

Entrepreneurial Growth: Challenges to Young Omani Entrepreneurs

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Abstract

Entrepreneurship plays an important role in economic prosperity and social stability in many developed countries. Entrepreneurship has been adopted as a strategy to promote economic activities among young people. There is a growing interest in understanding the various challenges of youth entrepreneurship. The main purpose of this study was to assess the challenges in entrepreneurial growth of young entrepreneurs in the Sultanate of Oman. This research was set out to investigate the obstacles that young people encounter when setting up their businesses; the current obstacles that prevent the expansion of their entrepreneurial ventures; as well as the prospects for youth entrepreneurship development in this community. The study employed a descriptive survey research type and used convenience sampling technique to collect data. A standardized questionnaire was used as an instrument to collect data to establish the perceptions of 52 young Omani entrepreneurs. This paper is significant in that it brings insights on challenges for entrepreneurship in Oman. The importance of stimulating the entrepreneurial spirit, values, and attitudes of young people and encouraging innovative business start-ups while fostering a more entrepreneur-friendly culture must be translated into actual and effective policy actions in Oman. We consider that supporting youth entrepreneurship must be an Oman's priority.

Keywords: Entrepreneurship, Challenges, Young Entrepreneur, Growth and Economic Development

Introduction

Economic development, achieved largely through young entrepreneurship growth, is very important to both developed and developing nations. Entrepreneurship is not a miracle solution for solving the youth unemployment crisis, as only a minority of young people has the right skills, ideas and personality traits (Ceptureanu & Ceptureanu 2015). Ongoing demographic transitions in certain regions of the world, by which the proportion of young women and men is significantly increased compared to other age groups, has opened a window of opportunity to invest in young people who will be the next generation of workers and entrepreneurs. This opportunity, if invested in, will enable countries to reduce poverty and leapfrog stages of economic and social development (ILO, 2005). The world is in the transition of searching for more innovative ways to combine economic growth, the reduction of poverty and equitable development in a more environmentally sustainable manner. There is a mounting concern in all corners of the world for the reduction of the unemployment rate to ensure the quality of present and future life (Tessema, 2015). Youth micro and small scale enterprises (MSEs) which are considered to be increasingly becoming important economic actors in generating income and employment throughout the world since this sector on average contributes about 67% employment to the total labour force in most of the developing countries (Yordanos Mekonnen, 2006).

Entrepreneurship focuses on economic growth, economic competitiveness, job creation, as well as improvement of social welfare in any country (Fatoki 2011). Today's young generation experience faces manifold challenges. Thus, at least to minimize such challenges of young people regarding being unemployed, countries

should create a conducive environment to promote young entrepreneurship. Because of this fact, there is a growing interest in understanding the various challenges of youth entrepreneurship. Therefore, the importance of youth entrepreneurship development cannot be underestimated in the Sultanate of Oman. The concept of youth entrepreneurship is progressively gaining momentum within the Omani society. Various studies have much focused on the analysis of socio-economic conditions and problems faced by youth, but the studies on youth entrepreneurship and their economic contribution are extremely limited. Problems and potentials of youth entrepreneurs in social and economic context virtually remain untouched.

Study Objective

The primary objective of this study is

- To assess the challenges in entrepreneurial growth of young entrepreneurs in Sultanate of Oman
- To investigate particular challenges that prevent expansion in youth entrepreneurial ventures.
- To analyze and describe the possibilities of youth entrepreneurship development in Sultanate of Oman

Literature Review

Global Entrepreneurship Monitor (GEM) defines entrepreneurship as “any attempt at new business or new venture creation, such as self-employment, a new business organization, or the expansion of an existing business, by an individual, a team of individuals or an established business (Kelley, Singer, et al.2012). Entrepreneurship is an activity that involves the discovery, evaluation, and exploitation of opportunities to introduce new goods and services, ways of organizing, markets process and raw material through organizing efforts that previously had not existed (Venkataraman,1997). Entrepreneurship is an important process by which new knowledge is converted into products and services (Shane and Venkataraman,2000). Evidence shows that when jobs are less, especially youth are generally more likely to be unemployed. Economic crisis crippling the job market, young people are first to be laid off. This has led to thousands of laid-off workers returning to rural areas where the chances for getting alternative work are dire. Therefore, many young people are compelled to be self-employed and becoming “entrepreneurs by necessity” rather than “entrepreneurs by choice”.

The definition of youth entrepreneurship (Chigunta 2002) is the practical application of enterprising qualities such as initiative, motivation, creativity, and risk-taking into the work environment (either in self-employment or employment in small start-up firms), using the appropriate skills necessary for success in that environment and culture. (Schnurr and Newing, 1997). Although the literature on youth entrepreneurship is very limited, there is evidence that young people think that working for themselves as a career option as it offers them an interesting job, freedom, and autonomy, which another working atmosphere might not provide (Greene and Storey 2005).

