ATTITUDES OF UNDERGRADUATE STUDENTS TOWARDS ENTREPRENEURSHIP AS A CAREER CHOICE IN OMAN

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ABSTRACT
Fostering entrepreneurial potentials among the younger generation can have long term associations with economic growth and to support unemployment situation by creating entrepreneurs through self-employment. But there is a general agreement that attitude towards entrepreneurship are determinant factors to decide to be successful entrepreneurs. In the present scenario Entrepreneurship is one of the best way to develop country’s economic growth and sustain the country’s competitiveness in facing the increasing trends of globalization (Schaper and Volery 2004; Venkatachalam and Waqif 2005). Attitude can be based on the influence of demographic characteristics and family business background, self-efficacy, innovativeness and so on. The objective of this research is to identify the attitudes towards entrepreneurship among undergraduate students of Sultanate of Oman, based on a sample survey conducted among the college students. The research results showed that the majority of the students craving to start their own enterprise in the near future those who had positive attitude towards entrepreneurship. But prior exposure, through family background, Self-efficacy, Innovativeness, Risk taking & Independence has significant relationship in students as future entrepreneurs.

KEYWORDS: Attitudes, Entrepreneurship, Entrepreneurial attitudes among students, Students in entrepreneurship.

INTRODUCTION
Promoting the entrepreneurial culture among the students through nurturing and unearthing talent will stimulate the economic growth and development within a country. In Sultanate of Oman, from fourth five year plan, the Government paid special attention on the industrial development of small and medium enterprises (SMEs) there is a need to diversify from oil to entrepreneurial activities in the future. This calls for a shift towards entrepreneurship as a means of creating jobs rather than seeking formal employment. To instituting entrepreneurship activity among the students, attitude plays a vital role. Attitude towards entrepreneurship can influence entrepreneurial activity among the students. Attitude
instruments tend to account for a big part of the variance of a wide range of behaviors (Ajzen & Madden 1986; Ajzen & Fishbein 1980). The Global Entrepreneurship Monitor (GEM) global report (Bosma and Levie, 2009:10) define entrepreneurial attitudes as attitudes towards entrepreneurship. It is about the extent to which people think there are good opportunities for starting a business.

The purpose of the study is to investigate whether students family and business background to entrepreneurship, innovativeness, self-efficacy, risk-taking and independence affects their attitudes, in turn, affect their career choice as an entrepreneur. The main aim of this paper is to stimulate policy debate on the potential benefits of entrepreneurship among students as a career option, problems that stand in its way, and measures and strategies to be initiated to support it. The main contribution of this research is to examine the student’s attitudes towards entrepreneurship that could be useful in future. Also, the findings of the study could be used by the governmental and policy decision-makers to take actions to promote entrepreneurship.

Literature Review

Robinson et al. (1991) generated the Entrepreneurial Attitude Orientation scale that explains the attitude prediction through four different sub scales (achievement, self-esteem, and innovation). Several empirical studies used the model about potential entrepreneurs (Koh, 1995, Paramond, 2004; Tan, Long & Robinson, 1996; Tkachev & Kolvereid, 1999). The present study follows the Robinson’s model of Entrepreneurs Attitude Orientation Scale. Entrepreneurship is based on many factors, as this study is concerned with the family and business background, Innovativeness, self-efficacy, risk taking and independence the literature given below belongs to these factors.

Factors which affect Students' Entrepreneurial Attitudes -Theoretical Framework

- Family and Business Background
- Innovativeness
- Self-efficacy
- Risk Taking
- Independence

Family and Business Background and Entrepreneurial Attitude

Family members in business become symbol for future entrepreneurs and source for both financial and non-financial help, this will have direct bearing in the attitude of entre source of financial and non-financial help; similarly financial resources in the family have direct
bearing on entrepreneurial attitude. Prior exposure could be in the form of early exposure to a family business, which influences individuals attitudes toward entrepreneurship (Krueger 1993, Smith 2005; Veciana, Aponte et al.2005; Kirkwood 2007; Carr & Sequeira 2007). The common premise is that a good influence brought by family as well as personal own experiences about entrepreneurship would contribute to higher entrepreneurial inclination (Mazzarol, Volery et al. 1999; Kirkwood 2007).

At the same time, it can be argued prior exposure in the form of direct experience in starting or attempting to start a new business would affect attitudes and perceptions about entrepreneurship as a career. This leads to our first hypothesis as follows:

**H1:** Family and business background of an individual will have an impact on individuals attitude towards entrepreneurship. Therefore, students coming from family business background will be more positive towards entrepreneurship as a career choice.

