

ABSTRACT

It has been stated that government and market forces remain relevant in the development of the economy. Meanwhile, the uncertainty in the global business environment had continued to stimulate activities in the SME sector to the extent that both the Sultanate of Oman and SME owners in the sector have evolved policies that had helped them weather the storm of the business environment.

Therefore this study examines the extent to which government assistance influences the development of small and medium size enterprises (SMEs) in the Sultanate of Oman.

With a calculated sample size of 885, questionnaires were distributed and 500 valid questionnaires were eventually used for this study. Through the analysis of the questionnaire which is based on a 5-point Likert scale, the study applied correlation and regression analysis for the evaluation of the four research hypothesis of the study.

The results showed that government assistance, the study revealed that with exception of financial assistance, the main purposes of all other forms of government assistance were not clear to the SME owners. There is evidence that as the operational constraints (cost of financing, access to finance, license and permits) are reduced, there will be increase in performance in terms of sales growth while the combination of three government assistances (Financial, market and technical assistances) is reported to increase performance in terms of sales growth. Furthermore, the respondents were of the view that government intervention in terms of financial assistance was not enough to meet the needs of the SMEs. Overall, three theories were expounded with the research, namely, that the application of all the six assistance is necessary in order to effectively increase the growth of an SME in terms of sales and profit. Secondly, that only the proper application of the six government assistance will lead to growth of the SMEs in terms of sales and profit and thirdly, that if the government assistance is not properly

designed to target specific constraints, there will be no growth of the SME in terms of sales and profit.

The study therefore recommended that the creation of an enabling policy environment to facilitate the growth of SMEs through the promotion of strategic alliance, creating public-private partnership, and cooperatives will be effective in helping the SMEs navigate the precarious business environment.

ABSTRAK

Ketidakpastian dalam persekitaran perniagaan global terus merangsang aktiviti dalam sektor PKS ke tahap di mana kedua-dua kerajaan dan pemilik PKS dalam sektor telah kembangkan dasar-dasar yang telah membantu mereka dalam persekitaran perniagaan. Melalui Ketua Pengarah Pembangunan Perusahaan Kecil dan Sederhana (PPKS), Negara Oman telah melaksanakan pelbagai program bantuan yang meliputi bantuan kewangan, khidmat nasihat, pengurusan, teknikal, peraturan dan infrastruktur untuk membantu PKS di Oman. Walaubagaimanapun, kedua-dua kerajaan dan pasaran kekal memainkan peranan dalam pembangunan ekonomi.

Oleh itu kajian ini meneliti sejauh mana bantuan kerajaan mempengaruhi pembangunan perusahaan kecil dan sederhana (PKS) di Oman. Dengan cara ini, kajian telah kenal pasti halangan utama yang mungkin menghadapi PKS di Oman, sejauh mana halangan ini telah mempengaruhi prestasi PKS dari segi pertumbuhan jualan dan produktiviti dan mengkaji peranan bantuan kerajaan Negara Oman dalam mengurangkan halangan yang dihadapi oleh PKS di Negara Oman. Kajian ini adalah pendekatan gabungan penyelidik yang melibatkan kaedah kualitatif dan kuantitatif. Sektor PKS telah guna dalam kajian ini lima jenis perniagaan – alat elektronik, pakaian, peralatan rumah dan kosmetik, makanan & minuman dan kraf tangan. Perniagaan ini telah beroperasi selama tiga tahun dan meliputi hampir 25 % daripada sektor PKS di Oman. Dengan saiz sampel dikira daripada 885, soal selidik telah diedarkan dan 500 soal selidik yang sah telah diedarkan, akhirnya digunakan untuk kajian ini. Melalui analisis soal selidik yang berdasarkan skala Likert 5-mata, kajian yang dipohon korelasi dan analisis regresi untuk penilaian hipotesis empat penyelidikan kajian. Keputusan daripada analisis demografi menunjukkan bahawa sejajar dengan cadangan kerajaan, pemilik PKS adalah muda dan mendedahkan beberapa perbezaan umur dan pendidikan yang akan mempunyai

implikasi ke atas program-program pembinaan keupayaan mereka. Diperhatikan bahawa pemilik PKS yakin sepenuhnya peraturan-peraturan kerajaan yang berkaitan dengan cukai, kastam dan kesatuan sekerja manakala mengesahkan bahawa masalah operasi berkaitan dengan kewangan adalah halangan.

