CHAPTER 2
PROFILE OF THE COUNTRY

The present study is highly focused and contextualized in one of the GCC nations-the Sultanate of Oman. Hence below a brief survey of the background is presented in two aspects: the socio-economic, political profile of the country and a sketching of entrepreneurial ecosystem prevailing in Oman.

2.1. COUNTRY PROFILE

Oman as a member state of the GCC council and part of the larger Arab region, is outwardly similar to neighboring Arab nations, most notably GCC countries, in terms of cultural values and qualities and the history of rapid economic growth. Nevertheless, what makes the nation stand out from the region is a mixture of its geographical placement, and historical significance combined with economic transition and cultural heritage. (Common. R. K., 2011 [37]).

2.1.1. Geography

The Sultanate of Oman, also called Oman, is an Arab monarchy led by Sultan Qaboos Bin Said Al Said, who rules by royal decree (BTI, 2014 [38]). It is located in the southwest Asia, on the southeast coast of the Arabian Peninsula. The nation is situated between Yemen and UAE, flanked by the Arabian Sea, Gulf of Oman, and the Persian Gulf. It is also one of the member countries that constitute the GCC along with the United Arab Emirates (UAE), Saudi Arabia, Qatar, Kuwait, and Bahrain. Covering 309,500 square kilometers and with an estimated current population of 4,185,914 including approximately 1,847,145 non-nationals, Oman is a relatively small nation population-wise but is spread across a relatively large area (CIA, 2013 ; BTI, 2014; NCSI, 2015 [10, 14, 38]).

The nation is divided into eleven governorates with Muscat as its capital city. The governorates are Muscat, Buraymi, Dakhliyah, Batinah North, Batinah South, Sharqia, Dhanirah, Wusta, Musandam, & Dhofar. (NCSI, 2015 [10].
2.1.2. Oman Economy

Oman, relative to its Middle Eastern neighbors is a middle-income economy. Like these Gulf nations, oil is the backbone of the economy in Oman, responsible in contributing towards a significantly high proportion of its GDP and revenue. However, the wealth of oil reserves is low in Oman and it therefore produces lower volume of oil as compared to other GCC nations. This is a significant threat to the Oman’s ability to grow and develop sustainably. (BTI, 2014; Callen, M. T. et al., 2014; OCCI, 2015 [38-40]).

In its 2011 report, UNDP ranked Oman 89th in Human Development Index (HDI). This has also been reflected in the fourfold increase in gross enrolment and literacy rates between the years 1970 & 2010, resulting in fastest progress in HDI and increased life expectancy of 27 years. (BTI, 2014 [38]).

Foreign labour makes up a large population in Oman and not only compensates for the lack of skilled national labour but also drives the development of economy. This is more so in the case of private sector. (BTI, 2014 [38]).

2.1.3. Economic indicators

Oman had been granted an “A2 stable ranking” by Moody’s in its ranking of sovereigns. (Moody’s, 2007 [41]. In the subsequent years, the nation was also awarded an ‘A’ and ‘A-1’ in long-term and short-term sovereign credit rating respectively [42]).

The country’s Gross Domestic Product Prices in (Qr.1) 2014 was 7,725.9 million R.O. The GDP at current prices’ achieved a growth rate of 4.6% at the end of December 2014 when contrasted against the corresponding period of 2013 (NCSI, 2015 [10])

Exemptions on taxes are offered as means of incentivization for the development and expansion of the industrial sector, As of June 2014, the Sultanate Consumer Price Index was 102.03 (NCSI, 2015 [10]).

