GROWTH STRATEGIES OF SME IN OMAN- ISSUES AND CHALLENGES

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ABSTRACT: This research has been conducted to determine the Growth Strategies of SME in Oman-Issues and challenges. SMEs has its own importance for the economic success and economic performance of any country due to which all countries are focusing on the growth of their SMEs. After getting success in the local market, it is important for SMEs to grow their business towards international market or at large scale businesses but, in the case of SMEs, businesses face a lot of challenges and issues in the form of human resource management constraints, financial management constraints, operations management constraints, and marketing management constraints. The review of literature proved the same thing that SMEs of Oman are facing issues and challenges in developing and implementing their growth strategies. The major aim of this research is to answer the research questions by using quantitative and qualitative research methods. Questionnaires are used for the data collection of quantitative research data. The total 250 respondents are selected to answer the questionnaires. Use of quantitative research methods brings effectiveness, reliability, and validity in the research. SPSS is used for the quantitative data analysis. Descriptive tests and T-test are applied on collected data to check the issues and challenges that SMEs of Oman are facing while developing their growth strategies. Interviews are used for data collection of qualitative research data. The total 12 interviewees are selected to answer the interview questions. Use of qualitative research methods brings elaboration of issues and challenges that SME of Oman face in developing and implementing their growth strategies. This research will motivate different SMEs of Oman to develop their defensive strategies to overcome the risks of growth strategies constraints. Furthermore, research limitation, managerial implications and future indications are also discussed in the study.

Keywords: - Small & Medium Enterprise’s (SMEs), Strategies, Issues, Challenges

INTRODUCTION

Sultanate of Oman is in a developing stage and currently, its government is focusing on the growth of Small and medium Enterprises to strengthen the overall economic system of a country (Al-Lamki, 2000). SME’s have a great impact on the economic condition of any
country because almost 95% of the economy depend on these businesses. To promote SME’s, a government of Oman has provided a lot of training and guidance to its management so that these businesses will grow and strengthen the economy in a desired manner (Buckley, 1989). For the development and sustainability of SME’s, it is important to study the issues and challenges which they are facing in the growth stage of their business.

SME’s have a strong vision but, goals and missions to reach that vision matters a lot and only leaders know well that which type of strategies can help a company in achieving these goals (Ayyagari, Beck, & Demirguc-Kunt, 2007). Strategy always plays a great role in running a successful business, especially in the case of SME’s because cash flow management matters a lot for them. The proper flow of cash in a company is only possible by the means of developing appropriate strategies for a company. For Small and Medium Enterprises, a company should plan strategies for specific products and services which they are going to sell and how they should sell (Man, Lau, & Chan, 2002). Marketing strategies have their own importance for SME’s because these companies, do not possess a high level of budgets for their marketing efforts but, mostly SME’s target the customers of all around the world and to reach them in low budget really need strategic marketing (Smeral, 1998). Additionally, SME’s always take finance from various means to grow their business operations. To utilize these funds in the best way, a lot of government agencies are working in Oman that provides training and coaching to the staff of SME’s so that company will enjoy the business growth in the desired manner (B. Levy, 1993).

In simple words, it can be said that strategic management and strategic marketing has its own importance for the success and growth of Small and Medium Enterprises but, while implementing growth strategies, these companies face a lot of issues and challenges in Oman.

Problem Statement
The government of Oman has shown a lot of concern for the development and growth of Small and Medium Enterprises in the past few years; from 2012 till now (Ashrafi & Murtaza, 2008). The success of these companies can lead the entire country, economy, and society towards success. To promote SME’s, a lot of programs were started in 2012 so that unemployment will be removed from the country (Philip, 2011). Almost 74% of SME’s were in a position to grow and expand their business operations, but all they need high level of managerial and leadership skills, along with finance.

SME’s of Oman do not have enough resources to manage the increase in customer’s demand. Although they have the skills and manpower to manage the increase in demands, but the lack of production capacity in terms of finance is the biggest problem for these companies to expand their business (Khan & Almoharby, 2007). SME of Oman wants to grow, but are facing a lot of issues in the form of lack of finance, adoption of new technology, and identification of new customers because all these issues have a direct link to the increase in the cash flow circle of a company.

To grow or expand business operations, Small and medium enterprises of Oman decide to outsource the operations specialists, and identification of new customers, markets, and opportunities. The planning and implementation of these growth strategies for SME of Oman were really complex in the past and current time but, a government of Oman is providing a lot of support in this regard to make these strategies successful.
This research has the aim to highlight and answer this problem through research so that readers will come to know that which type of issues and challenges SME of Oman face while adopting growth strategies for the success of their business.

