



Research Paper

A Study on the Role of Small and Medium Enterprises (SME) in the Economic Growth of Oman

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Abstract

This study aimed to identify the role of small and medium enterprises in the growth of the Omani economy and its importance. The study also revolves around the objectives of small and medium enterprises and how the Sultanate of Oman took care of it, as it established a special institution for small and medium enterprises, which called (Small and Medium Enterprises Development Authority). Many objectives were achieved such as: The small and medium enterprises sector plays an important role in increasing the added value and diversifying the Omani economic structure, it is a major source of job creation in Oman and Small projects are usually established by their owners with the aim of earning a living or providing a personal job for themselves the study use the descriptive analytical approach and depend on secondary data which collected from ministry of labor , the researchers recommended that the government should support and sponsored the small and medium enterprises and encourage youth to start their own businesses

Key Words: *Small enterprises, medium enterprises, economy of Oman*

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I. INTRODUCTION

Background:

The small and medium enterprises sector plays an important role in increasing the added value and diversifying the economic structure, and it is a major source of job creation in many countries, its contribution is estimated at about 33% of GDP and 45% in employment in the formal sector in a group of emerging and developing economies. It is expected that small and medium enterprises will play a prominent role in alleviating unemployment in developing countries in the coming years, due to their high ability to create job opportunities, as they contribute to creating 4 out of every 5 new job opportunities in the formal sector.

Problem statement:

Small and medium enterprises in the Sultanate of Oman have witnessed an increasing interest from the government in support and provision of methods of success for innovators, as the Sultanate was suffering from a weak turnout by Omani youth to set up their own projects for fear of losses linked to a lack of awareness of the importance of private projects, and it also faces many challenges. It is represented in drawing clear strategies for this sector, developing laws and legislation, and combating bureaucracy represented in the legal transactions associated with such projects.

Weak logistical support for the implementation of projects such as feasibility assessment studies, information on investment opportunities and training programs, difficulty in obtaining financing when expanding, international economic and political events, and the lack of exchange of experiences between large institutions and small and medium enterprises.

Questions of the study:

Researchers list many questions which heated to:

- 1- What is role played by SME in Omani economy growth?
- 2-Does lack of experience affect small and medium enterprises?
- 3-Why does the constant change in government policies affect small and medium enterprises?

Objectives of the study:

Countries, whether developing or developed, need to establish small and medium enterprises to participate in the growth of their economy through the service sector and assistance in the industrial sector as well. The importance of small and medium enterprises or companies appears in that they are the mainstay of the economy of any country, whether developed or developing the objectives of small enterprises are:

- 1-identify the role of bonding in finance as SME?
- 2-identify the role of SME in Omani economics?
- 3-The risk is lower compared to the big companies.
- 4-Contribute to improving productivity and generating and increasing income.

Significant of the study:

Many believe that the development of small and medium enterprises is to encourage their establishment, because it is one of the most important tributaries of the process of economic and social development in countries in general, and developing countries, as a basic starting point for increasing production capacity on the one hand and contributing to addressing the problems of poverty and unemployment on the other hand. Therefore, many countries have given these projects increasing attention, and provided them with assistance and assistance in various ways and according to the available capabilities Small enterprises have an important place in all industrialized countries and more important in developing countries, as countries are in a state of industrial decline and mismanagement of the natural and human resources owned by these countries, since the majority of these countries' exports are raw and unmanufactured natural materials and some agricultural products, deepening dependence on the major industrial countries.

Limitation of the study:

One of the limitations that we faced in this study is the lack of data, information and sources and the lack of studies on this subject.

II. EXISTING WORK AND LITERATURE REVIEW

Introduction:

The Sultanate of Oman has doubled its efforts to encourage young people to establish private projects and not wait for a traditional job, whether in a government institution or in a private company, within a vision it adopts to support innovative ideas with the aim of financing them. In the second chapter, we will discuss various studies on the role of small and medium enterprises in the economic growth of the Sultanate of Oman, where we have recorded 15 studies. We will also note the literature review as well as the research gap.

