADERSHIP AND ENTREPRENEURSHIP
SUCCESS IN NIGERIAN FOOD AND BEVERAGE FIRMS:
EMPIRICAL EVIDENCE FROM SOUTH-EAST AND SOUTH-SOUTH
REGIONS**

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ABSTRACT

This study examined the impact of transformational leadership on entrepreneurial success, defined through profitability, innovation adoption, and market expansion, among food and beverage small and medium-sized enterprises in Nigeria's South-East and South-South regions, while assessing the moderating effects of individualised consideration on innovation outcomes. A quantitative cross-sectional survey collected data from 250 owners and senior managers of registered small and medium-sized enterprises using a structured questionnaire that included the 20-item Multifactor Leadership Questionnaire Short Form and a 15-item entrepreneurial success scale, both measured on 5-point Likert scales. Multi-stage sampling ensured regional balance from an estimated population of 1,200 firms per the Small and Medium Enterprises Development Agency of Nigeria records. Reliability was confirmed with Cronbach's alphas of 0.91 and 0.87, respectively, and validity through factor analysis. Structural equation modelling in AMOS analyses paths, with model fit indices indicating adequacy. Results revealed a strong positive effect of transformational leadership on entrepreneurial success ($\beta = 0.673$, $p < 0.001$). Individualised consideration significantly moderated innovation impacts ($\beta = 0.248$, $p = 0.003$), though regional and firm size effects were not significant. These results assert the fundamental roles of transformational leadership contributing to resilience of small and medium-sized enterprises, provide theoretical extensions of full-range leadership theory in emerging market, and practical blueprints of leadership training in agencies such as small and medium enterprises development agency of

Nigeria, policymakers in promoting non-oil development, and entrepreneurs in overcoming volatility.

KEYWORDS: Transformational Leadership, Entrepreneurship Success, Food and Beverage SMEs, Nigeria South-East South-South.

INTRODUCTION

Food and beverage industry is one of the most important sectors of the Nigerian economy that plays a major role in terms of employment, income generation and growth of GDP despite facing certain challenges such as inflation, supply chain management and urbanisation. The industry is estimated to grow to USD 98.97 billion by 2033, at a compound annual rate of 6 percent, owing to increased consumer demand of processed and convenient foods in the cities which is currently valued at USD 54.1 billion (Business Research Insights, 2024). It is also powerful in the South-East and South-South region where emerging cities such as Enugu, Port Harcourt and Calabar are creating market opportunities through spurring household spending packaged goods and beverages and snacks. With Nigerians allocating a substantial portion of income to food and beverages, the industry supports entrepreneurial ventures, enhances food security, and promotes regional economic diversification beyond oil reliance (DataIntelto, 2024).

Effective leadership is essential for entrepreneurial success in small and medium-sized enterprises (SMEs) within this competitive sector, where adaptability, innovation, and employee motivation are critical for navigating market uncertainties. Inspirational motivation, intellectual stimulation, individualised consideration, and idealised influence are the components of transformational leadership that have been found to enhance employee performance, organisational resilience and profitability of firms in Nigerian environments. Recent research findings indicate that such a style will result in a more involved and innovative employee in manufacturing firms, even food and beverage companies. This results in more positive outcomes, e.g. increased productivity and improved financial performance (Mordi & Ojo, 2021; Okafor & Eze, 2023). To illustrate, Osun State shows that there are positive correlations between transformational leadership and employee performance in food and beverage manufacturing organizations (Mordi and Ojo, 2021). Similarly, the literature on general Nigerian SMEs focuses on the application of transformational strategies that should be used to facilitate the stimulating of creativity and growth, although many research works are related to southwestern regions (Oyelade and Akpa, 2022; Iyaji et al., 2023).

In spite of these findings, there is still a great deal of research gap on the particular effect of transformational leadership on entrepreneurial success in the food and beverages sector in South-East and South-South regions. Current literature often overlooks the unique socio-cultural, economic and infrastructural dynamics of these areas, including the oil-based economies in the South-South and the well-developed entrepreneurial environments in the South-East, and how this impacts the effectiveness of leadership differently to other areas. This absence is worsened because little empirical research exists into country-specific applications in developing countries such as Nigeria, where situational variables such as political uncertainty and resource scarcity regulate the effects of leadership (Iyaji et al., 2023; Oyelade and Akpa, 2022).

