

A Critical Study on Entrepreneur's Perception on SME's Opportunities and Challenges: Case of Oman

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Abstract

Entrepreneurship and small and medium business enterprises play a huge role in job creation and economic development. This has led both developing and developed countries to focus on supporting the SME sector in an effort to ensure that they play a significant role in spurring innovation, rapid job creation, increasing long-term productivity, along with gross domestic product (GDP) growth. Nonetheless, there has been limited literature that has focused on the challenges and opportunities of entrepreneurship specifically from the perspective of entrepreneurs. Hence, the purpose of this research is to critically evaluate the entrepreneur's perception on SME's opportunities and challenges with a case of Sultanate of Oman. The research objectives are: i) To identify the opportunities and challenges that might occur in SMEs; ii) to investigate on the local entrepreneur business contributions to Oman economy; iii) to plan for a mitigation strategy to overcome challenges faced by SMEs; and iv) to identify key elements which we can improve and promote a diversified economy promoting non-oil sectors. This research utilized a descriptive, exploratory research approach in an effort to get quantifiable data. The data collection instruments were in-depth interviews and questionnaires. There were 70 respondents for questionnaires and five respondents for interviews. The findings of the study indicate that some of the challenges include lack of capital, mismanagement of cash flow, high risk, multiple tasks, and adherence to corporate laws. The mitigating strategies include entrepreneurial empowerment programs, government support, and favorable legal obligations.

Keywords: *SME Oman, entrepreneurship in Oman, perception of Omani entrepreneur*

INTRODUCTION

In the global business environment, there is a mounting acknowledgement of the imperative role that small as well as medium enterprises (SMEs) play in any country's economic development. This is due to the fact that in numerous countries whether developing or developed, small and medium enterprises constitute around 90 percent of those country's total business units while accounting for around 50 percent of any country's employed labor force. This implies that SMEs are habitually perceived as prolific and efficient job creators, the fuel of a country's economic engines, as well as the seed of large businesses. For instance, the SME sector is the largest employer of employees as compared to large multinational companies. This is supported by Christina, Neelufer and Al Amri (2014) who argue that in the Sultanate of Oman, SMEs plays an

important role in that approximately 60% of these enterprises are the main source of employment.

Nonetheless, it should be realized that even though there is a growth in SMEs these enterprises faces innumerable challenges. Therefore, this study focuses on critically evaluating the entrepreneur's perception on SME's opportunities and challenges with a case of Sultanate of Oman.

Background of the Study

The success of a nation is connected to its overall economic development. It should be noted that an economy is perceived as an emerging economy and/or emerging market when looking at entrepreneurial nature. Additionally, numerous developing economies have extraordinarily expanded and growth. It is evident that developing nations are an imperative part of the global economic output which has led to the prediction that they are emerging economies. In the modern complex business world, the global competitive advantage is shifting as well from developed nations to developing nations. It has been argued that entrepreneurship plays an imperative role in alleviating poverty, innovation and economic growth. This indicates that there is need to have awareness in regard to entrepreneurship since it plays a huge role in economic development in emerging markets.

For instance, Amoros et al. (2013) argue that entrepreneurship and SMEs play a significant role in spurring innovation, rapid job creation, increasing long-term productivity, along with gross domestic product (GDP) growth. Isenberg (2010), on the other hand, indicate that entrepreneurial activities are vital in today's economy since the unemployment rates have increased while the economic growth has slowed down. In the past decades, social changes and economic uncertainties have driven individuals towards careers in new ventures as well as entrepreneurship. Siegele (2014) indicates that due to the economic crisis that occurred in 2008 numerous individuals started abandoning conventional jobs and started building something of their own or looking for job opportunities in SMEs startups. This led the SMEs sector to be more vibrant while the sector gained more significance in the national economies. This is due to the fact that in the past years, during economic slowdown, hopes and pressure has been placed more towards microbusinesses, startups, and SMEs. For instance, Rikama (2014) indicates that in Finland the Ministry of Employment and Economy in their 2014 employment report indicated that in an effort to quickly develop and grow firms in their economy they need to focus on developing new innovations while facilitating startups growth which in the end will boost their economy.

It should be noted that entrepreneurship might affect economic development in numerous ways. For instance, entrepreneurship might introduce significant innovations through entering markets with new production processes or products. As well, entrepreneurship might boost efficiency through increasing competition while they might enhance people's knowledge in regard to what is technically viable along with the preference of consumers through introducing variations of subsisting commodities and services in the market. This implies that the resulting innovation process prompts the discovery of the leading design for market-product combinations. This is due to the fact that knowledge spillovers play a significant role in the innovation-learning process. However, entrepreneurship might be prone to numerous challenges such as vigorous working hours since their income is highly related to their working effort.

Aim of the Study

The above section has clearly explained the entrepreneurship and innovation in the global context. It has been evident that nations have the resources which can influence entrepreneurial activities nationwide. This is due to the fact that numerous countries have recognized the significance of entrepreneurship to their national economy as well as for job creation and innovation. Nonetheless, it has been evident that there is inadequate literature or studies that have focused on the opportunities and challenges of entrepreneurship especially that focus on Oman. Therefore, this study aims to investigate how the Oman government has supported entrepreneurship. This is due to the fact that there are numerous startups and SMEs that have been formed in Oman. Additionally, it has been evident that more than 50 percent of the startups fail in a span of five years. Therefore, it is vital to look at the strategies that the government of Oman has put in place to ensure that these entrepreneurship ventures do not fail and continue to contribute to the economic growth.

In the global context, there are numerous challenges that have illustrated which affect the entrepreneurial activities such as lack of capital, financial challenges such as cashflow management and credit availability, as well as strenuous working hours. Nonetheless, on a national level, there are no studies that have focused on the challenges that Oman entrepreneurs face. Therefore, this research aims to investigate the challenges that the Oman entrepreneurs face and mitigation strategies for those challenges. Additionally, it is evident that women in the current global business world played a significant role in economic growth. This has led numerous emerging economies to focus on women empowerment in an effort to ensure that they are actively involved in economic development. It should be realized that Oman is an Arab nation which simply means that women in Arab nations are not actively involved in national development. Therefore, this study aims at looking at the strategies that the Oman government has taken to empower women to be involved in economic development.

Research Objectives

This research will critically examine the entrepreneur's perception on the SME's opportunities and challenges in Oman based on the following objectives:

- 1) To identify the opportunities and challenges of the SMEs in Oman.
- 2) To investigate on the local entrepreneur business contributions to Oman economy.
- 3) To plan for a mitigation strategy to overcome challenges faced by SMEs.
- 4) To identify key elements which we be improved to promote a diversified economy among non-oil sectors.

Research Questions

- 1) What are the opportunities and challenges of the SMEs in Oman?
- 2) What are the local entrepreneur business contributions to Oman economy?
- 3) What are the mitigation strategies that can be planned to overcome challenges faced by SMEs?
- 4) What are the key elements that can be improved to promote a diversified economy among non-oil sectors?

Significance of the Study

The findings of this study will be beneficial to the entrepreneurs and potential entrepreneurs since it provides the challenges and opportunities that are there in the Oman. This is due to the fact that the study has focused on evaluating the challenges that entrepreneurs face in the small and medium business enterprises. Additionally, the study provides the mitigating strategies to overcome such challenges. This means that the study is of significance to entrepreneurs since they will be able to learn of the government initiatives that are present to assist them in their entrepreneurial activities.

Additionally, the study will be beneficial to the Oman government and policymakers. This is facilitated by the fact the study provides profound solutions that the government and policymakers can use to ensure that the SME sector continues to increase economic development on the country. As well, the study is of significance to the SME sector. This is due to the study providing findings that can be used to ensure that the SME sector continues to grow.

The Scope and Limitation of the Study

This study has focused on evaluating the perceptions of entrepreneurs on the challenges and opportunities that face entrepreneurship in Oman. Basically, this means that the study will look on the entrepreneurial activities that occur in Oman. Hence, the scope of this study is to look at the entrepreneurship and SME sector in Oman. This implies that the study will be carried out in the Sultanate of Oman. Additionally, the study focuses only on entrepreneur's perception.

This implies that one limitation of the study is that only it will involve entrepreneurs as the respondents. Additionally, the study utilizes a small sample size of 70 respondents. It should be realized that there is a large number of entrepreneurs in Oman. This means that the findings of study cannot be generalized to the entire population.

LITERATURE REVIEW

Brief Overview of Entrepreneurship

Over the last two decades, there have been swift and advent developments in the technological field while the world due to globalization forces has become a global village. This has been characterized by the dynamic growth in global competition and international business. Therefore, being a part of the international economy has posed substantial challenges and innumerable challenges to businesses and industries all over the world. Therefore, to survive these businesses and industries need to keep pace with the dynamic advancements as well as open numerous unexplored and new opportunities.

Entrepreneurs have been the first to lead to economic developments. It should be realized that the term entrepreneur is a French word that is when literally interpreted means 'go-between'. This term has been utilized since the 12th century. For instance, when the term entrepreneur was literally translated as a go-between is when Marco Polo, an Italian merchant, attempted to establish trade routes to the Far East. This is due to the fact that Marco Polo, as a go-between, would sign mutual contract with capital providers in an effort to sell his commodities that offered loan to the merchant at a high interest rate that included an insurance. Since then, the term has been developed over the years. For instance, the feudal system that dominated in Europe hindered the development of entrepreneurship.

The term entrepreneur in the seventeenth century was utilized for an individual who was in a contractual agreement with the government to supply agreed products or carry out services whereby the contract price was fixed. This means that in that kind of arrangement, any resulting losses or profits was accrued by the entrepreneurs thereby consuming the risks that might arise out of their expedition. Brown and Thornton (2013) indicated that the early entrepreneur theory was developed in the 17th century by Richard Cantillon, a well-known French economist. Hence, Cantillon is credited to be the founder of the entrepreneur term. It should be noted that the entrepreneur is viewed by Cantillon as a risk taker who observes the differences between demand and supply as well as the options for purchasing goods at a cheap price while selling at a higher price. Therefore, entrepreneur is defined by Cantillon as a farmer or merchant who purchases goods at specific prices while selling at unspecific prices along with bearing the operating risk.