**Innovativeness and Entrepreneurial attitude**

Innovativeness is one of the most important qualities of successful entrepreneurs. The empirical studies ensure that successful entrepreneurs are much more innovative than non-entrepreneurs. Today, entrepreneurship is often viewed as a process inside an organization and focuses on innovation, growth and uniqueness (Gartner, 1990). According to Joseph Schumpeter (1934), an entrepreneur is a person who carries out new combinations. These new combinations can take several forms: new goods or new quality of a product, new methods of production, new markets, new sources of supply or a new way of organization. This definition of entrepreneurship is frequently used among modern scholars (Kubeczko and Rametsteiner, 2002). These innovations include the creation of new combinations, new methods of production, new ventures, new markets, and new wealth (Brush et al., 2003). An innovative enterprise is an enterprise that creates or adopts innovations (Attewell,1992; Knowles et al., 2008). Innovativeness reflects a tendency to engage in and support new ideas and create new processes, thereby departing from established practices and technologies (Wiklund and Shepherd, 2005; Lumpkin and Dess,1996). On the basis of the above literature the following hypothesis is derived

**H2:** Students with high Innovativeness are more likely to have a positive attitude towards entrepreneurship as a career choice.
Self-efficacy and Entrepreneurship

Self-efficacy is crucial to the willingness to act in an entrepreneurial way, to identify and grab opportunities and opportunity recognition. To start and run a new enterprise, the entrepreneurs should have self-confidence in their ability to run the business successfully. Self-efficacy can be developed through experience, and self-efficacy for entrepreneurship can thus be conceptualized as being enhanced through personal own experiences (Rae and Carswell 2000). Self-efficacy perceptions appear central to intentions toward entrepreneurship (Scherer, Adams, Carley & Wiebe, 1989). High and low levels of self-efficacy have serious consequences for an individual’s belief in their ability to perform in variety of situations. High levels of self-efficacy have been connected to various behaviours such as innovation and opportunity recognition in entrepreneurship (Ardichvili et al.2003) and career persistence (Mau 2003). Individual strives beyond their known competence level, can contribute to the development of greater self-efficacy. These observations suggest the following hypothesis as:

H3: Students with high self-efficacy are more likely to have a positive attitude towards entrepreneurship as a career choice.

Risk taking and Entrepreneurship

Risk-taking is one of the important factors of entrepreneurship. UrveVenesaar & EneKolbre (2006) specified that tolerance for risk significantly predicted self-employment goals. Kor et al (2007) indicated that the entrepreneurship is not only about willingness to take risks, but also about intelligently searching for new ways of cushioning against risks, while gaining substantial growth rate in the business. According to Antonites & Wordsworth (2009) found that there is a strong relationship between risk tolerance and the success of entrepreneurs in establishing new venture. Risk-taking tendency, for instance, is likely to vary according to the entrepreneur’s specific environment. We argue that the more tolerant the person is to risk, the more likely that person will hunger to be self-employed, because as a self-employed entrepreneur they will be the residual applicant to the contribution to the firm’s profit made larger by virtue for their more positive attitude to risk. It follows that the gain in income achieved by switching to self-employment must be greater for a person who is more tolerate to risk, since the self-employment income is common to both persons when all other things (except attitude to risk) are equal.

H4: Students those who are tolerant to risk and ready to take risk will have positive attitude towards entrepreneurship as a career choice.
Independence and Entrepreneurial Attitude

It is well said that a career that influenced by the entrepreneurship surely offers the individuals ample prospects to enjoy independence. Douglas & Shepherd, (2002) the objective to become self-employed was significantly related to their preference for independence. The empirical results in entrepreneurship confirm the relationship between attitudes and self-employment (Kolvereid, 1996; Krueger et al., 2000; Luthje & Franke, 2004). Self-employment experience was directly related with entrepreneurial intentions of students (Raijman, 2001). Independence is typically higher in the self-employment career option (Bird, 1989; Katz, 1994). The person with more positive attitude to independence will “make the jump” to self-employment readily. This short discussion supports the following hypotheses H5: Students those who wants to be independent or self-employed will have positive attitude towards entrepreneurship as a career choice.