Recently, interest in youth entrepreneurship has been fueled owing to high levels of unemployment amongst young people and as a way to foster employment opportunities or to address social exclusion. Youth entrepreneurship has gained some more importance in recent years in many countries as a way of fostering employment opportunities, boosting economic competitiveness and promoting local and regional development. Interestingly, the world has adopted entrepreneurship as a strategic approach to facilitate economic participation among youth. Youth involvement in entrepreneurship supports them to boost up their confidence, achieve economic independence and ward off their inherited poverty. It also creates job opportunities and also ensures the development of economic growth (Sitoula, 2015).

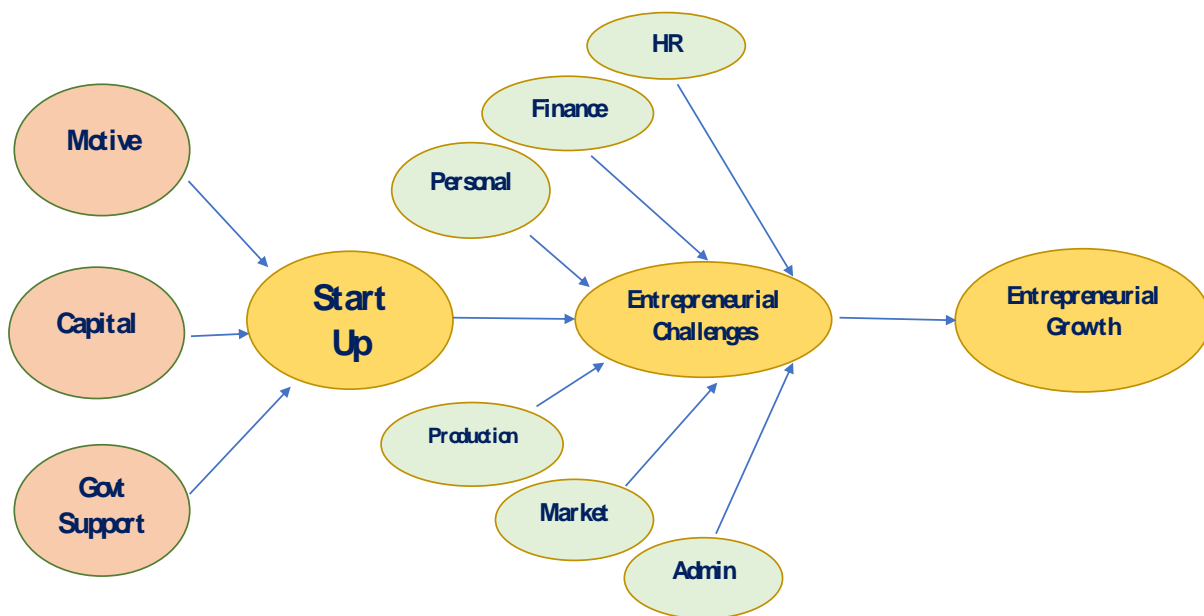
Baker (2008) argues in his paper the present challenge of youth unemployment and investigates the role that youth entrepreneurs play in solving these challenges. Youth Business International (2009) recommends that business, governments and other stakeholders in a society highly perceive that supporting young entrepreneurs would result in reducing youth unemployment and encouraging growth in the economy. Youth entrepreneurship has, therefore, gained more importance in recent years in many countries as a way of fostering employment opportunities, boosting economic competitiveness and promoting regional development.

Blanchflower and Oswald (1998) outlines that youth entrepreneurship has a number of significant positive consequences; firstly, youth entrepreneurship contribute to the creation of employment to young people, both

through self-employment and creation of new enterprises, although, majority of job creation takes place in well-established and growing firm, secondly, young people turn out to be innovative and develop new economic opportunities and trends, thirdly, the introduction of new small enterprises contribute to the overall competitiveness of local economies, fourthly, self-employment might lead to increased job satisfaction among youth people. There is growing recognition among governments and international multi-lateral organization that as jobs become scared, youth entrepreneurship becomes an important strategy for integrating youth into labor markets thereby addressing unemployment challenges (Murithii 2013).

Investing in entrepreneurial ventures and educating people to start-up those ventures can be an invaluable tool to advance human resources to promote socio-economic development. Therefore youth entrepreneurs have an important role to play in the process of industrial as well as economic development. They could assist to generate employment opportunities for youth, to raise income for them and to break the vicious circle of poverty (Chigunta, 2002). Youth unemployment is an immense waste of human resources that could contribute to economic and social progress. Youth run enterprises also provide valuable goods and services to society, especially the local community (Chigunta,2002). This results in the revitalization of the local community. It has also been observed that new small firms tend to raise the degree of competition in the product market, thereby bringing gains to consumers (Curtain, 2000). Furthermore, this kind of enterprises run by young people may create linkages between youth entrepreneurs and other economic factors, such as through sub-contracting, franchising and so on (White and Kenyon, 2001).