This study aims to fill this gap by empirically investigating the relationship between transformational leadership and entrepreneurial success in food and beverage firms in Nigeria's South-East and South-South regions. The ultimate goal is to test the importance of transformational leadership dimensions in such success measures as profitability, innovation, and market growth. Some of the research questions are as follows: (1) How far is transformational leadership as a factor with regard to success of an entrepreneur in these regional firms? (2) How do moderating factors like firm size or regional economic conditions affect this relationship? The hypotheses are: H1: Transformational leadership has a positive and significant effect on entrepreneurial success in South-East and South-South food and beverage firms; H2: Individualised consideration moderates the impact on innovation outcomes. A quantitative approach is employed.

This research provides region-specific evidence to advance leadership literature in developing economies and offers practical guidance for entrepreneurs, policymakers, and training programmes to strengthen SME performance in Nigeria's food and beverage sector. The paper will be presented in the following way: Section 2 will review the literature theory and empirical data, Section 3 will present the methodology, Section 4 will provide the results and analysis, Section 5 will discuss implications and limitations and the final section 6 will give recommendations on future studies.

Literature Review

Conceptualisation of Transformational Leadership

Transformational leadership is theorised to be a dynamic style of leadership where leaders influence and encourage their followers to attain extraordinary results exceeding self-interest in the interest of the collective, expose innovation and stimulate intellectual development.

The four dimensions of this style include idealised influence, which entails the leaders being the role models who display a high level of ethical standards; inspirational motivation, which entails the articulation of an attractive vision to motivate the followers; intellectual stimulation, which entails the ability to think creatively and challenge assumptions, and personalised consideration, which entails giving personalised support and mentoring, to meet the needs of the followers. Recent reviews emphasise that transformational leadership differs from transactional styles by focusing on long-term change and empowerment rather than mere exchanges, making it particularly effective in uncertain environments like entrepreneurship. In emerging economies, this leadership style adapts to cultural contexts, enhancing organisational adaptability and follower commitment through vision-sharing and emotional engagement (Ravet-Brown et al., 2023). Furthermore, transformational leaders cultivate a sense of purpose, leading to heightened creativity and resilience, which are critical for entrepreneurial ventures navigating resource constraints and market volatility (Hussain & Li, 2022).

Within the framework of small and medium-sized enterprises (SMEs), transformational leadership is regarded as a source of innovation and performance, in which the leaders shape but also enable teams to discover innovative opportunities. This conceptualisation is consistent with Full Range Leadership Theory, which places transformational leadership above the rest in encouraging proactive behaviours and organisational learning. Empirical syntheses emphasize its overlap with entrepreneurial leadership, but there is a difference between the focus of transformational leadership on the development of followers rather than exploitation of opportunities, although both types of leadership have some of the same characteristics such as vision and risk-taking (Ravet-Brown et al., 2023). According to recent studies, it can be applied to various fields, and transformational leaders create a sense of psychological safety, meaning followers are not afraid of failure when they create something innovative, which is why it can be directly connected to the entrepreneurial processes (Njoku, 2021).

Conceptualisation of Entrepreneurial Success

Entrepreneurial success is broadly defined as the achievement of sustainable firm performance, encompassing financial metrics like profitability and growth, as well as non-financial indicators such as innovation adoption, market expansion, and organisational resilience. In SMEs, success is often measured through multidimensional lenses, including survival rates, revenue increases, and the ability to adapt to environmental changes, reflecting

both economic viability and strategic accomplishments. In recent articles, the hope is that entrepreneurial success will be attributed to optimal resource coordination in which the entrepreneur can use the opportunity and create value, and it will rely on the internal factor, including leadership, and the external factors, including market conditions (Hussain and Li, 2022). This idea does not only focus on profitability, but social impact and long-term sustainability especially in the developing economies where success reduces poverty and creates employment.

In the food and beverage industry, effective supply chain management, product development and customer retention are some of the entrepreneurial achievements, despite the issues such as perishable goods and regulatory compliance. The success indicators will be improved employee performance to result in operational efficiency and competitive advantage. The current perspectives bring the concept of knowledge management as an intermediary, and it argues that the success of entrepreneurs stands in the capacity of the leaders to use knowledge to develop innovations and make decisions and hence attain high performance in unstable markets (Okafor and Eze, 2023; Ebuzoeme, 2021).

