SOUTH ASIAN JOURNAL OF SOCIAL SCIENCES & HUMANITIES

ISSN: 2582-7065 (Online) SAJSSH, VOL 7, ISSUE 3, PP. 125-136

Entrepreneurial Creativity as a Catalyst for Poverty Alleviation in Tangail District, Bangladesh

Tasmim Tabassum[1], Dipti Bhowmik[2] & Roksana Akhter[3]

[1]*Student, Department of Economics, Mawlana Bhashani Science and Technology University, Tangail-1902, Bangladesh.*

[2]*Assistant Professor, Department of Economics, Mawlana Bhashani Science and Technology University, Tangail-1902, Bangladesh.*

[3]*Associate Professor, Department of Economics, Mawlana Bhashani Science and Technology University, Tangail-1902, Bangladesh.*

Corresponding Author: Dipti Bhowmik, **Email:** bhowmikdipti@mbstu.ac.bd

JEL Classification Codes: L26, O12, I32, O18

Received: 27th February 2026	**Accepted:** 03rd May 2026	**Published:** 5th June

ABSTRACT

Poverty remains a persistent challenge in Bangladesh, with national rates estimated at approximately 21.2% by 2025. Despite various interventions, sustainable poverty alleviation remains hindered by limited formal employment opportunities and low productivity in rural areas. This study examines the influences of entrepreneurial creativity on job creation, household income, and multidimensional poverty alleviation among micro-entrepreneurs in Tangail district. Adopting a mixed-methods approach within a convergent parallel design, the research was conducted in three upazilas (Tangail Sadar, Basail and Delduar). Data were collected from 100 micro-entrepreneurs through a structured questionnaire, semi-structured interviews and focus group discussions. A creativity index was developed from five Likert-scale items to quantify entrepreneurial creativity. Quantitative data were analysed using descriptive statistics, multiple linear regression, and binary logistic regression, while qualitative data were thematically analysed according to Braun and Clarke (2006). Results indicate a moderate level of entrepreneurial creativity (M = 1.99 for Creativity Index). The Creativity Index has a statistically significant positive effect on employment generation (B = 3.22, p = .008). Binary logit analysis revealed a marginally significant association with higher family income (marginal effect = +0.14, $p < 0.10$). In addition, 59% of respondents reported positive changes in family income, food security, education spending and financial stability. Creativity levels were highest in Delduar Upazila among the selected areas. The study concludes that entrepreneurial creativity contributes to poverty alleviation primarily through job creation rather than direct income gains for the entrepreneur. It recommends creative thinking training, innovative microfinance, and market linkage programs to strengthen grassroots entrepreneurship in rural Bangladesh.

Keywords: Entrepreneurial creativity; Poverty alleviation; Micro-entrepreneurship; Employment generation; Tangail district; Mixed methods.

DOI: 10.48165/sajssh.2026.7306

INTRODUCTION

Poverty remains a persistent challenge in Bangladesh. According to the latest official Household Income and Expenditure Survey, 18.7% of the population was poor nationally in 2022. According to World Bank estimates in its 2025 Bangladesh Poverty and Equity Assessment, poverty declined after 2016 but slowed, and is estimated to be back around 21.2% by 2025. According to the same assessment, about a third of the population is still vulnerable to returning to poverty if hit by shocks. The persistence of poverty has shifted scholarly attention toward sustainable solutions based on entrepreneurship, innovation, and economic growth; Traditional approaches such as foreign aid and conventional microfinance have shown limited long-term success. Recent research emphasises that entrepreneurship driven by innovation can create productive opportunities and reduce poverty more effectively than welfare-based models, especially in developing countries like Bangladesh, where formal jobs are limited.

Tangail district has been chosen as the study area due to its unique combination of persistent rural poverty and a high concentration of small, household-based businesses. These enterprises primarily operate in traditional sectors such as handloom weaving and cottage-based production. This coexistence of strong entrepreneurial traditions and persistent socio-economic deprivation makes Tangail an ideal location to examine how grassroots entrepreneurial creativity can lead to employment generation, income growth, and sustained poverty reduction. This study adopts a mixed-methods approach to investigate the influences of entrepreneurial creativity on job creation, household income, and multidimensional poverty in the Tangail district. The results indicate that entrepreneurial creativity contributes to poverty alleviation primarily through job creation rather than income gains.