Conceptual Framework



Challenges for Young Entrepreneurs

Youth entrepreneurship offers a lot of potential for young people, but the young people in Sultanate of Oman are less likely to engage in entrepreneurial activities and the levels of entrepreneurship among young people are the lowest. As for the startup motives, as noted in the theory of planned behavior, intention for a startup is driven by the motivation of the income-generating opportunities connected to the startup. The most influential factor that has contributed positively and significantly to ‘enterprise performance’ is startup motives. How motivated entrepreneurs are to start a new enterprise is the most crucial factor that positively influences microenterprise performance owned and managed by young entrepreneurs (Mamun, et.al, 2016). It is hardly news that in today's lending environment, entrepreneurs are finding it difficult to secure conventional loans for startup businesses or the acquisition of existing businesses or franchises (Hopson and Hopson, 2014). Startups and small businesses are facing many challenges in

terms of financing their activities. These types of companies cannot access the capital market or to make IPO or to borrow money from banks like big, mature or well-known companies (who were at their beginnings startups or small businesses). They have to find different sources for financing their ideas/products/services that are in many cases very risky, hazardous or too ambitious. But, fortunately, the financing alternative for these companies have evolved during the last post-crisis years. They can find some investors that are willing to invest in a non-name company by accessing crowdfunding platforms, impress angel investors, or attracting venture capital (Herciu, 2017). In recent years Omani Government has increased its attention towards promoting entrepreneurial activities in the country as these activities are regarded as a driving force for innovation. The government through its ministries may set up an appropriate policy and procedure that would facilitate the creation of new businesses, especially amongst graduates. (Subrahmanian Muthuraman et al., 2017)

Youths appear to be facing barriers preventing some from turning ideas into business. These challenges arise in the areas of social attitudes, lack of skills, inadequate entrepreneurship education, lack of work experience, lack of capital, lack of networks and market barriers. Many of them are interrelated, which implies the need for a package of policy tools, rather than a single general solution (OECD,2012). Entrepreneurs with greater initial financial resources are more likely to succeed. Young people are in a disadvantaged position because not only will they have low personal savings, but they will also find it more difficult than adults to obtain external finance, including debt finance. Banks apply a set of parameters in the assessment of loan proposals, which include credit history, past business performance, and collateral, which are all likely to be lower in youth-owned firms (Ceptureanu and Ceptureanu 2015). Market barriers also affect youth entrepreneurship. Financial markets may be biased away from supporting youth businesses. Youth-owned businesses may also face discrimination in product markets, with customers who can be sceptics about the reliability of their products or services. Similarly, due to limited resources, youth-owned firms are more likely to enter industries with low entry barriers where competition is fierce (Ceptureanu and Ceptureanu, 2015).

Methodology

The focus of this research is to assess the challenges in entrepreneurial growth of young entrepreneurs in the Sultanate of Oman with its factors. The post-test survey questionnaires were developed in conjunction with the literature review aimed at understanding respondents' challenges towards entrepreneurship. The study adopted the survey research design using a structured questionnaire. The questionnaire also collects data on the six challenges such as finance, human resource, marketing, administration, personnel, the production which will assess the challenges in entrepreneurial growth of young entrepreneurs towards entrepreneurship. The dependent variable is the success factor for entrepreneurial growth while the independent variables are finance, human resource, marketing, administration, personnel, production challenges.

Research Instrument and its Reliability

The major instrument for collecting data is the questionnaire. The questionnaire was developed to assess the challenges in entrepreneurial growth of young entrepreneurs in the Sultanate of Oman. Few questions on the demographic variable, attributes of entrepreneur and anticipated challenges for the young entrepreneur. In this research, the respondents were required to indicate their opinion on each statement on a five-point Likert type scale: 1=strongly agree to 5=strongly disagree.

The questionnaire was submitted to the experts in the field of entrepreneurship for getting feedback. Based on their feedback minor changes has been made on the questionnaire and distributed to few sample population for the pilot study and the reliability was calculated with the help of Cronbach alpha (Hair et al., 1998). Cronbach Alpha value was calculated and it was found to be 0.846 and the total numbers of questions were 53. The values were found to be in the range of 0.60 and 0.90, hence it might be suggested that all the scales met the reliability condition (Hair et al., 1998, p.118).

Sampling

The survey population of this study consists of various young entrepreneurs in the Sultanate of Oman. Convenience sampling method was used to draw 72 samples from various entrepreneurs in Muscat City. The

respondents were clearly explained about the purpose of this research before collecting data. 57 completed questionnaires were returned. Due to some limitations, the sample size was 57 young entrepreneurs, but accuracy is not compromised, all the samples were thoroughly evaluated and on the other hand it was found that there were few errors in 5 samples; they were not valid, so it got removed and finally 52 samples were taken for the final analysis.

Discussion & Results

The data that was collected for this study was processed manually through coding and then entered electronically. The Microsoft Excel and Statistical Package for Social Sciences (SPSS) were used for the analysis. The use of statistical distributions such as tables showing frequencies and percentages were adopted in the study. Descriptive analyses were used to compare the demographic data of the study participants. The weighted average method was adopted for all the six challenges such as finance, human resource, marketing, administration, personnel, production. The hypotheses stated in the study were analyzed with the help of Chi-Square, Independent T-Test, Friedman Test and Multiple Regression.

Descriptive Analysis

Table 1 presents the demographics data based on age, education and gender of respondents with their description range and frequency.