The nation has an average daily production of oil of 956800 BBL. In 2014, the oil production was 170,802,400 BBL by midyear while the total exports of oil & gas crossed 143,875,000 BBL by the same period. Recorded merchandise export was of 5,143.0 million RO, of which exports corresponding to 3,372.3 million RO were from oil & gas. In 2014, by May, approximately 5,061.2 million RO was spent as public expenditure. The value added from oil-
related activities decreased by 2.4% at the end of 2014 when compared to the same period of the previous year, falling from RO.15.2 billion by December 2013 to RO. 14.8 billion by December 2014 (NCSI, 2015[10]). This decrease in value was ascribed to the reduction in the value added of crude oil by 1.9 % due to the drop in the price of oil per barrel by 2.2% during this period. Additionally, the value added of natural gas also declined by 8.5% at the end of December 2014 as compared to the corresponding period of 2013 (NCSI, 2015) [10].

2.2. ENTREPRENEURSHIP & OMAN – A BACKGROUND STUDY

2.2.1. Review of Oman Business Environment

2.2.1.1. Doing Business in Oman

According to World Bank, Oman offers a competitive environment for foreign investors. The ‘Doing Business Index’ by World Bank ranked Oman 47th in 2014 (total countries: 183) in doing business which shows a significant improvement in its overall position from 114th in 2007 and 57th in 2010. When reviewing the data on “Starting a Business Index”, a measure that includes all the processes needed to set-up an enterprise and begin operations, Oman was considered 73rd (in 2013). In this ranking, while UAE was ahead of Oman (22), Oman was higher ranked than other GCC nations like Kuwait (142) and KSA (78) (World Bank 2014) [43]. World Economic Forum ranked the nation 12th in “Government Efficiency” (WEF 2015 [44]).

As per NCSI report, while Oman ranked overall 31st at World Level on Enabling World Trade index in the year 2014, it was positioned at 3rd place among GCC and Arab nations. The report also points out that in the “World Competitiveness Index (2013-2014)”. The Sultanate came in 33rd place at World Level, whereas it was placed at 4th position among the Arab nations as well as the GCC states. The nation is also considered in the top ten most secure countries in the world for business activities, with a history of strong control over corruption. In Economic Freedom Index 2014, the nation was placed at 48th rank at World Level, 5th among Arab Countries and 4th among the GCC States. (NCSI, 2015) [10]. According to the “2015 Global Competitiveness Report”, Oman was ranked 44th in “innovation and sophistication factors” (WEF, 2015) [44].

In an effort to increase foreign trade and investment, Oman has relaxed and liberalized international trade; in 2000, in concurrence with the WTO, the nation introduced industrial
regulations and labour laws that encouraged foreign trade and investment. (BTI, 2014 [38]).

Almost a decade later, in 2009, Oman and USA signed a free trade agreement, which was significant for being one of the few then active bilateral and multilateral FTAs entered into by the United States. In the meanwhile, the nation also focused on GCC region; in 2003, it formed part of GCC customs union agreement. With a view of attracting further foreign investment, a system for taxation was introduced in 2010 which ceased differentiating local and foreign companies in tax rate and instituted amendments in taxation policies such as “a fixed tax rate on profits of 12 % for all companies regardless of foreign or local, after an initial tax-free exemption of OMR 30,000 of profits” (BTI, 2014 [38]).

2.2.1.2. Economic Development Plans

Omani economy has been steadily transforming through the various development plans introduced by the government, commencing from the first Five-Year Plan of 1976-1980. However the declining oil reserves coupled with an increasing percentage of national workforce has prompted Oman to pursue increased industrialization and privatization, with focus on diversification of the economy. The nation aims to reduce the burden on oil revenue and decrease this sector’s contributions to GDP to 9% by 2020. This is also intended to create additional employment opportunities for Omanis. (CIA, 2013) [14].

The latest and the eighth five-year plan (2011-2015) thus focuses on “diversifying the economy”, “increasing foreign investment”, and “promoting the role of the private sector” as vital for the shift from the oil based economy. This plan also aims to attain a GDP annual growth rate of 3%, limiting the inflation that rose from previous spike in oil prices (BTI, 2014) [38]. In an extensive report on the country, BTI declares that the nation’s government is focused on growth of “agriculture, tourism, the gas sector, and non-oil industries” to facilitate the economic diversification. (BTI, 2014) [38].