Dari segi bantuan kerajaan, kajian menunjukkan bahawa dengan pengecualian bantuankewangan, tujuan utama semua bentuk bantuan kerajaan tidak jelas kepada pemilik PKS. Terdapat bukti bahawa masalah operasi (kos pembiayaan , akses kepada kewangan , lessen dan permit) dikurangkan , akan terdapat peningkatan dalam prestasi dari segi pertumbuhan jualan manakala gabungan tiga orang pembantu kerajaan

(kewangan, pasaran dan bantuan teknikal) dilaporkan untuk meningkatkan prestasi dari segi pertumbuhan jualan. Oleh kerana itu, responden berpendapat bahawa campur tangan kerajaan dari segi bantuan kewangan tidak mencukupi untuk memenuhi keperluan PKS. Secara keseluruhannya, tiga teori telah dijelaskan dengan penyelidikan ,iaitu, bahawa penggunaan semua enam jenis bantuan adalah perlu untuk meningkatkan pertumbuhan PKS dari segi jualan dan keuntungan dengan berkesan. Kedua, hanya permohonan yang bagus untuk mendapat enam jenis bantuan kerajaan akan membawa kepada pertumbuhan PKS dari segi jualan dan keuntungan dan ketiga, jika bantuan kerajaan tidak direka dengan baik untuk menyasarkan masalah tertentu, ia tidak akan memberi pertumbuhan PKS dari segi jualan dan keuntungan.

Oleh itu kajian ini disyorkan bahawa penciptaan persekitaran dasar yang sesuai bagi memudahkan pertumbuhan PKS melalui promosi perikatan strategik, mewujudkan perkongsian awam -swasta, dan koperasi akan berkesan dalam membantu PKS mengharungi persekitaran perniagaan yang tidak menentu. Berdasarkan kepada penanda aras di dalam alam sekitar dasar persaingan, peningkatan kemahiran dan keupayaan tempatan, hubungan untuk penyelidikan, kekuatan dan kualiti produk PKS dan rangkaian perkhidmatan dalam repository pengetahuan dalam sektor PKS boleh

diperbaiki. Secara umumnya, kajian ini menyimpulkan bahawa kekurangan peningkatan dalam pertumbuhan keuntungan bukti bahawa permohonan bantuan kerajaan itu tidak dibuat dengan baik dan tidak tahu sasaran satu masalah. Oleh itu, peranan campuran tangan kerajaan dalam pembangunan PKS perlu diselaraskan dengan sektor swasta melalui penilaian semula, pemantauan, promosi, strategic dan koperasi dan buktinya intervensi selaras dengan sosio-budaya solekan daripada sektor PKS.

PUBLICATIONS AND CONFERENCES

The following papers have been published or submitted from this thesis:

(a) Publications:

1. Mubarak Ibrahim Adam Mohammed (2012).The role of government support on the growth & productivity of small & medium enterprises in the sultanate of Oman. International Research Journal of Commerce, Business and Social Sciences, Vol. 1(9), 71-74.
2. Mubarak Ibrahim Adam Mohammed (2012).The constraints faced by small & medium enterprises in the sultanate of Oman: The need for more government intervention. International Research Journal of Commerce, Business and Social Sciences, Vol. 1(9), 98-101.
3. Mubarak Ibrahim Adam Mohammed(2012).Government Assistance and performance of small & medium enterprises in the sultanate of Oman: A case study of sales & profit growth. International Journal of Advances in Management, Technology & Engineering Sciences, Vol. II, Issue 3(II), 102-105.

(b) Conferences:

1. Mubarak Ibrahim Adam Mohammed. The role of government support on the growth and productivity of small and medium enterprises (SMEs) in the sultanate of Oman. International Research Symposium on Interdisciplinary Approaches. 7th- 8th December, 2012, Hotel Bay view, Singapore.
2. Mubarak Ibrahim Adam Mohammed. Small and Medium Industry – Malaysian Experience. Small and Medium Enterprise Exhibition and Conference 16th- 18th February, 2009, Oman International Exhibition Centre Muscat – Sultanate of Oman.

DEDICATION

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