Global Empirical Findings on Transformational Leadership and Entrepreneurship

Empirical research evidence across the world confirms that there is always a positive correlation between transformational leadership and entrepreneurial success, which is mediated by other variables, including innovation climate, and employee engagement. As an example, meta-analyses indicate that transformational leaders increase entrepreneurial orientation, consisting of innovativeness, proactiveness, and risk-taking, which consequently leads to an improvement in the performance of firms operating across industries. In this type of leadership, the followers are encouraged to engage in entrepreneurial endeavors that result in better performance such as an increase in revenue and market share (Ravet-Brown et al., 2023). Transformational leadership indirectly impacts the success of technology-orientated ventures in terms of knowledge management processes, and research found significant path coefficients (e.g. 0.45, p less than 0.01) between leadership and success through knowledge acquisition and use (Hussain and Li, 2022).

Additional evidence based on cross-cultural context suggests that transformational leadership is a better approach to fostering entrepreneurial behaviours compared to other styles, and regression analyses have verified that it can boost psychological capital and change preparedness, which eventually leads to the sustainability of a venture. But, similarity with entrepreneurial leadership constructions imply conceptual confusion, in which

transformational factors such as intellectual stimulation can lead to innovation but do not necessarily address entrepreneurial-related characteristics such as the ability to spot opportunities. These findings underscore the style's versatility, though moderation by cultural and environmental factors indicates that it requires contextual adaptation (Ravet-Brown et al., 2023).

Empirical Findings in Nigerian and Similar African Contexts

In Nigeria, empirical research affirms the efficacy of transformational leadership for enhancing employee performance and organisational outcomes within the food and beverage sector. Research of Osun State shows that transformational leadership has an ability to explain more than 72 percent of the variance in employee performance with the strongest predictor being intellectual stimulation (0.314, $p < 0.05$) which explains why it leads to creativity and efficiency in manufacturing companies (Ebuzoeme, 2021). Equally, employee motivation research also demonstrates that the perceived transformational styles influence motivation levels positively that in turn drive productivity in the chosen beverage firms with correlation coefficients reflecting close relationship ($r = 0.68$, $p < 0.01$) (Okafor and Eze, 2023).

In the more general African SME setting, transformational leadership is associated with aspects of continuing improvement, at least in beverage sectors, with idealised influence and intellectual stimulation indicating a 17.3% variance of performance measures ($R^2 = 0.173$, $p < 0.001$). These results indicate that under resource-deprived conditions, transformational leaders spur resilience and innovativeness, but the research has been conducted mainly in southwestern Nigeria, which can be not generalisable to other areas (Njoku, 2021). This is supported by comparative African evidence, whereby leadership styles positively influence entrepreneurial success by promoting ethical practices and sharing of knowledge to accomplish entrepreneurial tasks, but emphasizing situational moderators such as political instability.

Identification of Research Gaps

Although, there is strong international and Nigerian evidence pointing to the transformational leadership as a predictor of entrepreneurial success, there are still considerable gaps in the existing literature, especially in region-based and industry-specific studies. Most Nigerian research concentrates on southwestern states like Osun and Lagos, overlooking the unique socio-economic dynamics of the South-East and South-South regions, such as oil-dependent

economies and cultural entrepreneurship ecosystems that may alter leadership impacts (Ebuzoeme, 2021; Njoku, 2021). Furthermore, while studies address employee performance and motivation in food and beverage firms, they lack depth in exploring entrepreneurial success indicators like market expansion and innovation adoption, especially in SMEs facing regional challenges (Okafor & Eze, 2023). The paper fills these gaps by offering empirical results in under-represented areas, incorporating moderating factors such as firm size, and information to contextualised leadership theory in African emerging markets.

Theoretical and Conceptual Framework

The conceptual basis is based on the Full Range Leadership Theory which suggests that transformational leadership is a predictor of entrepreneurial success that is mediated by employee engagement and innovation. The conceptual framework suggests the model according to which the dimensions of transformational leadership (independent variables) have an effect on the entrepreneurial success (dependent variable), but regional variables and firm characteristics mediate the relationships between them. This may be diagrammatically defined as Transformational Leadership (Idealised Influence, Inspirational Motivation, Intellectual Stimulation, Individualised Consideration) leads to Employee Motivation/Innovation leads to Entrepreneurial Success (Profitability, Market Expansion, Innovation Adoption), with arrows representing positive relations and moderators such as regional economy. This framework is based on the global syntheses and hypothesises the direct and indirect effects that can be tested by means of structural equation modelling, to address the identified gaps (Ravet-Brown et al., 2023; Hussain and Li, 2022).