Nonetheless, in the 18th century, feudalism was eliminated whereby the institutional and legal conditions of entrepreneurs were changed by the emergence of joint stock organizations. Therefore, in the 18th century, an individual with capital was distinguished from an individual who needed capital. This means that an entrepreneur was differentiated from the capital provider due to industrialization that occurred in this period. However, in the 19th century, entrepreneurs were perceived from an economic viewpoint. This is due to the fact that they started being perceived as individual who organized as well as operated business enterprises for personal gain. This means that entrepreneurs paid current prices for commodities consumed in the enterprise, for employed personal services, for land use, along with the required capital. This as well implies that entrepreneurs contributed their own ingenuity, skills and initiatives in planning, administering, and organizing the business enterprise. It can be argued that the entrepreneur assumes the gains and losses due to uncontrollable and unforeseen circumstances.

In the 20th century, Joseph A. Schumpeter was the first economist that focused on the entrepreneurship role in economic developments by innovations. Schumpeter indicated that the entrepreneur function is to revolutionize and reform the production pattern through manipulating an invention or technological methods of producing new goods or manufacturing old goods in a new approach, and opening new outlets or supply for goods through organizing a new market.

It should be realized that entrepreneurship is amongst the most powerful economic forces in the worlds since it has empowered individuals to look for opportunities where other individuals find obstinate challenges. This implies that entrepreneurship is perceived as a symbol of business achievement and tenacity since it is an imperative source of changes in all aspects of the society. This is due to the fact that entrepreneurs due to their hardwork and drive, along with their intrinsic intelligence have appropriately utilized the opportunities available to them. For instance, entrepreneurs have conventionally changed the direction of markets, industries, and national economies. Additionally, entrepreneurs have pioneered developments of new technologies, developed business enterprises, as well as invented new products and services. Additionally, entrepreneurs have forced resources relocation away from subsisting users to more and new productive users. This indicates that numerous entrepreneurial innovations have changed the way people lived while transforming the society, as well as enjoying the outcomes.

Challenges of Entrepreneurship

It should be realized that even though entrepreneurs seize the opportunities provided to them, there are numerous challenges that entrepreneurs face in the modern, ultra-competitive business world. For instance, entrepreneurs have multiple responsibilities and roles which provides them with the challenges of running the business enterprise. For instance, the entrepreneurs carry out numerous tasks such as using multiple titles since they carry out almost all of the tasks. This is evident in that the entrepreneurs who do not only work in the business development but as well they are expected to work on sales while juggling on business administrative, marketing, legal, finances, human resources, until the business enterprise expands.

Another challenge that entrepreneurs face is taking high risk. This is due to the fact that starting business enterprises is not as easy as it seems to be. This is facilitated by the idea that there are numerous legal and financial risks involved. Therefore, entrepreneurs are challenged to come up with an effective business plan that manages their legal and financial risks in an effort to ensure that enterprises do not prematurely end (Kuratko, 2016). For instance, in the ultra-competitive business world, numerous start-ups have failed to reach their expectations. According to Elio (2019), numerous start-ups failed due to the high risks associated with starting a business and approximately 90 percent of startups failed to reach their potential hence collapsing or going bankrupt.

As well, in entrepreneurship there are few business connections. It should be realized that business are founded on the networks of team members, influencers, partners, and investors. Hence, starting up in a new industry means that the entrepreneurs need to start building their business network from down up. Hence, most entrepreneurs who have little networking experience find this challenging since they do not know how to create or build their business network (Motoyama and Knowlton, 2017).

Every organization needs to create their own brand reputation. It should be noted that the brand reputation is how a particular brand of a business is perceived by the stakeholders, consumers, as well as the market as a whole (Hopkinson et al., 2018). This implies that the brand reputation is the culmination of emotions and ideas which consumers associate with the brand such as customer service experience. Hence, brand reputation is vital for a business enterprise since having a positive and strong brand reputation generates the factor of trust, customer loyalty, competitive edge, higher sales, and business expansion. Nonetheless, creating a new brand might be one of the challenges that entrepreneurs face. This is due to the fact that they have to build their brand reputation from the ground up. Additionally, in an existing market the start-ups face dozen competitors whose consumers are familiar with.

Another challenge that entrepreneurs face is the legal considerations. It should be realized that new business enterprises need to deal with a numerous new set of laws which is a challenge that can overwhelm entrepreneurs who do not have lawyers. It should be realized that compliance to these legal considerations is absolutely mandatory for all business enterprises (Mol-Gómez-Vázquez et al., 2019). This means that if a business enterprise fails to abide by these industry codes they might develop negative reputations as well as ultimately risking the threat of litigation.

In every business enterprise there is need to have an effective leadership. This is due to leadership focusing on leading an organization or a group of people. It should be noted that leaders in any organization are integral to the overall business success. Hence, this implies that effective leadership focuses on executing the vision of the firm as well as setting the culture and tone of that firm (Maduka et al., 2018). Additionally, leaders secure resources, plan and create while looking out along with improving the errors in the organizations. Leaders as well motivate the team members to cooperate and work together in an effort to achieve the organizational goals. This means that effective leadership is vital for the success of an organization. Nonetheless, entrepreneurs might struggle in their new leadership roles in particular if they have inadequate experience in prioritizing activities or managing people.

Additionally, starting a new business enterprise can be challenging to entrepreneurs due to having limited technology and supplies (Nambisan, Wright and Feldman, 2019). This is facilitated by the fact that new businesses might have limited supplies and amenities as compared to larger organizations. For instance, start-ups might have limited hardware such as cameras, scanners, printers, and computers. As well, SMEs might face the challenge of procuring effective and suitable software for effective supply management, information management, as well as for conference calls.

Since, these organizations are starting up, they might be unable to provide favorable benefits to their employees. For instance, entrepreneurs might not likely be capable of offering discounted gym membership or healthcare plans to their employees which can lead to high employee turnover. This means that limited benefits that the company offers might turn a few potential employees and consumers away.

Another challenge that SMEs might face is ineffective cash flow management. It should be realized that cashflow is vital to the survival of small and medium business enterprises. Nonetheless, numerous entrepreneurs might fail to pay their bills due to ineffective cashflow management since they are more likely to wait for checks to arrive (Karadag, 2015). This is facilitated by the fact that there might be delayed invoice which means that suppliers and consumers need to wait for additional days after sending their invoice.

Lack of capital is another challenge that might face entrepreneurs. Most entrepreneurs focus on growing their businesses. However, due to inadequate working capital along with other financial options access by the entrepreneur is one of the large contributors to failure of the business. It should be realized that there are numerous factors that lead to inadequate accessibility of capital to entrepreneurs. For instance, the business owners might have operational challenges that affect cashflow, inability to borrow from conventional financing sources, and having a low credit score (Chitsaz, et al., 2019). This indicates that entrepreneurs need to have proper discipline and patience in cash management. Ineffective decision making can affect entrepreneurship due to the fact that entrepreneurs are forced to make numerous decisions that affect the operations of the business enterprise (Vanauken et al., 2017). Due to making numerous decisions new entrepreneurs with little experience might have decision fatigue which can lead to making ineffective decisions that can make the business to fail.

Overview of National Support to SMEs

It is evident that SMEs play a significant role in stimulating economic growth and development. Therefore, numerous governments have focused on encouraging the growth of small and medium business enterprises in an effort to enable them to contribute to national economies. Nonetheless, it can be argued that there is a large gap between the governments' intentions and their understanding of the challenges and needs that SMEs face.

It should be realized that the most challenges that entrepreneurs face when establishing or developing their business enterprises are financial challenges. This is due to the fact that these SMEs find it difficult to receive loans and other financial assistance facilitated by the fact that they constitute a financial risk for funding these enterprises. However, it is evident that governments can assist SMEs in numerous ways such as supporting and creating specific grants or loans to the small business enterprises which attain stipulated goals such as hiring additional workers or improving productivity. Additionally, governments might as well favor SMEs in their taxing policies. For instance, most of the Organization for Economic Cooperation and Development (OECD) countries have programs that support SMEs. According to OECD (1997), one-quarter of all recounted public support programs New Zealand, Japan, Iceland, and Germany had dedicated at least 50% of their whole public support programs to small and medium business enterprises. The report continues to indicate that approximately US\$3.75 billion of public money in 1993 was paid to assist SMEs, consultancy and training services, research and development, and equipment acquisition on terms of loan guarantees, low interest rate loans, tax concessions, and direct grants. Another challenge that SMEs face is access to market. This is due to the fact that after SMEs address the financial challenges they are faced with the challenge of marketing or selling their products and services. Every SME has the objective of creating revenue. However, SMEs are faced with the challenge of how to market or sell their goods due to entrepreneurs lacking the knowledge in the field of marketing, for instance the importance and difference of marketing and sales. Galilee International Management Institute (2019) indicate that the Israeli government under the Ministry of Economy and Industry project in addressing the marketing challenge has focused on providing marketing consulting services for SMEs at a reasonably low cost.

OECD (1997) indicates that Japan has focused on international markets to ease access to markets. This has been achieved through developing policies that focus upon the application of non-discriminatory measures that pursue to support the endeavors made by the SMEs. For instance, these policies endeavor to tackle the challenges faced by SMEs in terms of lack of access to technology, external markets, and human resources. Additionally, the OECD (1997) continues to indicate that Australia and the United States have focused on public procurement in an effort to ease access to market through comprehensive efforts to augment the share in which SMEs obtain government contracts. Another vital aspect for SMEs to succeed is market exposure. This means that the governments need to assist SMEs to organize as well as subsidize conferences, networking along with other collaboration events, and trade shows to assist these business enterprises to participate at a relatively lower cost in commercial events (Muhammad et al., 2010). This approach can assist the SMEs in attracting business partners and potential customers. Most SMEs have failed to effectively manage their operations due to having ineffective management capabilities. Nonetheless, there are numerous countries that have focused on creating programs for assisting SMEs to have effective management capabilities. For instance, OECD (1997) report indicate that numerous G7 governments have focused on enhancing the

quality of managers/owners of small and medium business enterprises either through providing access to consultancy and advisory services and/or through encouraging training. The report suggests that the Japan provides the most extensive assistance that has both SME colleges as well as highly developed advisory services system. OECD report continues to indicate that Italy and the United Kingdom as well have implemented subsidy-schemes that are intended to improve the skill base of small business enterprises that take the following into account: collecting information from SMEs, situation after subsidy removal, and specification of objectives.

