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The Challenges Faced by Omani Students when Choosing Entrepreneurship as a Career

Abstract

The purpose of this study is to delve into the specific challenges that Omani students face when deciding on entrepreneurship as a path in life. The study employed deductive research methodology and quantitative research since it is empirical research that employs analytical techniques to provide quantifiable data. The descriptive research design was also used since it summarises the characteristics of the population or problem being studied. Additionally, the purposive sampling strategy, a non-probability sampling technique, was used as the sampling strategy for this study. It involved selecting the sample in accordance with the researcher's knowledge and skill. Four hypotheses were chosen for the study, and they were all accepted. This suggests that there is no conclusive association between family income, the father's occupation, education, and programme of study, and the challenges that Omani students face when deciding on entrepreneurship as a career path. While choosing entrepreneurship as a career, Omani students must confront a range of challenges. Similarly, the findings indicate that the primary challenges experienced by students are that young people's entrepreneurial attitudes are not acknowledged by social or cultural norms. Their entrepreneurial endeavours are impacted by a lack of government encouragement and assistance. The fear of failure would make starting a business extremely difficult for them, and they lack the necessary technical and practical abilities to start their business. Furthermore, one of the most significant challenges identified by respondents is the difficulty in raising the necessary capital to start a business.

Keywords: *Entrepreneurship, Challenges, Omani students, Business, Career choice*

Jel Classifications: L26, N95, M13

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Raja Tumati, PhD Scholar. (Corresponding author). Mizoram University, Mizoram, India,

Email: tumatiraja@gmail.com

NVR Jyoti Kumar, Professor. Head of Commerce Department, Mizoram University, Mizoram, India,

Email: jyotikumar@mzu.edu.in

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Tumati, R. and Kumar, J. NVR.

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1. Introduction

Industrial expansion and technological advancements are essential for a nation's economic strength. Because of the globalization's accelerated phase, governments are now needed to focus on entrepreneurship as well. Many nations, including the Sultanate of Oman, impart entrepreneurship skills to college graduates to foster economic growth and development. Encouragement of entrepreneurial endeavours can assist young people become self-sufficient and reduce the unemployment issue that plagues many nations (Drucker, 2005). Young entrepreneurs can contribute to the economic growth of the nation if they are given adequate training and financial support. Nevertheless, all entrepreneurs, particularly young individuals who were untrained in the business sphere, confront hurdles on their path to success. Several internal and external problems will be experienced by young entrepreneurs, especially since they are still emerging in the commercial world, and they will function as roadblocks to their success (Kanchana et al., 2013).

The oil industry in the Sultanate of Oman accounts for more than 77% of all government income. Savings are significantly impacted by nations that rely on petroleum resources, as well as by changes in output or price on the global market (NCSI, 2015). The Sultanate of Oman consequently made the decision to undertake economic growth by concentrating on non-oil sectors. The non-oil private enterprises are currently still quite tiny, and as a result, they have only contributed a minor amount to overall employment and economic growth (IMF 2016). However, the Sultanate of Oman has made the decision to prioritise developing non-oil sectors above all other plans and strategies (Oman Vision 2020). To encourage entrepreneurship, the government of Oman has launched a variety of measures, including the formation of a specialised and self-reliant authority for developing SMEs in May 2013, the development of numerous credit lines, such as the accessibility of soft loans through Al Rafud, and the provision of extensive training and guidance to SMEs owners so they can maintain their businesses (Sanyal and Hisam, 2018). Regardless of these advantages, there have been 80,682 users, 98% of which are SMEs, who have withdrawn their registration through the "Invest Easy" platform in 2018 (Times of Oman, 2018). The challenges faced by entrepreneurs in Oman are raised by this circumstance in several ways.

According to a study by Yoganandan and Naveen (2017), young entrepreneurs encounter a variety of difficulties, including launching a business because they must be knowledgeable about every facet of their sector. Owners of businesses must be able to handle a variety of business tasks in a difficult or urgent situation. These abilities must be developed through time; they cannot be mastered in the outset. Additionally, Kaburi et al. (2012) suggested that young entrepreneurs usually face challenging decisions in turbulent scenarios with high risks, severe time restraints, and strong emotional engagement. Additionally, people behave differently in these stressful circumstances compared to when they have time to reflect on and process a problem. Therefore, this study is intended to focus on challenges faced by Omani Students when choosing entrepreneurship as a career choice. The Sultanate of Oman will greatly benefit from this study since it places a high value on diversifying its economy away from oil and increasing the number of jobs in the private sector. This study will help determine the challenges that graduates encounter so that authorities can work on identifying practical solutions to those problems. The study's findings will therefore be very helpful to many stakeholders in Oman.