Objectives of the Study

The research aims to explore the contribution of entrepreneurial creativity in poverty reduction at Tangail District, focusing on the following key aspects:

1. To explore the creative strategies and activities undertaken by local entrepreneurs.
2. To assess the changes in employment and household income generated through these initiatives.
3. To examine how entrepreneurial creativity enhances the overall quality of life of the local community.

DOI: 10.48165/sajssh.2026.7306

4. To offer policy recommendations for promoting entrepreneurship-led poverty reduction at all levels.

LITERATURE REVIEW

Entrepreneurship has long been recognized as a key driver of economic development and poverty reduction in developing countries. An entrepreneur is a person who engages in income-generating activities by creating or expanding economic activity by identifying and introducing new products, markets, and processes. According to Schumpeter (1934), the entrepreneurial role involves identifying and implementing various ways to transform the market through five types of innovation: introduction of a new good or new quality of a good, introduction of a new method of production, opening of a new market, utilization of new sources of raw materials, and carrying out a new organizational form of industry. Drucker (1985) described entrepreneurship as the process of taking existing resources and recombining them to create new opportunities and economic value. Shane and Venkataraman (2000) defined it as the systematic discovery, creation, development and exploitation of profitable opportunities**.**

Entrepreneurial creativity concerns the process of generating new and useful ideas with practical applications in developing valuable products, services, or processes (Ariffin et al., 2013). It is the capacity to pull together existing knowledge and resources in new ways to solve problems or seize opportunities under constraint (Baron & Shane, 2008). Creativity is a precursor to innovation; creativity describes the capacity to create something new, while innovation is the ability to implement new things (Hashim et al., 2014). In resource-scarce settings such as rural Bangladesh, creativity enables entrepreneurs to recombine limited inputs to generate value**.**

Entrepreneurial creativity is a powerful mechanism for poverty alleviation, generating income, establishing businesses, and improving household welfare (Ifegwu et al., 2025). In emerging economies where formal employment is limited, creative entrepreneurs develop new products or services and create sustainable livelihoods. These creative efforts generate employment opportunities, increase household income, improve food security, and enhance access to education and healthcare.

Empirical studies show that entrepreneurship and innovation play a crucial role in poverty alleviation. Bruton et al. (2013) argue that entrepreneurship is an important means of income generation for low-income communities through small businesses and microenterprises. Si et al. (2020) highlight that entrepreneurial individuals in resource-deprived contexts use

DOI: 10.48165/sajssh.2026.7306

creativity and local resource mobilization to enhance business success and economic inclusion. Dabo et al. (2019) found that creativity and innovation significantly influence business success and income improvement among micro and small enterprises. Adeyemi and Popoola (2022) also linked entrepreneurial innovation with poverty alleviation.

Theoretically, this study is grounded in Schumpeter's (1934) concept of "creative destruction," where entrepreneurs introduce innovations that transform production and market structures. The Cobb-Douglas production function further supports this by showing that total factor productivity increases through technological progress and organizational creativity. At the individual level, McClelland's (1961) theory of need for achievement and Rotter's (1966) locus of control explain why some individuals are more likely to engage in creative entrepreneurial action.

Although existing literature discusses the relationship between entrepreneurship and poverty alleviation, most studies focus on general entrepreneurial outcomes or microfinance. There is limited research that specifically examines the role of entrepreneurial creativity using mixed-methods approaches, especially at the microenterprise level in rural Bangladesh. This study addresses that gap by investigating how entrepreneurial creativity influences employment generation and multidimensional poverty in Tangail district.

The purpose of this study is to examine the contribution of entrepreneurial creativity to poverty reduction among micro-entrepreneurs in Tangail district.

MATERIALS AND METHODS

This study adopted a convergent parallel mixed-methods design within a case study approach. Quantitative and qualitative data were collected concurrently, analysed separately, and integrated at the interpretation stage to allow for triangulation and a comprehensive understanding of how entrepreneurial creativity (Creswell & Clark, 2017). This design allows for triangulation and provides a comprehensive understanding of how entrepreneurial creativity translates into employment generation and poverty reduction.

The research was conducted in three purposively selected upazilas of Tangail district: Tangail Sadar, Basail, and Delduar. These areas were chosen because they represent the district's key economic activities in handloom textiles, cottage industries, and agricultural value-addition enterprises.