Existing work

Critical success factors for implementing knowledge management in small and medium enterprises

uan Yew Wong 1-1 Industrial management & Data systems, 2005,

Purpose to date, critical success factors (CSFs) for implementing knowledge management (KM) in small and medium enterprises (SMEs) have not been systematically investigated. Existing studies have derived their CSFs from large companies' perspectives and have not considered the needs of smaller businesses. This paper is aimed to bridge this gap.

Existing studies on CSFs were reviewed and their limitations were identified. By integrating insights drawn from these studies as well as adding some new factors, the author proposed a set of 11 CSFs which is believed to be more suitable for SMEs. The importance of the proposed CSFs was theoretically discussed and justified. In addition, an empirical assessment was conducted to evaluate the extent of success of this proposition.

Firm performance through social customer relationship management: evidence from small and medium enterprises

Ali Ahani, Nor Zairah Ab Rahim, Mehrbakhsh Nilashi International Conference on Research and Innovation in Information Systems (ICRIIS), 1-6, 2017

The objective of this study is to investigate the effect of social customer relationship management (CRM) adoption on firm performance in small and medium enterprises (SMEs) context. Accordingly, we develop a new adoption-performance model for social CRM strategy at the organization level. The proposed model of this study links technological, organizational, environmental and process factors to social CRM adoption and performance. The proposed hypotheses were verified by using structural equation modelling on a dataset of 240 SMEs across Kuala Lumpur, the capital city of Malaysia. The results revealed that top management support, IT/IS knowledge of employee, cost, relative advantage, compatibility, customer pressure and competitive pressure are important drivers for social CRM adoption. Finally, this study confirms that there is a significant relationship between social CRM adoption and SMEs performance.

Sustainable product service system in small and medium enterprises (SMEs): opportunities in the leather manufacturing industry

Ricardo J Hernández Pardo, Tracy Bhamra, Ran Bhamra Sustainability 4 (2), 175-192, 2012

This paper presents an approach to identify opportunities to develop sustainable Product Service Systems (PSS) involving Small and Medium Enterprises (SMEs). The purpose of the research is to build understanding of how the integration of product and service design and the use of Information and Communication Technologies (ICT) can contribute to identify opportunities to develop sustainable PSS involving SMEs. To develop the approach, research with 16 Colombian Manufacturing SMEs was carried out. A reference model and four generic types of PSS according to the relationships between product and service design and ICT are used to analyse the data. Finally, the possibility of extending the approach into a general framework to work with other industries is discussed.

Actors affecting the performance of small and medium enterprises in the jua kail sector in Nakuru town, Kenya.

Anne Ngima Kinyua Egerton University, 2013

Interest in the role of small and medium-sized enterprises (SMEs) in the development process continues to be in the forefront of policy debates in developing countries. The role of finance, management skills, macro-environment factors and infrastructure have been viewed as a critical element for the performance of small and medium-sized enterprises. Therefore, this study sought to evaluate the factors affecting the performance of SMEs in the Jua Kali sector in Nakuru town. The specific objectives included to; investigate the extent to which access to finance by SMEs affect their performance, determine the effect of management skills on the performance of SMEs, examine the extent to which macro-environment factors affect the performance of SMEs and determine the effect of infrastructure on the performance of SMEs in Jua Kali sector. The study adopted a survey research design and employed a stratified random simple sampling. Primary data was collected from 262 study respondents using structured questionnaires. Data was analysed with the help of the Statistical Package for Social Sciences computer software. Descriptive statistics such as frequencies means, and percentages analyse and present the data. Inferential statistics such as correlation and regression analysis were used to test the relationship between independent variables (factors) and dependent variable (performance). Results of data analysis supported the following key findings that access to finance had the potential to positively affect performance of SMEs although they were yet to be fully utilized to the advantage of the SMEs in the study area. Management skills were found to affect performance of SMEs yet positively and significantly had only been marginally adopted by the SMEs in the study area. Macro environment factors were found to significantly affect performance of the SMEs in the study area. Infrastructure did not significantly affect performance of SMEs in the study area. The study recommends that SMEs should improve access to finance through negotiations for better lending terms and conditions and collateral requirements. The study results indicated that as number of years in operations increased the performance increased. The SME businesses should focus on acquiring appropriate management skills such as financial, marketing, and entrepreneurial skills. SME businesses should effectively strengthen the macro environment to increase their performance. The infrastructure especially in terms of electricity and roads should be improved to increase their performance.

