

The Strategic Management Process for Innovation Activities of OMAN Telecommunication Company (OMANTEL)

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ABSTRACT

This research will investigate on the strategic management process of the entrepreneurship and innovation activities of Oman Telecommunication Company (OMANTEL). It will assess the chosen organization's (Omantel) characteristic that is facilitating innovative process, implement activities that establishes an innovative environment within the structure of an organisation and analyse the strategic approach of the company's innovation management. Moreso, this will also outline a discussion on the dynamics and characteristics of Omantel company and how the ICV policy could be improved; and will analyse as well the strategic management process adopted by Omantel company in driving entrepreneurship and innovation. To achieve these objectives, the relevant sources of information to be utilized include online articles, books and relevant entrepreneurship, innovation and SME journals. Finally, recommendations were made to improve the organization's innovation process; foremost of which is a program that would provide new skills and knowledge to employees to foster creativity and innovation across organization.

Keywords: entrepreneurship and innovation, innovation, strategic management process, forces that initiate innovation, factors for successful innovation process

INTRODUCTION

Entrepreneurship can be defined as the process of developing new business ventures and or growing the existing ones (Wiklund et al. 2014). Many organizations across Oman have ventured into entrepreneurship as a way of expanding their businesses to achieve their goals by raising their profitability index. In this regard, therefore, many organisations are exploring new venture ideas and opportunities and implement them in order to increase their revenue streams and expand their growth. One of the key elements of entrepreneurship is innovation, which is the process of generating new and viable business ideas. This is significant in entrepreneurship as it is a prerequisite for entrepreneurial firms to gain a competitive and develop a sustainable business (Zhao 2015).

Omantel Telecommunication company is the first and leading Omani integrated telecom service provider founded in the year 1996. It is a public company operating in the telecommunication industry by providing various telecommunication services such as the mobile, internet and fixed-broadband

services. The company is seeking to empower businesses as well as individuals by connecting them to each other across the globe (Omantel 2020). Also, the company is working with the government authorities, multinational corporations, small and medium-term enterprises as well as individuals by capitalizing on the ultra-low latency networking utilized in enabling digital transformation and innovation. Furthermore, the company's headquarters is located in Ruwi and is currently has a workforce of approximately 2690 employees.

THE INNOVATION CHARACTERISTICS OF OMANTEL AND THE ICV POLICY

There are numerous characteristics of Omantel company which describes the organization. One of its characteristics is the continuous engagement in innovation. In this regard, Omantel company is continuously coming up with new business processes, products as well as technological systems which meet its organizational and stakeholder needs and improves the organizational productivity. Other notable characteristic is flexibility as evident by the company's flexible organizational structure which accommodates new systems, approaches and leadership which are implemented across the organization. It also offers flexible data packages to accommodate the internet needs of the lower-middle- and high-class clients (Omantel 2020). Furthermore, the company is noted for its agility due to its ability to move quickly and easily in responding to a change and /or challenge of the business environment (Young 2017). The company is also agile in addressing their customers issues, queries and/or challenges they faced when consuming the company's telecommunication services and products. On the other hand, the organization leadership and resources are so dynamic in enhancing the employee performance (Carlton 2014). Its' leadership involves exemplary oversight as well as hands-on approach that is driving the organizational performance, knowledge and innovation to greater success. The resource control of the company focused hugely on the establishment of the effective systems for information and data gathering that will assist in determining whether the organizational goals are met or not. Moreover, the execution of company goals is so dynamic in its implementation, evaluation and following-up of the organizational expected deliverables. In order for this to be achieved, the company's management allocates responsibilities as well as resources to employees on the basis of their skills (Bhasin 2021).

