

WOMEN ENTREPRENEURSHIP IN OMAN

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ABSTRACT

In the Middle East countries and specially the AGCC countries (Arab Gulf Cooperation Council consisting of Oman, Saudi Arabia, UAE, Qatar, Bahrain and Kuwait), the process of participation of the women in enterprise and businesses has been given due attention in the recent past. The long term development strategy, "Vision 2020" adopted by Oman has provided an encouraging environment for women entrepreneurs to participate and contribute towards this effect. Availability of education, training and awareness has helped Omani women to emancipate in recent past and resultantly, Oman has a significant number of women entrepreneurs in the male dominated Arab society.

In Oman, two main programs namely "**Fund for Development of Youth Projects**" and the "**SANAD**" Program have been launched in recent years to promote entrepreneurship for both men and women. The Youth Fund was established in 1999 and it encourages young Omani men and women to start small and medium enterprises. This program has been successful to some extent in attracting young entrepreneurs. The SANAD program was started in the year 2001, its main objective is to speed up the process of Omanization by creating self employment

opportunity. This program has attracted a significant number of women who are interested in establishing their micro-enterprise.

Training and development plays important role in making women entrepreneurs successful. “**Intilaaqah**” program was established in 1995 by Shell Oil Co. in Oman to provide training, counseling and consultancy and its role in supporting women entrepreneurs has been very encouraging with its limited resource.

Key Words: Women Entrepreneurship, Oman.

INTRODUCTION

Since 1980s, policy makers worldwide have been considering the role of women entrepreneurs in the process of economic development. The participation of women in the global economy has been tremendous in the recent past. Worldwide, it is estimated that approximately one third of all businesses are owned by women (Lerner and Almor, 2002; OECD, 2000). The number of women of women-owned businesses and enterprises are also on the increase in Asia, Africa, Eastern Europe and Latin America. This strong presence of women entrepreneurs is noticeable since many studies have shown that business creation and development is an even greater challenge for women than men. Access to credit, reconciliation of work and family, cultural barriers, among others, have been pointed out as obstacles that women business owners have to overcome in order to succeed in their venture (OECD, 2000). The other problems faced by the women entrepreneurs are marketing/sales skills, management skills, access to markets, awareness of business support, discrimination by finance providers, discrimination by support providers, and overall discrimination in the economy and society which are visible or invisible at times.

WOMEN ENTREPRENEURS: EMERGING CHALLENGES

The lack of role models in entrepreneurship is one of the many obstacles for women entrepreneurs. There exists a strong connection between the presence of role models and the emergence of entrepreneurs (Shapero and Sokol, 1982). Women historically have not been present as entrepreneurs in general and consequently have lacked close role models. The influence of role models is gender related. That is, an individual will be more influenced by another individual of the same sex, as one’s aspirations and choices tend to be more influenced by persons of the same sex (Deaux and Lafrance, 1998). This is a result that has been replicated in different countries and employing different methods. The presence of role model helps women to develop attributes making them a keen follower and achiever.

Lack of awareness and experience among women is another obstacle. All stages in entrepreneurship development are dependent on relevant experience, from the identification of opportunities to the execution of running a business. The access to information is vital in this

information age and only those people will survive in this highly competitive world who are informed and groomed to handle information to make appropriate decisions. This truly applies uniformly to the big MNCs (Multi-National Corporations) or the small and medium size business. The women entrepreneurs lack the proper awareness and relevant skills and experience to handle the business environment that is uncertain and guides entrepreneurs to thrive on chaos.

Recent research on developed economies has identified a potential problem when it comes to women's entrepreneurship: highly educated women seem to choose other career options than self-employment and entrepreneurship (OECD, 2004). Entrepreneurship is therefore relatively more dominated by unskilled women or very skilled and already wealthy women. Skilled women must therefore become more attracted to entrepreneurship. If women are relatively less skilled than their male counterparts, *ceteris paribus*, then the firms they will create will have a lower probability of survival and growth than the firms created by men.

Lack of relevant networks and of societal position for women is another impediment. Women have in general a lower social position than men, which affects the kind of networks they can access or participate. There is evidence to prove that women are less involved in networks than men are, and their type of network is different. For business, it is as important to have weak-tie networks as strong ties (Aldrich and Zimmer, 1986; Burt, 2000; Granovetter, 1985; Granovetter, 1973). The strong and personal networks that women traditionally engage in are well suited to purposes linked to the family related tasks that may prove to be a hindrance in the marketplace (Lin, 1999). Thus, women differ from men in the kind of networks they use and in the social capital available to them through the network. Women have therefore less access to critical resources, support and information needed to successfully start and manage a new firm compared to men.