Structure and challenges of a security policy on small and medium enterprises

Fernando Almeida, Inês Carvalho, Fábio Cruz KSII Transactions on Internet, and Information Systems (TIIS) 12 (2), 747-763, 2018

Information Technology (IT) plays an increasingly important role for small and medium-sized enterprises. It has become fundamental for these companies to protect information and IT assets in relation to risks and threats that have grown in recent years. This study aims to understand the importance and structure of an information security policy, using a quantitative study that intends to identify the most important and least relevant elements of an information security policy document. The findings of this study reveal that the top three most important elements in the structure of a security policy are the asset management, security risk management and define the scope of the policy. On the other side, the three least relevant elements include the executive summary, contacts, and manual inspection. Additionally, the study reveals that the importance given to each element of the security policy is slightly changed according to the sectors of activity. The elements that show the greatest variability are the review process, executive summary, and penalties. On the other side, the purpose of the policy and the asset management present a stable importance for all sectors of activity.

Medium Enterprises and be able to encourage use of succession plans. It will also provide background information to researchers who may want to carry out further research.

Small and medium enterprises (SMEs) competing in the global business environment: A case of Malaysia

Mohd Sulkily Muhammad, Abdul Kamal Char, Mohd Rushden bin Yaso, Zamia Hassan

International Business Research 3 (1), 66, 2010

Small and Medium Enterprises (SMEs) play a vital role in the country's economic development. The current trend of economic growth and the rapid industrial development has made Malaysia as one of the most open economies in the world. In conjunction with the Ninth Malaysian Plan (2006-2010), the government is devoting and designing the SME development plan to assist the SMEs to meet the new business challenges in the competitive global business environment. The focus of this paper is the discussion of the competitiveness facing SMEs in the global business environment by examining the opportunities and supports from the government. Furthermore, this study also analyses the challenges of Malaysian SMEs in globalize market together with economics turmoil.

III. Literate Review

Concepts Small and medium enterprises:

The definition and concept of small and medium enterprises varies from one country to another according to their different capabilities and economic and social conditions, such as the nature of the components and factors of production, the quality of traditional handicraft industries that exist before modern industry, population density, the availability and degree of qualification of the workforce, the general level of wages and income, and other economic and social aspects. That define the features and nature of the industries existing in it. The definition also varies according to its purpose, and whether it is for statistical purposes, financing purposes, or any other purposes. With different definitions, some countries of the Gulf Cooperation Council use the capital invested criterion to distinguish between projects, where small projects are defined as those enterprises whose average invested capital is less than 800,000 Bahraini dinars, while medium projects are represented by enterprises that invest more than 800,000 and less than 800,000 each. 2,500 million Bahraini dinars, while the projects are considered large if the capital invested in them reaches 2,500 million Bahraini dinars or more. To sum up, the industrial and developing countries differ in the definition of small and medium enterprises, which makes it difficult to compare them. The enterprises that are considered medium in the developing countries are considered small in the industrialized countries, and the large projects in the developing countries are considered medium in the industrialized countries. To face the difficulties in comparison, many developed and developing countries have adopted the definition of the International Labor Organization, which defines small projects as projects that employ less than 10 workers and medium projects that employ between 10 to 99 workers, and more than 99 are large projects.

Importance of Small and Medium Enterprises:

The importance of the contribution of small and medium enterprises in the process of economic and social development is due to the following reasons:

- Small and medium enterprises depend on labor-intensive and tend to distribute income more equitably compared to large enterprises. They play an important role in creating employment opportunities in a way that alleviates poverty, as they often provide job opportunities for reasonable wages for workers from poor families and women who lack to alternative sources of income.
- Small and medium enterprises contribute to raising the efficiency of resource allocation in developing countries, as they tend to adopt labor-intensive production methods, which reflects the situation of those countries in terms of abundance of labor force and scarcity of capital. As the activities of these projects expand in the informal markets, the prices of factors of production and the products they deal with will better reflect the opportunity costs compared to the prices that large projects deal with.