2. Literature Review

2.1. Challenges to Student Entrepreneurship as a Career Choice.

Funding is presumably the most critical obstacle for entrepreneurs (Shinnar et al., 2012). Moreover, Smith & Beasley (2011) stated that many students in different studies also identify this barrier (i.e., lack of starting capital, raising required capital, and funding complexity). Furthermore, Ribeiro et al. (2014) differentiated financial difficulties between genders; females seem to have more obstacles than their male counterparts in raising their businesses'

capital. Moreover, the absence of entrepreneurial role models in the family environment or the immediate family setting can adversely affect the image of entrepreneurship (Pruett et al., 2009). Besides, lack of social support, i.e., religion, caste system, and social order, may be challenges to entrepreneurship. Under the circumstances (Iakovleva et al., 2014), social support is assessed by the subjective-social norm construct (Ajzen, 1991), which distinguishes among different cultures and may serve as a barrier.

According to Bruns (2016), some of the challenges that new entrepreneurs face is product disparity, being more efficient and forced to maintain economies of scale, and a need for capital. Similarly, Wagner (2004) argued that financial institutions, investors, and banks usually regard the risk of business failure at a high rate and are hence less inclined to fund start-ups and approve loans. On the other hand, Shane and Venkataraman (2000) stated that access to human capital, knowledge markets, and limited access to essential data are significant challenges for entrepreneurs. Moreover, Zhang (2011) noted that first-time entrepreneurs face the various challenges of securing funding for start-up ventures because many view them as inexperienced or risk-takers. In contrast, senior entrepreneurs can obtain capital much faster than novices. Likewise, William (2010) argued that banks and lending institutions' decisions are possibly affected by an entrepreneur's credentials rather than the business's credibility. He further stated that since first-time entrepreneurs cannot prove their achievements, they are less likely to receive funding for their start-ups.

Sesen and Pruett (2014) claimed that successful young entrepreneurs demonstrate their disappointment with the support arrangements available for start-ups. Moreover, a study conducted by Smith and Beasley (2011) concluded that most students clarified that the absence of institutional assistance is a significant impediment to their entrepreneurial projects. Also, Ledyayeva et al. (2008) explain that infrastructure facilities are essential to business start-up, and their deficiency is viewed as a barrier to entrepreneurship. Nonetheless, Farid and Rahman (2020) stated that students generally perceive unemployment difficulties as an interpretation of the government's oversight to offer more jobs and motivate the economy's private sector. The students believe that obtaining their certifications symbolises getting an opportunity, either in private or public organisations. However, Fatoki (2011) found that students have natural characteristics agreeable to entrepreneurship even though they face difficulties in their effective performance. Table 1 presents the results of a study about internal and external challenges to the growth of SMEs in Bosnia and Herzegovina that was undertaken by Džafić et al. (2011).

Table 1. Internal & external challenges faced by entrepreneurs.

Internal Challenges		External Challenges	
Education & Competence	Abilities Competencies	Finance	Irregular Income
	Knowledge Skills		Borrowing Cost
	Experience		Access to capital
Gender	Gender-Related	Family	Role Models
Attitude	Attitude towards Entrepreneurship		family background
	Self-Efficacy		Family commitment
Personality	Lack of Confidence	Law and Administration	Tax
	Lack of Courage		Registration Procedure
	Motivation		Legislation & Regulations
	Fear of Risk and debt		Administrative burden
	Fear of failure		Corruption
			Bureaucracy
		Social and Economic	Social Support - Subjective norms

		Networks & Social Capital
		Economic Climate
Government		Institutional Support
		Advisory Mentorship
		Infrastructures
		Human Resources
	Others	Market Information & Knowledge
		Competition
		Opportunity Recognition

Source: Džafić.Z, Zahirović.S, Okičić.J, & Kožarić.A (2011)

Brush and Cooper (2012) stated that women's entrepreneurship is gaining attention concerning their business prosperity support. The authors point out that women tend to face more challenges compared to their male equivalents. According to Bhatti et al. (2011), reasonably priced childcare facilities are not available, so women cannot enter the job market or focus on starting businesses. Besides, Nel et al. (2010) argued that work and personal life balance are the most obvious challenges for female entrepreneurs, as start-ups demand a lot of time. In addition to this, Cooney (2009), in his study of female entrepreneurship in the travelling Irish society setting, acknowledges female entrepreneurs' time limitations in regular tasks, such as those of mothers, homemakers, and caregivers. Furthermore, a significant factor in choosing entrepreneurship as a career is the need to transcend redundancy or unemployment (Mueller & Thomas, 2001). According to the authors, the German government encourages jobless people to start a business by initiating a novel legal entity called one-person firms. The German government's new initiative helped more businesses grow than ever before from 2001 to 2005.

2.2. Challenges to Youth Entrepreneurship as a Career Choice in Oman.

In developed countries, the importance of entrepreneurship in a country's development is universally acknowledged. However, this cannot be said in many emerging countries. For most of them, the issue is not a lack of entrepreneurship but rather an unfavourable business environment and infrastructure that leads to unproductive and negative entrepreneurial activity rather than revenue creation (Christina et al., 2014). Additionally, most of the entrepreneurship practised in these nations is "necessity entrepreneurship" and not opportunity-driven (Reynolds et al., 2004). Moreover, unemployment circumstances, coupled with weak social welfare support, push individuals in these nations to begin a new business to survive. Besides, in many of these countries, a rigid and expensive new business start-up process limits an individual's ability to start a new business (Reynolds et al., 2004). Moreover, the absence of entrepreneurial growth in many countries can be attributed to unfriendly entrepreneurial environments.