Lack of wealth among women is a hindrance. A prerequisite for starting a firm is to have capital in terms of financial assets and in terms of relevant knowledge assets. Women's positions in society have led to a lack of assets in both these aspects. The constraints of family obligations make it harder for women to take on work on a full time basis and to engage in a career. This in turn decreases the range of possible work opportunities for women, leading to jobs in lower paid sectors. Being a part-time worker with low pay will not permit creating personal wealth.

Some major areas have been identified as potential or real problems for women when it comes to financing: a) women may be disadvantaged in raising the initial capital to start a new firm; b) collateral needed for external financing may be above the wealth level of most women; c) financing for an existing firm may be less available, because women are less likely than men to penetrate informal financial networks; and d) women entrepreneurs' relationship with different financial institutions might suffer because of gender stereotyping and discrimination (Carter *et al.*, 2001; Storey, 1994).

Another recurring obstacle for women to engage in entrepreneurship is the perceived lack of time or competing demands on time. Because women are responsible for so many different domestic chores and the raising of children, they do not have enough free time to develop either their entrepreneurial skills to become entrepreneurs or to develop an existing business. The lack of free time does not allow them time to travel to institutions, banks and other finance houses for advice and information on credit, to attend training programs to acquire skills, or to seek out

better customers or suppliers. This lack of free time has been observed in a number of studies across different countries: for example Bangladesh (Karim, 2000), Côte d'Ivoire, Ethiopia, Mali, Morocco, Senegal and Zimbabwe (De Groot, 2001), or Sweden (Holmquist *et al.*, 2002). The results suggest that lack of time is a barrier for most women, in most economies, independent of the level of development.

Low female participation has also been blamed on social norms. For example, this is seen in the drop in female labor force participation that occurs with marriage. In Egypt, female market work drops sharply with marriage rather than with childbearing (Assaad and El-Hamidi, 2002). In Iran, married women have the lowest participation rates, followed by single and widowed women. Divorced women participate at a rate three times that of married women with similar characteristics (Salehi-Isfahani, 2000). In Kuwait, labor force participation of single women aged 25-39 is more than twice that of married women at 60 percent compared to 30 percent (Shah and Al-Qudsi, 1990). Gender norms have proven resistant to economic change and costly for growth.

In the Middle East countries and specially the AGCC countries (Arab Gulf Cooperation Council consisting of Oman, Saudi Arabia, UAE, Qatar, Bahrain and Kuwait), the process of participation of the women in enterprise and businesses has been a concern. With this literature review, this paper evaluates and analyzes the existing entrepreneurship policies of the Sultanate of Oman for promoting women entrepreneurship and identifies the problems and bottlenecks associated with its implementation.

EMANCIPATION OF WOMEN IN OMAN

Participation of women in the economy is the real barometer of women empowerment in any society. Education and training of women play a key role for women development and empowerment. In a country like, Oman, until 1970, the women education was non-existent. The country had only 3 primary schools with 900 boys and there was no provision for education of girls. Following the accession of His Majesty Sultan Qaboos in 1970, education was made available to all Omani nationals alike irrespective of sex. The opening of the co-educational Sultan Qaboos University in 1986 and making the primary to tertiary education available to women played a key role towards the efforts of emancipation of women in Oman (Al-Lamki, 1999; Oman Daily Observer, April 1996). Since 1970, Oman has achieved a lot in making education available to boys and girls alike. From 3 schools and 900 students in 1970, it has reached 1,020 government schools and 134 private schools with 601,461 students studying in schools of which girls constitute nearly half (Ministry of Information, 2002: 119).

The girls have been at the top of the students merit lists in the secondary schools for more than a decade and this domination is spreading to the degree courses of the Sultan Qaboos University as well. The girls are performing very well. The declared government policy guarantees women equal rights in both education and employment as enshrined in the Personal Status Law (PSL). His Majesty has repeatedly called upon female citizens to lend their full support to the development of the country. He has frequently described them as representing "half of Oman's potential". Oman is rightly proud to be first Arab country to appoint a woman as its overseas ambassador and currently, three women hold positions of council of ministers with a fourth having an equivalent role. Today, women are playing important role in the Consultation Council (Majlis A'Shura) and the State Council (Majlis A' Dawla) and recently, five women were

appointed as attorney generals to the legislature. In October 2004, a woman was appointed as the minister of social development. Though there is no official data available, it is likely that Oman employs the largest number of women in AGCC countries. (Ministry of Information, 2003, see also www.omanet.om).

The General Directorate for Women and Children Affairs was established in 1985. The directorate under the auspices of the Ministry of Social Affairs and Labour has set up a network of women development centres throughout the country. The general aims and mission of the Directorate is to setup special programs to deal with mother and childcare, eradication of illiteracy, education, the development of traditional and modern handicraft and many other programs related with developing the women minds and strengthening their role as responsible citizens. This was a significant move by the government to enhance the status and role of the women in Omani society (AlLamki, 1999).