Description		Frequency	Percentage
Age	21 – 30	22	42
	31 – 40	30	58
Education	Masters	18	34
	Bachelors	24	46
	Diploma	04	8
	Up to 12	04	8
Gender	No Education	02	4
	Male	44	85
	Female	08	15

The analysis reveals that majority of the respondents 58% were in the age group of 31-40, 42% fall between the age bars of 21-30. In respect to the education of the respondents, 46% of them are bachelors, 8% of them are a diploma, 8% of them are up to class 12 and the remaining 34% were Master's education. In respect to the gender, 85% of the young entrepreneurs are men and only 15% of the respondents are female.

Table 2 Type of Industry

Type of Industry	Frequency	Percentage
Trading	20	38
Service	12	23
Manufacturing	04	08
Construction	06	12
Engineering	08	15
Agriculture	02	04
Total	52	100

The analysis shows that 38% of the entrepreneurs are doing trading business, 23% of them are having a service business, 15% of them are in engineering, 12% of them are construction, 8% of them in manufacturing and the remaining 4% are doing agricultural business.

Table 3 Type of Ownership

Type of Industry	Frequency	Percentage
Sole Proprietorship	32	62
Partnership	08	15
Private Limited	10	19
Public Limited	02	04
Total	52	100

The analysis shows clearly that 62% of the young entrepreneurs are sole proprietors and doing their business independently, 19% of them have privately limited, 15% of them have the partnership and only 4% of the entrepreneurs are having public limited companies.

Table 4 Information about Business

Description	Frequency	Percentage	
Period of Business Operation	Up to 3 years	18	35
	4 - 6 years	22	42
	7- 10 years	02	04
	above 10 years	10	19
Current Strength of Employees	Up to 25	46	88
	26-50	06	12

The analysis about the period of business operation shows that 42% of the entrepreneurs are doing their business between 4-6 years whereas 35% of the entrepreneurs are doing business less than 3 years, it shows that they are very young in respect of age and also in business. In respect to the employee strength, 88% of the entrepreneurs are doing business with less than 25 employees in their business.

Table 5 Best describes the company situation

Company Situation	Frequency	Percentage
I have created my present company myself	46	88
It is a family business I have "inherited"	02	04
It is a business I have take-over/purchase of another enterprise	04	08
Total	52	100

The young entrepreneurs were asked about their company situation how they have started their business, it was found that 88% of the entrepreneurs have created their own business which is one of the most welcoming factors for the growth of economic development.

Table 6 Motivation to start the business

Motivation	Frequency	Percentage
Profit / Money Making	24	46
Social Status	00	00
Entrepreneurship education and training	04	08
Entrepreneurial skills	16	31
Economic participation rather than being employed	08	15
Total	52	100

The young entrepreneurs were asked the motive behind their starting of business, it was revealed that 46% of them were started for making profit, 31% of them were started because they felt that they have entrepreneurial skills, 15% of them started their business keeping in their mind that they will support the economic development.

Table 7 Source of capital for the business

Source of Capital	Frequency	Percentage
Own investment	38	73
Friends and relatives	08	15
Government support	02	04
Bank loan	02	04
Venture Capital	00	00
More than 1 from the above	02	04
Total	52	100

The entrepreneurs were asked to provide the main source of capital for starting their business and it was tabulated, 73% of the entrepreneurs started their business with their funds and 15% of them received from their friends and relatives. The sad part is that they find it a little difficult to get from various other sources of funds.

Table 8 Premises used for your business

Business Premises	Frequency	Percentage
Own	04	08
Rental	48	92
Lease	00	00
Total	52	100

It is very clear that 92% of the young entrepreneurs are operating their business in the rental premises and only 8% of them are operating in their premises, there is no concept of the lease in Oman.

Weighted Average Analysis

The weighted average analysis was conducted for six challenges such as finance, human resource, marketing, administration, personnel, production. In each challenge, the researcher was trying to list out the important factor in rank order.

Table 9 Personal Challenges

Personal Challenges	1	2	3	4	5	Score	Avg	Rank
Lack of self confidence	14	24	04	04	06	120	2.31	5
Entrepreneurial Education & Training	10	12	08	16	06	152	2.92	4
Lacks management skill to run the business	12	08	08	16	08	156	3.00	3
Combining work and family life	04	08	14	18	08	174	3.35	1
Limited networks and industry contacts	06	14	08	20	04	158	3.04	2

From the weighted average analysis (Table 9) it was found that combining work and family life will be the biggest challenge and another important challenge is that the entrepreneurs have limited networks and industry contacts followed by lacks management skill to run the business.

Table 10 Financial Challenges

Financial Challenges	1	2	3	4	5	Score	Avg	Rank
Access to reliable sources of funding	06	00	14	18	14	190	3.65	1
Access to competitive borrowing rates	00	06	20	16	10	186	3.58	2
Managing accurate financial record-keeping	06	12	16	12	06	156	3.00	5
Obtaining funding from financial institutions	02	08	16	16	10	180	3.46	3
Managing Working Capital	02	12	08	22	08	178	3.42	4

Table 10 presents the ranking of financial challenges faced by young entrepreneurs, according to the young entrepreneurs, access to a reliable source of funding was the greatest challenge. Access to competitive borrowing rate and obtaining funding from a financial institution are the major challenges concerning finance.