2.2.1.3. The Public Sector in Oman

Oman, when compared to other GCC nations, has, till a few years back, enjoyed a relative seclusion which has influenced the organisational culture of the country. Although the nation has undergone rapid modernization, public sector as opposed to private sector has driven the economic development, much like the other countries in the Gulf region. This prominence of
public sector and bureaucracy could hinder the reactional changes needed to accommodate the growing human workforce. (Common, 2011) [37]. A case in point is the futility of the widely adopted Western management techniques which according to Jabbra and Jabbra (2005) [45] did not gain success in the region because of the “pervasive and powerful traditional administration culture.” This is reinforced by the centralized nature of the country, which works under the assumption that the highest leadership has “full knowledge of governance and therefore knows the problems and the changes required to solve them”. They are vested with the power and the financial capability to make amendments and implement necessary changes. (Farazmand, 2006) [46].

Thus, public sector very much drives the development of human resources in Oman. This is also consistent with other Arab Gulf nations where nationals prefer employment in public sector over private sector jobs. (Common, 2011) [37].

2.2.1.4. Poverty & Unemployment

Job creation for Omani citizens (the nationalization of private sector, termed “Omanization process”) remains the most significant challenge. This is also a matter of concern and frustration for the public as almost three quarters of the country’s population is at an employable age, younger than 30 years (BTI, 2014 [38]).

The country report on Oman by BTI shows that there exists a persistent unemployment at a rate of 15-20% of nationals and more than 25 % of young adults (18-29 years). In the aftermath of Arab Spring, the Omani government has implemented several measures in response to public concerns, including an increase in the minimum wages, support for job seekers in terms of a monthly stipend, and generation of newer jobs in the public sector (BTI, 2014) [38]. The government announced that it would continue to invest heavily in the generation of employment, with a goal of adding 20,000 employment opportunities in public sector, However, job creation could only be a short- term solution whereas creating a larger private sector could ultimately aid in job creation (Gulf Business, 2013) [47]. In the outset of changing scenario of oil depletion in Oman and downturn trends in economics and trade posing challenges globally, the need of the hour for countries like Oman is to promote entrepreneurship, especially in emerging technologies in IT services like social media marketing.
2.2.2.1. Entrepreneurs & Entrepreneurship – Introduction

Barringer, B. R., & Bluedorn, A. C., (1999) [48] stated that entrepreneurs are “individuals who can explore the environment, discover the opportunities, and exploit them after proper evaluation”. They can also be considered as “those individuals who are self-employed, who have started their own business or who run and own an incorporated business”. (Hartog, J., Brink, H. M., (2007) [49]. There are a lot of differences that distinguishes between an entrepreneur and a small business owner. Kuratko, D. F., (2009) [50] explains that while an entrepreneur concentrates on innovation, profit of the business and overall growth, a small business owner focuses mainly on stability of growth, profits and sales. Although both “entrepreneur” and “business owner” are often used to mean the same, these terms are however, distinct and display many differences considering their reaction to myriad situations. Hartog, J., Brink, H. M., (2007) [49] states that entrepreneurs are often looked at as “the engine of the economy, responsible for sustained levels of competition, the creation of jobs, and new innovative processes and products, thereby displacing ageing incumbents in a process of creative destruction.”