METHODOLOGY

In this research, the cross-sectional survey was used to test the connection between transformational leadership and entrepreneurship success in food and beverage SME of South-East and South-South regions of Nigeria. This design enabled collection of data at a single point to be done successfully to test the associations and hypotheses in the resource-constrained environment (Okafor and Eze, 2023; Iyaji et al., 2023).

The sampled population was owners and senior managers of registered SMEs operating in the food and beverage industry in the two regions, and the population that was available was approximated to be around 1,200 firms according to SMEDAN (2023) records. A sample of 300 respondents was determined using Yamane's (1973) formula (margin of error 5%, 95% confidence level). Multi-stage sampling was applied.

The structured questionnaire was used to collect data in three sections: demographics, transformational leadership (20-item MLQ-5X Short Form, 5-point Likert scale) and entrepreneurial success (15-item scale based on the validated questionnaires, which included profitability, innovation, and market expansion). The questionnaires were distributed online (Google Forms) and on paper, and 300 questionnaires were given out, with 250 being successfully returned (response rate of 83%). Informed consent was ensured with the use of ethical approval, and anonymity was guaranteed (Ebuzoeme, 2021).

Three experts confirmed content validity and three experts through exploratory factor analysis (KMO = 0.82, factor loading > 0.6) confirmed construct validity. A pilot test with 30 similar respondents refined the instrument. It was calculated that reliability is achieved with Cronbach alpha of 0.91 (leadership) and 0.87 (success), which is above the 0.70 mark (Iyaji et al., 2023).

Data analysis proceeded in two stages using SPSS 27 and AMOS 26. Descriptive statistics summarised respondent profiles and variable distributions. The hypotheses were tested by structural equation modelling (SEM), which determines the effects both directly and indirectly through bootstrapping (5,000 resamples). The evaluation of model fit was based on $\chi^2/df < 3$, CFI > 0.90, TLI > 0.90, RMSEA < 0.08 and SRMR < 0.08. The common method bias was also verified through the single-factor test by Harman (variance < 50) (Okafor and Eze, 2023; Mordi and Ojo, 2021).

RESULTS

It was a research paper that involved 250 respondents (owners and senior managers) of small and medium-sized enterprises (SMEs) in the food and beverage industry in South-East and South-South regions in Nigeria. Out of 300 questionnaires distributed, 83 percent returned the questionnaires and no important data were missing after imputation. Respondent profiles and key variables were calculated by means of descriptive statistics, and the hypothesised relationships were tested using structural equation modelling (SEM).

Demographic Profile of Respondents

The sample was male dominated (68%), and females were 32%. Majority of the respondents were aged between 35-54 (62%), 25-34 (22%), 55+ years (16%). The level of education was high with 58 percent having bachelors, 28 percent having master and 14 percent having diplomas or other. Experience in firm ownership was 12.4 years (SD=6.2), and 71 percent were owners, 29 percent were senior managers. The size of the firms was between 10 to 50

employees (64%), and between 51 to 199 employees (36%). The South-East was represented by 50% of respondents and the South-South by 50% so that there could be a balance in terms of regions. These demographics are in line with typical SME profiles in the southern parts of Nigeria, which are being run by learned and skilled people.

Descriptive Statistics for Key Variables

Transformational leadership was assessed with the help of the MLQ-5X scale (20 items, 5-point Likert). The mean score was 3.72 (SD = 0.68), which means that the respondents had moderately high perceptions of transformational leadership. Subscale means were: idealised influence (M = 3.81, SD = 0.65), inspirational motivation (M = 3.78, SD = 0.70), intellectual stimulation (M = 3.65, SD = 0.72), and individualised consideration (M = 3.64, SD = 0.69). These scores suggest strong visionary and motivational behaviours but slightly less emphasis on individualised support.

Entrepreneurial success was assessed via a 15-item scale (5-point Likert), with an overall mean of 3.58 (SD = 0.74). Subdimensions showed profitability (M = 3.62, SD = 0.71), innovation adoption (M = 3.55, SD = 0.76), and market expansion (M = 3.57, SD = 0.75). The findings reveal mediocre-high perceived success, which is in line with resilient SMEs in these areas amid economic challenges.

Inferential Statistics and Hypothesis Testing

The AMOS 26 was used to conduct SEM, which was bootstrapped (5,000 resamples) to evaluate relationships. The measurement model was well-fitting ($\chi^2/df = 2.41$, CFI = 0.94, TLI = 0.93, RMSEA = 0.075, SRMR = 0.06). The structural model is also highly suitable ($\chi^2/df = 2.58$, CFI = 0.92, TLI = 0.91, RMSEA = 0.079, SRMR = 0.07), and it accounts 62 percent of the entrepreneurial success ($R^2 = 0.62$).