The Omani Women's Association (OWA) was established in 1970 as a voluntary organization and has played a significant role in the development of women in the Sultanate. It is envisaged that the OWA could be instrumental in providing a network for Omani women who are employed (AlLamki, 1999) or running their own businesses. It is the first women's organization in Oman that was formed with the main aim of providing quality education and training to women in increasing their knowledge so as to facilitate them to secure good jobs. OWA also promotes the traditional Omani custom and values so that the tradition culture continues to remain in the country. It encourages its members to actively contribute to the economy by whatever ways possible. At the end of the year 2003, there were 39 local OWA groups established all over Oman that had 2,738 members (Ministry of Information, 2003). A Women's Voluntary Work Co-ordination Committee has been created to regulate the activities of the OWAs and help Omani women to play active role in the economic and social development programmes. There are four government centres as well as six non-government training centres for women being run which help raise women's general awareness about cultural, health and social issues, develop their productive skills and enable them to make profitable use of their leisure time (Ministry of Information, 2003). The role of OWA has been very encouraging in helping women to learn skills and education and make them self-reliant. It has been helpful in harnessing the traditional craftsmanship of women and building confidence and competency to deal with the hardships of life and occupation.

Thus Oman women have come a long way in the last 10-15 years. In 1993, Women constituted 9 percent of the total Omani labor force and three-fourth of them were employed in government sector (AlLamki, 1999). Today, women participation in private and public sectors has increased significantly. In the last ten or more years there have been tremendous increases in women participation in employment. Women comprise 36 percent of employees in the Omani public sector as of now and most importantly, they are participating actively in decision-making and occupy leading posts in government sector (Oman Daily Observer, January 9, 2005). Thus, the participation of women in education, employment and decision-making has grown considerably and it has resulted into the emancipation of Omani women in the twenty first century presenting an example for other Arab countries to follow.

OMAN ECONOMY AND THE ENTREPRENEURSHIP ENVIRONMENT FOR SMALL BUSINESSES

Oman is the third largest country of the AGCC countries bordering Yemen, Saudi Arabia and the United Arab Emirates lying on the southeast corner of the Arabian Peninsula. The commercial export of oil began in 1967 in Oman. Since then, oil has been the major contributor to the GDP. The fourth five-year plan (1991-1995) for the first time emphasized the need to diversify the production base other than oil and the Government paid special attention to the sectoral and regional development process.

The Government of Oman identified the role of privatization and liberalization of its policies to accelerate the rate of economic growth. Government encouraged men and women equally to participate in the process of economic development of the Sultanate. The fifth five year plan (1996-2000) considered as did the first plan within the framework of the long term development strategy (1996-2020) also emphasized on the diversification of the national income resources encouraging the domestic and foreign private investments and increasing the share of the private sector in the total investments. It also emphasized the role of human resources and participation of Omani men and women in the private sector development and diversification process (Ministry of National Economy, 2002)

By 1995, Oman had completed four five-year plans. Taking advantage of its earlier planning and visualizing the changes in the global economy, a new vision of Oman's economic future evolved. "Vision Oman 2020" proposed a policy for the Sultanate's development over twenty-five years (1996 to 2020). It took into account the far-reaching changes in the world economy and the revolution in telecommunications and information technology that has transformed the global system of production and exchange. In fact, "Vision Oman 2020" represents a dividing line between two stages of the Sultanate's economic and social development, marking both the end of initial development up to the country's Silver Jubilee celebrations in 1995 of the accession of His Majesty Sultan Qaboos, and a new journey into the third millennium. The vision stipulated that the contribution of crude oil to GDP is expected to drop to around 9 percent in 2020, compared to 41 percent in 1996. Gas is expected to generate 10 percent of GDP in 2020, compared to less than 1 percent in 1996. The industrial sector is expected to increase its contribution from 7.5 percent in 1996 to 29 percent in 2020 (Ministry of Information, 2003).

Subsequently, the sixth five year plan (2001-2005) emphasized three core goals for this period: a) the development of human resources and basic structures, b) economic diversification, and c) encouraging growth of the private sector.

The key aims of the Sixth Five-year Plan were to:

- guarantee stable personal incomes;
- increase the number of secondary school students enrolling in higher education and technical colleges;
- create more jobs for Omanis;
- adopt sustainable financial policies;
- promote economic diversification ; and

- develop the private sector.

The sixth five-year plan envisioned growing the national economy by an annual average rate of 4 percent and increasing the per capita GDP share at constant prices at average annual rate of about 1.9 percent (Ministry of National Economy, 2002: 67). In fact, the result has been encouraging and the Omani economy grew to a higher level than what was envisioned in the Plan for the year 2001 due to the increased value of the non-oil sectors and higher than the predicted oil prices (Ministry of Information, 2003).