Technology advancement is another challenge that faces SMEs. However, countries have focused on supporting SMEs through creating technology diffusion programs that: promote customer orientation; ensure quality control; upgrade the companies' innovative capacity (such as stimulating demand for organizational and technical change and promoting general awareness of innovation value among management); build on assessment and evaluation; provide greater coherence between program design and service delivery; as well as building on subsisting inter-relationships in national innovation systems (Doh and Kim, 2014). According to OECD (1997), Germany has erudite institutional set-up catalyzing interactions between subsisting actors in country's innovative system while the United States has programs that effectively stimulate quality in diffusion processes. Nonetheless, it should be realized that the technology diffusion programs need to particularly have mechanisms for evaluation that can assist in improving their management and operation on a regular basis.

It has been evident that there are numerous national support programs for SMEs. This implies that there is a huge potential for integrating those programs into fewer schemes nonetheless with a broader scope which can make it easier for small and medium business enterprises to understand them while assisting them to lower their administrative costs. It has been argued that most of these SMEs programs last for approximately five years. Therefore, there is need to have a predictable and stable program management that focuses on the users' interest. Additionally, there is need to have a continuous review process to ensure flexibility and quality. This means that governments are required to intensify their endeavors to eliminating unnecessary red tape, disseminating information, as well as making programs to be more responsive to the shifting needs of SMEs (Strejcek and Theil, 2003). It should be realized that most of the SMEs are innovative in nature while a relative number of them are technology-driven. This means that programs for enhancing technology diffusion need to focus on raising the SMEs' capacity to absorb technology. This implies that the governments need to encourage mobility of markets and human resources for specialized services and reduce uncertainties in regulatory, tax as well as macroeconomic environment (Crick and Jones, 2000). This means that such actions might generate benefits of significant value to SMEs.

The Current Position of SME in Oman

Oman which is officially known as the Sultanate of Oman is a nation in the Southwest Asia and located on the Arabian Peninsula's southeast coast. Oman borders Yemen in the southwest, Saudi Arabia in the west, and UAE in the northwest. The country has a population of approximately 3 million where around 50 percent of the population lives in the Batinah coastal plain northwest of the country's capital and in Muscat. According to Al-Lamki (2000), Oman is in an emerging state where currently its national government is focused on the growth of SMEs to support the whole nation's economic system. This is due to the fact that small and medium business enterprises have

a greater impact on any country's economic condition. This is supported by Al Bulushi and Bagum (2017) who argue that almost 95 percent of the any country's economy depends on SMEs. The government of Oman in promoting SMEs has provided a lot of guidance and training to its management in an effort to ensure the growth of SMEs while strengthening the economy in a desired manner.

According to Ashrafi and Murtaza (2010), the Omani government in regard to SMEs decided to diversify the economy in an effort to ensure that more employment opportunities were generated for Oman citizens. This was facilitated by the fact that there were numerous expatriates that were working in the country while earning extremely high income. Al-Lamki (2000) indicates that due to high unemployment rates among citizens of Oman, the Omani government focused on Omanization strategy which was aimed at locating the people of Oman at jobs through removing expatriates. According to Ashrafi and Murtaza (2008), this strategy shows that the Omani government is actually concerned on creating employment for its citizens.

It should be realized that the Sultanate of Oman has numerous business opportunities. For instance the location of Oman port is very attractive for global trade. Additionally, Magd and McCoy (2014) indicate that the people of Oman manufacture different commodities which they then export to foreign markets such as the United States market. Oman tourism industry, on the other hand, remains very profitable which has provided the local entrepreneurs with the opportunity to establish their SMEs due to the attractiveness of SME. Ennis (2015) indicate that the Omani government has taken exemplary measures to strengthen the SME sector which has made the sector to show growth and improvement. Ennis continue to indicate that approximately 90 percent of the Oman private sector is established on the small and medium business enterprises which provides youths with a lot of employment opportunities. Even though, the government has introduced some initiatives to support SME sector, Varghese (2011) suggest that there exists some gaps. For instance, the Omani government has focused on providing short terms loans to entrepreneurs and SMEs' owners to assist them in easily starting their own business ventures while providing employment opportunities. However, Saleh (2012) indicates that those SMEs might gain success if the government can provide long term loans and credit at a low financial cost to ensure that the SMEs' owners are capable of easily paying back the loans. This is due to the fact that short term loans might create challenges in operating a successful business.

Currently, it can be argued that the Oman SME sector is at the establishment of a growth curve hence needing a high government support. AlMaimani and Johari (2015) indicate that the Oman SME sector contribution to the GDP is relatively low but it assists in reducing unemployment rates in the country. The low contribution to GDP is facilitated by the lack of governmental support to SME due to failing to provide training to SME's owners and entrepreneurs on how to effectively manage their business enterprises in the heavily competitive business environment. Khan and Almoharby (2007) indicated that 55 percent of the whole populations of the Oman are youth hence the nation needing at least 50,000 jobs in an effort to reduce unemployment rate that is projected to be 15 percent. This means that the Oman government needs to focus more on the SME sector to reducing the current issues and challenges that face SME sector. The Omani government has introduced an initiative to support SME sector through developing the Oman development bank. However, this financial institution is only providing short term loans to business enterprises with 9 percent cost of finance. Al-Balushi and Anderson (2015) indicate that

this cost of finance is really high which makes the SMEs after returning the finance to be incapable of expansion and growth that is a vital element for their success in the highly competitive business environment. There are other financial institutions in the private sector that provide finance support to SMEs which include National Bank of Oman, Bank Muscat, and Zubair Small Enterprises Centre. Neelufer and Al Amri (2014) argue that even though financial support is a vital element for small and medium business enterprises SME owners need to be offered some managerial capabilities in an effort to ensure that they effectively handle finance through developing right operations management skills, HRM practices, as well as marketing strategies. This is due to the fact that in expanding their businesses SMEs lack sufficient managerial skills which make them to fail or operate at a loss. Shachmurove (2009) indicate that the Omani government developed a rule which grants loans to individuals who have a degree of 16 years to assist them in successfully managing their operations. However, this rule has gained some criticism since it does not focus on individuals that have not gained education particularly lower income class and middle class to start their own businesses. This means that the government of Oman needs to provide assistance and training to the public to provide them with the required managerial skills needed to run their business operations. This is supported by Kuster and Vila (2011) who argue that for an SME to be more successful it needs to utilize small capital in an efficient approach to bring high returns.

Khan and Almoharby (2007) indicate that in Oman small and medium business enterprises have inadequate resources to manage and control the increase in consumer's demand. Even though they have the manpower and skills to manage augment in demands, they lack production capacity such as finance which has been a huge challenge for these businesses to expand. The Sultanate of Oman in recent years has appreciated the affirmative relationship that SMEs and startups have with the diversification of the economy, poverty alleviation, as well as provision of employment opportunities. This has led the Oman government to introduce a number of initiatives that facilitate a conducive environment to entrepreneurship. For instance, the Oman government has provided entrepreneurial education. This is evident that the Sultanate of Oman has made numerous efforts in terms of offering access to finance to ensure that there is attractive self-employment as well as feasible alternatives for jobseekers in the nation. One of such initiative is the SANAD Program which was established to target youths in Oman through granting them loans to individuals who are interested in pursuing self-employment (Khan and Almoharby, 2007). Even though this is a clearly affirmative step by the Oman government to enable the youth to pursue entrepreneurial activities, there have been questions regarding the effectiveness of the initiative. This is evident in that funding has been argued to be a significant element to a successful startup; however, there are other considerations that might negate this approach such as the lack of expertise and experience. Yarahmadi and Magd (2016) argue that any provision of finance to be actually efficient and effective it needs to be accompanied by an inclusive mentoring scheme and/or training program.

Opportunities and Areas of Improvements for SMEs Oman

In looking at other countries such as the United Kingdom there are organization like the National Enterprise Network (NEN) that focuses on providing support and training to entrepreneurs. For instance, the NEN assist entrepreneurs to explore business startups up to expanding their subsisting business enterprises. However, in looking at the provision of business support in the Sultanate of Oman it is evident that there is need for improvements. One of the national institutions that are tasked with strengthening the private sector and facilitating investment in

Oman is the Public Authority for Investment Promotion & Export Development (PAIPED). Nonetheless, this institution does not extend their activities to training local entrepreneurs or providing them with necessary skills and knowledge to start moreover grow their own business enterprises (Magd and McCoy, 2014). This is a vital function that was overlooked by policymakers hence having a clear prospect for educational organizations to contribute to the private sector growth. This implies that the entrepreneurial education initiatives need to recognize the different needs of entrepreneurs in an effort to ensure that the SMEs are developed at various phases of the business lifecycle. This is due to the fact that the support needed by entrepreneurs does not only focus on the startup stage nonetheless develops as the business enterprise seeks new approaches of sustainable growth.

It is evident that the Omani government has failed to strengthen ties between industry and education. This means that the educational institutions need to provide a steady supply of suitably skilled and qualified workforce to the SME sector. This implies that the educational institutions in an effort to achieve this in an effective manner they need to create strong ties with the industry so as to identify existing gaps and potential in the labor market while as well ensuring curriculum relevance to effectively equip the students with necessary practical skills that are need to effectively contribute to the companies where they gain employment. Hence, the educational institutions need to largely emphasis on placements and internships in an effort to allow students opportunities to firsthand experience what is anticipated of the in the workplace. This approach will as well provide employers with the opportunity if assessing the skill and knowledge gaps in future graduate in an effort to identify future needs

Women Empowerment and Leadership

Women throughout history have played significant role in numerous areas of public life as well as having proved to be an affirmative influence for societal change. However, Robinson (2015) argues that there remains significant under-representation of female leadership in organizations. This is due to the fact that women encounter numerous challenges in in accessing upper-level organizational leadership positions as compared to men. This means that women experience discrimination and barriers in accessing senior leadership positions while other when they attain such positions faces numerous complex challenges. Hence, on a global scale, there is a substantive gender gap that exists in the women representation in leadership roles. Even though in recent decades there is been a growth in women in upper-level leadership positions does not necessary mean that there is greater gender equality. For instance, The World Economic Forum (2015) provided a Global Gender Gap Report which highlights under-representation of women as leaders in most facets of working life. The study was carried out in 68 countries and reveals that there is a great number of skilled women workers across the globe as compared to men where the majority of leaders are men and only four countries which are Sweden, Finland, Norway, and Iceland there is a majority of women leaders in the workforce. This study is supported by Hoeritz (2013) who argues that in all organizations women are equally represented in lower senior positions such as office managers, coordinators, and administrators rather than in senior executive positions.