Primary data were collected using three instruments:

DOI: 10.48165/sajssh.2026.7306

- A structured questionnaire administered to micro-entrepreneurs to capture quantifiable information on creativity practices, employment, income, and poverty indicators.
- Semi-structured interviews with key informants (entrepreneurs and household members) to explore lived experiences and creative decision-making processes.
- Focus group discussions (FGDs) segmented by gender and enterprise type to understand community-level impacts and barriers.

Informed consent, anonymity, and voluntary participation were strictly maintained.

The study used a combination of stratified and convenience sampling. A total of 100 micro-entrepreneurs were selected from the three upazilas.

The population of economic establishments in the selected upazilas was 55,152 according to the Bangladesh Bureau of Statistics (BBS) Economic Census 2013. Sample size was determined using the finite population formula at the 95% confidence level with a 10% margin of error, resulting in a minimum sample of 96, which was rounded up to 100 for better representation.

Table 1: *Distributed sample by enterprise area*

Enterprise Area	Frequency	Percent
Tangail Sadar	57	57.0
Basail	16	16.0
Delduar	27	27.0
Total	**100**	**100.0**

Source: *Field Survey, 2026*

Quantitative data were analyzed using descriptive statistics (means, standard deviations, frequencies, and percentages), multiple linear regression to examine the relationship between the Creativity Index and employment generation, and binary logit regression to assess the effect on household income. Analysis was performed in SPSS version 25. Interview transcripts

DOI: 10.48165/sajssh.2026.7306

and FGD recordings were analysed using thematic analysis following the six-phase process outlined by Braun and Clarke (2006): familiarisation, coding, theme generation, review, definition, and reporting. Quantitative and qualitative findings were then integrated to develop meta-inferences.

RESULTS

Table 2: *Descriptive Statistics of Key Variables*

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Regular product/service innovation	100	.00	3.00	2.2400	.74019
Thinking outside the box	100	1.00	4.00	2.4300	.63968
Strategy change based on market	100	1.00	4.00	2.4300	.76877
New venture with risk-taking	100	.00	2.00	1.1300	.67652
Implementing innovative ideas	100	1.00	3.00	1.7300	.70861
Annual Profit (TK)	100	30000.00	8000000.00	847100.0000	1167348.10835
Total Workers	100	1.00	42.00	6.3800	5.79930
Age (Years)	100	26	65	45.58	8.034

Source: *Author's calculation based on field survey, 2026*

The sample consisted of 100 micro-entrepreneurs in Tangail district. The mean Creativity Index was 1.99 (SD = 0.59), indicating a moderate level of entrepreneurial creativity. Higher scores were observed in "thinking outside the box" and "strategy change based on market demand," while "new venture with risk-taking" received the lowest score.

Annual profit varied widely, with a mean of Tk 847,100. On average, each enterprise employed 6.38 workers. Most respondents were middle-aged (36–55 years), married, and had secondary-

DOI: 10.48165/sajssh.2026.7306

level education. Small businesses and agriculture were the dominant enterprise types, followed by handloom and mini-garments.

Regarding poverty indicators, 59% of respondents reported increases in family income, improved food security, higher education expenses, and reduced financial uncertainty. Creativity levels were highest in Delduar upazila (mean = 2.09), followed by Basail (2.01) and Tangail Sadar (1.93).