Entrepreneurship Support and Development in Oman

Oman is the third largest country of the AGCC countries boarding United Arab Emirates, Saudi Arabia, and Yemen lying on the southeast corner of the Arabian Peninsula, where oil has been the major contributor to the GDP. The fourth five-year plan (1991-1996) for the first time stressed the need to diversify the production base other than oil and the Government paid special attention to the sectoral and regional development process.

‘Vision Oman2020’ suggested a policy for the Sultanate’s development over twenty five years (1996-2020). 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)

The Sixth five-year plan emphasized on the industrial development of small and medium enterprises (SMEs). The plan also stressed on creating employment opportunities through economically feasible labour intensive production facilities. Though there is no separate policy framework drawn up for the SMEs, Recently the Oman government has adopted certain steps in promoting entrepreneurship among youth, namely the “SANAD (Al Raffid Fund), Intilaaqah, Injaz Oman and the “Fund for Development of Youth Projects”.

www.jiarm.com
SANAD Program (Al Raffd Fund)
SANAD (Self-employment And National Autonomous Development) started by the Ministry of Manpower in the year 2001, with an objective to promote and nurture the development of small-scale enterprises in Oman. It encourages and sponsors the individual initiatives and the self-employment projects for those who are in the age of 18 to 40 years. Recently November 2012 AlRaffd Fund created for instilling entrepreneurship culture in Omani youths, connecting education to the labour market’s requirements, diagnosing difficulties in the development of the SMEs and proposing solutions to these difficulties. Al Raffid Fund is to help the youth to develop their SME projects with the creation of a RO70mn, The outlay of this fund will be increased by RO7mn every year. These processes should go a long way in promoting an entrepreneurial culture in the Sultanate. Investment plan for the fund through ‘Sanad’ centres.

Intilaaqah
To make young successful entrepreneurs training and development plays a crucial role. “Intilaaqah” program was established in 1995 by Shell Oil Co. in Oman. The objective of the training program is to develop the candidate’s ability to conceptualize the business environment by enabling them to acquire necessary skills to run small businesses professionally. This program targets unemployed those who are in the age group of 18-35 years. 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. Recently, it has signed a professional training agreement with Modern Gulf Institute (MGI) for provision of Intilaaqah Entrepreneur Development Programme (IEDP). The IEDP is a structured training programme focusing on development of entrepreneurial talents and business mindset of young entrepreneurs. 2005 Fund (IEF) was launched with a value of USD 10 million. 2007 was increased up to USD 17 million and managed by GroFin. 2010 Number of trainees exceeds 8,000. 2012 Intilaaqah Enterprise Fund was merged with Shell Regional Enterprise fund called “Nomou”.

INJAZ Oman
In 2005, INJAZ Oman driven by Oman’s private sector as a non-governmental organization (NGO), started with the motto of “Helping People Improve their Competitive Performance.” over strategic partnerships with Oman's business and education sectors, and with the help of
qualified and enthusiastic volunteers, INJAZ provides educational programs on entrepreneurial and leadership skills aimed at inspiring and educating future generations. INJAZ-Oman connects corporate volunteers to mentor youth through Junior Achievement (JA) programs. Volunteers undertake an orientation and training before they start their experience to enhance their mentoring sessions and readiness to inspire the youth.

**Fund for the Development of Youth Projects**

In the year 1999 the Youth Fund was established to promote entrepreneurship among Omani Youth. It offers equity financing starting from OMR 20,000. The investment agreement gives the entrepreneur the flexibility to buy back the equity in his or her enterprise at market value during a period of 5 years. Banks are also playing an important role in promoting entrepreneurs, in addition to the initiatives taken by the Government. The banks which are contributing to the development of entrepreneurs are Bank Muscat, Bank Sohar, Oman Development Bank, HSBC Bank, National Bank of Oman (Tijarati Banking Segment), National Finance Company, Muscat Finance, etc.

**METHODOLOGY**

Ibri college of Technology has been selected for the study. Questionnaire is the major tool of data collection. The primary data was collected through a well-structured questionnaire. The secondary data were also collected through official websites. The researcher has proposed the convenience sampling techniques for the selection of respondents. To select the right respondents which are also very essential for the collection of primary data the following process has been adopted scientifically. Finally 60 respondents were selected and included in the study. Statistical tools such as percentage analysis, and chi-square analysis were used for the purpose. All these data are to be arranged in various form of tables and proposed to critically analyse with the help of statistical tools.