Small and medium enterprises support building comprehensive productive capacities, as they help absorb productive resources at all levels of the economy and contribute to the establishment of dynamic and flexible economic systems in which small and medium companies are interconnected. Initiative and its skills and help reduce development gaps between urban and rural areas.

-The speed of technological development has led to an increase in the rate of change in the production technology used in many industries, and with the spread of the method of production in batches, it has become important to establish smaller factories and less investment cost, so that each factory focuses on producing a small number of precise commodities or that are required by industries Certain to meet small orders of certain goods or services.

Types of small and medium enterprises:

The first type of small and medium enterprises

-Traditional small and medium enterprises: These enterprises are characterized by weak economies of scale Meaning that the labor is not characterized by efficiency, low productivity, and sale, in addition to few markets Limited contracts.

Small and medium enterprises resulting from the market environment: these projects are characterized by effectiveness

The search for opportunities offered in the local and foreign markets, and a full commitment to flexibility we also find efficient labor.

-Pioneering small and medium enterprises: These are projects that are characterized by qualified and adventurous businessmen, who engage in new economic activities with investment in manpower, in addition to the use of risk financing programs in the employment of capital.

The second type of small and medium enterprises

Productive projects: the basis of which is conversion, -with the intention of transforming the raw material into final products or intermediate products, and the added value, which is intended to increase the value of the outputs over the inputs, i.e., the elements of production and symmetry in the sense of conformity to all specifications of the units of the product.

-Service projects: Basically, performing a service on behalf of the customer that he would have performed on his own or that he would not have the ability to do on his own.

-Commercial projects: The basis of which is the purchase, sale and distribution of a manufactured commodity or a group of various commodities, and reinvested to make a profit

(The third type of small and medium enterprises):

-Small projects: These are projects that have a fixed place, capital, and employees, with approximately 5 individuals.

Very small projects: they have a fixed place capital and employees of approximately two people.

-Micro projects: they do not have a fixed place most of the time and are carried out by one individual who is the owner of the project.

-The fourth type of small and medium enterprises: It is represented in the industrial, agricultural, service, and educational projects. The small project can be divided into a group of elements.

-Capital: It is all the cash necessary to build the project, or the money necessary to assemble the factors of production.

-Machinery and equipment: everything necessary to produce a good or service.

Employment: It is all the individuals that the project needs to operate.

Management: It is the one that bears the responsibility of making the best operation of the project and reaching its goals, and it is considered part of the workforce.

Technology: is the method or method for dealing with production factors.

Research gap:

Through the studies that we conducted in this research, we reached our study, which states that the development of small and medium enterprises and the encouragement of their establishment are among the most important tributaries of the process of economic and social development in countries in general, and developing countries in particular, as a basic starting point for increasing production capacity on the one hand, and contributing In addressing the problems of poverty and unemployment on the other hand; Therefore, many countries have given these projects increasing attention, and provided them with assistance and assistance in various ways and according to the available capabilities. Given the importance of these projects, most developing countries began to focus efforts on them, as they encouraged the establishment of small and medium industries, especially after they proved their ability and efficiency in addressing the main problems facing different economies.

These projects have found various forms of sponsorship and support, from the public and private sectors, due to their significant contribution to the industrial sector. For example, small projects constitute about 90% of the establishments in the world, and employ between (50% - 60%) of the world's workforce; It was necessary to provide support in all its forms for these vital sectors due to their importance, and in order to get rid of the most important obstacles facing small and medium enterprises, namely the inability of their owners to provide the necessary financing for the continuity of their activity, and their inability to provide sufficient traditional guarantees that commercial banks require to provide financing she has. Commercial banks usually contribute to large projects and prefer to deal with and provide loans to them, due to the low degree of risk involved in these projects on the one hand, and the ease with which banks deal with them on the other hand, and their ability to provide the required guarantees on the third hand, or the existence of common goals and interests.