Under-representation of women in leadership positions have led numerous countries to focus on autonomy and empowerment of women. This is due to these countries understanding that the autonomy and empowerment of women as well as the improvement of their health, social, economic, and political status is a highly significant end in itself. Additionally, women

empowerment is vital for the attainment of sustainable development. This means that the full partnership and participation of both men and women is needed in reproductive and productive life, including shared responsibilities for the household maintenance as well as nurturing and care of children. On a global scale, it has been evident that women are facing challenges and threats to their well-being, health and lives due to their lack of influence and power while being overburdened with work.

In most parts of the globe, women receive less formal education as compared to men while simultaneously ensuring that the coping mechanisms, abilities and knowledge of women are habitually unrecognized. Khaduri (2007) argues that for centuries westerners have portrayed the Middle Eastern women as being helpless victims or silent shadows of suppressive traditions and customs who are incapable to form or organize their own group for themselves. This is due to the fact that in the Western world the contributions of women to finances. For instance, in looking at the Sultanate of Oman it is evident considerably different than women in the Middle East. This is evident in that western women assist in providing for the family like they male counterparts while as well being more independent as compared to Middle East women.

In looking at the Sultanate of Oman it has been evident that since the 1970s the nation has seen a major growth in wealth which has been mainly facilitated by the exploration of oil as well as good leadership which has modernized the country. Hence, the country since then has seen numerous changes in government policies, medical facilities, education, as well as increased participation of women on leadership. Additionally, due to the country's close proximity to the Indian Ocean it has experienced an increase in international influence, jobs and income. The country in recent years has pushed for more women involvement in transforming the country through modernization. Hence, in the workplace more women are increasingly becoming significant due to modernization. This implies that in Oman women are more becoming educated, working, and having increased activities in the local and national government.

It should be realized that since the Oman's Renaissance that started in 1970, there have been numerous government policies which have empowered women. For instance, Al-Sanfari (2011) argues that the country initiated a universal education policy which was relevant to both genders since it led to an increase in Omani women literacy rate while reducing the number of high education dropout rates. Al-Lamky (2007) as well indicates that the gender scenario also witnessed remarkable changes since prior to 1970 there was no formal schooling for women which currently there is a large number of women who are participating at all education levels. This is evident in that in some higher education institution in the country the number of enrolment of women first-year students exceeds male enrolment. The Ministry of Education (2014) provided an education statistics which indicated that in 2012 approximately 54 percent of graduate students were female from higher education institutions while 56 percent of the total teachers from those institutions were female.

Additionally, the Omani government has been committed in ensuring that there are no restrictions to development of women. For instance, Varghese (2011) indicated that due to the social and economic changes that took place in the country in the previous years has a huge impact on the attainments of empowering Omani women. Nonetheless, the country presently is undergoing drastic changes in its development strategies but it has recognized that women need to be provided

additional power and influence in an effort for them to attain greater success in all aspect of workplaces. As well, Mujtaba et al. (2010) has suggested that the government of Oman has aimed to raise women's educational expertise to facilitate them to be more largely involved in all parts of the workplace. This government initiative has led to a huge number of Omani women to focus on graduating from higher education institutions.

It is evident that Oman has experienced a huge impact due to increased female education which has been a defining moment in individual women's personal lives as well as the outlook and position of women in the Omani society. Al-Abri (2010) indicate that inclusion of women in the workforce in the West was led by economic necessity and market forces while that of Oman was led by education. This is due to the belief among Omani Women that academic qualifications are the path to gain better positions in the workplace. This led more women to enroll in higher education institutions with a short period of time. Al-Abri continues to argue that the increased female enrollment was due to the notion that education is a productive process that contributes to the integration and progress of Oman. Hence, education was perceived as the vehicle to which Omani women chose as a fast-track program of action. This implies that the educational achievement of Omani women provided them with confidence and capability of fulfilling roles which were previously deemed to be the exclusive privilege of men. Therefore, this approach has made an imperative impression on the Omani society as the initial step from departing from traditional women discrimination and signaled to intention of Omani government to open opportunities for both sexes for future generations.

According to Belwal and Belwal (2014), in Oman women make up approximately 55 percent of the total workforce therefore significantly contributing in banking, health, education, media as well as other business sectors. This high percentage of women in numerous business sectors indicates a number of issues such as the impact of education as well as the vision of the government in qualifying women to enter the workforce as well as the constructive transformation in the Omani society's attitudes towards female participation and involvement in the labor market. Al-Shaibany (2011) indicates that 25 years earlier there are around 8,000 working women in the government and private sectors in comparison to 32,000 as at the time of the study. This implies that the country has focused on development through ensuring that half of the human resources are represented by the women.

There are numerous women empowerment initiatives in Oman which have focused on ensuring that women benefits. For instance, there is the Omani Women's Association which was launched by Sultan Quboos after the passing of his mother. This women's association plays a vital role in the voluntary sector while benefiting women and girls. Al-Sinani (2007) argues that the Omani Women's Association has focused on enhancing the Omani women's self-image as well as helping them to continue their studies in an effort to achieve their personal goals. Additionally, during the Renaissance, the government implemented a Five-Year Development Plan. During the duration of 1996 to 2000, the government focused on the crucial role of women through new strategies and policies that enhanced the involvement of women in every sphere. Goveas and Aslam (2011) argue that the government of Oman favored female involvement and participation through favorable regulations such as equal opportunities and pay in regard to Having the same experiences and abilities. Specifically, the Oman Labor Law article 80 to 82 evidently safeguards the working conditions and rights of Omani women. Additionally Oman Labor Law article 67

awards women childcare in the case of death of spouse and paid leave for maternity. Arslanian (2013) indicated that Omani women drive, vote, and occupy ministerial positions while being members of the elected consultative council. Additionally, the SANAD program between 2004 and 2004 was offered to women with increased employment opportunities being available in both private and government sector to ensure women's effective contribution to the nation's economic growth.

As well, Omanization (localization of jobs) was brought in the country in an effort to ensure that local citizens were given job opportunities. This program promoted the launch of youth business ventures through expertise to recent graduates and provision of loans. According to Goveas and Aslan (2011), one elements of the Omanization plan was to encourage women to join labor market and work with their male counterparts, moreover efficiently contributing to economic and social welfare. This plan led to increase in the number of women in the labor market. In the context of the Omanization plan the private sector and government sector have focused on initiating additional training centers that focus on the development of professional and personal skills in numerous parts of the country in an effort to enhance the productivity of non-working women while encouraging them effective in the society. These centers as well offer additional facilities such as initial training in information technology along with pre-school provision.

RESEARCH METHODOLOGY

Research Approach

Prior to undertaking the actual research, there is need to come up with an appropriate research approach. It should be realized that the research approach is perceived to be the procedures and plans for research which span the phases from wide assumptions up to detailed data collection methods, data analysis, as well as data interpretation. Therefore, this procedure and/or plan involves numerous decisions that are taken into consideration on the order that makes sense to the researcher and readers. Therefore, this means that the study provides an overall decision in regard to research designs, data collection methods, and data analysis. The main categories of research approach are exploratory study, explanatory study, and descriptive study.

Descriptive Study

Cooper, Schindler and Sun (2006) indicate that a descriptive study approach is more formalized and habitually endeavors to describe the problem, hypothesis, and phenomenon being investigated. This implies that a descriptive research involves describing the opinions or attitudes towards a certain issues or the conditions of that issue. Additionally, it should be realized that descriptive study can be used as an exploratory study as a part or extension of explanatory research (Saunders et al., 2007). This means that studies that used descriptive study approach need to evidently have an understanding of the issues or problems that they aim to address prior to carrying the actual data collection process. This is facilitated by the fact that descriptive research is supposed to be complex and hard; therefore, needing insightful research skills in an effort to be able to effectively design and execute the descriptive study.

Exploratory Study

Exploratory study according to Saunders et al. (2007) is initially used to seek new insights while establishing the occurrence through asking queries as well as forming the phenomenon on a new approach. Therefore, this study uses and exploratory study approach since it has focused on

gaining insights on the challenges and opportunities of entrepreneurship with a case study of Oman rather than testing explanation. This is due to the fact that there are limited or inadequate studies that have focused on the challenges and opportunities of entrepreneurship from the perception of entrepreneurs in Oman. According to Churchill and Iacobucci (2009), exploratory study approach is useful in scenarios where there is lack of precision in the phenomenon under investigation. This implies that the exploratory research approach is vital for this research because of its flexibility to the used research methods. As well, the research approach is useful to this research since it does not use detailed questionnaires or complex sampling procedures.

It should be noted that exploratory studies are carried out in three approaches which are through questionnaires, interviewing experts and literature search. In using the exploratory research approach is advantageous to this study since it assists the researcher to obtain in-depth description of the issues under investigation since it does not restrain participants in the questionnaires and in-depth interviews replies. This is facilitated by the fact that the exploratory study approach provided the researcher with the opportunity of utilizing both open and closed questions in the data collection instruments. This means that the information that was provided in the data collection instruments offered a clear and true position of the participants in the addressed issues.