Entrepreneurship not only contributes to the growth of new business and creation of employment, but is also responsible for its proper function (McClelland, 1961 [51]). According to Carton, R., et al. 1998, at its core, entrepreneurship is about “the identification of an opportunity; creation of new organisations; and pursuing new ventures” [52]. As an activity, it comprises discovering and evaluating new opportunities and then exploiting these to introduce new products or services. It also includes efforts to generate new methods of organizing; new markets, processes or raw materials (Sirec, K., and Mocnik, D., 2010 [53])

Entrepreneurship underlays the bearing and managing of uncertainty, fulfillment of market deficiencies, the ability to deal with disequilibrium, etc. Published work, prior studies and unpublished work clearly indicate that several factors such as education, experience, leadership and managerial and entrepreneurial expertise have a considerable role to play in the success of an entrepreneurial venture.
Kruger, M. E., (2004) explains that an entrepreneurial venture can be said to be “successful” if it is “visibly growing”. The growth here has several implications. It could be indicated by income generation, profit margin, value addition, creation of demand, or an expansion in the business volume. Additionally, qualitative features could be a form in which it can also be measured and some of them are market positioning, product’s quality, and goodwill of the customers [54]. Shane, S., A., & Venkataraman, S., (2000) [55] noted that stepping into the purpose of entrepreneurship, it can be said that entrepreneurship aims at introducing new goods and services, it brings about new ways of organizing, opens new markets, introduces new processes and makes available raw material through organizing and collation efforts that were not in existence earlier, to create new clients and users and earn profits.

The concept of entrepreneurial readiness refers to “self-efficacy” – a term derived from Bandura’s (1977, 1999) [56-57] “social learning theory”, which is related to an individual’s faith in their capability to perform a particular task. According to Nurul, I., and Kristiansen, S., (2003) [58], self-efficacy is significantly associated with entrepreneurial intention while entrepreneurial readiness was related to the success of a venture.

2.2.2.2. Types of Entrepreneurship

The characteristics of the entrepreneur vary as per the type of the entrepreneur such as economic or corporate entrepreneurs. According to Schumpeter, J. A (1934) [59], economic entrepreneurship innovation corresponds to “the different employment of the economic system’s existing supplies of productive means”. His economic theory defines the entrepreneur as “an active creative factor in the economic process or an innovator”; “an element of the productive process distinct from the capitalist or the supplier of money” and is “distinct and fundamentally different from a manager/administrator, although the entrepreneur may function as the manager/administrator as well’. (Cuervas, 1994) [60]. According to Chell, (2008) [61], the attributes of economic entrepreneurs are essentially the same traits of a person that aids in the creation or discovery of opportunities through innovative products or ideas. Rueda-Armengot C. et al. (2012) [62] explains that “economic entrepreneurship’s conceptual domain must correspond to the characteristics or attributes that constitute entrepreneurial action of an economic nature, whatever the industry or type of company it is applied to”.
Entrepreneurship is not restricted to the start or operation of a small firm by individuals. M.A. Carree, M., A., and Thurik, A., R., (2002) [63] explains that it is also initiated by “intrapreneurs” also termed “corporate entrepreneurs” who undertake entrepreneurial activities within established organisations. In recent years corporate entrepreneurship has been used by researchers studying strategic entrepreneurship to explain the variations in performances across organisations. (Sathe, V., 2003; Zahra, S. A., et al., 2008 [64, 65]).

Rueda–Armengot C. et al (2012) [62] explains that while individual entrepreneurship is characterized by some basic traits such as openness to the surroundings, willingness towards risk-taking, abilities, and creativity, corporate entrepreneurship appear to essentially include characteristics such as charisma, leadership and determination to achieve objectives, and responsibility towards improvements and innovation. The researcher highlights that the characteristics of both individual entrepreneurship and corporate entrepreneurship are to a certain degree amalgamated in the corporate entrepreneur.

Social media service vendors as entrepreneurs can fall within the domain of economic entrepreneurship since these enterprise are of economic nature but can be considered as corporate entrepreneurs too when these enterprise arise as diversification of existing businesses.

2.2.2.3. Impact of Entrepreneurship on Economy

Entrepreneurs have been often recognized to play a chief role in a nation’s economic and social growth, (Ozbilgin, 2009) [66]. Entrepreneurship can impact economic growth in various ways.