According to Khan and Almoharby (2007), one of the primary challenges to entrepreneurship development in Oman is the absence of the latest leadership and supervisory skills, a lack of needed familiarity with business, inadequate market knowledge, and bad executive experience. Moreover, Ibrahim et al. (2017) stated that the government should increase entrepreneurs' awareness of these difficulties. Furthermore, Belwal (2015) conducted a study in Oman that said that anxiety about business failure and reluctance to take risks were seen as the primary obstacles confronting university students in choosing an entrepreneurial career path. A study conducted by Magd and McCoy (2014) on entrepreneurship in Oman: paving the way for a sustainable future revealed that failure to provide sufficient training relating to entrepreneurship for potential entrepreneurs in Oman is one of the problems, and this could result in a high percentage of new business failures. Besides, the Arab Human Capital Challenge (2009) stated that educational institutes and government authorities should

recognise the challenges potential entrepreneurs face and help them progress at various business life cycle stages. Furthermore, according to Fatoki (2011), it is necessary to keep in mind that support for potential entrepreneurs should not end at the start-up stage but rather continue until sustainable business development.

Research conducted by Bakheet and Hassan (2018) about student perceptions of business opportunities and challenges for a business start-up in Oman concluded that around 35% of the students were not confident about their abilities in organising the marketing of their new business. According to the same study, the main barriers to students embarking on an entrepreneurial path were reluctance and fear of failure. The research has indicated that entrepreneurial education is needed to train Omani students at programme and course levels more effectively than ever before. A study conducted by Belwal et al. (2015) investigated Sohar University students' perceptions of enterprise teaching in Oman and mentioned that students were excited about starting their own business. Furthermore, most of them were confident about starting a new company by themselves. However, a lack of business operations knowledge was noticed. Although students are optimistic and eager to start their own businesses, they lack the requisite knowledge of support systems, resources, and the different ways to create a new business. Belwal et al. (2015) also reported that the main challenges to beginning a business were the fear of failure and dealing with challenging obstacles.

2.3 Development of Students' Entrepreneurial Potential in Oman

Many scholars have studied and researched the role of colleges and universities in developing a notion of entrepreneurship. According to Khan and Almoharby (2007), students studying entrepreneurship significantly increase their readiness to start a new business, besides enhancing their entrepreneurial attitudes and intentions. Another study, conducted by Frank et al. (2005), concluded that entrepreneurial orientation could have a significant impact on educational providers. Acknowledging colleges can increase students' understanding of business, clarify their doubts about start-ups, stimulate creativity and innovation, and improve opportunity evaluation procedures to empower students to identify and take advantage of opportunities. Shinnar et al. (2009) noticed that entrepreneurship programmes influence new business creation but do not significantly impact business continuation and performance. According to the authors, entrepreneurship programmes can serve as a motivating tool for students to begin their own businesses. Still, they cannot support them during the following steps of business planning and administration. In contrast, Ribeiro et al. (2014) stated that although entrepreneurial teaching and training in colleges is blamed for being vague, theoretical trainers and teachers can offer entrepreneurial wisdom for students to guide their selection of entrepreneurship as a career.

On the other hand, colleges were blamed for not having a dynamic curriculum in entrepreneurship. Although some colleges and universities have incubation centres and innovation labs, most do not fully realise their value and potential benefits in formulating a risk-taking atmosphere. Hulsink and Koek (2014) stated a lack of understanding of these facilities and labs' greatness. He further noted that most of these facilities are underfunded and dysfunctional. Besides, Christina et al., (2014) indicated that most colleges view these facilities as just a way to make extra earnings or keep their part of the requirements. Furthermore, a study by Balushi and Bagum (2017) revealed that colleges' inadequate attention to entrepreneurship results in adverse outcomes, influencing the prospect of entrepreneurship. Moreover, the same studies concluded that low exposure and minimum levels of awareness among students towards entrepreneurship, especially in personal, social, and economic terms, would have a catastrophic effect on students and the economy. Furthermore, students with low skills and little exposure to entrepreneurship may pressure the government to deal with unemployment issues. To conclude, universities and colleges should

take on the tasks of initiating, developing, and supporting entrepreneurship and inspire, train, actively support and facilitate networking among students and entrepreneurs.

The current work, based on the aforementioned discussion, proposed the following hypotheses;

H1: There is no significant association between family income and student's opinions on challenges to youth entrepreneurship

H2: There is no significant association between father's occupation and student's opinions on challenges to youth entrepreneurship

H3: There is no significant association between education and student's opinions on challenges to youth entrepreneurship

H4: There is no significant association between the program of the study and student's opinions on challenges to youth entrepreneurship.