Table 1 presents the path coefficients for the hypotheses.

Table 1: Path Coefficients for Transformational Leadership Dimensions and Entrepreneurial Success.

Path	β	SE	t-value	p-value
Transformational Leadership → Entrepreneurial Success	0.673	0.052	12.94	<0.001
Individualized Consideration × Innovation Outcomes (Moderation)	0.248	0.082	3.02	0.003

The hypothesis H1 was accepted because transformational leadership exerted a good and significant impact on entrepreneurial success ($H1 = 0.673$, $p < 0.001$). All dimensions contributed positively, with idealised influence showing the strongest path.

H2 was supported, with individualised consideration significantly moderating the relationship between transformational leadership and innovation outcomes ($\beta = 0.248$, $p = 0.003$). Regional factors (e.g., South-South vs. South-East) and firm size showed no significant moderation ($p > 0.05$).

Common method bias was minimal (Harman's single-factor test: 38% variance explained). Multicollinearity was absent ($VIF < 3.0$). These findings offer empirical data on affirmative relationships of transformational leadership and entrepreneurial success in the targeted companies.

DISCUSSION

The empirical results of the research have strong evidence on the positive impact of transformational leadership entrepreneurial success of food and beverage SMEs in South-East and South-South regions of Nigeria. Specifically, in response to the first research question regarding the extent to which transformational leadership affects entrepreneurial success, the results affirm Hypothesis 1, demonstrating a strong positive and significant relationship ($\beta = 0.673$, $p < 0.001$). This indicates that higher levels of transformational leadership practices that encompass idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration are associated with enhanced firm outcomes, such as profitability, innovation adoption, and market expansion. These results align with the second research question and Hypothesis 2, where individualised consideration moderated the effect on innovation outcomes ($\beta = 0.248$, $p = 0.003$), implying that personalised mentoring amplifies leadership's role in fostering creative adaptations within firms.

These findings resonate with prior empirical research in Nigerian and broader African contexts, reinforcing the applicability of transformational leadership in emerging economies. As an example, the significant overall impact is a reflection of other research such as Okafor and Eze (2023) that established that transformational leadership was positively related to employee motivation in Nigerian food and beverage companies ($r = 0.68$, $p < 0.01$), resulting in better performance indicators. On the same note, Iyaji et al. (2023) have found that leadership styles including transformational factors explained significant variance in employee performance sustainability in North-Central Nigerian SMEs ($R^2 = 0.45$), as well as, which compares the similarities in the effects of visionary leadership on the sustainability

of employee performance amid economic uncertainties. The findings are consistent across the world, with Ravet-Brown et al. (2023) report of a review of transformational leadership and entrepreneurial leadership overlaps with a positive relationship with innovation in the firm and growth in SMEs, and the path coefficients are similar to the ones here (e.g., = 0.40-0.50). Nevertheless, the prevalence of idealised effect in this research is a bit different to that of Hussain and Li (2022) who focused on intellectual stimulation as a prominent mediator of entrepreneurial success in terms of knowledge management (0.45, $p < 0.01$), perhaps, because of cultural dissimilarities where idealised influence is a prominent factor in entrepreneurial achievement in collectivist Nigerian societies as opposed to more individualistic environments. This alignment with existing literature validates the Full Range Leadership Theory's extension to African contexts, yet the region-specific focus addresses gaps noted in Ebuzoeme (2021), who called for more localised investigations beyond southwestern Nigeria.

Theoretically, the positive relationship can be explained by transformational leadership's ability to foster a motivational climate that aligns with the resource-based view of entrepreneurship, where human capital is leveraged for competitive advantage in dynamic sectors like food and beverages. In Nigeria's South-East and South-South regions, characterised by infrastructural deficits, oil-related volatility, and high entrepreneurial density, inspirational motivation and intellectual stimulation likely empower employees to innovate supply chain solutions or product diversifications, directly contributing to market expansion and profitability (Akinseye, 2023). Practically, these results imply that SME leaders in these regions should prioritise leadership training programmes emphasising individualised consideration, as its moderating role on innovation suggests personalised support helps translate visionary ideas into tangible outcomes, such as adopting sustainable packaging amid regulatory pressures. It is especially pertinent in the post-COVID economic context, where Oyelade and Akpa (2022) found transferable strategies of diverse regional development of SMEs without being dependent on oil to increase profitability at Lagos (= 0.52, $p < 0.05$). Furthermore, the results provide policy analysts with the insights on such initiatives as leadership workshops conducted by SMEDAN, which could impact SME contribution to the GDP in Nigeria by means of specific interventions.