Oman joined the WTO in November 2000 which has provided significant challenge for the country to liberalize its policy without compromising its objective of Omanisation in ownership and employment. It is expected that with joining WTO, the efficiency of certain sectors, especially finance and telecommunication and also the tourism and manufacturing sector, will increase and Oman manufactured products will penetrate into the markets of both developed and developing countries, especially, the exports of petrochemical (Kamoonpuri, 2004:13).

Development of Small and Medium Enterprises

The sixth five-year plan place emphasis on the industrial development of small and medium enterprises (SMEs). The plan also puts emphasis on creating employment opportunities through economically feasible labor intensive production facilities. Though there is no separate policy framework drawn up for the SMEs, the government has adopted certain steps in this regard like the availability of Oman Development Bank loans, incubator facilities, equity funding by the Youth Fund, and micro-business development facilities offered through the SANAD program. The small entrepreneur development facilities offered by Intilaaqah represent contributions by the private sector. These programs aim at promoting the small and medium enterprises in Oman (Kamoonpuri, 2004:13). Michael Porter who has written extensively on competitive advantage is of the view that “Oman could become a role model for the region if the country focuses on certain priorities”. He identifies five important priorities in this direction and is of the view that launching a comprehensive program for entrepreneurship and developing strategy to attract investment and developing a cluster strategy is very important (Times of Oman, Dec. 2, 2004).

Creation of Oman Development Bank (ODB)

The ODB has encouraged young entrepreneurs in establishing their small businesses in the recent past. In fact, ODB plays pivotal role by promoting entrepreneurship among the youth by providing them soft loans (a loan with generous repayment terms) and curtailing bureaucracy. ODB was established as a public joint-stock company in April 1997 by a royal decree with a capital of RO 20 million after a merger took place between the Oman Development Bank and the Oman Agriculture and Fisheries Bank. The main functions of ODB are: to support small and limited cost projects; to encourage would-be and upcoming entrepreneurs; and to finance private sector projects in several fields, including industry, agriculture, fisheries, animal resources, exports, tourism and self-employed and workshop projects, through the making of medium- and long-term loans and capital participation. It also offers technical assistance and consultancy services. ODB is also responsible for the making and recovery of government-backed soft loans, export credit guarantees and distribution of proceeds from the Fisheries Research Fund. By the

end of 2002, the ODB had advanced loans totaling Rial Omani (RO) 45.1 (around USD 115) million with government subsidized annual interest rates of between 2 percent and 6 percent. The ODB's assets stood at RO 64.1 (around USD 166) million at the end of 2002 and its paid-up capital totaled RO 20 (around USD 51) million. ODB enjoys exemption from all taxes, and the government subsidizes the interest rate on the soft loans. (Ministry of Information, 2003)

WOMEN ENTREPRENEURSHIP IN OMAN

There is no separate program or policy to develop women entrepreneurship that exists in Oman but women participation in the small businesses has been encouraging lately. More and more women have come out and ventured into business in the recent past. In Oman, two main programs namely **“Fund for Development of Youth Projects”** and the **“SANAD”** Program have been launched to promote entrepreneurship for both men and women.

Fund for Development of Youth Projects

The Fund for Development of Youth was established in 1999 and it encourages young Omani men and women to start small and medium enterprises. The fund provides financial and management assistance to young people wishing to embark on business in the private sector. In its first year of operation, 15 projects were financed. The fund was established with a grant of RO (Rial Omani) 1 million granted by His Majesty and the fund has accumulated RO 5.36 million as equity from the private companies. The fund's financial involvement is limited to half the capital of each project and the maximum available is RO 50,000 (1 RO= 2.6 US \$). The fund ascertains the economic viability of the project and provides consultants from banks and corporations who give technical and administrative advice voluntarily to get the project started. The beneficiaries are exempted from the company income tax for a period of 10 years that may be extended for a similar period. It also provides exemption from the corporate tax and tax on profits for five years to the fund's industrial and commercial projects. The main emphasis in this project is the viability of the project and the promoter must be an Omani. Since its inception in 1999, 20 projects had been funded by September 2003. The youth fund concentrates more on quality rather than quantity (OER, 2003:26).

The policy by this fund is to invest in the equity of the small and medium sized projects and to render administrative, financial and technical support. The entrepreneur has the flexibility to buy back the equity in his or her enterprise by paying back to the fund after an exit period of 5 years. The idea of the fund was very innovative but it has not been so successful in attracting young entrepreneurs. The entrepreneur feels that their freedom of decision-making and enterprise is limited by the involvement of the fund in the administration of the business.

As far as, the women participation in this fund is considered, it has not been able to attract the numbers of women entrepreneurs as large as the SANAD program. The objective of this fund is also different as it focuses more on a bigger enterprise in comparison to the SANAD program. There is likelihood that the provisions of this program will be revised to attract more entrepreneurs in time. It should also attract women entrepreneurs as a category making special provisions to cut down the bureaucracy. Even the equity idea can be intertwined with the normal funding proposition as adopted by other financial agencies.