2.2.2.3.1. SME development

Poettschacher, (2005) [67] notes that typically entrepreneurship has been linked to small businesses, particularly entrepreneurial organisations. The nature of these small-scale enterprises often reflects the characteristics of the entrepreneurs; this could include values such as “opportunity seeking, risk-taking, creativity and innovation, persistence, and resource management, among others (Burns, 2011 [68]).

The Central Bank of Oman reports that the growth and vibrancy of SMEs are essential to develop and sustain any economy. SMEs have the innate capacity of adapting in line with market, complementing large enterprises. Additionally, SMEs have a significant role in job
creation as in many developed and emerging economies; small and medium enterprises employ more people than the public sector or large organisations. In these economies, the number of employment opportunities created in SME’s outnumbers those in the remaining sectors. According to the Central Bank of Oman, the relevance of emergent and vibrant SMEs can also be seen by “the value addition they create, and their contribution to upward social mobility through reduction in income disparity” (Central Bank of Oman, 2014) [69].

2.2.2.3.2. Innovation

Entrepreneurs may bring about essential innovations, when they penetrate markets with new productions, processes or solutions (Acs, Z. J., and Audretsch, D. B., 1990 and 2003) [70-71]. During and after the industrial revolution, entrepreneurs were believed to be characterized by their aptitude for risk-taking. Amidst risk, they started to produce and innovate and thus became the basis for economic development (Fayolle, A., 2007) [72]. During this time, they were seen as “intermediaries who made both ends meet” instead of producers.

Shrivastava, S., & Shrivastava, R., (2013) [73] observes that entrepreneurship is integral for larger economy. Successful entrepreneurship, in conjunction with large corporate influences a nation’s economic development. However, the benefit of this association differs based on national income, as measured by GDP per capita. When the levels of national income is low, entrepreneurship, and through it self-employment, offers job prospects and scope for the formation of markets. As national income rises (GDP per capita income), larger organisations can then take lead in satisfying the needs of growing market and play a bigger role in economy, through newer technologies and newer economies of scale. (Acs, Z. J., (2007) [74].

2.2.2.3.3. Economic Growth

Although the concept of growth may differ among various entrepreneurs, firms that are growth-oriented contribute significantly to a nation’s economic gain. Gupta, P. D., et al, (2013) [75] notes that growth can be indicated by quantitative terms such as “revenue generation, value addition, and expansion in terms of volume of the business” and can also be measured in qualitative aspects like “market position, product quality, and customer good will”.

Gupta, P. D., et al. (2013) [75] elaborates that enterprise growth can be identified in four perspectives: “the resource-based perspective, the motivation perspective, the strategic
adaptation perspective and the configuration perspective”. The resource-led theory posits that there are limitless sources for opportunities in business; this perspective is focused on operational aspects which include business expansion and diversification; financial resources, and educated resources. It is vital to manage the conversion point (i.e., “the point at which the resources are being reconfigured”) by arranging company’s resources to identify further opportunities for growth and make use of them. Thus, in order to define the continual periods of growth and development, reconfiguration of resources during transformation between the phases is important (Gupta, P. D., et al (2013) [75].

The contribution of entrepreneurship to the economy’s growth is further highlighted by a research done on OECD countries. The study noted that the “degree of business start-up” in the studied nations between the years 1988 & 1996 were positively associated with the growth of economy there between 1989 & 1999.

Examples cited in the study included nations like Ireland, Netherlands, and the USA which had high rates of start-ups as well as economic growth; on the other hand, nations like Italy and Finland with lower rates of start-ups had lower growth of economy too. (Reynolds, P., et al. (2000) [76]

2.2.2.4 Extent of Entrepreneurship/SME’s

In the Sultanate, the definition of an SME was previously constructed around the number of employees but the Ministry of Commerce and Industry (MoCI) recently presented a new gauge “sales turnover”, in addition to “employees” for effectively differentiating micro, small and medium enterprises within their definitions. The MoCI currently designates companies having fewer than 5 employees and yearly sales of less than 25,000 OMR as micro enterprises; small enterprises are those with 5 to 9 employees and yearly sales of 25,000-250,000 OMR; and companies with number of employees between 10 and 99 and an annual sales in the range of 250,000 to 1.5 million OMR are taken as medium size (MoCI, 2015 [77]. The update in the definitions have been carried out taking into consideration the evolving SME arena in Oman, particularly given that most of the enterprises own limited assets.