Nonetheless, it should be noted that in applying exploratory research approach a research can be met with some disadvantages. This study utilizes both open and closed-ended questions. For instance, the in-depth interviews had only open-ended questions which imply that in analyzing the interviews was tiresome and difficult due to huge amount of information. The questionnaires on the other hand, had some close-ended questions which forced the participants to pick the stipulated alternatives. However, the researcher reduced this disadvantage through offering the respondents with the option of adding any other options which they felt that were not provided in an effort to reduce information bias. As well, exploratory research has been argued to sometimes being linked to biases due to non-representatives, subjectiveness, as well as non-systematic design. It should be noted that the non-representatives occur in cases where the research outcomes do not precisely or accurately represent the population's characteristics (Churchill and Iacobucci, 2009). It should be realized that in any research representativeness is vital in the case where the results of the study are generalized to a broad population. However, in this study there was no non-representativeness bias since the study focused on the opinions of the entrepreneurs and the selected sample size was only entrepreneurs who appropriately produced a representativeness of the actual research population. The subjective biases occurs due to the provided replies by the participants hence indicating that the subjective issues happens due to opinions of participants or research which can lead to result biases. This was reduced through using both closed and open ended questions to ensure that there are no result biases from either participants or researcher. On the other hand, non-systematic design bias occurs by chance or from sample characteristics. Hence, the exploratory research approach was chosen for this study since it focuses on gaining new insights and it can be carried out through using qualitative and/or quantitative methods.

RESEARCH METHODS

It should be noted that there are two main types of research methods. These research methods are quantitative research method and qualitative research method. Qualitative study method focuses

on capturing what individuals do or say as a product of their interpretation of the complex world. This implies that qualitative study methods emphasizes on comprehending events from the perspectives of the respondents which in this case are the entrepreneurs. This means that the qualitative study explores the why and not how specific proceedings occur the way they do. Basically, it is evident that qualitative study method is non-numeric since it contains non-quantifiable data. Additionally, this study method is useful in the research strategies generation. According to Saunders et al. (2007) qualitative research can involve document analysis, in-depth interviews, short responses, and online questionnaires. Typically, this means that qualitative method is less rigorously structured in comparison to quantitative research method. Nonetheless, through using qualitative method research expects to obtain unanticipated information.

On the other hand, quantitative study method largely relies on quantitative information or data such as figures and numbers. This implies that quantitative study is unlike qualitative study due to the fact that it utilizes statistical measures while qualitative study normally relies on qualitative information such as words and narratives. Additionally, quantitative research is concerned more with data collection and analysis in various forms therefore accentuating on large-scale data sets. This means that the researcher used a quantitative research method in an effort to have numeric data. Prior to undertaking the quantitative research, the researcher conducted interviews and generated questionnaires which can be viewed in the appendix. This is due to the fact that quantitative study is normally perceived to be a survey that can be conducted through interviews and questionnaires.

Research Instrument

Research design is defined by Saunders et al. (2007) as the structure as well as the plan of investigation which has been made to gain responses for the research problems. This means that research design is the events' outline which the researcher carries out to be able to perform the final data analysis. Hence, it provides the plan for the study questions as well as the investigation to gain observation on the research issues. This means that this study applies a survey research design.

Survey Questionnaire

A survey research design is indicated by Veal (2017) to be a conventional approach of conducting a study. This implies that a survey research design is normally useful for non-experimental descriptive study design due to the fact that it emphasizes on describing the reality. Hence, in applying this research design, the researcher anticipated to establish the incidence of a specific situation. Particularly, this research focused on investigating the challenges and opportunities of entrepreneurship with the perception of entrepreneurs in Oman. This means that the survey research design is suitable for this study since it collects data on the identified issues.

The survey questionnaire contains numerous components. For instance, the first section of the survey questionnaire focuses on the demographic characteristics of the respondents. It should be noted that the study focuses on the perceptions of the entrepreneurs. This means that that one of the demographic characteristics of the respondents is that they should be entrepreneurs in Oman. Another profile of the respondents that the study has focused on is their age and gender. This is due to ensuring that the study is capable of identifying if the number of male and female entrepreneurs. The age of the respondents starts at 20 years up to 50 and above. Additionally, the

respondents need to have been doing entrepreneurial activities for more than one year. The second section of the survey questionnaire focuses on the answering the research questions which are provided in the appendix I.

Interviews

The study as well involves five interviews. This component of the interviews contains only the research questions that the interviewees are supposed to answer. For instance, some of the questions in the interview include: Does the national government of Oman support entrepreneurship?; Does SMEs lead to economic development in Oman?; What are the challenges that SMEs faced in Oman?; and What are the risks that entrepreneurs face during start-up in Oman? Among others. The profile of the interviews include government officials that are involved in the SME sector. For instance, the interviews with an official from the Ministry of Manpower, Ministry of Commerce Affairs (H.E. Mohsen Bin Khamis Al-Balushi, Advisor to the Ministry of Commerce and Industry), Al Raffd Fund (Miss Hayam Al Jabri) , Riyada (Mr Ahmed Al Asmi) and SME business woman (Miss Maitha Al Harthy).

Focus Groups

The study as well utilized focus group discussion. This was facilitated by the fact that focus group has been perceived to be an appropriate manner of gathering together individual from similar experiences and backgrounds to discuss a particular issue of interest. Therefore, the researcher created a focus group that involved 10 participants where the participants discussed the issues under investigation. The researcher was the moderator who guided the participants through introducing issues under investigation for discussion while assisting the group to participate in a natural and lively discussion.

Observations

Additionally, the study utilized observations to look at the issues under investigations. This implies that the researcher visited numerous SME businesses where observations were carried out. Hence, through using observation the researcher was able to directly have access to research phenomena while having high flexibility levels in terms of data application as well as generating a perpetual record of issues under investigation.

Sampling Technique

Sampling has been perceived to be an approach which offers a wide range of procedures that allows scholars and researchers to reduce the amount of information and/or data which they need to collect (Saunders et al., 2007). Hence, it can be argued that sampling assists academicians and researchers to select a particular subgroup of the whole study population that were used in data collection rather than utilizing the entire research population. It should be realized that in sampling a specific subgroup arises due to offering a higher accuracy while assisting in saving time. Additionally, sampling is useful since it assists researchers to employ a few respondents as compared to census or whole research population in data collection process since few respondents provide more detailed data or information. To ensure a higher accuracy, there is need for researcher prior to selecting the sample size to take into consideration the sampling techniques which will be employed in selecting the respondents. There are two categories of sampling methods which are non-probability sampling as well as probability sampling. It is evident that these main categories have their own sampling design and procedure.

This research in selecting the respondents for questionnaires utilized a probability sampling method. Probability sampling method is defined by Kalton (2014) as any sampling techniques that use any method of random selection. Hence, this research has utilized a random sampling technique that precisely is simple random sampling technique. This technique was specifically utilized since it offers an equal opportunity to every respondent to be chosen in undertaking the research. The need to use simple random sampling in selecting the respondents for questionnaires is that this process is much less complicated as compared to other sampling techniques such as the stratified random sampling. This is due to respondents in the subset being randomly selected while not taking any additional steps. Additionally, the simple random sampling there is no bias since the individuals are selected randomly hence providing each individual with the same probability of being chosen.

In selecting respondents for the focus groups and interviews, the researcher utilized a judgmental purposive sampling technique which is a non-probability sampling method. This implies that the researcher chose the respondents for the focus groups and interviews using their own judgment and knowledge with the probability that the study outcomes will have a minimum margin of error hence being highly accurate. The need to use judgmental purposive sampling in the interviews and focus groups is due to the fact that the target population had highly intellectual people hence ensuring that the researcher to filter and approve the sample.

Target Population

This study focused on evaluating the entrepreneur's perception on the challenges and opportunities that face entrepreneurship in the Sultanate of Oman. Specifically, the target population of this research were entrepreneurs in the Sultanate of Oman. Currently, there are over 9,000 SMEs in Oman who makes the study setting. In those SMEs, there are numerous entrepreneurs who specifically makes the target population. The entrepreneurs were chosen on the basis that the study focused on exploring the opinions of entrepreneurs since they are involved in entrepreneurship in Oman.

Sample Size

There are over nine thousands of SME's in Oman, the study sample size is 100 participants but the actual participants who responded for the questionnaires were 70 respondents. Additionally, the respondents for interviews were actually five individuals. This study utilized a large sample size to ensure that the outcomes of the study were generalized to the entire study population.

DATA COLLECTION METHODS

Basically, this study utilized a quantitative research method which indicates that the researcher focused on obtaining quantitative data hence the need to use various data collection methods. Particularly both primary and secondary data collection methods were utilized in this study.

Primary Data Collection Method

The first data collection method that was used in this study was primary data which assisting the researcher to understand the issues under investigation. It should be noted that there are various data collection instruments which were applied in the primary data collection. One of such instrument that was used in collecting primary data was the questionnaire. The researcher chose the questionnaires to be utilized in the research due to the number of respondents, nature of the

research issues under investigation, and cost. The questionnaire that was used contained both close and open-ended questions. Additionally, the questionnaire was chosen for this study since it is a reliable and quick way of gathering information from various respondents in an efficient and effective manner. As well, questionnaire is perceived to significant in conducting large researches which have complex research objectives due to the fact that the research can be carried out on a timely manner. The use of questionnaire was efficient for the research since the researcher was able to reach numerous respondents within a few weeks.

However, it should be noted that questionnaires have their own disadvantages such as having fixed and strict formats which eliminates the likelihood for more in-depth and abstract observation. This research eliminated such disadvantage through ensuring that they had open-ended questionnaires. Additionally, the questionnaire was supplemented by in-depth interviews which provided in-depth responses. The questionnaire that was used in this research had two sections. The questionnaire's first section contained demographic characteristics of the respondents such as gender, age, as well as the occupational length in the SME sector. The questionnaire's second section contained questions that focused on obtained responses for the actual research questions which addressed the study objectives. The researcher before providing the questionnaires to the respondents first contacted the selected participants through email in an effort to clearly make certain that they understood the research purpose. The researcher as well sent consent forms to the respondents. Lastly, the researcher sent the actual questionnaires to the respondents through email whereby after filling out the questionnaires the participants emailed it back to the researcher. In conducting the interviews the researcher went to the offices of the interviews since the conducted interviews were few where the researcher audio recorded the interviews as reference points for data analysis purposes.