SANAD Program and Women Entrepreneurship

SANAD is targeted for the unemployed youths. “SANAD” means support in Arabic that succinctly describes the primary objective of the SANAD as Self-employment And National Autonomous Development (OER, 2003: 23). This program helps in creating business opportunities for Omani men and women. The SANAD program was started in October 2001 under the Ministry of Manpower with an objective to help promote and foster the development of small-scale enterprises in Oman. It encourages and sponsors the individual initiatives and the self-employment projects. The program provides opportunity for men and women job seekers, craftsmen/craftswomen and vocational aspirants to start and run their own business. The age group chosen for this program is 18-40 years and under this program a loan of 5,000 Rial Omani (around \$13,000) is provided as a loan. The period of loan settlement is seven years including one year as a grace period. The Government has created SANAD offices in each governorates and regions that provide technical and administrative support to the beneficiaries.

General Objectives of the SANAD Program

- Supporting the work-seekers (vocational and craftsmen) by establishing individual and family self employment projects and by sharing in finding job opportunities for workers of different educational and vocational levels with those who are interested in investment as business owners.
- Participating in spreading the individual initiatives and enhancing the efforts of self-independence as a condition to achieve the everlasting development.
- Supporting the developmental efforts by establishing productive and serviceable small projects as a main source of the national income.
- Enlarging the base of private sector and businessmen.
- Developing the small projects sector and suggesting the policies and mechanisms for realizing them.
- Participating effectively in the Omanisation plan in the private sector.
- Mobilizing the efforts for deepening the idea of free business and enhancing the initiatives for work and production in the minds of youth and Omani society.

For this program, the targeted categories chosen were the jobseekers (male and female) including the new graduates who were interested in starting small projects managed by them and, craftsmen who were interested in starting new productive or serviceable work for themselves or interested in expanding their existing business. Twenty two sectors were selected as focus areas namely: grocery shops (sale of food stuffs); vegetables and fruit shops; sale and supply of electrical items; sale of watches; masterpieces and gifts; sale of ready-made garments; sale of natural flowers; delivery vehicles; carwash; Internet café; photography shops; sale of fish; butchery shops; poultry shops; home appliances maintenance; sale and repair of tires; electrical

installation; sale and supply of electrical items; repair and maintenance of home cooling appliances; painting of buildings; house furniture upholstery; carpentry shops; iron smithery shop (metal doors and windows); and goldsmithery shops.

In addition to these occupations and businesses, the applicant is free to choose any business of his or her choice. Some of the basic conditions that are stipulated for the approval of the projects are as follows:

- The project should provide a new job opportunity.
- The project should have suitable technical and economical benefits.
- Local raw materials to be used in the project.
- Products of the project should be of good quality and easy to market.
- Modern technology to be used in the project.
- The ability to continue and expand in the future.
- The project should comply with the conditions and requirements of the environment preservation.
- The project should satisfy the need for quality products at competitive prices.
- It should employ 100 percent Omani workforce.

Some other conditions of this project are that the applicant should be able to read and write well, not employed at present, and be fully free for the project. For the loans for sewing and designing clothes, which are the women's domain, a training certificate has to be enclosed. The applicant must have a personal guarantor (father, brother, sister etc.) and have a place for establishing the project (owned or rented). One is also required to present a feasibility study of the project showing the cash flow during the period of the loan and an acknowledgement to employ Omani manpower only (Ministry of Manpower, 2004).

The Oman Development Bank disburses the loan amount after approval and recovers it as per the Fund regulations. The period of the loan settlement is seven years including one year as a grace period starting from the date of granting the loan. The fund charges an interest rate of 2 percent per annum to cover the administrative cost of the loan. The SANAD offices in the governorates and regions provide the technical and administrative support to the beneficiaries by providing advice and consultancy services to the owners of the small projects regarding the activities to be practiced, organizing short courses for training the owners regarding management, accounts, cost and marketing with the cooperation of the concerned parties in the public and private sectors, and follow-up of the projects in order to be assured of quality whether they are goods or services. It also solves the problems and difficulties that may be faced by these projects. It also helps in marketing the products and suggesting the possibilities available inside or outside the Sultanate. More importantly, it also conducts periodical evaluation of the small projects and their effects on the targeted categories of businesses (Ministry of Manpower, 2004).

SANAD and Women Entrepreneurs

The SANAD program has been successful in helping young entrepreneurs and so far it has benefited 8581 entrepreneurs (during 2002-2004). Out of which 37 percent¹ funds have been provided to women. In total, it has created job opportunities for 10,000 Omanis in different

activities like foodstuff outlets, SANAD committee projects, vegetables and fruit outlets, management of school canteens and others (See Table 1). The program has trained 1,921 people who started their own businesses. At present, it is running four incubators, out of which three are targeted for women entrepreneurs for whom training is being imparted in tailoring and fashion designing. There have been 1,117 people trained and almost all of them are women¹ (See Table 2).