Table 11 Human Resource Challenges

Human Resource Challenges	1	2	3	4	5	Score	Avg	Rank
Hiring and keeping good, reliable staff	06	00	08	16	22	204	3.92	1
Maintaining a healthy working Culture	04	04	12	24	08	184	3.54	4
Availability of trained & skilled workers	06	04	06	20	16	192	3.69	3
Lack of Motivation among workers	06	10	14	18	04	160	3.08	5
Retaining skilled workers	00	04	16	22	10	194	3.73	2

Hiring and keeping good, reliable staff is one of the major challenges faced by the young entrepreneurs followed by retaining skilled workers, as they are moving out very frequently. Even the availability of trained and skilled workers are also other important challenges with respect to Human Resource.

Table 12 Marketing Challenges

Marketing Challenges	1	2	3	4	5	Score	Avg	Rank
Access to good market information	04	04	10	18	16	194	3.73	1
Unfavorable market conditions	04	04	12	28	04	180	3.46	4
Pricing the goods/services	06	00	20	26	00	170	3.27	5
Demand Fluctuation	06	02	08	28	08	186	3.58	3
Heavy Competition	04	04	12	20	12	188	3.62	2

With respect to marketing challenges, the young entrepreneurs face a lot of difficulties to access to good market information followed by heavy competition and demand fluctuation in the market because of current economic condition.

Table 13 Administrative Challenges

Administrative Challenges	1	2	3	4	5	Score	Avg	Rank
The process of registering business	04	12	12	14	10	170	3.27	4
Training in business skills	06	04	08	24	10	184	3.54	1
Record Keeping	04	08	24	16	00	156	3.00	5
To find suitable premises	04	04	18	20	06	176	3.38	3
To deal with legal / governmental regulations	04	04	12	26	06	182	3.50	2

Young entrepreneurs face a lot of administrative challenges, out of which training in business skills is one of the major challenges every entrepreneur faces followed by dealing with legal and government regulation. Sometimes finding suitable premises is also yet another challenge for the entrepreneurs.

Table 14 Production Challenges

Production Challenges	1	2	3	4	5	Score	Avg	Rank
Lack of modern technology	06	10	14	16	06	162	3.12	5
Finding suppliers	04	12	08	22	06	170	3.27	2
Quality Control System	06	04	16	22	04	170	3.27	2
Maintenance of Machinery	04	06	16	18	08	176	3.38	1
Minimization of wastage	06	02	24	14	06	168	3.23	4

Table 14 presents the production challenges faced by the young entrepreneurs, maintenance of equipment may be one of the major challenges followed by quality of control system and finding the suitable suppliers are other challenges. Even though not all the respondents are directly related to the manufacturing process, they are indirectly

related, so that is why this production challenge question was asked to all the young entrepreneurs irrespective of their field of business.

Table 15 Ranking the challenges that business faces in the market or industry

Attributes	1	2	3	4	5	6	Score	Avg	Rank
Financial Challenges	08	00	04	06	06	28	352	6.77	1
Production Challenges	02	14	16	08	08	04	154	2.96	4
Human Resource Challenges	04	08	12	10	16	02	118	2.27	5
Marketing Challenges	06	14	12	14	02	04	170	3.27	3
Administrative Challenges	12	16	02	08	12	02	104	2.00	6
Personal Challenges	20	00	06	06	08	12	194	3.73	2

The young entrepreneurs were asked to give their ranking on the various challenges faced by them in the business, it was analyzed with the help of weighted average and the above table clearly shows that majority of the young entrepreneurs are facing much difficulties in sourcing the fund for their business followed by their challenges and marketing challenges is yet another major challenge faced by the young entrepreneurs in Oman. All these challenges need to be addressed with priority.

Table 16 Rank the problem during the Expansion of the business

Problems	1	2	3	4	5	Score	Avg	Rank
Financial	02	08	12	10	20	194	3.73	1
Space	10	14	08	14	06	148	2.85	4
Skilled Workers	06	08	12	12	14	176	3.38	2
Marketing	10	12	10	12	08	152	2.92	3
Technology	24	10	10	04	04	110	2.12	5

Table 16 presents the problems faced by the young entrepreneurs while they expand their business, according to them, again they were insisting that finance will be the major challenge during their expansion of business followed by getting a skilled worker to suit their requirements, as mentioned in the earlier table, marketing is also yet another major challenges during their expansion of business. Otherwise, the expansion of business depends on the market condition.

Table 17 Awareness about government support for business

Awareness about Government Support	Frequency	Percentage
Very High	08	15
High	17	33
Moderate	19	36
Low	04	08
Very Low	04	08
Total	52	100

The young entrepreneurs were asked about their awareness about the Government support for starting a new venture, it was found that 36% of the respondents were moderately aware of the government support and 33% of them were aware of it and 15% of the young entrepreneurs were highly aware of the government support for the entrepreneurs.

