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# Entrepreneurial Intention among Information Systems (IS) Students at Sultan Qaboos University: An Exploratory Study

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**Abstract-** Entrepreneurship is vital for economic growth in Oman and college students play a significant role in enriching entrepreneurship industry. The aim of this paper is to investigate the entrepreneurial intention among Information Systems (IS) students in Oman with relations to their entrepreneurship education and government and private sector supportive programs. Data was collected from two focus groups of IS students in Sultan Qaboos University. Data was analyzed using thematic analysis. The results revealed that the majority of IS students have low entrepreneurial intention, the main factors that have positive impact on students' entrepreneurial intention are money, independence, and work flexibility, the lack of entrepreneurship courses in IS department impacts students' entrepreneurial intention negatively, and Omani students are not well educated about the supportive programs provided by the government and private sector for entrepreneurs.

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# Entrepreneurial Intention among Information Systems (IS) Students at Sultan Qaboos University: An Exploratory Study

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**Abstract-** Entrepreneurship is vital for economic growth in Oman and college students play a significant role in enriching entrepreneurship industry. The aim of this paper is to investigate the entrepreneurial intention among Information Systems (IS) students in Oman with relations to their entrepreneurship education and government and private sector supportive programs. Data was collected from two focus groups of IS students in Sultan Qaboos University. Data was analyzed using thematic analysis. The results revealed that the majority of IS students have low entrepreneurial intention, the main factors that have positive impact on students' entrepreneurial intention are money, independence, and work flexibility, the lack of entrepreneurship courses in IS department impacts students' entrepreneurial intention negatively, and Omani students are not well educated about the supportive programs provided by the government and private sector for entrepreneurs.

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## I. INTRODUCTION

Governments and policymakers have become highly aware of the economic development benefits that are derived from the establishment of entrepreneurship. Many researchers discuss the benefits and the added values of entrepreneurial endeavors. Economically, entrepreneurship contributes in establishing new markets, new industries, new technology, new jobs, and net increases in real productivity. Socially, entrepreneurship provides citizens new employment opportunities, enhancement of quality of life, social up gradation, and reduction of poverty [Uddin and Kanti Bose, 2012]. Recently, in Oman there are a lot of initiatives for supporting Small and Medium Enterprises (SMEs).

One of the most important events of the 2013 was the Small and Medium Enterprises (SMEs) Development Symposium which began at Saih al Shamekhat in Bahla. His Majesty Sultan Qaboos has given great importance to encouraging business initiatives and SMEs, which are the main component of

the economic diversification strategy, helping create job opportunities for Omani youths and enhancing the growth of the economy. It is important for the private sector to take part in economic activity and ensure a direct contribution to growth [Siyabi, 2013].

Therefore, concerns have been raised by several relevant bodies in public and private sectors about entrepreneurship. More interest has been given to college students since they are likelihood more prepared to start up new businesses. However, before providing any supportive programs for fresh graduates, it is needful to increase positive attitudes towards entrepreneurship, so attitudes can be viewed as the stepping stone to entrepreneurial intention [Segumpan and Zahari, 2012].

Although there are many researchers investigated the entrepreneurial intention, this paper focuses in measuring the extent to which Information Systems (IS) students are interested to become entrepreneurs, investigating the importance of entrepreneurship education in higher education institutes, and identifying the provided supportive programs for Omani entrepreneurs.

The paper has been organized in the following way: Section 2 discusses the literature review; Section 3 describes the research method; Section 4 analyzes and discusses the research results; Section 5 concludes the research.

## II. LITERATURE REVIEW

### a) Definition of Entrepreneurship

Entrepreneurship is the process of collecting necessary factors of production consisting of human, physical, and information resources and doing so in an efficient manner [Al-Sadi et al., 2013]. Researchers mentioned that entrepreneurship has served a significant function in the progress of the modern civilization [Sesen, 2013].

### b) Factors Influencing Entrepreneurial Intention

There are many factors that might trigger the intention of students toward entrepreneurship. Many researchers follow different approaches to classify the factors impacting entrepreneurial intention. Uddin and Kanti Bose [2012] deployed an approach that classifies the factors influencing entrepreneurial intention into

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three sets: demographic profile that includes age, gender, previous experience, and influence of role model; personality traits that include self-efficacy, confidence, autonomy, locus of control, risk-taking propensity, and professional attraction; and contextual that includes education and environment. The researcher in [Sesen, 2013] focuses on investigating two main sets of factors that are: personality traits factors that include need for achievement, locus of control, and self-efficacy; and environmental factors that include access to capital, business information, social networks, and university education. Another approach suggests that there are four categories of entrepreneurship motivations: extrinsic rewards, dependence/autonomy, intrinsic rewards, and family security [Fatoki, 2010].