Table 1 here

Table 2 here

As of the end of 2004, the success rate of this program is 76 percent. The beneficiaries are repaying their loans and running their enterprises successfully. Though there is no separate data available on women entrepreneurs' success rate, it is thought that the success rate is higher in case of women entrepreneurs. This trend is not specific to any particular district rather in all wilayas (districts). Women have emerged as more responsible and serious entrepreneurs. They are diligent and hardworking and they do what is required to make a business successful².

The Omanisation process has been intensified through the SANAD initiative in certain activities and establishment and the foodstuff outlets has been Omanized in 45 wilayas out of a total 59 wilayas of Sultanate. It is planned to achieve 100 percent Omanization in foodstuff outlets by May 2006. The participation of women in this drive is quite encouraging and the total participation of 37 percent of women with high success rate is reflective of the bright future of women micro-entrepreneurs. The recent impetus to the training of women through the SANAD program will surely increase their participation tremendously in coming years.

Intilaaqah Program and Women Entrepreneurs

“Intilaaqah” program was started by the Shell Oil Company in Oman in the year 1995. It is part of the Shell group worldwide initiative, LiveWIRE. The Intilaaqah in Arabic means “rapid take-off”. This program helps the young entrepreneurs by providing them the right kind of training, counseling and consultancy services which enables them to start their own businesses. The objective of the training program imparted by the Intilaaqah is to develop the candidate's ability to conceptualize the business environment by enabling him or her to acquire necessary skills to run small businesses professionally. This program targets young men and women who are 18-35 years of age and are unemployed or self-employed. They should have a viable business idea and have approval from a funding institute or have the financial ability to start their businesses (www.intilaaqah.org).

A number of companies sponsor (See the Table 3) the trainees who get a National Vocational Qualification (NVQ) level 2-3 in Business Planning and Ownership to start a micro project or a

small and medium enterprise (SME). The training program duration is three months and the training is imparted in Arabic and covers all aspects of setting up and running a business. It covers issues like market research, preparing cash flow, and financial forecasts, importance of the right location, use of computer and proper filing system. This program also provides counseling support and advice to the beneficiaries. It has a network of voluntary advisers besides after care support to its graduates who have started their enterprises. The program conducts workshop for the young entrepreneurs and it also give awards to the best businesses every year to boost the motivation of the entrepreneurs (OER, 2003: 25).

The initiative taken by Intilaaqah is helping the diversification strategy adopted by the government to move from oil sector to non-oil sector by creating gainful employment and contributing to the GDP. The program which was initiated in Muscat area has been expanded to 18 centers across the Sultanate (OER, 2003: 25). It has trained 680 people so far (upto the end of 2004, since its inception in 1997) out of which 49.2 percent are females. The women participation in training has been more accentuated in last four years. In fact, the women constitute more than men i.e., 53.25 percent in the training imparted to the young entrepreneurs by Intilaaqah in last four years during the period 2001-2004 (See Table 4). The kinds of business which women have started after the Intilaaqah training are: tailoring of ladies dresses; photo and video shooting in wedding parties; sale of readymade garments; beauty saloons; and health clubs.

The success rate of Intilaaqah program is high and only 32.05 percent of trainees who have gone through the three-month training program are unemployed. The percentage of trainees who have joined organizations for gainful employment is 34.26 percent. This shows that the participants get attracted towards good jobs rather than running their own businesses. However, 26.76 percent of trainees are able to start their business and they have created job opportunities for 383 people (See Table 5). Though, the gender-specific data was not available; it was suggested that was an equal percentage of the success rate³. As women participation has already been more than half of the total participation in the last 4 years, the role of young Omani women is going to be more important in the near future.

Table 3 here

Table 4 here

Table 5 here

Intilaaqah also gives award to young entrepreneurs for successful running of their businesses. It gives awards in five different categories: the best entrepreneur, the best business in terms of Omanization, the best business idea, best display and best Intilaaqah progressed startup for the

Intilaaqah trainees. In 2004, 13 entries were short-listed for the award and out of which four were women. The 2004 award for the best entrepreneur and the best display award were won by women. The best entrepreneur award was also won by females in the year 2000 and 2002⁴.