Table 18 Rank the support required from the Government/Ministry

Support Required from Government	1	2	3	4	5	6	7	Score	Avg	Rank
Finance	06	00	04	00	02	10	30	558	10.73	1
Marketing	04	06	04	02	12	20	04	108	2.08	6
Infrastructure	00	02	04	10	22	12	02	92	1.77	7
Technology	04	12	04	22	06	00	04	200	3.85	2
Legal Advice	10	06	20	10	04	02	00	122	2.35	5
Networking Opportunity	06	18	10	02	06	04	06	188	3.62	3
Training & Consulting	22	08	06	06	00	04	06	188	3.62	3

The above table represents the support expected from the government/ministry for the entrepreneurs, it was found that without any hesitation all the young entrepreneurs expect financial support from the government followed by technological support, training support for the smooth running of the business. It is very clear that from the various analyses, the young entrepreneurs were suffering from the financial challenges which they are exploring some opportunities to get rid of it.

Table 19 Government policies affect the business

Government Policy affect the business	Frequency	Percentage
Mostly affected	08	15
Moderately affected	36	69
No change	02	04
Not been affected	02	04
Mostly not affected	04	08
Total	52	100

The entrepreneurs were asked about how far the government policies affect their business activities and it was found that the government policy has a moderate effect (69%) in running their business. It is usual in every country, that there will be policies and regulation which the entrepreneurs have to follow while running their business.

Table 20 Success factors for entrepreneurial growth

Success Factors	1	2	3	4	5	Score	Avg	Rank
Consistently exceeding performance expectations	02	02	12	22	14	200	3.85	3
Successfully managing my workers	02	04	08	20	18	204	3.92	2
Successfully managing myself	00	06	06	20	20	210	4.04	1
Having recognized expertise in a specific area	00	10	14	20	08	182	3.50	7
Gaining intercultural and language skills	02	10	04	22	14	192	3.69	5
Seeking out difficult or highly visible assignments	04	04	14	22	08	182	3.50	7
Participating in Nation Building	02	10	06	18	16	192	3.69	5
Contributing to Economic Development	02	06	12	10	22	200	3.85	3

At the end of the interview with the young entrepreneurs, it was asked to provide their success factors from their experience in running the business. The result shows that managing self is one of the main success factors for the success followed by managing the workers, exceeding the performance expectation and they were happy that they contribute for the economic development of the country.

Statistical Analysis

Chi-Square Test

Table 21-The Chi-Square Test was conducted to find the significant association between level of education and type of ownership

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.356a	12	.080
Likelihood Ratio	22.659	12	.031
N of Valid Cases	52		

The P-Value is .80. Since the P-Value is > 0.05 Reject H1. Accept Ho. There is no significant association between level of education and type of ownership. It clearly indicates that education is not the barrier for starting up of business. This is one of the proven facts around the world.

Table 22-The Chi-Square Test was conducted to find the significant association between Gender and Type of industry

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.259a	5	.031
Likelihood Ratio	15.239	5	.009
N of Valid Cases	52		

The P-Value is 0.031. Since the P-Value is < 0.05 Reject Ho. Accept H1. There is a significant association between Gender and business falls under the Industry type; that is, both Males and Females not equally prefer the type of industry. The result indicates the gender plays the main role in deciding the business type. Few businesses will be preferred by women than men and vice versa.

Independent T-Test

Table 23-The Independent T-Test was conducted to find a significant difference between Gender and how long operating business

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
How long	Equal variances assumed	2.886	.096	1.668	50	.102	.68182	.40874	-.13915	1.50279
	Equal variances not assumed			2.684	20.670	.014	.68182	.25405	.15297	1.21067

The group means are not statistically significantly different because of the value in the "Sig. (2-tailed)" row is not less than 0.05. There is no significant difference between Gender and how long the operating business. The result indicates that gender does have a significant difference in the operation of the business in terms of the number of years in the industry.

Friedman Test:

To determine the significant differences among the various challenges faced by the young entrepreneur.

Table 24-Friedman Test

Challenges	Mean	Std. Deviation	Mean Rank	Test Statistics ^a	
Personal Challenges	3.0000	.92884	2.65	N	52
Financial Challenges	3.5000	.80440	3.71	Chi-Square	40.621
HR Challenges	3.7308	.86581	4.37	df	5
Marketing Challenges	3.4231	.84821	3.79	Asymp. Sig.	.000
Admin Challenges	3.2692	.76991	3.33	a. Friedman Test	
Production Challenges	3.1923	.97092	3.15		

There is an overall statistically significant difference between the mean ranks of the related groups. So, there is a significant difference among the various challenges faced by the entrepreneur(Personal, Finance, HR, Marketing, Administrative and Production challenges). The result justified that every challenge are unique and it has its power to influence the operation of the business. Every challenge has its direction to affect business operation. Every entrepreneur should understand each challenge that they face and should try to find ways and means for overcoming those challenges and win over the business.

Multiple Regression

In this study the researcher tried to explain the variation to the success factors for entrepreneurial growth from Personal, Financial, Human Resource, Marketing, Administrative and Production Challenges faced by the young entrepreneurs (Refer Table 25, 26 & 27).