3. Methodology

The deductive research approach was used in this study because it entails going from the general to the specific, beginning with a theory, drawing hypotheses from it, testing those hypotheses, and then updating the theory (Babbie, 2010). Besides, a quantitative research approach was employed since this method quantifies the data and identifies cause-and-effect links between variables using statistical or mathematical approaches (Kothari, 2010). Because it depicts the traits of the population or phenomenon under study, the descriptive research approach was utilized in this study. With this methodology, the "what" of the study topic is given more attention than the "why".

For this study, the non-probability sampling method, i.e., purposive sampling was used. Purposive sampling is a technique in which the sample is gathered based on the researcher's experience and expertise. It is also referred to as "judgmental" or "authoritative" sampling (Bernard, 2002). The sample size of the study was 478. A combination of primary and secondary sources was used to gather the data. The main information was gathered through a survey, i.e., questionnaires. A questionnaire that had been developed by Urve Venesaar et al. (2014) was used in this investigation. However, to better meet the needs of the study, the questionnaire was modified.

Sharma (1983) stated that undertaking any research requires defining issues or problems, formulating hypotheses or solutions, acquiring, organizing, and analyzing data, drawing findings, and making inferences. Furthermore, Creswell (2014) emphasized that the study's results must be rigorously evaluated to ensure that they are compatible further with hypotheses that were first offered. Furthermore, Kothari (2010) asserted that after data analysis, the investigator is able to review any previously created assumptions. When testing hypotheses, the standard issue that must be answered is: do the statistics support or contradict the theories? As a result, the following hypotheses are proposed for the study:

The frequency distribution, percentage, rank, and weighted mean were used to analyze the data. The frequency distribution is a statistical tool used to determine the distribution of respondents as well as the frequency of those respondents who fit a given specified profile, such as gender, age, and marital status. Both the proportion of respondents and the percentage of respondents who fit a given profile were calculated using the percentage. Other relevant statistical tools were also applied to draw conclusions.

4. Analysis and Findings

4.1 Demographic Profile of the Respondents

The demographic characteristics listed in Table 2 shows that females make up 62.6 percent of the population, while men make up 37.4 percent. The results do not correspond to Oman's national population (NCSI, 2020), which has a female population of 38.7 percent and a male

population of 61.3 percent. To conclude, the majority of survey respondents are female. Besides, 69 percent of those surveyed are between the ages of 22 and 25. According to NCSI (2020), 60% of Omani citizens are between the ages of 21 and 26. As a result, the results and estimates are consistent. Furthermore, 14.4 percent of respondents are between the ages of 26 and 30, with 12.1 percent between the ages of 31 and 35, and 4% between the ages of 36 and older. 40.8 percent of respondents reside in the city, i.e., Muscat, 34.7 percent live in villages, and the remaining 24.5 percent stay in various towns throughout Oman.

In terms of education, 71.3 percent of respondents graduated, while 28.7 percent received a higher diploma. As part of their studies, 24.7% of participants took tourism and hospitality management courses. Business management is the next-highest category, with a 20.3 percent share, followed by accounting and finance (19.7 percent) and human resources management (18.4 percent). Other courses studied by 8.6 percent were nursing, agriculture, and engineering, while 8.4 percent studied event management. The respondent's father worked for the government in 39.3 percent of cases, while 15.1 percent owned enterprises and 14.2 percent retired. Further, 9.6% worked in agriculture, 11.7 % in the private sector, and 10% were jobless. Similarly, 68.6% of the mothers of the respondents were homemakers, compared to 10.7% who worked for the government, 6.9% in the private sector, and 5% who were retired. Moreover, 4.6% of people worked in agriculture, and the remaining 4.2% ran their own businesses. According to the findings, up to RO1,000 represents 50.4 percent of the respondent's family's income. 15.9% of respondents indicated their family income exceeded RO 3,001, while 18% were unclear. Furthermore, 8.2% claimed that their monthly income is between RO2001 and RO 3000, while the remaining 7.5% stated that their monthly income is between RO 1001 and 2000. Inferring from this, half of the respondent families earn less than RO 1000 each month.

Table 2. Demographic profile of the respondents.

A1. Gender	Frequency	Per cent
Male	179	37.4
Female	299	62.6
A2. Age (Optional)	Frequency	Per cent
20-25	332	69.5
26-30	69	14.4
31-35	58	12.1
36 and above	19	4.0
A3. Permanent residing area	Frequency	Per cent
City, i.e., Muscat	195	40.8
Town	117	24.5
Village	166	34.7
A4. Education	Frequency	Per cent
Diploma	137	28.7
Graduation	341	71.3
A5. Programme of the study	Frequency	Per cent
Tourism and Hospitality	118	24.7
HR Management	88	18.4
Accounting and Finance	94	19.7
Event Management	40	8.4
Business Management	97	20.3
Other	41	8.6