Based on innovativeness, the innovative characteristics of the Omantel company is that it is very creative in coming up with new technological solutions for its clients, for instance, it was the first telecom company to adopt the 5G internet. The innovative characteristic of this company is that it focuses on competitive-collaboration which is aimed at boosting the competitiveness of the organization (Mintzer 2014). In this case, the Omantel company has collaborated with the government agencies and private entities in boosting its business growth and expansion. Furthermore, Omantel company's ICV policy is Omanisation and training of staff in order to contribute to the development of the human capability and stimulate the productivity of Oman economy. In order to improve on the ICV policy for the maximum benefit of Omantel company and other companies in general, the management of companies keeps on training all employees in order to achieve the necessary skills and competencies which can be leveraged to improve the productivity of the company, which in turn contribute to the growth of the economy (Natalia 2020). The company also ensured that majority of their workforce are the local Omanis so as to achieve Omanisation of the workforce.

THE COMPANY'S DEGREE OF INNOVATIVENESS

The degree of innovativeness describes how innovative process and newness of innovation within the organization. In this regard, Omantel's degree of innovativeness is said to be high and incremental since the company is fostering innovation from time to time to improve the quality of the telecom

services and products it offers to its customers across Oman. For example, the company entered into an agreement with Sultan Qaboos University on a cooperation programme that will enhance the establishment of a state-of-the-art innovation and tech centre at the university so as to boost innovations in the telecommunication sector (Omantel, 2019). Also, the Omantel company has recently announced the launching of its innovation labs, which will promote innovation as well as entrepreneurship in new and emerging technologies and in turn, contribute to Omani Vision 2040. Under this initiative, Omantel company will be leveraging its expertise, and access to technology to develop a tech-based start-up system (Oman Observer 2021). Furthermore, the company was the first telecom company to adopt the 5G network which improve the efficiency and effectiveness of the internet services.

THE STRATEGIC FORCES IN DRIVING INNOVATION AND ENTREPRENEURSHIP

The strategic forces that initiate the processes of entrepreneurship and innovation are those factors which encourages, causes and or makes the acts of entrepreneurship and innovation to commence within an organization. These strategic forces can either be internal i.e., originate within the organization and or external i.e., originates from outside the organization which initiates the activities of entrepreneurship and innovation across the organization (Ibrahim and Goodwin 2013).

The increasing number of companies and emergence of strong winds of economic changes across the Sultanate and beyond have triggered companies to think outside the box. Omantel, for one, is working round the clock to respond to this by investing on innovation (Matriano and Khan 2019). For instance, this company recently set up innovation labs to help cultivate entrepreneurial skills among its employees and at the same time accelerate growth of the country's-based start-ups across technological verticals such as 5G, IoT and Cybersecurity. To achieve this, Omantel has subjected itself to certain forces that enhance entrepreneurship and innovation. These forces include but not limited to:

• Partnerships and Collaborations

The company's collaboration and partnership with government, corporations, technology partners, and academic institutions has enabled this company to build a robust interconnected technology startups ecosystem in Muscat and across the country. For instance, this company recently partnered with Sultan Qaboos University whereby they inked an agreement on a cooperation programme that contributed to establishment of state-of-the-art innovation and technology transfer at the institutions (Al Shibli and Al-Dhahri 2021). These enables company's stakeholders source expertise, accessing value added events as well as leveraging its brand positioning for exposure.

• Creating Network with Other Organizations

This is another force that continuously encourage innovation at Omantel. This networking has generated business leads whether it is a new partner for a future endeavor or new customer. This has also gone a long way in ensuring that people are up-to-date on the latest trends in the industry and more importantly, provide organizations with length of knowledge from which to draw ideas and thus innovation and entrepreneurship as it partakes in information exchange (Al Shibli and Al-Dhahri 2021).

• Training and Empowerment Initiatives

This involves transmission of innovation to the personnel to teach them knowledge and skills as well as attitudes required in their daily operations. It helps employees get the right mindset for employee's development. Omantel and Huawei agreed to establish a regional ICT training centre at Omantel

headquarters to support talent training and development here in the country. These forces have gone a long way in leveraging this company's expertise, partnerships, reach and access to technology to contribute to Oman's vision 2040 as well as enhancing innovation and entrepreneurship in new and emerging technology.