THEORETICAL CONCEPTS AND FRAMEWORKS

Theoretical framework provides a general representation of a relationship between things in some specific phenomena (Lamon, 2007). In this study, specific phenomena revolve around issues and challenges that SME’s face in growing and expanding their business operations. The theoretical framework always represents relationship between some things during a specific time and by testing theories (Grossman, Smagorinsky, & Valencia, 1999). Findings will be provided on the basis of the investigation that how these phenomena actually occur. By keeping in mind the literature, issues, and challenges are noticed that SME of Oman are facing in planning and implementing their growth strategies.

The major purpose of this study is to conduct research to check the strong positive and direct relationship between these independent and dependent variables that growth strategies of SME depend on proper financial management, marketing management, operations management and human resource management.
<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Factors that create issues and challenges for SME’s growth strategies</th>
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<tbody>
<tr>
<td>Financial management</td>
<td>• Lack of availability of credit&lt;br&gt;• Lack of availability of long term credits&lt;br&gt;• Working capital management&lt;br&gt;• Cost of finance</td>
</tr>
<tr>
<td>Marketing management</td>
<td>• Lack of marketing budget&lt;br&gt;• Lack of marketing knowledge&lt;br&gt;• Lack of R&amp;D to identify new markets</td>
</tr>
<tr>
<td>Operations management</td>
<td>• Lack of proper knowledge of outsourcing and supplier’s management.&lt;br&gt;• Environmental issues&lt;br&gt;• Lack of access to latest technology</td>
</tr>
<tr>
<td>Human resource management</td>
<td>• Lack of managerial skills&lt;br&gt;• Lack of formal relationship between workers and owner.&lt;br&gt;• Lack of knowledge to hire related employees</td>
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</table>

**Financial management constraints**

In many countries, the most major financial constraint for SME is the availability of credit. There are many reasons for it but, most importantly, owners of these businesses do not possess enough security to provide for the loan (Carbo-Valverde, Rodriguez-Fernandez, & Udell, 2009). When SME owners do not gain credit from the financial institutes or government, then they raise their own money by borrowing from friends and family. It is not a good and a reliable way to start a business because these borrowers can demand their money at any time, which remains the biggest threat to SME (Czarnitzki, 2006). Secondly, sometimes financial institutes or government provide credit to SME but, for a short time. Although in this way SME gain loan to start their business but, to back the loan with the interest amount is not possible for them because it’s a general fact that first few years of a business have their own importance and in these years, owners cannot pay back their loans easily (Hyytinen & Toivanen, 2005). Thirdly, working capital management is very important for SME because when company’s investment is low, then they have to manage their working capital carefully to invest it further in the right direction (Juan García-Teruel & Martínez-Solano, 2007). Furthermore, financial institutes and government agencies should finance SME at a low cost of finance so that they will pay it back easily. All these constraints create a lot of problems for the growth of SME and if any SME wants to gain success, then it has to remove all these constraints.

**Marketing management constraints**

Marketing is very important in today’s competitive business environment because it helps in targeting the right market towards company’s offered products and services (Van de Vrande, De Jong, Vanhaverbeke, & De Rochemont, 2009). Additionally, it plays a great role in positioning the company’s product in the minds of customers so that they will take a right purchase decision. SME always start with low investment due to which these companies do not
possess enough budget for their marketing efforts because marketing tools cost really high. Although there are many marketing tools in the current world that cost really low in actual but, have a direct link with the social media (G. Knight, 2000). The knowledge of these new tools for the marketing of SME products and services is not possible for owners that lack in knowledge of marketing management. Due to lack of marketing knowledge, these companies cannot gain an attention of target markets because business world has become very competitive and successful marketing efforts are the key to their success (Carson & Gilmore, 2000). Furthermore, Research and Development always help the company in identifying new customers, new products and change in products just in accordance to target market needs. In the case of SME, R&D budget, knowledge and skills are missing which also create many problems in developing right growth and expansion strategies for SME (G. A. Knight, 2001).

Operations management constraints
Due to lack of managerial skills, SME owners do not possess enough skills and knowledge to select their suppliers and it’s a basic fact that supplier’s selection is very important to run the business in a successful manner (Quayle, 2002). If a company will have good suppliers, then they can maintain high-quality standards of products and services. Additionally, if company gain success in developing a good relationship with suppliers, then payment methods can lead the company towards success and growth. SME do not have enough money to spend on latest technology for their data management and research system (del Brío & Junquera, 2003). Other than finance, implementation of latest technology and system in a company always need highly skilled and talented management. Furthermore, business external environment also changes rapidly by the continuous change in political conditions of a country, economic condition and much more (Gelinas & Bigras, 2004). SME are not able to handle any of these external environment change. All these constraints of business operations should be handled well to run the entire business in a successful manner.