Secondary Data Collection Method

As well, this research applied secondary data collection method. Specifically, the secondary data comprise reviewing existing literature on the issues under investigation. The need to review existing literature arose due to having theoretical information which was to be used in supporting the primary data. Additionally, the reviewed literature was utilized as a background check for the primary data reliability which was facilitated by the fact that secondary data is perceived to be a rich source data. This means that the researcher reviewed existing information from official corporate websites, reports, internal memo, academic journals and articles, as well as books. Some of journals used include:

Data Reliability and Validity

In conducting any form of a study, there is need to consider two significant factors in the designing process of the study up to the final data analysis. These vital factors are data reliability and data validity. Data reliability in a quantitative viewpoint is perceived to be the level to which the outcomes of the study are consistent over a period of time. This implies that when there is higher data reliability it measures that the study findings actually represent the entire population. This means that data reliability is when the same methodology is used that the study is again reproduced. Hence, the results of the research are perceived to be reliable. This study due to using questionnaire as the primary data collection instrument there was need to ensure the consistency of the study results. Hence, a test-retest method was applied in an effort to obtain accurate answers. This means that the researcher provided a few questionnaires to individuals who did not

participate in the actual study to determine the level of stability of the questionnaire items. In using the test-retest method, the same questionnaire was provided to the same respondents on two different occasions. The test-retest reliability coefficient was 0.84.

Table 3.2 General guidelines for reliability coefficient

Reliability coefficient value	Interpretation
.90 and up	excellent
.80 - .89	good
.70 - .79	adequate
below .70	may have limited applicability

In comparing the reliability coefficient value of the test for reliability of this study which was 0.84 with the general guidelines it is evident that the study had a good reliability which indicates that the test-retest method provided a higher stability level which indicated that the research findings had a higher reliability level.

Data validity, on the other hand, is perceived to determine if the research has accurately measured what it was meant to measure. This indicates that the in a research data validity stresses the truthfulness of the study findings. Hence, the study applied content analysis to measure the study instrument validity. This implies that the contents of the questionnaires were analyzed to evaluate if they measure and match the objectives of the study. The result of the test for reliability and validity indicate that the questionnaire items are valid and reliable.

Ethical Considerations

It should be realized that in undertaking any research there are some ethical issues which the researcher needs to take into consideration. This is due to the fact that the research might have might some individuals. These ethical considerations involve legal issues and social issues which are discussed below.

Legal Considerations

One of the major issues that need to be carefully considered prior to conducting a research is the ethical issues particularly in situations where human beings are used in the research. The need to focus on ethical issues is due to the fact tdhat the individuals who participate in the study might be harmed or injured. There are two categories of harm that need to be considered in ethical protection and are physical harm and psychological harm. The physical harm implies any bodily injury that the individuals involved in the study might experience while the psychological harm is perceive to be feelings that the individuals involved in the study might experience such as being undermined or offended by the gathered data, data interpreted, and/or the drawn conclusions. It should be realized that numerous regulatory bodies have been established to uphold the safety of individuals that are involved in the study. Therefore, the researcher obtained approval to undertake the research from appropriate regulatory bodies prior to proceeding with the research.

Social Considerations

Hence, the researcher in conducting the research provided consent forms to the respondents in an effort to ensure that they understood the study objectives, and study purpose. Hence, prior to conducting the actual research the participants were informed how the study will be carried out through consent forms which were sent to them through email. Additionally, the researcher upheld the principles of anonymity and confidentiality. This was achieved though using the collected data only for the purpose of the study while ensuring that no personal data was shared. Additionally, after analyzing the data the questionnaires were shredded.

DATA ANALYSIS

Respondents' Demographic Characteristics

In an effort to understand the characteristics of the respondents, it was vital for the researcher to focus on the demographic characteristics such as the gender of the respondents, age bracket and how long they had been working in the SME sector. The demographic analysis is presented in form of bar charts, and expressed in percentages to assist in data interpretation. The below chart provides the gender of the participants.

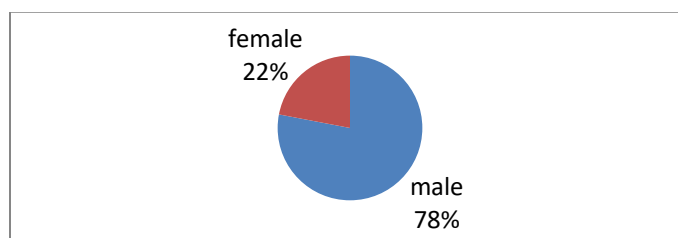


Figure 4.1: Gender of Respondents

From figure 4.1, it is evident that the number of male respondents was more than that of the female. For instance, the percentage of male respondents was 78% while that of the female was 22%. This indicates that in the Sultanate of Oman there are few females in the SME sector. This data is supported by the interviews that were carried out. For instance, one interviewee indicated that very few female are in entrepreneurship or SME sector due to lack of support from the government. This is due to the fact that women in the Arab nations have not been provided with adequate education to assist them in the SME sector. Additionally, one interviewee indicate that even if there are women empowerment programs in Oman they have been ineffective whereas there is inadequate awareness of the those programs to women. Hence, this basically implies that most individuals who are in entrepreneurship and SME sector are males.

Additionally, the study focused on looking at the age brackets of the respondents. This was due to assisting the researcher to look at the age group ranges of the participants in an effort to understand if youth are involved in entrepreneurship. The ranges that were used in looking at the age bracket of the respondents include below 25 years of age, 26-35 years, 36-45 years, as well as 45 years and above. In understanding the age bracket, the researcher started with the age bracket of 25 years and below since according to international labor laws, a person to be able to work in any sector or industry they need to be at least 18 years old. The figure below provides the respondents age brackets.

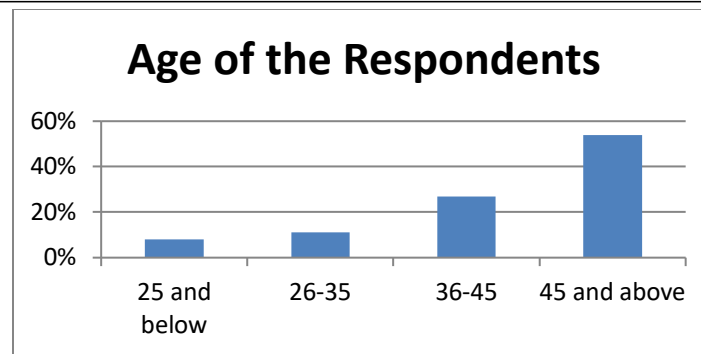


Figure 4.2: Age of respondents

The figure 4.2 has illustrated the responses of the participants. For instance, the figure has indicated that the least respondents that were involved in the study were aged 25 years and below with a 8%, slightly followed by participants who were aged between 25 years to 35 years with 11%. Additionally, participants who were aged between 36 years to 45 years had a 27% while most of the respondents 54% were aged 45 years and above. Basically, this implies that most of the individuals that are in entrepreneurship and SME sector are aged 45 years and above. This is facilitated by the fact that these individuals have access to capital and increased experience in the SME sector. For instance, one of the interviews indicated that he started working in SME sector in an effort to increase his skills and knowledge before starting his own company. This assisted him in understanding business approaches and processes.

As well, the study focused on understanding the period in which the participants had worked in the SME sector and entrepreneurship. The researcher ensured that the period that the participants had worked in the current SME sector was divided in ranges which included less than one year, 1-2 years, 3-4 years, along with above five years. The figure below illustrated the findings of the duration of the respondents in working at the current SME sector.

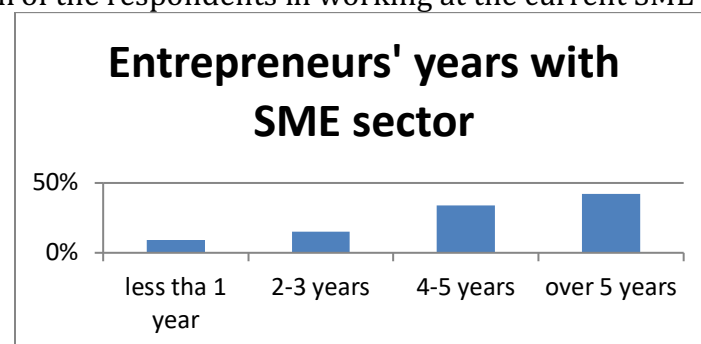


Figure 4.3: Entrepreneurs' years with SME sector.

From figure 4.3, it is evident that around nine percent of the participants have worked in the SME sector for less than one year while 15 percent have worked in the SME sector for two to three years. Additionally, the graph indicates that 34 percent if the participants and worked in the SME sector for four to five years while 42 percent had worked in the SME sector for over five years. This means that more than 75 percent hand worked in the SME sector for more than four years. This means that the respondents due to the period that they worked in the SME sector they have the knowledge of the challenges and opportunities of SME.

Understanding Entrepreneurship and Government Support

This study focused on entrepreneurship hence the need to ask the respondents if they understand entrepreneurship. Most of the respondents indicated that they understand entrepreneurship. For instance, one of the interviewees indicated that entrepreneurship is opening a new business through innovation or providing existing products in new approaches. It should be realized that this response is supported by literature review since entrepreneurs have been perceived to pioneer developments of new technologies, developed business enterprises, as well as invented new products and services while forcing resources relocation away from subsisting users to more and new productive users.

As well, the respondents were asked if the government has supported entrepreneurship. Most of the respondents indicated that the Oman government has provided initiatives which support entrepreneurship such as the SANAD Program which was established to target youths in Oman through granting them loans to individuals who are interested in pursuing self-employment. However, the literature has indicated that some of these initiatives have been met with criticism due to their ineffectiveness. For instance, the literature indicated that the SANAD program does not extend their activities to training local entrepreneurs or providing them with necessary skills and knowledge to start moreover grow their own business enterprises (Magd and McCoy, 2014).

The Challenges that SMEs face

In an effort to clearly understand entrepreneurship and SMEs in Oman, there is need to understand the challenges that SMEs face in the Sultanate of Oman. The reviewed literature has highlighted some of the challenges that SMEs faces in Oman. Therefore, using that theoretical framework form the literature it was vital to look at these challenges in an effort to understand the SME sector in Oman. The below table illustrates the findings.