According to trait theory, entrepreneurial intentions are dictated by some particular traits that are: high need for achievement, risk taking propensity, tolerance for ambiguity, innovation, intuition, internal locus of control, and proactiveness [Uddin and Kanti Bose, 2012]. However, the environmental approach theory dedicates that entrepreneurship is related to external factors beyond the control of an individual. Such factors are culture phenomenon, education and experience, and family background [Uddin and Kanti Bose, 2012]. Even though these factors have significant impact on student's decision toward taking a business adventure, entrepreneurship education even has greater impact in this issue.

#### c) *Entrepreneurship Education*

Entrepreneurship education is a significant factor that impacts students' intention toward entrepreneurship. Ismail et al. [2009] point out that entrepreneurship education is an essential factor which triggers the tendency of students to establish their own business after graduation since entrepreneurship has been used as one of the most effective ways to promote the transition of graduates into the world of entrepreneurship. In a research done by Turker and Selcuk [2009], it was clearly stated that getting an adequate education may foster the entrepreneurial intention of a student. Educational initiatives have been considered as highly promising to increase the level of entrepreneurship awareness among students [Liñán et al., 2011]. Besides, having specific courses specialized in entrepreneurship increases the probability of triggering the entrepreneurial intention among students. However, it might be difficult to convert this intention into real entrepreneurship unless there are specific initiatives support students entrepreneurial ideas. Therefore, the government and policy makers provide many initiatives to support and encourage new graduates to establish their own businesses.

#### d) *Supportive Programs for SMEs*

Recently, the government of Sultanate of Oman has taken many initiatives to support Omani entrepreneurs in multiple business disciplines. Such initiatives are: SANAD program, Knowledge of Social Development [Al-Sadi et al., 2013], and Sas program. SANAD program has been established to encourage entrepreneurship and supporting SMEs by providing them necessary finance, guidance and training [Ashrafi and Murtaza, 2008]. Whereas, Sas Program is designed to provide the foundation for creating a new and vibrant Information and Communication Technology (ICT) industry, thereby fostering an entrepreneurial spirit in the ICT sector in Oman. This program provides many services for entrepreneurs such as client needs assessment, coaching and monitoring, accountancy services, legal services, business management services, international business management services, human resource services, marketing services, mentoring services, governmental support, investment readiness, access to finance, client networking, advisory board, and business environment facilities [Information Technology Authority, 2013].

Moreover, the private sector of Sultanate of Oman has also provided many programs to boost entrepreneurship and the Small and Medium Enterprises such as Youth Projects Development Scheme, Intilaqa Program, and Grofin Oman [Al-Sadi et al., 2013]. Intilaqa was created in 1995 by Shell Oil Company which provides an enterprise fund of \$10 million to provide capital and on-going support for SMEs in Omani [Ashrafi and Murtaza, 2008; Shachmurove, 2009]. In addition, The Omani Center for Investment Promotion and Export Development (OCIPED) recently announced the creation of a fund to provide services for SME's [Shachmurove, 2009].

Furthermore, banks in Oman such as Bank Muscat, Bank Sohar, HSBC Bank, and National Bank of Oman. In addition, Microsoft has signed a Memorandum of understanding with Ministry of Education to provide training programs in schools [Al-Sadi et al., 2013].

In brief, college students are the future of the nation's economy and it is significant to concentrate on the factors that might influence their tendency to establish their own businesses after graduation. Entrepreneurship education is critical aspect that colleges have to pay their attention. It is important that governments and policy makers contribute to the fostering of entrepreneurship by providing their valuable initiatives to support entrepreneurs.

### III. RESEARCH DESIGN AND METHODOLOGY

Focus group method has been used to collect the data in this study. Focus groups have been described as a carefully planned discussion designed to

obtain perceptions on a defined area of interest in a tolerant, non-threatening environment [Massey, 2011]. Two focus groups were conducted. Each focus group lasted for approximately 1 hour. Only the factors impacting entrepreneurial intention have been discussed, giving more focus on entrepreneurship education, and government support for entrepreneurs.

Participants have been selected among Information Systems (IS) students in Sultan Qaboos University, Oman. The study included a total of 7 undergraduate students (7 females) aged between 22 and 23 years old. All participants provided informed consent before their involvement in the focus groups. Table 1: shows demographics of participants using coding system.

*Table 1 : Coding System for Participants' Demographics*

	Participant code	Age	Gender	Education level
Focus group 1	S11	22	Female	5 <sup>th</sup> year
	S12	22	Female	5 <sup>th</sup> year
	S13	22	Female	5 <sup>th</sup> year
Focus group 2	S21	23	Female	5 <sup>th</sup> year
	S22	22	Female	5 <sup>th</sup> year
	S23	22	Female	5 <sup>th</sup> year
	S24	22	Female	5 <sup>th</sup> year

Discussions were opened and maintained using open questions. All discussions were audio taped for transcription and analysis. Demographic details, including gender, age, and educational levels were requested from all participants at the start of each discussion. Group sizes ranged from 3 to 5 participants, and groups were conducted until sufficient data had been collected to reach data saturation.