Role of other Agencies in Promoting Women Entrepreneurship in Oman

The role of voluntary private organizations is very important in establishing the network of the entrepreneurship programs. The sensitization of the society to the concern of Omanization in terms of employment and ownership is important in this regard and all stakeholders have to play their active role in encouraging and promoting small and medium enterprises to move its reliance from oil sector to non-oil sector. The role of the Omani Women's Association (OWA) has been important in this regard. OWA is attracting more and more women to become its members so that it can help and support women by making them more self reliant and productive. Awareness is the first and foremost affair for women entrepreneurs and it can play a more important role in this regard. OWA organizes seminars and other activities concerning women. It also participates in various seminars and workshops organized by many international women's forums and organizations. The members can participate in such seminars and take an active part in them. They can also take part in the local seminars organized by other organizations concerned for their interests. OWA has plans to expand its activities by inducting more experts who would provide training in the fields like IT and administration. OWA is also helping the young women realize their dreams and it offers courses free of cost to its members in areas like computing, tailoring, and interior designing. Members can project their skills and also sell their products at exhibitions held by OWA or by participating in exhibitions and trade fairs organized by other organizations (Aman Daily News, 2002). These efforts will surely help women in becoming more empowered and visible in the Omani society. The local community development centres (LCDCs) funded by the Ministry of Social Development also help women to improve the quality of life for their families and improve their contributions to the community. The role of both OWA chapters and LCDCs becomes very important in promoting entrepreneurship in women.

In 2004, a new voluntary organization of businesswomen, "Women in Focus" was launched in Oman. The primary goal of this forum is to establish a platform for the Omani women through which they can contribute vigorously to the community. This forum will underline the role of women as partners and leaders in the business and professional sectors. The four areas of concern identified by the forum are: networking; mentoring; training; and research. This forum will encourage networking among women that will help in sharing their learning and experiences. Women who are relatively new to the workplace and who manages the enterprises will have an opportunity to learn from each and other. The role of women as role model and mentor is also important and helps any society in encouraging the women participation in vocations and enterprise (Khaleej Times, 2004).

Women Entrepreneurs as Role Model in Oman

Oman has been known for its trade and businesses for ages. The great Sindbad story and the role of Oman as a prosperous seafaring nation is well known. There have always been a great number of role models in the Omani society. As of today there are also entrepreneurs who are role models for others. One such example is the founder of the Bahwan group, Sheikh Saud who

started his small non-descript shop in Muttrah souq selling Toshiba TVs and Seiko watches and went on to establish one of the most successful business houses in the Gulf region touching an annual turnover of US \$ 1 billion (Kamoonpuri, 2004: 10, 18). There are plenty of such male examples available for the young entrepreneurs in Oman. But women need role models who are women which they can imitate and relate to them. The tradition and cultural background of the society makes it more important to find out the role model who can play important role in encouraging young entrepreneurs.

Recently, the participation of women in all spheres has made such role models available in Oman. Women are visible everywhere. In a documentation of successful entrepreneurs in Oman undertaken by the government-sponsored press (a national daily, Oman Daily Observer), 23 such entrepreneurs were identified with 5 being women. This indicates the achievement of women entrepreneurs in recent time. One such figure in recent time in Oman is Lujaina Mohsin Haider Darwish. She is a woman of multi-faceted personality. She is an academician, entrepreneur, and politician all embedded in one. She was chosen as “Young Entrepreneur of the Year 2001”, an award given by ‘Oman Awards for Excellence’ instituted by the private sector to celebrate the accomplishment of individuals. Lujaina is member of Majlis A’Shura for the second term. She is also an active member of the board of Oman Chamber of Commerce & Industry (OCCI). She is trying to form a committee that will provide women entrepreneurs a platform to create business contacts and additional leadership skills. She feels that the proposed committee will help in building partnership between local communities, society and government to provide access to finance, business mentoring and other kind of support to young women entrepreneurs. She is of the view that the government of Oman is determined to promote policies and programs which remove barriers to growth and ensure the long term viability of women in business (Kamoonpuri, 2004: 95-100).

Sabrah Al-Riyami is another role model. She represents the new breed of entrepreneurs of Oman. She began her career by joining Oman TV as one of the first GCC national woman television journalists. Later, she co-founded a company that provides services for event management, tourism, and filming. She was chosen as the “Young Entrepreneur of the Year 2002”. Her company Darran LLC was the first company in the Middle East to receive the Gold Star Award in 2002 and Diamond Star Award by the Business Initiative Direction, Spain. She feels that the Sultanate recognizes the contribution of women entrepreneurs in the national economy. She is of the view that women are more likely to be interpersonally aware than men. She suggest business women are often more people oriented and less authoritarian and use a participative or interactive management style in running their businesses resulting in forging a lasting relationship with employees and clients (Kamoonpuri, 2004: 143-148).

CONCLUSION

The efforts undertaken by the Government has been fruitful in Oman and women have equipped themselves with appropriate education and motivation in recent times. Oman has a significant number of women entrepreneurs in the male dominated Arab society. The participation of women in SANAD program is 37 percent and this is likely to increase seeing the fresh impetus being given to women training and development. The women participation in public sector employment has also increased significantly from a mere 9 percent in 1993 to 36 percent in

2004. The participation of women in education and employment has been tremendous in recent past. Women constituted 54 percent of students entering the universities in Oman in 2002.