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A6. Parent's Occupation - Father	Frequency	Per cent
Own Business	72	15.1
Salaried Employee Private	56	11.7
Salaried Employee Government	226	39.3
Retired	73	14.2
Agriculture	41	9.6
Unemployed	48	10
A7. Parent's Occupation - Mother	Frequency	Per cent
Own Business	20	4.2
Salaried Employee Private	33	6.9
Salaried Employee Government	50	10.7
Retired	24	5.0
Agriculture	22	4.6
Homemaker	329	68.6
A8. Family Income (Optional)	Frequency	Per cent
Up to OMR 1000	241	50.4
OMR 1001 to 2000	36	7.5
OMR 2001 to 3000	39	8.2
OMR 3001 and above	76	15.9
Do not know	86	18.0
Prefer not to answer	0	0

4.2 Descriptive Statistics and Hypotheses Testing

Cronbach's alpha was used to test the reliability across multiple dimensions. The above table displays the results obtained. The alpha for challenges to youth entrepreneurship development is 0.923. The rating is high, and a value of > 0.7 implies that the presented items have very strong internal consistency.

Table 3 describes the challenges faced by Omani students when choosing entrepreneurship as a career, the highest mean score of (\bar{X} 4.39) was noted for Social/cultural attitudes towards youth entrepreneurship are not respected. The second highest noted for lack of government support and encouragement is affecting youth entrepreneurial activity (\bar{X} 4.33). Third and fourth noted for I do not have the appropriate technical and practical skills to start my own business (\bar{X} 4.32) and the anxiety of failure would pose a significant challenge to starting a business (\bar{X} 4.30). The results showed that respondents believed social and cultural views regarding young entrepreneurs were not respected, and they expected more assistance and support for their endeavours. Additionally, respondents felt that they needed more technical and practical abilities in order to be entrepreneurs since they lack the technical and practical knowledge required to start their own business. Additionally, respondents claimed that the fear of failure would make it challenging to launch a business.

Other challenges to youth entrepreneurship that were characterised by respondents are family responsibilities: to earn a constant source of money, forcing me to get a job (\bar{X} 4.28); I have to struggle to raise the necessary capital to start a business (\bar{X} 4.24); I lack the confidence to start my own business (\bar{X} 4.24); the risks involved in setting up a business are too high, government employment has security (\bar{X} 4.19); Respondents claimed that they are having problems finding the money they need to launch a business and give their families a reliable source of income, which necessitates their employment. They also lack the courage to establish their own business. Furthermore, starting a business carries too many risks, whereas working for the government offers security. It is clear from the aforementioned facts that entrepreneurs have a tremendous challenge when trying to raise finance for their ventures. In addition, the respondents prefer employment because they need to support their families

financially. Working for the government appears to be their preferred option because it offers a reliable source of income.

The respondent strongly agrees with two statements: a lack of knowledge of the commercial and legal aspects of a business (\bar{X} 4.12), and a lack of support regarding business start-up by parents and family (X 4.09). The respondents asserted that their knowledge of markets and the commercial and legal aspects of business would certainly challenge them in starting a business. Respondents lack parental and family support when starting a business.

Moreover, other challenges identified by respondents are: the fear of numbers and financial statements prevents me from starting a business (\bar{X} 3.99); banks and other financial institutions do not provide loans to start-up businesses (\bar{X} 3.96); lack of market expertise may fail my business (\bar{X} 3.90); lack of entrepreneurship training cripples starting a new business (\bar{X} 3.89). The respondents affirmed that they are afraid of numbers and financial statements, which is stopping them from starting a business. Besides, they admitted that start-ups are not given loans by banks or other financial institutions. Finally, respondents mentioned that starting a new business is hampered by a lack of market knowledge and entrepreneurship training. Finally, the lowest mean score recorded for challenges to entrepreneurship was: "It is hard to find a business idea that has not been realised before" (X 3.85). Respondents sense that it is difficult to come up with a business idea that has not already been implemented. Support from all stakeholders in new business idea generation would aid young entrepreneurs. Most of the respondents, 74%, stated that banks and other financial institutions do not provide loans to start-up businesses.

Table 3: Challenges faced by Omani Students when choosing Entrepreneurship as a career.

Challenges	\bar{X}	Verbal Interpretation	SD	Rank
Social/cultural attitudes towards youth entrepreneurship are not respected.	4.39	Strongly Agree	0.839	1
Lack of government support and encouragement is affecting youth entrepreneurial activity.	4.33	Strongly Agree	0.912	2
I do not have the appropriate technical and practical skills to start my own business.	4.32	Strongly Agree	0.936	3
The anxiety of failure would pose a significant challenge to starting a business.	4.30	Strongly Agree	0.912	4
Family responsibilities: to earn a constant source of money, forcing me to get a job.	4.28	Strongly Agree	0.816	5
I have to struggle to raise the necessary capital to start a business.	4.24	Strongly Agree	0.982	6
I lack the confidence to start my own business.	4.24	Strongly Agree	0.988	6
The risks involved in setting up a business are too high. Government employment has security.	4.19	Strongly Agree	0.935	8
Lack of knowledge of the commercial and legal aspects of a business.	4.12	Strongly Agree	0.919	9
Lack of support regarding business start-up by parents and family.	4.09	Strongly Agree	0.960	10
The fear of numbers and financial statements prevent me from starting a business.	3.99	Agree	1.109	11
Banks and other financial institutions do not	3.96	Agree	1.136	12

provide loans to start-up businesses.				
Lack of market expertise may fail my business.	3.90	Agree	1.091	13
Lack of entrepreneurship training cripples starting a new business.	3.89	Agree	1.165	14
It is hard to find a business idea that has not been realised before.	3.85	Agree	1.116	15
Total	4.14	<i>Strongly Agree</i>	0.987	15