Thematic analysis was used in this study to analyze the collected data. Thematic analysis is a method for identifying, analyzing and reporting patterns or themes within data. It organizes and describes data in rich detail [Schinke et al., 2012].

#### IV. RESULTS AND DISCUSSION

Students' entrepreneurial intention has been discussed in the focus groups. Regarding the extent of students' willingness to become entrepreneurs, all students in focus group 2 have the intention to get a job rather than becoming entrepreneurs. Participants S22 and S24 consider entrepreneurship only as a second source of income not as a primary job whereas participant S21 stated that the idea of the business is the most important derive to become an entrepreneur.

However, student S11 said "I want to have my own business after graduation in addition to getting a job at the same time". She explained that she can reduce the risk of entrepreneurship by having another constant source of income. Students S12 responded that she wants to get a job in the public sector immediately after graduation, but if she couldn't, she will try to find a job in a telecommunication company. If she failed to get a job in public or private sector, then she might establish her own business. Only student S13 was very confident to start up her business after graduation.

Participants S11, S13, S23, and S24 mentioned that before starting any business adventure, it is important to be well educated and prepared to ensure their success. On the other hand, participant S12 stated that she might be willing to start up a business only if she is involved in a supportive program.

When asked about the motivations of entrepreneurship, participants S12 and S13 immediately answered "independence and work flexibility". Additionally, participant S21 highlighted that gaining a status and respective personality is an important factor. "Status is a factor only if the person has leadership skills, otherwise this will not be considered as a motivational factor for entrepreneurship", participant S13 said. Conversely, participant S12 stated that "Status is not a motivational factor. The only motivational factor is money".

Participants S11, S12, S13, and S22 indicated money as an influencer of their entrepreneurial intention. It was clearly identified by S12 that "money is the primary factor to start up a business". Surprisingly, all participants in focus group 1 indicated that security has a negative impact on their entrepreneurial intention because they think that the job security is higher in public or private sector than in entrepreneurship which will minimize their level of motivation regarding entrepreneurship.

In focus group 2, participant S21 stated that people between 30 and 45 are more ready to start up a business. Moreover, S11 said that family background is not a significant factor that influences the entrepreneurial intention and S13 said that family educational background has a limited impact. When talking about the economic factor, "The purchasing power in Oman is not that much big which enforces me to come up with a really attractive business idea in order to secure my business", S21 said. On the other hand, S23 and S24 described the culture as a significant factor.

Regarding the educational factor, the study participants complained that they do not have any entrepreneurship course in the Information Systems (IS) major. Some of them, S21 and S23, have taken a major elective course entitled "Small Business Consulting" from the management department in their college. The management department also provides two other entrepreneurship courses entitled "Entrepreneurship"

and "Small and Family Business". IS students who have taken "Small Business Consulting" course stated that they benefitted a lot from that course because they have been introduced in entrepreneurship and they have been assigned to a real company where they have communicated with and learned about many business-related concepts such as preparing business plan, project plan, and cash flows statements. The study participants, then, recommended that providing an entrepreneurship course in IS major will increase their entrepreneurial intention. S11 said that providing certain entrepreneurship workshops or symposiums will have a positive impact in our entrepreneurial intention.

When asked about government support for entrepreneurs, S11 discussed that "Nowadays, in Oman there is a noticeable interest in supporting entrepreneurship. The government and private sector are providing many programs such as SANAD, Intilaqa, Oman Development Bank, Al-Rafd Fund in addition to providing many workshops and TV programs in order to support entrepreneurs". However, the rest of participants complained that they just know the names of these programs but they are not aware enough about the type of support provided by these programs. Participant S13 recommended that the government and private sector should conduct more marketing campaigns about their supportive programs because increasing the awareness will increase the intention to take a business adventure.

## V. CONCLUSION

This study set out to identify the level of entrepreneurial intention among Information Systems (IS) students, investigating the importance of entrepreneurship education in higher education institutes, and identifying the provided supportive programs for Omani entrepreneurs.

The most obvious findings to emerge from this study are; (1) the majority of IS students have low entrepreneurial intention; (2) the main factors that have positive impact on students' entrepreneurial intention are money, independence, and work flexibility; (3) there is no entrepreneurship course in IS department which impacts students' entrepreneurial intention negatively; and (4) government and private sectors in Oman provide a set of supportive programs for entrepreneurs but Omani students are not well educated about the role of these programs.

The current findings add substantially to our understanding of the tendency of IS students toward entrepreneurship. However, this study is a base for our further research which will include larger sample size and deploy a conceptual framework.

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