Table 4.1: The challenges that SMEs Face

The challenges that SMEs face		
Challenges	Frequency (f)	Percentage (%)
Multiple tasks	10	14.3%
High risks	6	8.6%
Financial challenges	19	27.1%
Adherence to corporate law obligations	7	10%
Few business connections	6	8.6%
Lack of capital	15	21.4%
Creating own brand reputation	4	5.7%
Any other	3	4.3%
Total	70	100

The above table 4.4 indicates that 14.3% of the respondents indicated that multiple tasks are one of the challenges that face SMEs. This is due to the fact that entrepreneurs carry out numerous tasks such as being the owner managing director as well as the sales person. This is due to the fact

that entrepreneurs are involved in every aspect of running the business. Additionally, the figure illustrates that 8.6% of the respondents indicated that high risks are one of the challenges that face entrepreneurship and SMEs. This is facilitated by the fact that most of the SMEs are startup businesses hence experience volatile and highly competitive business environments. For instance, one of the interviewee indicated that SMEs face numerous uncertainties since in the past years numerous SME startups have failed hence leading to their business closure. Additionally, the table indicates that most of the challenges that face SMEs are financial challenges with 27.1% and lack of capital with 21.4%. This is supported by the reviewed literature; for instance, Karadag (2015) indicates that numerous entrepreneurs fail to pay their bills due to ineffective cash flow management since they are more likely to wait for checks to arrive which is facilitated by the fact that there might be delayed invoice which means that suppliers and consumers need to wait for additional days after sending their invoice. Additionally, Chitsaz et al. (2019) indicated that inadequate working capital along with other financial options access by the entrepreneur is one of the large contributors to failure of the business. For instance, the business owners might have operational challenges that affect cash flow, inability to borrow from conventional financing sources, and having a low credit score. Other challenges that were indicated include adherence to corporate legal obligations (10%), few business connections (8.6%), and creating own business reputation (5.7%). Additionally, the interviews carried out indicates other challenges such as ineffective management capabilities, ineffective decision making, and high employee turnover due to inability to provide favorable employees benefits.

Mitigating Strategies to Overcome Challenges

After indicating the challenges that SMEs face in Oman, the participants were asked to indicate the some of the mitigation strategies that can assist in overcoming challenges faced by SMEs in Oman. Therefore, this subsection highlights the mitigating strategies which can assist in overcoming challenges faced by SMEs in Oman. The table below provides the findings.

The mitigating strategies to overcome challenges faced by SMEs in Oman

Table 4.2: Mitigating Strategies

Mitigating strategies	F	%
Government support	23	32.8%
Borrowing credit from financial institution	11	15.7%
Entrepreneurship empowerment programs	14	20%
Favorable legal obligations	15	21.5%
Others	7	10%
Total	70	100

The above table 4.5 has indicated that 53.8 percent of the respondents argued that one of the mitigating strategies to overcome challenges faced by SMEs in Oman is through government support. This was supported by the interviews conducted since some of the interviewees argued that the government can support the SME sector through providing affordable loans, assisting the entrepreneurs through providing business connections such as ensuring that they pay low prices for trade fairs and business exhibitions as compared to other commercial businesses. As well, 15.7

percent of the respondents argued that borrowing credit from financial institutions can assist in overcoming the challenges while 20 percent argued that entrepreneurship programs as well can assist in overcoming challenges faced by SMEs in Oman. For instance, entrepreneurship programs that focus on management skills can assist entrepreneurs to effectively manage their business enterprises hence ensure their success in the highly competitive business environment. Additionally, 21.5 percent of the respondents indicated that there is need to have favorable legal obligations as a mitigating strategy to overcome challenges pertaining to adherence to corporate obligations. For instance, business startups can be provided with lower tax obligations or subsidies to ensure that they thrive in the highly competitive business environment. Other mitigating strategies that were addressed include providing entrepreneurship training to existing and new entrepreneurs, providing grants to entrepreneurs, as well as assisting entrepreneurs in marketing their products.

Benchmarks for Evaluating Local Business Contribution

Entrepreneurship has been argued that entrepreneurship and SME sector play a significant role in stimulating economic growth and development. On a global scale, it has been argued that they led to innovation in the society, job creation, economic diversity, and increased gross domestic product of a nation. However, there is need to understand the benchmarks that can be used to evaluate the local business contribution of entrepreneurship and SME sector to the Oman economy as compared to global economy. Therefore, the table below provides the findings of the study.

Table 4.3: Benchmarks for evaluating local business contributions.

The benchmarks for evaluating local business contribution		
Benchmarks	Frequency (f)	Percentage (%)
Job creation	28	40%
Bringing innovation to the community	14	20%
Contributing to local government (taxes)	22	31.4%
Any other	6	8.6%
Total	70	100

The above table 4.6 has indicated that approximately 40 percent of the respondents indicate that one of the benchmarks for evaluating local business contribution to the Oman economy as compared to global economy is local job creation. This is due to the fact that entrepreneurship and SME sector creates numerous job opportunities for the local communities which assist them in having a source of income to elevate their living standards. Additionally, 31.4 percent of the respondents have indicated that the one of the benchmarks is the contribution of the SME sector to local government through taxes. This is facilitated by the fact that these SMEs pay taxes which are used to develop the economy of the local government such as through infrastructure development, education and health development. As well, 20 percent of the respondents indicated that another benchmarks is to evaluate how the SMEs bring growth and innovation to the local communities. For instance, looking at new ways, approaches or processes of carrying out new or existing businesses as well as how the local community has grown due to SMEs. As well, the study

has indicated other benchmarks that can be used to evaluate the contribution of SMEs to local economy include local economic development and SMEs contribution to local GDP.

Promoting a Diversified Economy

The Sultanate of Oman is a country that is rich in oil and natural gases. Hence, the economy of Oman has mainly been supported by the oil sector along with tourism sector. Nonetheless, the country has focused on diversifying its economics due to the location of Oman port which is very attractive for global trade. Additionally, Magd and McCoy (2014) have suggested that the people of Oman manufacture different commodities which they then export to foreign markets such as the United States market. This means that the country is capable of promoting a diversified economics and non-oil sectors in Oman. Therefore, the study focused on understanding the key elements to promote diversified economy in Oman. The table below provides the findings.

Table 4.4: Key Elements to Promote Diversified economy

Key elements to promote diversified economy		
Key elements	Frequency (f)	Percentage (%)
High government support	26	37.2%
Long-term loans	17	24.3%
Entrepreneurial education	19	27.1%
Any other	8	11.4%
Total	70	100

The above table 4.7 has shown the key elements that can be used to promote a diversified economy and enhance non-oil sectors in Oman. The findings indicate that 37.2 percent of the participants indicated that one key element is high government support of non-oil sectors. This is due to the government failing to support other sectors which can lead to increased economic diversification. For instance, it has been evident that Oman has good tourism destinations. The country can focused on enhancing the tourism and hospitality sector which can hugely contribute to the national economy. Additionally, the government can increase theirs support of SME sector and other private sectors. As well, 24.3 percent of the respondents indicate that providing long-term loans to entrepreneurs can assist in promoting economic diversification. This is due to entrepreneurs having loans at a low financial cost which can assist them in maximizing their profitability. As well, 21.7 percent of the respondents have argued that entrepreneurial education can assist to promote diversification. This has been facilitated by the fact that the country produces many commodities which are sold to foreign markets such as the United States. Nonetheless, most of the SMEs fail in a span of five years due to inadequate management capabilities. Hence to promote a diversified economy there is need to ensure those SMEs and startup does not fail through providing entrepreneurial education to assist the entrepreneurs in managing their business enterprises.

Women Empowerment and Leadership

Numerous countries have focused on ensuring that women are empowered while they are involved in leadership. Most developed and developing countries have focused on women

empowerment programs to assist women in entrepreneurship and leadership. Nonetheless, most countries in the Asian continent have failed to effectively empower women. Therefore, the Sultanate of Oman being in the Middle East it is vital to investigate if they have focused on women empowerment. The chart below provides the findings.

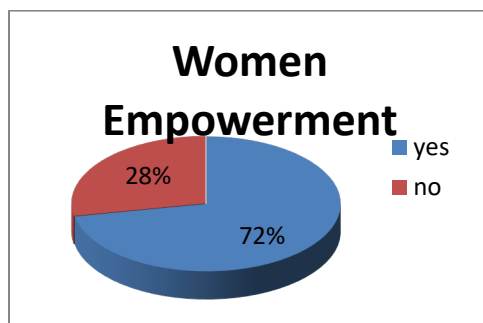


Figure 4.4 Women Empowerment

The above pie chart indicate that 72 percent of the respondents indicate that the Sultanate of Oman has focused on women empowerment and women leadership while 28 percent indicate that the Sultanate of Oman has failed to ensure women empowerment. Additionally, the participants were asked to provide ways in which the government can influence women empowerment and leadership. The following table provides the findings.

Table 4.5: Ways to Influence Women Empowerment

Ways to influence women empowerment and leadership		
Ways	Frequency (f)	Percentage (%)
Women empowerment programs	29	41.4%
Government support	21	30%
Credit and loan facilities	14	20%
Any other	6	8.6%
Total	70	100

The above figure indicates some of the ways in which women empowerment and leadership can be influenced through introducing solutions to the challenges to compete with men include women empowerment programs, government support, and credit and loan facilities to women. The figure indicate that 41.4 percent of the respondents argued that women empowerment programs was the solution to influence women empowerment and leadership; 30 percent argued that government support will influence women empowerment and leadership; and 20 percent indicated that loan and credit facilities to women will influence women empowerment and leadership. Additionally, other ways to influence women empowerment and leadership to compete with men included entrepreneurial training centers for non-working women, increased involvement of women in senior executive positions, and awareness of the importance of formal education among women.

Key Opportunities that Oman Government Provides Entrepreneurs

It has been evident that entrepreneurship and SME sectors contribute hugely to the national economy and to economic diversification and development. Therefore, numerous countries have focused on providing opportunities to their entrepreneurs in an effort to ensure that they contribute to the national economy. Hence, the participants were asked to provide the key opportunities that the Oman government has provided to entrepreneurs. One of the answers that were provided includes short-term loans. This is due to the fact that one of the challenges that entrepreneurs have faced in the SME sector is lack of capital. Hence, the government has provided them with the opportunity of having access to short-term loans in an effort to ensure that they are capable of running their businesses. This is supported by Al-Balushi and Anderson (2015) who argue that the Omani government has introduced an initiative to support SME sector through developing the Oman development bank. However, one disadvantage of this financial institution is that it only provides short term loans to business enterprises with 9 percent cost of finance which is really high which makes the SMEs after returning the finance to be incapable of expansion and growth that is a vital element for their success in the highly competitive business environment.