Table 25-Multiple Regression-Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.778 ^a	.606	.553	.50609

a Predictors: (Constant), right person to be entrep, Characteristic features , Parents owning business, Who influenced your opinion

Table 26-Multiple Regression-ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.705	6	2.951	11.521	.000(a)
	Residual	11.526	45	0.256		
	Total	29.231	51			

a Predictors: (Constant), Personal, HR, Financial, Marketing, administrative and production challenges

b Dependent Variable: Success Factors

Table 27-Multiple Regression-Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	2.618	.462		5.668	.000	1.688	3.549
	Personal Challenges	.021	.114	.025	.181	.857	-.210	.251
	Financial Challenges	-.122	.128	-.129	-.953	.345	-.379	.135
	HR Challenges	-.060	.118	-.069	-.511	.612	-.298	.177
	Marketing Challenges	.456	.154	.511	2.966	.005	.147	.766
	Administrative Challenges	-.255	.136	-.259	-1.873	.068	-.528	.019
	Production Challenges	.316	.146	.406	2.162	.036	.022	.611

a Dependent Variable: Success Factor

The variables are explained below:

1. Dependent Variable : **Success Factor for Entrepreneurial Growth**
2. Independent Variable :
 - a. **Personal Challenges** X1
 - b. **Financial Challenges** X2
 - c. **Human Resource Challenges** X3
 - d. **Marketing Challenges** X4
 - e. **Administrative Challenges** X5
 - f. **Production Challenges** X6
3. R Square Value : 0.606
4. F Value : 11.521
5. P Value : 0.000**

The sample coefficient of determination R Square or R^2 (r^2 is commonly used in simple regression analysis while R Square is approximately reserved for multiple regression analysis). It measures the goodness of fit of the estimated SRP in terms of the proportion of the variation in the dependent variable explained by the fitted sample regression equation or SRP. Thus, the value of R Square is 0.606 that independent variables explain 60.6% of the variability of dependent variable, Intention to start own business is explained or accounted for by the estimated SRP that uses Personal Challenges (X1), Financial Challenges (X2), Human Resource Challenges (X3) Marketing Challenges (X4), Administrative Challenges (X5) and Production Challenges (X6) as the independent variable. The information is quite useful in assessing the overall accuracy of the model. This model is significant at 5% level. The estimated SRP or Sample Regression Equation can be written as:

$$Y = 2.618 + 0.021 x_1 - 0.122 x_2 - 0.060 x_3 + 0.456 x_4 - 0.255 x_5 + 0.316 x_6$$

Result

A multiple regression was attempted to predict success factors for entrepreneurial growth from Personal, Financial, Human Resource, Marketing, Administrative and Production Challenges faced by the entrepreneurs. The "R" column represents the value of R, the multiple correlation coefficients. R can be one measure of the quality of the prediction of the dependent variable; success factor for entrepreneurial growth. These variables statistically significantly predicted success factor, $F(6, 45) = 11.521$, $p < .0005$, $R^2 = .606$. All independent variables explain 60% (i.e R square value .606)-All six variables added statistically significantly to the prediction, $p < .05$. The overall regression model is a good fit for the data. The table shows that the independent variables statistically significantly predict the dependent variable (i.e) $p < .0005$ The F-ratio in the ANOVA table tested whether the overall regression model is a good fit for the data.

Entrepreneurship Growth in Oman

The centrality of entrepreneurship policies is stimulated not only by diversification but also the necessity for governance mechanisms to contend with a unique regional employment conundrum: an economic distortion where expatriate labour levels and national unemployment are rising simultaneously. A growing youth population greets a private sector that either systematically excludes or fails to attract them. With 78.4 percent of the population in Oman under the age of 35, unemployment and underemployment are deepening challenges (Ennis, 2015). Policies aimed at promoting entrepreneurship are thus looked to as a possible policy solution. This is not the first time employment concerns motivated policy moves. The weak representation of citizens in the private sector labour market in Oman is not a new story (Ennis, 2015).

Oman has started setting up business incubators represented in the Knowledge Oasis Muscat (KOM) during 2003, a joint venture with United Kingdom Technology Park Programs. Knowledge Oasis Muscat (KOM) is the Sultanate of Oman's flagship technology park. KOM symbolizes successful public-private partnership in nurturing knowledge-based businesses. KOM is committed to creating an environment in which budding entrepreneurs, small

and medium-sized enterprises and established multi-nationals can coexist, innovate and flourish within a Middle East setting. The KOM provides some facilities including business and finance information, network building and technology transferring. The organization has also created The Knowledge Mine (TKM) Program to assist the start-up companies with a complete support package (Al Mubarak,2008). The Knowledge Mine (TKM), a business incubator for local entrepreneurial projects. Aimed at fostering in-country knowledge, TKM supports technology-dependent start-ups by providing them affordable office space and free or highly-subsidized services like internet and phone lines (Ennis,2015).