Surprisingly, the relationship between leadership and success was not moderated significantly by regional factors (South-East vs. South-South) and firm size ($p > 0.05$), unlike the impact of the alternative factors on the relationship, including oil dominance the South-South that could moderate leadership needs. This non-significance may stem from shared sociocultural

elements across southern Nigeria, including high collectivism and entrepreneurial resilience, which homogenise leadership effects, as noted in Njoku (2021). Plausible reasons include sample homogeneity or unmeasured variables like digital adoption rates, which could mask regional variances; future studies might incorporate these to refine understandings. Also, although the overall model captured 62% of differences in entrepreneurial success, the unaccounted difference indicates that other external aspects such as government policies or global supply chain interruptions are possible to pursue further, in line with Mordi and Ojo (2021) who found that contextual moderators were important in the food manufacturing of Osun State. These acknowledgements underscore the study's contributions while pointing out its limitations and emphasising the need for longitudinal designs to capture causal dynamics over time.

CONCLUSION

The aim of this study was to establish the connection between transformational leadership and entrepreneurial achievement in small and medium sized enterprises (SMEs) in the food and beverage industry in South-East and South South regions of Nigeria. This was mainly meant to supply region-based empirical data to cover the gap in the current literature, which has been mostly silent on such zones despite their special socio-economic dynamics. The major results support a highly positive relationship between transformational leadership and the success of entrepreneurs ($\beta = 0.673$, $p = 0.001$), idealised influence being the most significant one. Also, the leadership-innovation relationship was also moderated by individualised consideration ($\beta = 0.248$, $p = 0.003$). These results highlight the critical role of visionary, motivational, and supportive leadership in driving profitability, innovation, and market expansion in a challenging economic environment.

This study theoretically expands the Full Range Leadership Theory to a previously underexplored African context, illustrating that transformational leadership is highly effective in resource-limited environments where entrepreneurial resilience is critical. It also contributes to the literature on leadership in emerging economies by showing that certain dimensions, particularly idealised influence, may hold greater weight in collectivist cultures, like those in southern Nigeria. Practically, the findings offer valuable guidance for SME owners and managers in the food and beverage sector. By prioritising transformational leadership practices, particularly personal mentoring and ethical role modelling, entrepreneurs can enhance firm performance and adaptability. Policymakers and development agencies, such as SMEDAN, can use these insights to design targeted leadership training

programmes aimed at improving SME sustainability and economic diversification. Leadership trainers and business educators can incorporate region-specific case studies to build more contextually relevant curricula.

The study also has its limitations in spite of the contributions. To begin with, cross-sectional design does not provide the chance to make causality, longitudinal research would be required to clarify the direction and the permanence of the relationships. Second, the study only covered South-East and South-South regions and this could limit the generalisability to other areas in Nigeria with varying economies and cultural settings. Third, the use of self-reported data also opens up the possibility of common method bias, which is alleviated by means of both procedural and statistical controls. Lastly, although the model accounted a significant amount of variance ($R^2 = 0.62$), other external forces like changes in policy, inflation or global supply chain disruptions were not accounted by the model completely.

Further studies need to take a longitudinal or experimental approach in order to create stronger causal relationships and trace the way leadership effects change as time progresses. It would be beneficial to compare them with all six geopolitical areas in Nigeria to ascertain generalisability and show whether the differences in regions actually exist. Besides, validity would be enhanced by adding objective performance measures (e.g., audited financial statements) and perceptual ones. The mediating mechanisms (e.g., organisational culture, employee engagement) and other moderators (e.g., digital adoption, access to finance) could also be investigated by the researchers to have a more detailed picture of the leadership processes in Nigerian SMEs. Lastly, the qualitative methods including deep-seated interviews with business people might reveal subtle contextual influences that might be missed by quantitative methods.

Overall, this paper highlights the transformational capacity of good leadership in ensuring the success of entrepreneurship in Nigeria food and beverage industry. This will form the basis of more specific leadership development programs that may help to sustain SME development and lead to the general economic development, because of filling regional gaps and providing actionable insights.

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