Another key opportunity that the Oman government has provided entrepreneurs in the country include empowerment programs such as the SANAD program. The respondents argued that the SANAD program has assisted the youth who are interested in pursuing self-employment in opening entrepreneurial activities through granting them loans. Additionally, they have argued that the SANAD program has assisted the recent graduates with expertise training to assist them in their career progression.

Marketing Strategies for SMEs in Oman

For small and medium business enterprises to be more reachable or have a higher return on investment they need to have effective marketing strategies. Therefore, the respondents were asked to indicate the marketing strategies which are more reachable and bring a high return on investment for SMEs in Oman. One of the marketing strategies that was evident from the responses was branding. This is due to respondents arguing that SMEs in an effort to attain a high return on investment they need to establish a clear identity. For instance, one of the interviewees indicates that in an effort for a company to communicate it does as well as what it stands for they need to a clear identity, and logo. This is due to the fact that when a company knows what they represent they need to have a suitable name, imagery, colors, and a logo that conveys the message to their consumers. For instance, a company that has a logo they use that logo on everything such as email signature, envelopes, memos, business cards, and advertising in an effort to build brand visibility and awareness.

Another marketing strategy that SMEs use to increase their return on investment is having a strong online presence. The respondents argued that a company needs to have an official website that is accurately designed to ensure that it is logically laid out, easy to navigate and user-friendly. Additionally, the respondents indicated that having a strong online presence means that the SMEs need to be on social networking where they can connect with their consumers and provide a platform for the consumers to create content for them. As well, one interviewee indicated that they can use social networking platforms to place their ads such as Facebook Ads.

Another marketing strategy that SME use to be more reachable and have high return on investment is customer profiling. The respondents argued that there is no one-size marketing strategy that fits all which a company can follow moreover anticipate great results. This is due to the fact that all companies are different and hence have different requirements. This means that SMEs that have a high return on investment focus on customer profiling through carefully thinking about their target consumers, age, demographic characteristic, online services they utilize, where they live, and what they look for in their product. This then assists the SMEs to develop a more effective and targeted overall strategy which focuses on approaches that are more likely to produce productive results for the SMEs.

Lastly, the respondents argued that SMEs with high return on investment focus on promoting their product awareness with free demos and samples. The respondents mainly argued that this approach effectively works for business startups where they focus on building awareness regarding their products and services hence letting the people try their products through free samples.

FINDINGS

In looking at this study it has been evident that there are numerous opportunities and challenges that face entrepreneurship in the Sultanate of Oman. For instance, it has been evident that many business startups fail due to lack of capital, mismanagement of cash flow, and adherence to corporate law, multiple tasks, high risks, and few business connections. This is evident in that most businesses start with inadequate capital and due to unavailability of credit facilities they fail to fund their business operations. This has been supported by Chitsaz, et al. (2019) who argue that SMEs' business owners might have operational challenges that affect cash flow, inability to borrow from conventional financing sources, and having a low credit score. Additionally, financial challenges such as mismanagement of cash flow have been evident that they lead to numerous business failing. This is supported by the reviewed literature; for instance, Karadag (2015) indicates that numerous entrepreneurs fail to pay their bills due to ineffective cash flow management since they are more likely to wait for checks to arrive which is facilitated by the fact that there might be delayed invoice which means that suppliers and consumers need to wait for additional days after sending their invoice. Additionally Chitsaz et al. (2019) indicated that inadequate working capital along with other financial options access by the entrepreneur is one of the large contributors to failure of the business. For instance, the business owners might have operational challenges that affect cash flow, inability to borrow from conventional financing sources, and having a low credit score. Other challenges that were indicated include adherence to corporate legal obligations since SMEs need to adhere to numerous new set of laws which is a challenge that can overwhelm entrepreneurs who do not have lawyers. It should be realized that compliance to these legal considerations is absolutely mandatory for all business enterprises. This means that if a business enterprise fails to abide by these industry codes they might develop negative reputations as well as ultimately risking the threat of litigation.

However, the research has indicated that there are mitigating strategies to overcome these challenges which include government support, borrowing credit from financial institution, entrepreneurship empowerment programs and favorable legal obligations. It has been argued that the government of Oman has focused on providing strategies to ensure the growth of SMEs. One of such program is the SANAD program that focuses on providing loan grants to the youth who want to pursue self-employment. Another empowerment program is the Omanization program that

focuses on localizing jobs in an effort to ensure that the local citizens have better paying jobs rather than employing expatriates. Additionally, it should be noted that there is need to have entrepreneurship programs that focus on management skills can assist entrepreneurs to effectively manage their business enterprises hence ensure their success in the highly competitive business environment. Additionally, the respondents indicated that there is need to have favorable legal obligations as a mitigating strategy to overcome challenges pertaining to adherence to corporate obligations. For instance, business startups can be provided with lower tax obligations or subsidies to ensure that they thrive in the highly competitive business environment. Other mitigating strategies that were addressed include providing entrepreneurship training to existing and new entrepreneurs, providing grants to entrepreneurs, as well as assisting entrepreneurs in marketing their products.

The ways to influence women leadership and empowerment to ensure that women are competitive with their male counterparts include women empowerment programs, government support, and providing credit and loan facilities to women. It has been evident that there is no women empowerment programs even though the SANAD program provides grant loans to young girls that want to pursue self-employment. This means that the SANAD program does not cover adult women. Additionally, government support such as opening women entrepreneurial centers is needed. The opportunities that the government provides entrepreneurs include short-term loans through the Oman development bank. However, one disadvantage of this financial institution is that it only provides short term loans to business enterprises with 9 percent cost of finance which is really high which makes the SMEs after returning the finance to be incapable of expansion and growth that is a vital element for their success in the highly competitive business environment. The marketing strategies for SMEs in Oman include branding, strong online presence, customer profiling, and promoting their product awareness with free samples.

CONCLUSION

Entrepreneurship has been argued to lead to economic growth, innovation, diversity and job creation. This has led numerous countries to focus on creating better policies and regulatory that support SMEs growth. Nonetheless, it has been evident that entrepreneurship in Oman faces numerous challenges and opportunities. For instance, the challenges include lack of capital, lack of managerial capabilities, mismanagement of cash flow, high risks, adherence to corporate laws, few business connections, and multiple tasks. The opportunities include short-term loans, the Omanization plan, and other governmental supports.

Additionally, it has been evident that the government has focused on supporting the youth and women through numerous programs. For instance, the youth have been provided with loans to ensure that they are able to start their own businesses after completing higher education. Additionally, they are integrated into other jobs after finishing their higher education. Women have been empower through education and equal pay and opportunities. This means that the Oman government in terms of entrepreneurship has ensured that it supports its in an effort to ensure that it contributes to economic development.

RECOMMENDATIONS

In looking at this study, the first objective was to identify the challenges and opportunities that face entrepreneurship in the Sultanate of Oman. The study has identified numerous challenges such as lack of capital, lack of managerial capabilities, mismanagement of cash flow, high risks,

adherence to corporate laws, few business connections, and multiple tasks. The opportunities that are present in entrepreneurship has been argued to be short-term loans, the Omanization plan, and other governmental supports. Nonetheless, it has been evident that these opportunities have some drawbacks. For instance, short-term loans have been deemed to be costly due to having a 9 percent cost of finance. Al-Balushi and Anderson (2015) have indicated that this cost of finance is really high which makes the SMEs after returning the finance to be incapable of expansion and growth that is a vital element for their success in the highly competitive business environment. Therefore, it can be recommended that there is need for the government to provide long-term loans to entrepreneurs in an effort to ensure that they are capable of having adequate finance to facilitate their growth and expansion in the highly competitive business environment.

The second objective of the study was to investigate on the local entrepreneur business contributions to the Oman economy. The findings of the study have indicated that entrepreneurship and SMEs in Oman play a significant role in spurring innovation, rapid job creation, increasing long-term productivity, along with gross domestic product (GDP) growth. This implies that entrepreneurial activities are vital in today's economy since the unemployment rates have reduced while the economic growth has increased. This is due to social changes and economic uncertainties in Oman driving individuals towards careers in new ventures as well as entrepreneurship. Additionally, one of the benchmarks used to measure the contribution of the SME sector to local government is tax. This is due to these SMEs paying taxes which are used to develop the economy of the local government such as through infrastructure development, education and health development. Nonetheless, to ensure that the entrepreneurship and SMEs continue to contribute to the local government it is recommendable to ensure that the government provides an all-inclusive initiative to promote entrepreneurship in Oman. This is due to the fact that the government has focused only on youth and women without ensuring that men as well continue to contribute to the local government through their entrepreneurial activities.

The third objective of the study was to plan for a mitigation strategy to overcome challenges faced by SMEs. This is due to the fact that the study has indicated numerous challenges which have faced entrepreneurship in the Sultanate of Oman. The study findings have illustrated that the government of Oman has focused on women empowerment primarily through education. For instance, women are provided equal employment opportunities and equal pay provided that they have the same qualifications and experience as their male counterparts. This means that the government has failed to assist non-working women through empowerment programs. Therefore, it is recommended that the government need to open women entrepreneurial training centers for non-working women to ensure that they contribute to local community and economic development.

The last research objective of the study was to identify key elements which will be improved to promote a diversified economy among non-oil sectors. The study findings have shown the key elements that can be used to promote a diversified economy and enhance non-oil sectors in Oman include high government support of non-oil sectors. This is due to the government failing to support other sectors which can lead to increased economic diversification. For instance, it has been evident that Oman has good tourism destinations. The country can focus on enhancing the tourism and hospitality sector which can hugely contribute to the national economy. Additionally, the government can increase their support of SME sector and other private sectors. As well, the

study has indicated that providing long-term loans to entrepreneurs can assist in promoting economic diversification. This is due to entrepreneurs having loans at a low financial cost which can assist them in maximizing their profitability. As well, entrepreneurial education can assist to promote diversification. Hence to promote a diversified economy the study recommends that there is need to ensure those SMEs and startup do not fail through providing entrepreneurial education to assist the entrepreneurs in managing their business enterprises.

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