The preferential treatment that large industrial projects receive is the main motive for introducing loan risk guarantee programs with the aim of facilitating financing for targeted small and medium projects and enabling them to obtain credit facilities by guaranteeing the risks of these loans with banks and financial institutions, which leads to an increase in banks' demand for granting facilities. To a wider group of investors and owners of economically viable projects who do not have sufficient traditional guarantees, and this leads to the growth, development, and continuity of these projects.

Small projects are also characterized as an effective development tool that contributes to raising the rates of economic and social growth. Large numbers of the population, which confirms its developmental role in the national economy.

Small and medium enterprises suffer from a low contribution to the GDP due to the low level of funding for them. This causes difficulty in relying on it and on the private sector in raising investment rates, addressing the problem of unemployment, and achieving economic and social development, due to the wrong economic policies that most economies suffer from. Leading the development process.

IV. Data collection and interpretation

Introduction:

This chapter presents the research methodology and methods used to conduct the current research. The chapter presents the methodologies used for the study, research design, data collection methods, types of data collected, aspects of ethical research issues, sample design, techniques used to collect data from the selected sample, questionnaire design, study period, region, tools, and methods used in data analysis, and the limitations of the study and contribution. Expected to study.

Study Design:

Research design refers to the general strategy used to coordinate the components of the study in a logical manner and to ensure that the research problem is effectively addressed. The current research uses a descriptive research design to study the effect on the purchasing behavior of Omani customers and to study the role of small and medium enterprises in raising the economy in Oman. And the relationship between the research variables, it is more appropriate to use the qualitative approach because it provides detailed information about the study

Data collection:

The aim of the current research is to observe how the perception of Omani customers can affect the role and importance of small and medium enterprises in raising the economy. Where the primary and secondary data were used in the research, and primary data was collected on the study of the role of small and medium enterprises in raising the economy in Oman. The research was developed to give clear results to answer the research questions and achieve the research objectives. The collected data give information about the study of small and medium enterprises in raising the economy, the reasons that may change these studies, and how this study affects the economy.

Secondary data:

The researcher will rely on secondary data as a basic source for collecting information and accordingly it will be done with information about small and medium enterprises from the Oman Small and Medium Enterprises Authority and the researcher will analyze it to find out what is the role of small and medium enterprises in the Omani economy, through their statistics and reports.

Secondary data analysis:

Number of labors and profit of sales SME in Oman (2017-2018)

Year	2017	2018
Number of labors	6-25 labor	99 labors
Profit of sales	100,000 OR	3,000,000 OR

Resources: ministry of economy in Oman 2021.

Interpretation:

The table above shows the number of employees and revenues for small and medium enterprises for the year 2017 and 2018, the number of employees in 2017 ranged between 6 to 25 workers, and the revenues were 100,000 OR, but for 2018 the number of employees was 99 years with revenues of 3,000,000 OR, which increased in the year 2018 revenue ratio significantly.

Number of labor and profit of sales SME in Oman (2019-2020)

Year	2019	2020
Number of labors	6-49 labor	69594
Profit of sales	132,586,506 OR	2,155,744OR

Resources: ministry of economy in Oman

Interpretation:

As for the years 2019 and 2020, the number of employees in 2019 was 49 to 6, and the revenues for this year amounted to 123,586,506 Omani riyals. In 2020, the number of employees was 69,594 and the revenue was 2,155,744. The total revenue in 2020 was less than 2019 due to the economic conditions caused by the Covid-19 pandemic.

Number of labor and profit of sales SME in Oman (2021)

Year	2021
Number of labors	11-25 labor
Profit from sales	1,250,000 OR

Resources: ministry of economy in Oman

Interpretation:

In 2021, the number of employees was 11 to 25, and the total revenue was 1250000

Number of gross national income SME in Oman (2016-2017)

Year:	2016	2017
Gross national income	25.7 billion OR	27.6 billion OR

Resources: ministry of economy in Oman

Interpretation:

In this table, a comparison of the gross domestic product for the years 2016 and 2017, where the gross domestic product for the year 2016 was 25.7 billion OR, but in 2017 the number of the GDP was 27.5 billion OR, with a growth rate of 8.7%.