Diversification of the economy of Oman from dependence on oil and gas, non-renewable sources have led to a drive to encourage the employment of Omani nationals instead of relying on a high percentage of expatriates in the labor force. Women who form about half of the population have an important role to play in this regard (Khoury and Moghaadam, 1995: 35)

The most common problem related with the women businesses in Oman are that most of these are concentrated in service sector and run on small size. There is lack of network and forum in Oman where women can share their learning and exchange information, it makes them a disadvantageous group. (McElwee and AlRiyami, 2003: 345). Establishing network, and encouraging women to participate and share their learning and experience is also important. Though, the role of OWA and LCDCs has been important in handling more of the social issues in Oman, it is required that these efforts can be integrated with the economic empowerment of women. There is a need to create and organize more networking agencies which can provide a platform to women entrepreneurs and its approach should be pervasive involving all regions and all size of enterprise in Oman.

The existing programs like SANAD, Youth Fund and Intilaaqah needs to be reevaluated. The SANAD program that is being run under the Ministry of Manpower should be equipped with more resources and infrastructure to deal with the Herculean task given to it. It needs to provide more training by establishing incubators and training centres. The Youth Fund also needs appraisal to involve more and more women entrepreneurs and to widen its coverage. It can broaden its base by providing support and fund without holding equity and involving smaller enterprises. The size of the Intilaaqah program is also small seeing the number of job seekers in Oman and those interested in establishing their businesses. It needs to train more and more women entrepreneurs to widen its coverage. In fact, such training should be available to all those who wish to start their businesses. Sensitization of youth by media and providing awareness to them is a must for encouraging entrepreneurship for men and women. Including a chapter on the SANAD program in high school textbook and showing concern by the government is a welcome step in this regard. These steps will surely help women entrepreneurs to equip themselves with proper skill, competency, support and motivation to contribute to the process of diversification of the national economy and their social and economic empowerment.

ENDNOTES

1. No segregated data is available for men and women. This data was provided by Mr. Salem AlNabhani, Executive Director, SANAD program in an interview conducted by one of the authors on March 6, 2005.
2. This view was expressed by the Executive Director, SANAD Program.
3. This information was provided by Mr. Al-Mutassim, Intilaaqah program.
4. Information provided by the Intilaaqah office, Muscat.

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Table 1: Total Number of People Benefited and the Activities Targeted by the SANAD Program (Year 2002-2004).

Activities Targeted	No. of Beneficiaries	% of Women Beneficiaries
Foodstuff Outlets	5401	NA
Sanad Committee Projects	1709	NA
Vegetables & Fruit Outlets	893	NA
Managing School Canteens	56	NA
Financing Projects	522	NA
Total	8581	37 %

Source: Sanad Directorate, Muscat, Oman, 2005.

Table 2: Total Number of People Benefited by the Training Support Extended by the SANAD Program (Year 2002-2004).

Activities	No. of Beneficiaries	% of Women Beneficiaries
Fashion Design	1117	100 %
Sanad Technology Centres	610	NA
Enterprises Management	167	NA
Phone Repair	27	NA
Total	1921	NA

Source: Sanad Directorate, Muscat, Oman, 2005.

Table 3: Name of the Companies Sponsoring the Trainees at Intilaaqah during 1997-2004.

Sponsorships	Number of Trainees
Shell	448
OLNG	230
Bank Muscat	16
Oman International Bank	11
National Bank of Oman	20
Others	7
Total	732

Source: Unpublished Data from Intilaaqah office, Muscat, January 2005

Table 4: Training of Men and Women by Intilaaqah during 1997-2004.

Year	Male	Female	Total
1997	10	8	18
1998	57	21	78
1999	39	62	101
2000	53	30	83
2001	63	50	113
2002	50	50	100
2003	57	46	103
2004	17	67	84
Total	346	334 (49.2 %)	680

Source: Unpublished Data from Intilaaqah office, Muscat January 2005

Table 5: Total Number of Persons Trained by Intilaaqah Program Region-wise during 1997-2004, their Entrepreneurship Status and No. of Job Created.

Region	Musandam	Dofhar	Al-Batinah	Adh-Dhahirah	Ad-Dakhilyah	Muscat	Ash-Sharqiyah	Total
Total Number of Trainees	30	21	151	30	83	128	289	732
Drop-out	0	0	3	0	0	23	26	52
Total Number of Graduate	30	21	148	30	83	105	263	680
Started Business	2	3	35	6	27	48	61	182
Employed	14	8	35	15	20	39	102	233
Unemployed	13	5	60	6	29	18	87	218
Further Studies	1	3	15	2	7	0	10	38
Not Contacted	0	2	3	1	0	0	3	9
	30	21	148	30	83	105	263	680
Job Created incl. Owners								
Omanis	5	6	57	8	34	73	69	252
Non-Omanis	0	3	26	1	5	45	51	131

Source: Unpublished Data from Intilaaqah office, Muscat January 2005