Human resource management constraints
The business world has become very competitive and busy but, to handle the business operations in a successful manner, it is important that company’s owner should possess managerial skills (Heneman, Tansky, & Camp, 2000). If they do not possess managerial skills and abilities in their personality, then they cannot handle the business operations in a competitive way. Additionally, the only manager can understand that how he has to hire the best workers for SME that will show interest in the growth and success of a business (Nguyen & Bryant, 2004). The formal relationship should exist between the workers and owner, if not, then no company can run in the desired way because in this way, workers will not show interest in company’s operations (Renuka & Venkateshvara, 2006). Human resource management is very important in today’s SME and if a company will manage it properly, then it will act like a competitive advantage. SME always lack in managerial skills due to which they fail in developing a formal relationship between employees and owner by hiring irrelevant staff (Carlson, Upton, & Seaman, 2006).

LITERATURE REVIEW

Small and Medium Enterprises
Small and Medium enterprises are considered as strategic buster for the economy of a country. These are not playing a major role in the economic success of some country but, all type of countries, developed, developing and under-developing have accepted SME importance for
their economy (Ayyagari et al., 2007). Many successful countries have claimed that SME is playing a major role in job creation and wealth generation of their country. Researchers have claimed that total 20% to 50% of world’s GDP is based on Small and Medium Enterprises in the past seven years (Man et al., 2002). Past studies have concluded that SME has a great impact on the economy and society of a country but, SME needs a high level of strategic management of their operations so that these businesses will always run in a successful manner (Yew Wong, 2005).

A lot of researchers have defined SME but, defining it is completely debatable. There are a lot of criteria to define SME that include the amount of total investment, a total number of employees in a business, annual turnover, market share in the industry, and sales (Fink, 1998). The businesses of all around the world are defining SME on the basis of a number of employees they have to run their business. SME are those companies that have employees between 20 and 500 (Smeral, 1998).

<table>
<thead>
<tr>
<th>Country</th>
<th>Doing Business 2014 Ranking</th>
<th>Number of employees</th>
<th>Annual turnover</th>
<th>Balance sheet total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developed countries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canada2</td>
<td>19</td>
<td>&lt;500</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td>European Union3</td>
<td>Not applicable</td>
<td>&lt; 250</td>
<td>≤ €50 million</td>
<td>≤€43 million</td>
</tr>
<tr>
<td>Singapore4</td>
<td>1</td>
<td>&lt;200</td>
<td>S$100 million</td>
<td>Not applicable</td>
</tr>
<tr>
<td>United Kingdom5</td>
<td>10</td>
<td>&lt; 250</td>
<td>≤ £11.2 million</td>
<td>≤ £5.6 million</td>
</tr>
<tr>
<td>United States6</td>
<td>4</td>
<td>&lt; 500</td>
<td>≤ $7 million</td>
<td>Not applicable</td>
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<tr>
<td>North African Developing countries</td>
<td></td>
<td></td>
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<tr>
<td>Algeria7</td>
<td>153</td>
<td>&lt;250</td>
<td>Dinar 2 billion</td>
<td>Dinar 500 million</td>
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<tr>
<td>Egypt</td>
<td>128</td>
<td>&lt; 50</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Morocco8</td>
<td>87</td>
<td>&lt; 200</td>
<td>&lt; MAD 75 million</td>
<td>&lt; MAD 50 million</td>
</tr>
<tr>
<td>Tunisia9</td>
<td>51</td>
<td>&lt;300</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Institutions</td>
<td></td>
<td></td>
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<tr>
<td>African Development Bank</td>
<td>Not applicable</td>
<td>&lt;50</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td>World Bank</td>
<td>Not applicable</td>
<td>&lt;300</td>
<td>≤ $15 million</td>
<td>≤ $15 million</td>
</tr>
</tbody>
</table>

**Source:** (Brouthers, Nakos, & Dimitratos, 2015)

Researchers have concluded that SME have some basic characteristics which separate these companies from others and these characteristics include (Carson, 1999):