Number of gross national income SME in Oman (2018-2019)

Year:	2018	2019
Gross national income	30.7 billion OR	29 billion

Resources: ministry of economy in Oman

Interpretation:

In the above domestic table, the national product for the years 2018 and 2019 was shown. In 2018, the GDP was 30.7 billion, but in 2019 the national product was 317 million. We note that in 2019 the decrease national product increased.

Number of gross national income SME in Oman (2020-2021)

Year	2020	2021
Gross national income	18.3 billion	13.2billion

Resources: ministry of economy in Oman

Interpretation:

The gross national product for the years 2020 and 2021 was low due to the Covid-19 crisis, which affected the global economy, as the gross national product for the year 2020 was 18.3 billion, but in 2021 it was 13.2 billion in 2021. We note that there is a decrease in the gross national product.

Number of SME in al the government and an increase compared to last year (2017-2018)

Year	2017	2018
Number of SME in all the government	Muscat:9,802 AlBatinah:4,730 Aldakhiliyah:4,221 Dhofar:2,745 Alsharqiah:2,180 Musandam:114 Dhahirah:1,996 Alwastaa:335 Alburimi:534	Muscat:12,275 AlBatinah:6,128 Aldakhiliyah:4921 Dhofar:3,186 Alsharqiah:2,598 Musandam:142 Dhahirah:2,411 Alwastaa:436 Alburimi:761
An increase compared to last year:	Muscat:11.9% AlBatinah:37.8% Aldakhiliyah:51.4% Dhofar:68.7 % Alsharqiah:47.1% Musandam:25% Dhahirah:54.7% Alwastaa:5.8% Alburimi:3.8%	

Resources: ministry of economy in Oman

Interpretation:

The number of small and medium projects in 2017 in the Governorate of Muscat was 9802. In 2018, the number of institutions was 12,275. We note that the number of projects increased. In 2017, the number of projects in the Governorate of Al Batinah was 4730, and in the same governorate in 2018, the number of projects was 6128. In 2018, there was a rise in projects.

Number of SME in all the government and an increase compared to last year (2019-2020)

Year	2019	2020
Number of SME in all the government	Muscat: 15,810 Al Batinah: 10,980 Aldakhiliyah:7,176 Dhofar: 3,515 Alsharqiah: 3,180 Musandam: 182 Dhahirah: 2,760 Alwastaa: 611 Alburimi: 1,015	Muscat: 19,899 AlBatinah: 9,288 Aldakhiliyah: 5,965 Dhofar: 4,889 Alsharqiah: 7,399 Musandam: 273 Dhahirah: 3,252 Alwastaa: 779 Alburimi: 246
An increase compared to last year:	Muscat: 13.2% AlBatinah: 45.1% Aldakhiliyah: 21.7% Dhofar: 12.1% Alsharqiah: 10.8% Musandam: 11.7% Dhahirah: 9.6% Alwastaa: 33.4% Alburimi: 15.3%	Muscat: 27.6% AlBatinah: 26.2% Aldakhiliyah: 11.6% Dhofar: 25.9% Alsharqiah: 53% Musandam: 53.4% Dhahirah: 18.7% Alwastaa: 29.8% Alburimi: 25.1%

Resources: ministry of economy in Oman

Interpretation:

The above table shows the number of projects between 2019 and 2020. In 2019, the number of small enterprises in the Governorate of Muscat was 15810, or 13.2%, and in the same governorate, the number of projects in the year 2020 was 19899, at a rate of 27.6%, and in the Governorate of Al Dakhiliyah, the number of enterprises in 2019 was 7,176 By 21.7%, and in Al-Dakhiliyah Governorate in 2020, the number of projects was 5965, at a rate of 11.6%. We note that there is a decrease in the number of institutions due to the Corona crisis.