A Royal decree in 2007 founded the Directorate General of the Development of Small and Medium Enterprises, under the Ministry of Commerce and Industry, and highlighted the prospect and role of SME sector in the development of Oman, and value addition to the
economy. According to the Directorate, the mission of the MoCI through the directorate was “to create and enhance a private sector that may positively contribute to the development of the Omani economy by availing of favorable environment” (Central Bank of Oman (2014) [69]).

Kalyani Brinda, P. & Al Yahyaee, L (2012) [78] note that World Bank reported that active SMEs in the Sultanate ranged between 15,000 to 20,000, with an annual growth rate of 1.5%. MoCI, which has prioritized the development of SMEs declared that out of the total 833 industrial units that had a capital investment of RO 5,000 or more, 48% units fall under “small”, 43% under “medium”, while 9% of the industrial units fall under “large.” According to the government’s statistics in 2009, “the number of active enterprises was 118,386, which included 117,914 SMEs that accounted for more than 95% of the economic activity. The number of employees in these enterprises represented about 70% of the total workforce of the country.” Central Bank of Oman reported in 2014 that the available data on SMEs in Oman show this sector was yet to develop and reach its potential contribution to the nation’s economy. In a research jointly held by the IMF and the World Bank in 2010 it was indicated that the SME sector accounted for 40% of the total employees in the country. This sector also contributes in part to GDP (16%) and to the bulk of economic activities (90%). These figures indicated that the overall contribution of SME sector to nation’s economy was limited (Central Bank of Oman (2014) [69]).

In 2014, the Muscat Securities Market (MSM), Oman’s single stock exchange listed 110 companies under the sectors Finances, Industrial and Services, in regular market and parallel market. The market is regulated under the Royal Decree, Executive Regulation of the Capital Market Law 80/98 (MSM, 2014 [79]). The companies with shares listed on the Muscat Securities Market are Public Joint Stock Companies (SAOG). The minimum capital requirement is 2 million OMR. The shareholding of promoters is at a maximum of 60% while the remaining 40% is open to the public (Moore Stephens, 2015[80]). According to MSM, “the regular market is for securities of public companies that meet specific profitability, capital and shareholding criteria.

The Parallel Market is for securities of new public companies and those companies that fail to meet the criteria specified for the Regular Market.” (MSM, 2014) [79].
2.2.2.5. Vision 2020

‘Vision 2020’ is a strategy created as per the directives of His Majesty Sultan Qaboos bin Said to set the framework for Oman’s growth and development and develop its human resources. The long-term development plan maps out the country’s long-term economic and social objectives up to the year 2020 and is to be attained through four major strategies: “Sustainable Development within a Stable Macroeconomic framework, Human Resources Development, Diversification of Economy, and Development of the Private Sector” (Annual report 2013) [15].

The prime objective of the vision for Oman’s economy over twenty five years is to sustain the minimum values of “per capital income” and try to increase it two-fold by the year 2020. Oman’s economy, during the forty-five years under the rule of the current leader, has undergone remarkable development and transformation through eight Five Year Development Plans between 1996 and 2015, and transformed the nation from a traditional economy to a global and developing economy. Oman’s economy is characterized by various strengths such as “sound planning, accurate project implementation, strong and comprehensive infrastructure, expanded income sources, stable social and economic policies in addition to wide open doors for the private sector and foreign investment”. (MoNE 2012) [81].