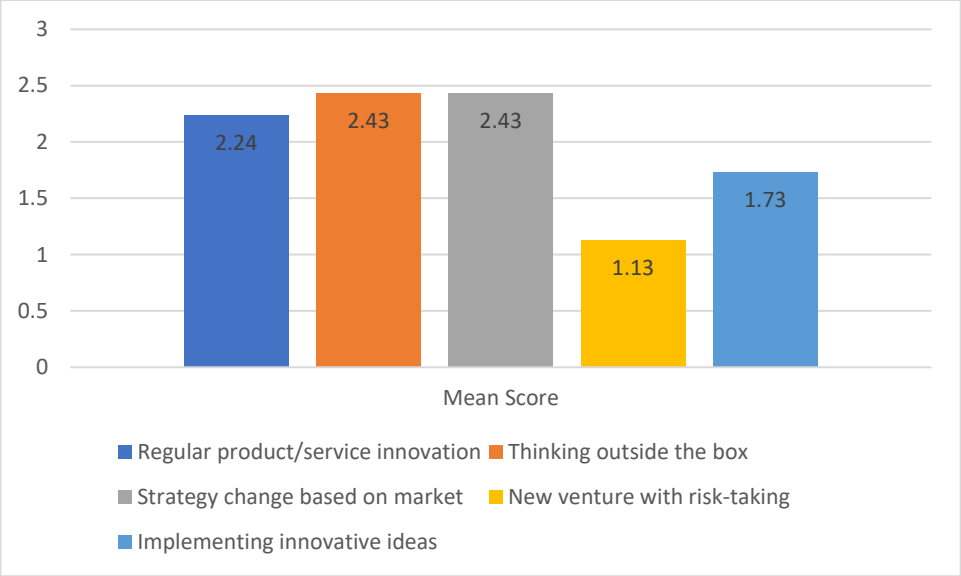


Figure 1: Mean scores of creativity indicators (0-5 scale)
Source: *Author's calculation based on field survey, 2026*

The Creativity Index, constructed from five Likert-scale items (0–5 scale), showed a moderate level of entrepreneurial creativity among the 100 micro-entrepreneurs (M = 1.99, SD = 0.59). As shown in Figure 1, respondents scored relatively higher on "thinking outside the box" (M = 2.43) and "strategy change based on market demand" (M = 2.43), while "new venture with risk-taking" recorded the lowest mean score (M = 1.13). This pattern indicates that micro-entrepreneurs in Tangail district predominantly engage in adaptive and incremental creativity rather than high-risk radical innovation.

Table 3: *Multiple Linear Regression Results – Dependent Variable: Total Worker*

Variable	Coefficient	St. Error	t-value	p-value	Significance
Creativity Index	3.22	1.19	2.710	0.008	Yes (1%level)

Source: *Author's calculation based on field survey, 2026*

DOI: 10.48165/sajssh.2026.7306

Multiple linear regression analysis showed that the Creativity Index had a statistically significant positive effect on employment generation (B = 3.22, p = 0.008). A one-unit increase in the Creativity Index was associated with approximately 3.22 additional workers, holding other factors constant. This result supports the role of entrepreneurial creativity in job creation.

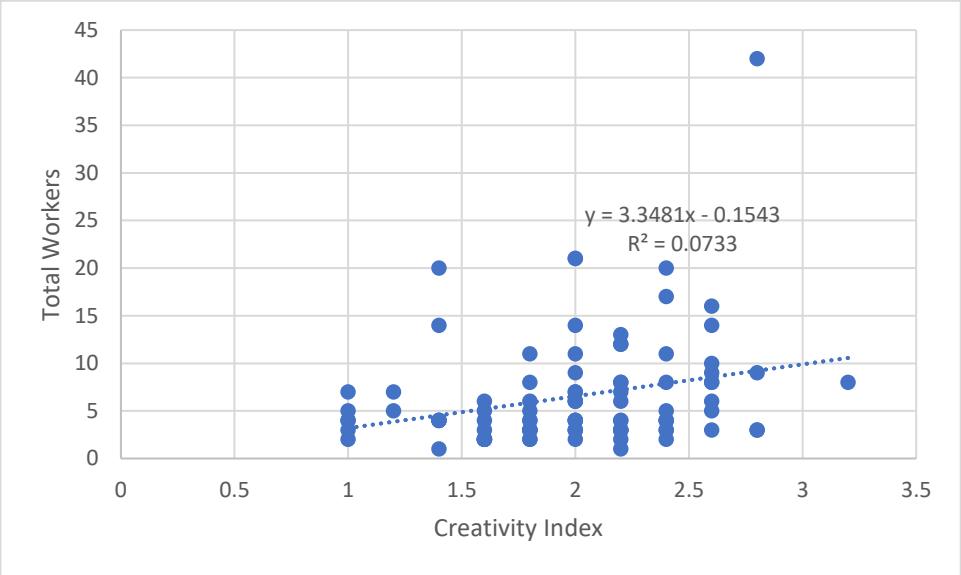


Figure 2: Relation between creativity index and total workers

The relationship between entrepreneurial creativity and employment generation is visually presented in Figure 2. The figure shows a positive linear relationship between the Creativity Index and the total number of workers employed by the micro-enterprises. The fitted regression line indicates that as the level of entrepreneurial creativity increases, the number of workers also tends to increase. This graphical representation supports the regression finding that a one-unit increase in the Creativity Index is associated with an additional 3.22 workers (B = 3.22, p = 0.008). Although other factors also influence employment, the figure clearly demonstrates the positive contribution of entrepreneurial creativity to job creation in rural micro-enterprises.