Number of SME in all the government and an increase compared to last year (2021)

Year	2021
Number of SME in all the government	Muscat: 21,068 AlBatinah: 9,860 Aldakhiliyah: 7,604

	Dhofar: 5,318 Alsharqiah: 8,480 Musandam: 319 Dhahirah: 3,454 Alwastaa: 831 Alburimi: 1,321
An increase compared to last year:	Muscat: 31.5% AlBatinah: 30.4% Aldakhiliyah: 25.9% Dhofar: 33.7% Alsharqiah: 60.1% Musandam: 73.4% Dhahirah: 24% Alwastaa: 33% Alburimi: 28.9%

resources: ministry of economy in Oman

Interpretation:

In this table, the number of small and medium projects in 2021 shows the number of projects in the governorates and the rate of increase in Muscat 21,068 of the rate 31.5% and in Dhofar the number of enterprises is 5318 with rate 25.9%. Alsharqiah 8,480, Musandam 319, Dhahirah 3,454, Alwastaa 831, Alburimi 1,321

V. Findings And Recommendation

Finding:

1. The number of workers and the amount of profit in sales from 2017 to 2018, where the number of workers in 2017 ranged from 6 to 25 years. Sales were 100,000 Omani riyals, and in 2018 the number of workers was 99 workers, and the number of sales was 3,000,000 riyals per year. We note that the number of workers and the number of sales increased in 2018 by a very large percentage.
- 2- But in 2019 the number was from 6 to 49 workers, the number of workers decreased, but the number of sales increased 132,586,506.
- 3- In 2020 and 2021, due to the Covid-19 pandemic, sales are down in numbers. Significantly due to the crisis that affected the global economy, the number of sales ranged between one and two million, but the number of workers in 2020 increased dramatically to reach 69,594.
- 4- The national gross product from 2016 to 2021, where the national GDP in 2018 was high by 30.7 billion Omani riyals, but in 2021 it was low, reaching 13.2 billion Omani riyals. Due to the Corona pandemic, the Sultanate is striving to raise the gross national product to support small and medium enterprises in growth and development
- 5- The number of small and medium enterprises in the governorates and the percentage of increase compared to the previous year 2017 to 2021 and it consists of data on the number of enterprises in the governorates and an increase. compared to last year.
- 6- The number of small and medium enterprises in the governorates and the rate of increase compared to the year before, from 2017 to 2021 it consists of data for the number of institutions in the provinces and an increase compared to last year. In 2017, the number of small establishments in the Governorate of Muscat was 9,802. In the same governorate in 2018, the number of establishments increased to 12,275, and the percentage of establishments in the Governorate of Muscat was 11.9%. Also in 2019, the number of establishments in Al-Batinah Governorate was 10,980, during the same period in 2020, the number of small enterprises decreased to 9,288 due to the Corona pandemic, or 26.2%. The number of institutions in the interior is 5965, i.e., 11.6%. The number of institutions has decreased due to the Covid-19 pandemic and the cause of a crisis in the economy, which led to a decrease in the number of institutions in the Sultanate. In the year 2021, the number of establishments in each of the following governorates was Dhofar, 5,318, or 33.7%, Alsharqiah: 8,480, with a percentage of 60.1% and Musandam: 319 with a percentage 73.4%, Dhahirah: 3,454 with a percentage of 24% and Alwastaa 831 percentage 33% and the last one is Alburimi 1321 with a percentage 28.9%. Also, in the year we note that the Governorate of Muscat always ranks first in terms of the number of projects. In 2021, the number of projects reached 21,068. In 2017, it is the lowest share in terms of the number of projects in the Sultanate, meaning that it has reached 9,802 with a rate of 11.9%.

VI. Conclusion:

In conclusion, we talked in this research about small and medium enterprises in the economy of Oman, and one of the most prominent elements that we touched on is the importance of small and medium enterprises and their role in raising the economy of Oman, their objectives and advantages, and how they affect the Omani economy, as we talked about some studies on the role of small and medium enterprises in raising the economy.

Small projects are usually established by their owners with the aim of earning a living or providing a personal job for themselves, but this does not preclude that any small project, when well-planned and quality standards are taken into account, can grow until it becomes one of the largest and even global projects, and the major companies may be the ones that They control and manage the world's economy, but small businesses are the foundation of the local economy.

VII. Recommendations:

In this chapter, we talked about small and medium enterprises and the role of the government in developing them. Therefore, we have some recommendations that we recommend to the government to continue improving and developing small and medium enterprises in the Sultanate, improving them, and supporting them with financing and insurance because of their benefits to the economy of Oman. Also, small enterprises can get rid of unemployment and employ Omanis in it.

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