SUPPORT TO INNOVATION ACTIVITIES

Government plays a significant role in fostering and promoting entrepreneurship and innovative activities within an economy and particularly the organizations that operates within the economy. The government enhances this by providing a stimulating business environment, enactment of the favorable legislations for business, improving the institutional capacities, establishment of the essential infrastructures, etc. (Obaji and Olugu, 2014) All these encourages and fosters and encourages innovative and entrepreneurial activities.

According to Al Balushi (2017) Omani government has come in handy with various initiatives which are geared towards strengthening innovation and entrepreneurship ecosystem around the country. These innovative initiatives and programs support innovation and creativity especially across various government entities offering effective proposals that enhances innovative solutions and improve not only performance, but also increase efficiency in various fields. These programs include support on financial start-ups, R&D and setting up research and innovation institutions, as explained below:

• Funding Support

Oman government offers financial support through institutions such as the Oman Technology Fund, and the Innovation Development Oman Holding (Al-Balushi 2017). This financial support has gone a long way in supporting youth innovative projects in Muscat and beyond. This has subsequently improved Oman's ranking on the early-stage venture deals indicator thus ranking Oman fourth position in Middle East and in MENA region.

• Formulating Innovation Policies

Oman government also is promoting innovation through formulation of good policies that helped provide an up-to-date assessment of the framework conditions and interactions required for a functional innovation system (Sanyal and Hisam 2018). These policies also help in drawing an attention to policy requirements for strengthening the national innovation systems and more importantly, providing a number of recommendations for strengthening policies and measures so as to provide improve technological capacity and enhance innovation.

• Setting Up Institutions e.g., Ministry of Higher Education, Research and Innovation

This institution is the country's exclusive research funding body and leading of research development. In other words, it serves as a focal point and hub dedicated to promoting and supporting not only research but also innovation.

• Encouraging Research and Development (R&D)

The Oman government through The Research Council (TRC) is reaffirming the harmony between national innovation strategy vision with the country's vision 2040 which is reinforced by political will and continuous institution integration hence resulting in various initiatives in all fields as evidently seen innovations, institutions and efforts (Sanyal and Hisam 2018).

OMANTEL'S STRATEGIC ENTREPRENEURSHIP AND INNOVATION PROCESS

To a prospective firm to successfully implement strategic entrepreneurship and innovation process, there are certain processes that the company needs to follow. This process divides the uncertainties within an innovation project into clearly subdivided steps and decision steps to drive development forward efficiently while avoiding risks that come with it (Mazzei 2018). This process starts with the problem identification all the way to implementation.

Step 1: Identifying the Problem

There are often various challenges experienced by companies in their day-to-day operations. For instance, at Omantel, these problems range from customer service problems to infrastructure and even ways of developing highly innovative products. Efficient identification of needs that these consumers struggle with on daily basis including gaps in the market ensures that needs are discovered which then allow successful prototype and products to be catalyzed.

Step 2: Developing Solutions

Once this company has clearly identified the problem, it is now time to come up with ideas or solutions that will resolve the problem i.e., doing some fact finding and research regarding the nature of the problem and its causes (Mazzei 2018). For instance, there may be gaps with customer services. To address this, it requires creativity and brainstorming including creating some contingency plans and adopting a customer relations management system.

Step 3: Testing the Solution

Once the identification of the problem and developing solution is complete, it is high time to assess how well it performs. This test helps to identify failure points or difficulties which then suggest the elements of the design that need to be improved. For instance, if the intended innovation is focused on customer feedback, the company need to pay a closer look at the customer feedback and if it is product focused innovation, this requires not only careful, but also a comprehensive market research to determine demands.

Step 4: Implementation

This is the final stage of this process and it involves putting innovation into practice (Mazzei 2018). There is uncertainty around innovation outcome and whether to keep it instead of embracing old practices. In this case, any of the problem solutions that is established to have reached maturity is implemented. This is accomplished by facilitating workshop training to lower switching costs. Others include motivating and encouraging employees to share testimonials on how the innovation is incorporated into the company's activities effectively and without undue challenge.