Table 4: *Binary Logit Regression Results*

Outcome Variable	**Creativity Index Coefficient**	**t-value**	**p-value**	**Significance**
INC_FAM (family income)	0.850	1.89	0.059	Marginally significant ($p < 0.10$)

Source: *Author's calculation based on field survey, 2026*

DOI: 10.48165/sajssh.2026.7306

Binary logit regression revealed a marginally significant positive association between the Creativity Index and increased family income (B = 0.850, p = 0.059). The marginal effect indicates that a one-unit increase in the Creativity Index raises the probability of higher family income by 14 percentage points.

Thematic analysis identified key creative practices adopted by micro-entrepreneurs, including new saree designs and color combinations, use of Facebook for direct marketing, product bundling, and mixed farming with direct selling. These adaptive practices helped respondents respond to market demands despite resource constraints.

Four major challenge themes emerged:

- Financial limitations and need for easier credit
- Limited market access and infrastructure
- Skill gaps and need for training
- External risks such as natural disasters and price volatility

Overall, 59% of respondents reported positive changes in family income, food security, education spending and financial stability.

DISCUSSIONS

This study demonstrates that entrepreneurial creativity significantly contributes to poverty alleviation among rural micro-entrepreneurs in Tangail district, primarily through employment generation rather than direct income gains for the business owner. Quantitative results revealed a statistically significant positive effect of the Creativity Index on employment generation (B= 3.22, p=0.008), while binary logit analysis showed a marginally significant positive association with increased family income (B = 0.850, p = 0.059; marginal effect = +0.14). These findings are reinforced by qualitative evidence of specific creative practices adopted by respondents.

Meta-inferences emerging from the integration of quantitative and qualitative findings provide deeper insight. The qualitative themes are consistent with the statistically significant impact of entrepreneurial creativity on employment generation (p=0.008) and the marginally significant effect on increase in family income (p=0.059). In itself, innovation may not directly translate to substantial economic wealth for the entrepreneurs who created jobs, but it massively

DOI: 10.48165/sajssh.2026.7306

contributed towards poverty alleviation via creation of jobs and better household economy. Local micro-entrepreneurs embraced specific creative practices such as new saree designs and color combinations, Facebook-based direct marketing, product building, shop layout rearrangement, and mixed farming with direct selling. These practices heavily supported employment generation and drove positive changes in household income, food security, education spending, and financial stability for 59% of respondents. The changes have improved the quality of life for the local community through increased economic security and access to basic needs.

CONCLUSIONS

This study examined the influence of entrepreneurial creativity on employment generation, household income, and multidimensional poverty alleviation among micro-entrepreneurs in Tangail district.

The findings reveal a moderate level of entrepreneurial creativity among the respondents (Creativity Index M = 1.99). Quantitative results show that the Creativity Index has a statistically significant positive effect on employment generation ($B = 3.22$, $p = 0.008$). Binary logit analysis indicates a marginally significant positive association with increased family income (marginal effect = +0.14, $p < 0.10$). Additionally, 59% of respondents reported improvements in family income, food security, education spending, and financial stability. Creativity levels were highest in Delduar upazila.

The integration of quantitative and qualitative findings leads to a key conclusion: entrepreneurial creativity contributes to poverty alleviation primarily through job creation rather than direct income gains for the micro-entrepreneur. While creativity helps expand businesses and generate employment for others, its direct impact on the entrepreneur's own family income remains modest. These results highlight the importance of creativity as a driver of inclusive economic opportunities in rural Bangladesh.

Based on the findings, the following policy recommendations are proposed:

1. Introduce creativity-focused training programmes for micro-entrepreneurs, incorporating techniques such as brainstorming, problem-solving, and market-oriented innovation, especially in handloom and cottage industry clusters.
2. Develop innovative microfinance products that reward creative practices, such as lower interest rates for product innovation or new market entry.