Promoting entrepreneurship has become one of the policy options to sustain growth and address employment. Fostering youngsters' entrepreneurial potential by understanding and appreciating their attitude and talents, in addition to promoting an entrepreneurial culture among them will result in stimulation of economic growth and development for Oman (Ibrahim, et.al,2017). Chambers of Commerce and Industry in Oman claim to be promoting entrepreneurship, and indeed many of their members sit on boards or tangentially participate in various entrepreneurship initiatives (Ennis, 2015).

Implication

The study has several implications, based on the findings of this study, few suggestions have put forth which may be considered for the growth of entrepreneurship in Sultanate of Oman. The fact that during recent years, Oman's competitive fundamentals have deteriorated and its business environment perceived to be risky; according to the Global Competitiveness Report (2016), Oman's rank in doing business declined from 46th to 62nd position between 2014&2016. The report demonstrated that the government can create an encouraging and motivating business environment in Oman by removing the restrictive labour regulations and promoting efficient government administration. Industrial development was thus a focus of the decade, with the imperative to diversify the economy away from oil and engender sustainable development high on the Gulf development agenda (Ennis,2015). The government can also strengthen the role of business incubators, who provide great support to young Omanis in the form of start-up funding, location, networking opportunity, training and many other useful services (Kotler et al., 2008). The government has important roles to play in promoting entrepreneurship by creating an environment conducive to doing business and reducing business risk.

The Omani government should support in all stages of business development, including helping in expansion capital. The funding helps young entrepreneurs to obtain more resources and to expand their businesses eventually create more jobs for the public. More attention should be given to make easy access about business funding for youth entrepreneurs, who have a convincing business plan but short of start-up capital to materialize the ventures. The Omani government should create a conducive environment for business development. Business support services must be accessible to young people. This would strengthen the enthusiasm amongst young entrepreneurs as well as aspiring entrepreneurs in entrepreneurial activities. Private institutions such as banks and other microfinance institutions should introduce youth entrepreneurship funding as a part of their services (Sitoula, 2015).

To remain competitive in the market, youth entrepreneurs in Oman, need to have entrepreneurial skills such as creativity, innovation, new product development, new marketing strategies, and networking. Furthermore, technical skills and management models should be designed and coordinated by various institutions and organizations relevant to youths need, and most importantly, training should be made widely accessible and inexpensive (Sitoula,2015). Inculcating entrepreneurship education and developing entrepreneurial skills among students have become an essential component in college and university curriculum (Muthuraman, et.al.,2017). The government can also support business incubators and higher education institutions to team up in promoting and producing a positive image of entrepreneurship as a career for the youngsters in Oman (Ibrahim, et.al,2017). Given the importance of entrepreneurship in Oman, a national office could be set up at any ministry that will coordinate and support various services offered by different (Khan & Almoharby, 2007).

Owing to the ongoing globalization process, youth entrepreneurship also promotes innovation as it encourages young people to find new solutions, ideas and ways of doing things through experience-based learning. In certain circumstances, young entrepreneurs may be particularly responsive to new economic opportunities and

trends. In addition, it is increasingly accepted that youth entrepreneurs can present alternatives to the organization of work, the transfer of technology and a new perspective on the market (White and Kenyon,2001). Promotion of youth entrepreneurship is an integral part of micro/small industry promotion. Therefore, the promotion of youth entrepreneurship should also be linked in the context of the requirements of small industry development as well as government policies and programs (Sitoula,2015). However, this study attempts to provide a practical scenario in the field of entrepreneurship in Sultanate of Oman, this will help the young Omani entrepreneurs and future researchers and scholars in various aspects and helping them to try an intensive study in Oman context.

Limitations

The present study has several limitations. The first limitation for this research is that the survey is mainly conducted in Muscat City. The location is chosen because the most of the entrepreneurs are doing business in the Muscat city and the area has the largest number of diversified entrepreneurs in terms of their business in various industries in Sultanate of Oman. The second limitation is that this research employed convenience sampling to accomplish the research objectives. The limitations associated with the convenience sampling are applicable for this study. The sample size is yet another limitation to this study; the sample size is not enough to represent all the young entrepreneurs. Maybe in the future, there is a possibility of going intensive research in the specific specialization of study.

Conclusion

Considering the present research findings presented earlier, several implications are considered. The promotion of entrepreneurship in Oman is motivated by both ideological trend and necessity. Especially the promotion of more effective youth entrepreneurship policies and strategies is, therefore, getting visible attention among government and international organization and there is increasing recognition that responsible youth entrepreneurship must be a core study area for tackling local and global economic and employment challenges. From the theoretical perspective, the present research has enriched the literature. This study contributed to the literature on entrepreneurship by investigating the challenges faced by young entrepreneurs in the Sultanate of Oman. This study is the modest attempt to understand the challenges faced by the young entrepreneurs during their progress to the growth. Entrepreneurship and self-employment thus can be a source of finding new jobs and can improve youth livelihood and economic independence in Sultanate of Oman. The government agencies, private sector enterprises, the chamber of commerce and industries, and the educational institutions need to work together, in close cooperation and coordination, to provide strong stimulation to the young generation of Oman (Khan and Almoharby, 2007).

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