Figure 1 outlines the key challenges that Omani students experience while deciding on entrepreneurship as a career. The top five challenges faced by students in Oman are: unappreciated social and cultural attitudes toward youth entrepreneurship; a lack of government support and encouragement that is affecting youth entrepreneurial activity; a lack of appropriate technical and practical skills to start their own business; a fear of failure that would pose a significant challenge to starting a business; and family responsibilities: to earn a consistent source of money, students are forced to work.

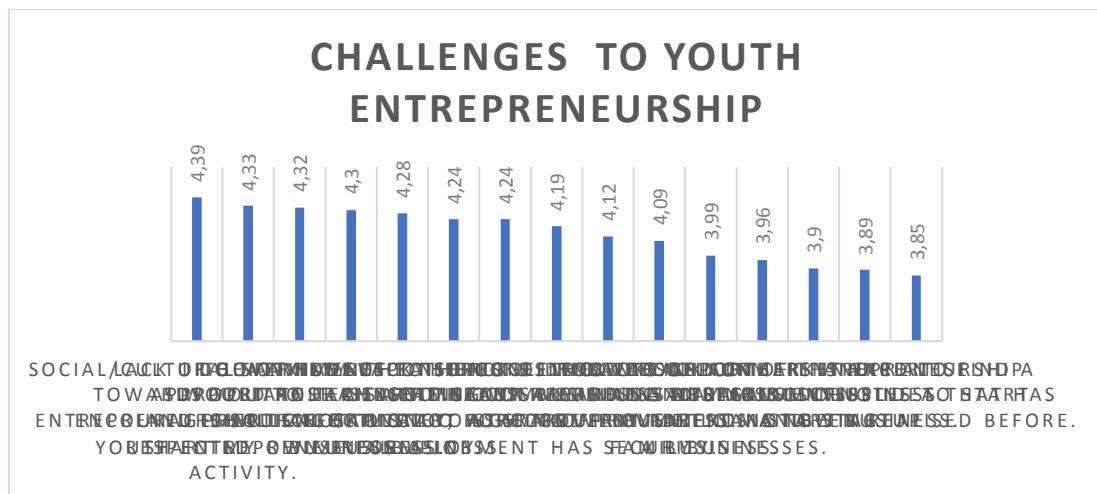


Figure 1. Challenges to youth entrepreneurship.

Figure 2 shows that banks and other financial institutions do not lend to new enterprises in Oman, according to 49 percent of respondents (strongly agree or agree). While 25% of respondents agree with the above statement.

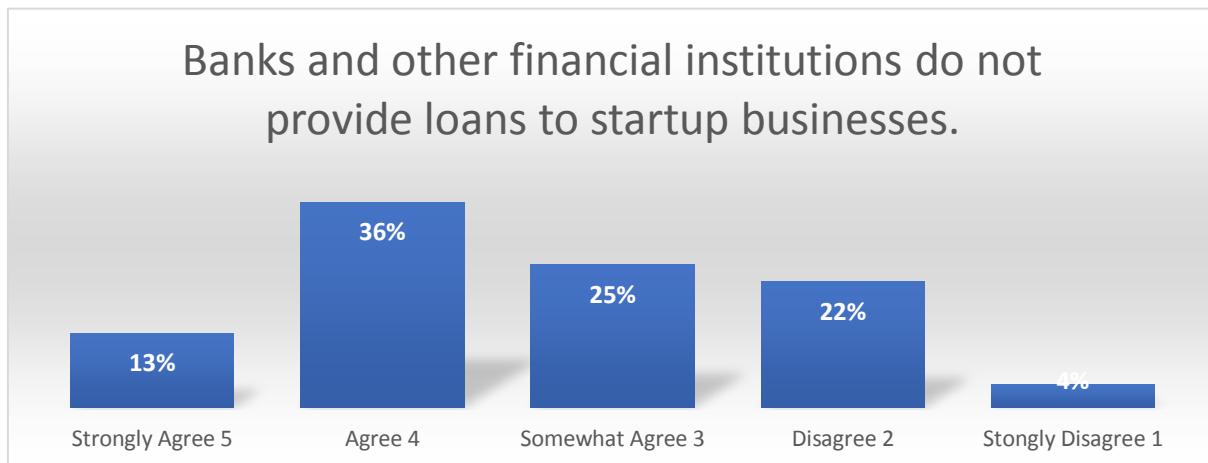


Figure 2. Banks and other financial institutions do not provide loans to start-up businesses.