KEY SUCCESS FACTORS TO SUCCESSFUL INNOVATION PROCESS

A strategic entrepreneurial and innovative venture is established with the aim of fulfilling a particular goal of the entrepreneur. The achievement of this entrepreneur's goal is determined by the success of the venture established and implemented. In this regard, therefore, the success of the entrepreneurship and innovation process is measured for purposes of ascertaining or determining whether it is successful or not by use of the key success factors (Ibrahim and Goodwin 2013). These are the factors which measures and ascertains the success of strategic entrepreneurial and innovative process.

Key success factors outline key factors which are critical for the company to compete its intended need. Anytime Omantel does an audit of how innovation has impacted operations; it does so by looking at the following areas:

- **Agility**

This is simply the ability to move quickly and easily in response to challenge or change (Young 2017). A successful entrepreneurship and innovation process accelerates and enables organization to work in more agile way without necessarily waiting for full digital transformation. Omantel continuously works round the clock to adapt change and ultimately remain competitive and relevant. For instance, as a result of innovation, this Omantel has been able to improve productivity and effectiveness including new streams for revenues which has subsequently impacted its profitability. Agility is the future of this industry and this calls operators to look beyond connectivity and complexity and even towards new growth opportunities that offer end-to-end solutions for both enterprise and consumers.

- **Organizational Flexibility**

This is company's ability to quickly adapt to new or changing environment. Companies always find it complex task adopting new ways of working in the view that the process does not only take a lot of time, but also require shift in the mindset. However, with strong leadership and clear communication around purpose and goals, it sets the firm up for success. Through innovation, Omantel firms remains the top firm despite other players disrupting the market thus maintaining its competitive advantage in the market.

- **High Customer Orientation**

A highly innovative companies have strong oriented customer service. Today, Omantel is in a better position to look closely at what its customers need. These trends have enabled Omantel to follow development among its customers and ensure that its more steps ahead.

FACTORS IMPEDING PROGRESS AND SUCCESS OF INNOVATION PROCESS

- **Hierarchy Culture**

This refers to organizational values and beliefs of an organization. It impacts entrepreneurship and innovation process of an organization in the sense that it takes into consideration the organizations approach to collaboration, communication and risk. Most cultures valued useful innovations because its developments align with their cultural norms. However, the value differs for novel ideas based on cultural perceptions around creativity. For instance, hierarchy culture has negative indirect effect on performance through firm innovation.

- **Inadequate Resources**

This is a factor which impact entrepreneurship and innovation among organizations. Resource in this case range from financial-to-physical resource. Innovations require these resources to fully adopt and implement. This means that the lack or inadequate resources will surely impact the innovation process.

- **Unskilled Employees**

Employees are the personnel serving the company either at the management and non-management level. Creativity trigger innovation and so, an organization with high skilled staff can easily make innovation a reality as opposed to unskilled staff.

MEASURES TO MITIGATE CHALLENGES TO INNOVATION PROCESS

Addressing above challenges will go a long way in enhancing innovation. An organization like Omantel which is committed to innovation needs to address these challenges. For instance, regarding inadequacy of resources, Omantel needs to ensure that they set adequate funds towards innovation programs including R&D that the firm intends to undertake. On the issue of unskilled staff, the company needs to ensure that it hires competent staff for different departments i.e., from customer care to technical departments; and regarding hierarchical culture, the organization needs to embrace vertical culture because this will ensure that they will interact with one another.

CONCLUSIONS AND RECOMMENDATIONS

From the analysis and discussions above, the characteristics of Omantel company include flexibility, and agility while its organizational dynamics are evident in the execution of its goals, leadership and resource control. Its innovative characteristics are that it is a creative organization and its competitive-collaboration. Furthermore, the ICV policy Omantel company is Omanisation and training of workforce. To improve ICV, organizations such as the Omantel company should ensure Omanisation policy is adopted during their recruitment process and continuously train employees to gain skills. Omantel should ensure that it continuously remain innovative and creative so as to create new business ideas and opportunities that can be utilized to enhance entrepreneurship. The management of the company should equip employees with new skills and knowledge to foster creativity and innovation across the organization to promote entrepreneurship.

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