DOI: 10.48165/sajssh.2026.7306

3. Strengthen market linkages through digital platforms, exhibitions, and branding support for Tangail sarees and handicrafts to help entrepreneurs reach wider markets.
4. Provide targeted skill development training in design, digital marketing, and quality improvement, with special attention to women entrepreneurs.
5. Integrate entrepreneurial creativity into national and local poverty reduction strategies as a complementary tool alongside traditional microfinance and skill development initiatives.

This study has several limitations. First, the sample size of 100 is relatively small and limited to three upazilas of Tangail district, which restricts generalizability. Second, the cross-sectional design captures associations but cannot establish causality. Third, most variables rely on self-reported data, which may be subject to social desirability or recall bias. Finally, long-term sustainability of the enterprises was not examined.

Future studies should adopt longitudinal designs to establish causal relationships between entrepreneurial creativity and poverty reduction. Comparative studies across different districts or regions of Bangladesh would also be valuable. Additionally, research using objective poverty measures (such as household consumption data) and exploring the role of digital creativity in traditional cottage industries is recommended.

DOI: 10.48165/sajssh.2026.7306

REFERENCES

Adeyemi, S. O., & Popoola, M. A. (2022). Effect of entrepreneurial innovation on poverty alleviation in tertiary institutions. *Journal of Economics and Trade, 7*(2), 22–33.

Alvarez, S. A., Barney, J. B., & Newman, A. M. (2015). The poverty problem and the industrialization solution. *Academy of Management Perspectives, 29*(1), 10–27.

Ariffin, S., Wahab, I. A., & Hambali, Z. (Eds.). (2013). *Fundamentals of entrepreneurship*. Oxford Fajar.

Baron, R. A., & Shane, S. A. (2008). *Entrepreneurship: A process perspective* (2nd ed.). South-Western Cengage Learning.

Bloom, N., Eifert, B., Mahajan, A., McKenzie, D., & Roberts, J. (2013). Does management matter? Evidence from India. *Quarterly Journal of Economics, 128*(1), 1–51.

Bruton, G. D., Ketchen, D. J., & Ireland, R. D. (2013). Entrepreneurship as a solution to poverty. *Journal of Business Venturing, 28*(6), 683–689. https://doi.org/10.1016/j.jbusvent.2013.05.002

Creswell, J. W., & Plano Clark, V. L. (2017). *Designing and conducting mixed methods research* (3rd ed.). SAGE Publications.

Dabo, S. A., Mukulu, E., & Orwa, G. (2019). Creativity role of entrepreneurs in poverty reduction among micro and small enterprises in Plateau State, Nigeria. *International Journal of Science and Research, 8*(1).

Drucker, P. F. (1985). *Innovation and entrepreneurship: Practice and principles*. Harper & Row.

Hashim, N., et al. (2014). OUMM2103 Entrepreneurship [Course module]. Open University Malaysia.

Ifegwu, I. J., Okoliko, E. O., & Chidiebere, N. U. (2025). Entrepreneurial innovation and poverty alleviation in Abuja, Nigeria. *Journal of Global Accounting, 11*(2), 82–101.

Khashru, M. A., & Lin, C.-Y. (2019). Poverty alleviation through entrepreneurship in Bangladesh. *Research Journal of Business and Management, 6*(4), 306–314.

McClelland, D. C. (1961). *The achieving society*. Van Nostrand.

Rotter, J. B. (1966). Generalized expectancies for internal versus external control of reinforcement. *Psychological Monographs, 80*(1), 1–28.

Schumpeter, J. A. (1934). *The theory of economic development*. Harvard University Press.

Shane, S., & Venkataraman, S. (2000). The promise of entrepreneurship as a field of research. *Academy of Management Review, 25*(1), 217–226.

Si, S., Ahlstrom, D., Wei, J., & Cullen, J. (2020). Business, entrepreneurship and innovation toward poverty reduction. *Entrepreneurship & Regional Development, 32*(1–2), 1–20. https://doi.org/10.1080/08985626.2019.1640485

World Bank. (2025). *Bangladesh Poverty and Equity Assessment 2025: Navigating the road to prosperity*. World Bank.

DOI: 10.48165/sajssh.2026.7306