Table 4 shows that the chi-square is not significant (sig. value is $0.631 > 0.05$), so there is no evidence to reject the null hypothesis, implying that the null hypothesis is accepted. It means that there is no significant association between family income and their opinions on challenges to youth entrepreneurship. It suggests that challenges to youth entrepreneurship are independent of family income.

Table 4. Chi-Square test - family's income per month * challenges to youth entrepreneurship.

Test	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	13.561	16	.631

Table 5 demonstrates that the chi-square is not significant (sig. value is $0.674 > 0.05$), so there is no evidence to reject the null hypothesis, signalling that the null hypothesis is accepted. It indicates that there is no significant association between a father's occupation and their opinions on challenges to youth entrepreneurship. It implies that challenges to youth entrepreneurship are independent of their father's occupation.

Table 5. Chi-Square test - father's occupation * challenges to youth entrepreneurship.

Test	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	16.668	20	.674

Table 6 indicates that the chi-square is not significant (sig. value is $0.193 > 0.05$), so there is no evidence to reject the null hypothesis, signifying that the null hypothesis is accepted. It denotes that there is no significant association between education and their opinions on challenges to youth entrepreneurship, which implies that challenges to youth entrepreneurship are independent of education.

Table 6: Chi-Square test - education * challenges to youth entrepreneurship.

Test	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	6.086	4	.193

Table 7 shows that the chi-square is not significant (sig. value is $0.658 > 0.05$), so there is no evidence to reject the null hypothesis, indicating that null hypothesis is accepted. It means that there is no significant association between the program of the study and their opinions on challenges to youth entrepreneurship. It connotes that challenges to youth entrepreneurship are independent of the program of study.

Table 7. Chi-Square test - program of the study * challenges to youth entrepreneurship.

Test	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	16.924	20	.658

5. Discussion and Conclusion

5.1 Discussion

The results indicated that a majority of the respondents (around 70%) expected more assistance and support for their endeavours and felt that societal and cultural perspectives on young entrepreneurs were not respected ($X = 4.39$). Additionally, a majority of those who responded believed that since they lack the technical and practical knowledge necessary to launch their own firm, they need more technical and practical skills in order to be

entrepreneurs. Furthermore, respondents stated that starting a business would be difficult due to the fear of failure. According to Shane and Venkataraman (2000), important obstacles for entrepreneurs include access to human capital, knowledge markets, and constrained access to crucial data. Similarly, Zhang (2011) pointed out that first-time business owners confront a variety of difficulties, such as the need for business skills to manage cash and create items that the market wants. Besides that, Khan and Almoharby (2007) state that one of the major hindrances to the development of entrepreneurship in Oman is the lack of the most modern leadership and supervisory skills, the lack of necessary business familiarity, the lack of adequate market knowledge, and the lacklustre executive experience.

Because of their inability to raise the capital required to start a business and provide a steady source of income for their families, 74% of respondents stated that they prefer employment. Additionally, a significant number of those who responded, about 73%, stated they lack the guts to start their own company, and starting a business involves too many dangers, whereas a job with the government provides security. The results are in agreement with Belwal (2015), who conducted a study in Oman that said that anxiety about business failure and a reluctance to take risks were seen as the primary obstacles confronting university students in choosing an entrepreneurial career path. Besides, Smith and Beasley (2011) stated that many students in various studies identify this barrier as, i.e., a lack of starting capital, a requirement for raising capital, and funding complexity. The aforementioned statistics make it very evident that entrepreneurs face great difficulty when attempting to secure funding for their companies. Additionally, the respondents prefer working for the government since it provides a steady source of income.

Sixty-three percent of the respondents acknowledged that their fear of financial statements and figures prevented them from launching a business. Additionally, a large percentage of those who participated acknowledged that banks and other financial institutions do not lend money to start-up businesses. Finally, respondents said that a lack of market awareness and entrepreneurship training are obstacles to starting a new firm. The findings are consistent with Zhang's (2011) observation that first-time business owners face numerous obstacles when trying to secure capital for their businesses since many people see them as being inexperienced or risk-takers.

Evidence has demonstrated that business incubation has produced positive outcomes for the emergence and expansion of entrepreneurship in numerous countries (InfoDev, 2007). Business incubators typically offer a wide range of services, including access to shared infrastructure (such as office space, conference rooms, etc.), financial services, business counselling services, and connections to seasoned business professionals. Any attempt to promote entrepreneurship must have the backing of the government and the collaboration of the private sector. To achieve this, educational institutions have a part to play in creating programmes pertinent to the many demands of entrepreneurs, from product creation to investigating export potential. The new business development in Oman will ultimately depend on the contribution made by educational institutions in ensuring a steady supply of graduates with the necessary knowledge and skills.

The study's findings contradict Oman's government's extensive spending and the establishment of numerous institutions intended to support the nation's entrepreneurs. Any nation that wants to prosper must foster an environment that is favourable to businesspeople and consider the difficulties they face. However, in Oman, the majority of issues are related to a lack of capital, knowledge, and skills shortages, and the majority of respondents are not aware of the government's support and programmes. In order to close the gap, the government should launch a nationwide marketing campaign to emphasise the incentives it is providing and the programmes it has set up for entrepreneurs.