**Objectives of the study:**

The present study has been carried out with the following objectives in

1. To evaluate the factors that influence student’s attitudes towards entrepreneurship
2. To identify the relationship between the entrepreneurial attitude and entrepreneurship
3. To understand the role of government and support programmes to promote entrepreneurship in Oman
4. To offer suggestions to develop entrepreneurial attitudes among the undergraduate students.

**Scope of the study:**
The present study focuses only on entrepreneurship as a discipline, in particular entrepreneurial attitudes towards entrepreneurship as a career choice. The empirical data was collected among the business students in Ibri college of technology, Sultanate of Oman. The selected wilayat with its good infrastructural facility offers sound prospects for industrial developments. The scope of the study encompasses students in Ibri and their attitude towards entrepreneurship those who are planning in starting a new enterprise. The study is limited only to the business studies students in Ibri College of technology.

**Limitations of the study**
The limitations of the study included, but not limited to the following:
- The outcomes of this study will be limited to a select geographic area, therefore not a true representation of all the students in Oman.
- The high levels of apathy towards surveys among people in general may adversely affect the response rate and the quality of the results.
- The promotion and policy drive by the Government may affect entrepreneurial attitudes of students towards this career.

**Findings**
- The average age of the respondents was 20 years. Majority of the students were male 87 and 53 were female students. 39 percent of the students were having prior personal and family business experience.
- First set of hypotheses stated that students with family business background either directly or indirectly having more positive attitudes towards entrepreneurship. In the sample we had 39 percent of students whose father was running own enterprises and the remaining were not. These results indicate that attitudes and entrepreneurial activities are significantly higher for those whose fathers are running own businesses. Those who have prior experience in entrepreneurship also have more positive attitudes towards entrepreneurship as a career choice.
- To strengthen the view that the more the innovative a person is more likely he is willing to take risk and start new business. The findings found that there was a strong relation between innovativeness of the students and their attitudes towards
entrepreneurship. But most of the students were involved only in trading activities like buy and sell of cars, automobile accessories, mobile phone shops, sale and service of computers, bakery and confectionary products, beauty saloons etc.,

- The students those who are more confident in their ability based on practical experience, having positive attitude toward an entrepreneurship as a career choice.
- There is strong relationship between independence and entrepreneurial activity. Students those with attitude towards independence would like to take entrepreneurship as a career choice.
- It is found that sixty three percent of the students were aware about the entrepreneurial schemes and support programmes available for them.

Suggestions
Entrepreneurial culture is common among Omani students. The Government, entrepreneurial support programmes should take steps to motivate the students in the manufacturing sector with high innovativeness. The students are ready to face the challenges associated with entrepreneurship, have positive attitude towards entrepreneurship due to the regulations between self-employment and formal employment many of them are not ready to take entrepreneurship as their career choice. The study suggested that the students need to be given updates through entrepreneurial workshops and conferences in various fields to establish the new ventures in the future. The Government has to extend more support in diverse areas to entrepreneurial activities.

Conclusion
This study implies that the students who had family and personal experience in entrepreneurship have more positive attitude towards an entrepreneurial career and moreover confident in their own ability to repeat that behaviour to prosper in entrepreneurship. Our results confirm the findings of previous studies in terms of the significant relationship between entrepreneurial intentions and its antecedents and thereby lend further support to the application of Fishbein and Ajzen’s theory of planned behaviour to predicting and understanding entrepreneurial behaviour.

Peer- This study makes a contribution to the literature by shedding light on the factors that influence attitudes towards entrepreneurship. Furthermore, the findings imply that encouraging students to try to secure internships in new ventures or start their own ventures
can be extremely beneficial in shaping their attitudes with respect to entrepreneurship. This has implications for educators looking to gain a better understanding of their students’ attitudes and provide appropriate training. We will see more students venture into entrepreneurship in future.

**Future Research**

The attitude towards entrepreneurship as a career choice among the undergraduate students proved to contribute the strongest explanation for entrepreneurial activities of the students. The researcher focused on few factors as causes of the attitude. However, other factors may an impact on this attitude as well. Further research in the area of attitude formation holds promise for enhancing the understanding of the entrepreneurial intent and the effective cultivation of a business founding spirit among students. As this study is conducted on certain factors, its scope can be broadened and other factors can be used to assess relationship of attitude and entrepreneurial activities in future. This research has important implications for economic development, investors, and job seekers, but considerable further research remains to be done. Future research should study these issues with a larger sample size. It is also important for future research to not stop at assessing entrepreneurial attitudes, but go on to examine whether attitudes lead to entrepreneurial success.

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