2.2.2.5.1. Diversification of economy and sources of national income

The depleting oil reserves, coupled with increasing population of employable youth has led the government to urgently seek various methods for diversification of economy, in order to decrease the dependence on oil revenue & increase the employment opportunities for the next generation of Omanis.

A 2012 study explains that the various initiatives strive to decrease the contribution of oil sector to 19% of real GDP, while the value from non-oil related activities would increase significantly to 81% of GDP by 2020 (MoNE, 2012) [81].

The study (MoNE, 2012) [81] also explains that in order to achieve the objectives of Vision 2020 & the desired GDP outcomes, the developmental strategies of the government will be placing focus on aspects like value-added policies, participation in world economy, broadening of exports, promotion of knowledge transfer and research, advancement of newer sectors such as ICT verticals like software.
This implies that within service sector, ICT and social media has the potential to be one of the developing sub-sectors in Oman, with the scope of enhancing the nation’s economy, while also providing opportunities for entrepreneurs as well as job seekers.

2.2.2.5.2. Private Sector Development

One of the fundamental policies of Oman government is promotion of the growth of private sector. From the early 2000’s they have valued private sector companies as the chief drivers of economic growth. Additionally, the government has also set a precedent in the region and has led the privatization of state-owned enterprises.

Seeing private sector as a vehicle for growth, various initiatives have been taken up by government to provide an environment that favours investors, encourages trade and investment and improves entrepreneurship within nation, with an overall goal of boosting the country’s economy and make it sustainable and less oil-dependent. To this end, Oman has – (OCCI, 2015) [40]

- Provided high quality infrastructure, especially in ports and industrial areas.
- Implemented laws and regulations attractive to investors
- Established economic relations regionally and internationally and has welcomed global economy.
- Laid down official frameworks for promoting investment and development of exports
- Developed privatization programs that generate opportunities for investment
- Designed strategies and objectives for the various production sectors
- Established policies for financial support like loans and incentives
- Developed and revamped the financial sector

The chief goal of private sector development is to enable a symbiotic relationship between private and public sector, and also to strengthen the private sector enough to transform it into a larger contributor to the country’s GDP. According to OCCI, (2015) [40], the plans under the development include decreasing the production activities carried out by the government and diverting government’s efforts to strategic consultancy; streamlining and simplifying the various regulations applicable for business by creating a single point body for facilitating the setting up
of a business; review and modify the perks allotted to boost private sector participation; aid in the growth of the financial and banking services through various sub-policies like enabling diverse investments into MSM, assist in creation of finances and funds for investors tec.

2.2.2.5.3. Recommendations

Shrivastava, S & Shrivastava, R (2013) [73] recommends that a nation’s economic growth should go hand in hand with the fortification of business environment including “infrastructure”, “labour market”, “rules and policies”, in order to enhance the entrepreneurial climate as well as management capabilities. This is especially relevant while trying to boost foreign direct investment.

A study conducted by Inter-American Development Bank in 2002 (Kantis, H., Komori, M. I. M., (2002) [82] highlighted the need for dynamic enterprises in Latin America and introduced recommendations that would enable the growth of such dynamic enterprises.

The summary report (Kantis, H., Komori, M. I. M., 2002) [82] also outlined some specific recommendations for encouraging and improving entrepreneurship in Latin America. This included expanding the foundation for future entrepreneurs through training and educational support and enhanced positive role models; development of entrepreneurial networks and teams; shortening the initiation time for starting businesses; and reducing the external and internal barriers for setting up a business.

This study looks at the aspects in which similar recommendations can be formulated for Omani market, especially with regard to the evolving field of social media. The exploitation of Social media services as an entrepreneurial venture would thus be in line with the ruler’s vision for the country, taking advantage of the newer technologies in an effort to diversify the economy, strengthen the private sector, particularly, services industry and aid in the overall growth of the economy and nation.