5.2 Conclusion

An entrepreneur is someone who actively pursues transformation, adapts to change, seizes chances, and pursues their goals despite countless challenges and obstacles (Drucker, 2005). To sum up, the administration of Oman, in collaboration with all responsible segments, must foster a business atmosphere with plausible regulatory levels, offer additional financial and promotional support, and create a trained workforce. Based on the findings of the study, the main challenges that young entrepreneurs face are that social and cultural attitudes toward youth entrepreneurship are not respected, there is a lack of government support and encouragement, and they lack the necessary technical and practical skills to start their own business. Besides, starting a business would be difficult for them due to the fear of failure. Moreover, family responsibilities to earn a consistent source of income, forcing them to work. Another significant challenge is that they must struggle to raise the necessary capital to start a business, and finally, they lack the confidence to start their own business. As previously stated, entrepreneurs are tasked with contributing to the nation's economic growth. However, new entrepreneurs who lack experience in business are highly susceptible to barriers on their path to success. They can overcome the challenges by imparting practical knowledge and helping them create a practical business plan for their new enterprise. Entrepreneurs' main strength is their own self-confidence. As many respondents reported fear of failure, authorities must intervene to boost the confidence of potential entrepreneurs when starting their businesses.

5.3 Recommendations

Despite the government's extensive campaign on entrepreneurship programs, awareness of self-employment is far from a certainty. Governments, local communities, educational institutions, and training centres must pay attention to the factors affecting students' attitudes towards entrepreneurship and identify the factors that deter their entrepreneurial spirit. As a result, some initiatives for overcoming the challenges are included below. The study recommends the following initiatives.

Recommendations to Government;

- Create workshops for aspiring business owners.
- Loans with guaranteed lending are made available to pay for start-up expenditures.
- Encourage banks to actively lend money to start-up businesses, perhaps set targets for banks.
- As the quantity of regulations established by governments might be discouraging for new entrepreneurs, the rules must be loosened so that young entrepreneurs can begin and learn as they go.
- Encourage the collaboration and opportunity-sharing of young entrepreneurs from various communities.
- Encourage young people to volunteer by giving them advice, coaching, and information while also assisting them in acquiring the necessary skills to start their own business.

Recommendations to Educational Institutions;

- The educational process for entrepreneurship should start with "observation" to "reflection" then to "creating abstract conceptions" before ending with active experimentation.
- First, students must be engaged in group projects, and the group's responsibilities should be to present a specific plan and, more significantly, to show that they have understood the concept around it. Later, they can place their own actual business plan within the context of the literature they have read.
- Colleges should provide students with as much hands-on industry/market experience as they can.

- To inspire students to start their own businesses, colleges should frequently provide workshops or interviews with entrepreneurs.
- Offer students the opportunity to work part-time since they have a higher chance of succeeding in their start-ups.
- Invite alumni who have already launched their companies since they will connect with students more easily.
- Establish business links and plan events like "Meet the Industry" to draw in students for opportunities and mentoring.
- Invite participation from outside and from companies (banks, SME's, etc.).
- Invite students to comment and offer comments as you discuss case studies of successful and unsuccessful businesses across the country and the world.

5.4 Limitations of the Study

The research's limitations are a result of the methodology and data accessibility. Future research should include additional colleges, particularly those located outside of Muscat, as this study only examined five colleges in Muscat. Interviews with some of the respondents would be beneficial to verify the results from the surveys. Data triangulation, which if used would enable the research to yield more legitimate and trustworthy results, is therefore absent from this study. Future studies should concentrate more on the difficulties young entrepreneurs face, such as their lack of experience and academic preparation, the societal constraints on their families and communities, and solutions for seed funding and banking services for loans and loan guarantees. An in-depth study of the above areas can benefit entrepreneurs in the future. Entrepreneurs can benefit from a thorough study of the aforementioned topics in the future.

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Author Biography



Raja Tumati holds an MBA from the University of Hertfordshire in the United Kingdom and is soon to receive his PhD from Mizoram Central University in India. He is currently the programme chair and a senior lecturer at the Oman Tourism College in Oman. He worked in a number of nations, gaining extensive expertise, including the United Kingdom, the United Arab Emirates, Oman, and India. Raja's email address is raja.tumati@otc.edu.om.



Dr. NVR Jyoti Kumar is a senior professor and head of the Department of Commerce at Mizoram University (a Central University) in India, as well as the former dean of the School of Economics, Management, and Information Science. He has over 37 years of PG (M.Com. and M.B.A.) teaching experience, having joined Mizoram University in 2004, as a professor from 2006 to 2018, and as a senior professor since 2018. 11 Ph.D. scholars received research guidance from him, and over 130 talks were given at national and international gatherings. He published over 70 research articles and book chapters in various national and international journals. Prof. Jyoti writes editorial front-page pieces for Eenadu, India's most widely distributed Telegu daily. Prof. Jyoti can be contacted at jyotikumar@mzu.edu.in