- SME have a small share of the marketplace.
- SME are managed by owners and sometimes by informal management structure.
- SME are independent and do not rely on any large firm.
Researchers have explained that SME is usually based on four functional areas; human resource management, finance management, marketing management, and operations management (B. Levy, 1993). It’s a general fact that if SME wants to gain success, then they should focus on all these four areas. A lot of researchers have concluded that strategic growth of SME heavily relies on four functional areas of businesses (Vives, 2006). SME development depend on some important factors that include macroeconomic factor, business environment, growth opportunities, and historical determinants (Ayyagari et al., 2007). The major macroeconomic factor that affect the SME are government expenditures that they want to spend on SME, for their growth and success by providing long term loans with low cost, and training to manage the business operations. The major business environment factors include labor laws, cost of entry into a market, and regulatory environment of a country. Researchers have explained that business environment heavily depend on government rules and regulation related to businesses (Brouthers, Nakos, & Dimitratos, 2015). Every business need to grow after some time but, in the case of SME, government support is required to expand business, and if this element exist, then SME possess a lot of growth opportunities in a market. Past studies have indicated that historical determinants have their own importance for SME because it identify some certain factors in the form of geographical location, legal system and political condition of a country (Brouthers, Nakos, & Dimitratos, 2015). If these conditions always support business environment, then SME can work and grow properly.

**Economic importance of SME**

Past studies have explained the economic importance of SME that how every country and its government is paying a special attention to their country’s SME (Lybaert, 1998). Almost 96% of the economy of every country’s economy is based on SME because it is easy to develop, need a low level of skills and most importantly, a low level of investment (Tambunan, 2008). To start SME, low budget is required due to which these businesses have become a major attraction for youngsters to start and own their own business. Researchers have claimed that when people start their own business rather than getting a job under some employer, then probability of better life and bright future increase a lot (Radas & Božić, 2009). Research has concluded that people always remain more satisfied with their own business as compared to their employment at some companies (Hallberg, 1999). The overall economic condition of a society gets better by the means of more SME in a country. In this way, more employment opportunities start in a country and income moves from rich to poor in a proper way which is very important for the economic success of any country (Sawers, Pretorius, & Oerlemans, 2008). Additionally, when more people possess their own business, then they have to pay more taxes to a government that further convert into government revenue which is very important for the economy of a country and by using this revenue, a government can improve infrastructure (Ayyagari et al., 2007). Every country’s better infrastructure always promote businesses and trade; both exports and imports. Furthermore, researchers have explained that good infrastructure of a country depends on the economic condition of a country but, it also help in attracting foreign investments that are a key to success and development in the case of developing and under-developing country (Bonk, 1996).

Researchers have explained that the concept of SME started to bring innovations by reducing the overall cost of doing a business (B. Levy, 1993). The education rate of an entire world is continuously increasing due to which, now people possess more skills and knowledge to handle the business. All these factors have to lead the business world towards SME so that people can start their own business by providing employment opportunities to many others in a market
In the past, SME faced a lot of criticizing due to bankruptcy scandals. Lack of managerial skills leads the entire business towards loss due to which they remain unable to pay back the loan. This loss does not only affect the business owner but, create a problem for financial institutes and employment opportunities that are linked with the business. The long-term economic effects of SME are (Hallberg, 1999):

- SME increase per capital income that has a direct role in the GDP of a country.
- SME increase employment opportunities that have a direct role in the per capita income.
- With the increase in SME, per capita income increase that decrease the unregistered economy.

Social importance of SME

In the whole world, SME represents the total 99% of all businesses. Researchers have claimed that SME is an engine of economic growth, innovation in a world, job creation and social integration. A lot of past researchers have explained that SME was started in the Asian countries and then societies and economies of these countries grew rapidly. Currently, in Japan, 99% of businesses are based on SME and 69% of employment opportunities are provided by their SME. For the social development, employment opportunities should exist in a country so that more youngsters will work and then overall country’s economy get stronger in the form of capital per person. Researchers have explained that when more people will gain employment opportunities, then living standards of a society will raise which is very important to remove unemployment, poverty and social standards from a country that are a basic key to success for societies. In the result of all these improvements, the crime rate of a country will definitely decrease which is very important for the foreign investment and tourism of any country by which government earns huge amount of revenue.

Researchers have explained that with the help of SME, a middle class is growing properly which is a good indication for every country because it means that money’s circulation is proper in a country (Ciliberti, Pontrandolfo, & Scozzi, 2008). When income circulates properly in a country, the societies develop a lot. The basic purpose of SME is to change the condition of the middle class so that they will own their business and provide employment to low-income class (Wagner, 2010). By promoting SME in a country, a government can remove poverty from a country. Each and every social class can own SME to gain success. SME is a sole way which
can help all social classes to change their life condition but, all they need is the support of government agencies to start and grow their SME (Arend, 2006).

Challenges to SME growth and success
A lot of researchers have highlighted the challenges which SME are facing all around the world to run their business in a successful manner (Vaaland & Heide, 2007). There are some basic realities about SME; low invest, lack of effective and efficient management, lack of ability to market the product at a right place, and much more. Researchers have explained that constraints regarding financial management, operations management, human resource management and marketing management are the major challenges to SME but, these major challenges are further creating a lot of issues for the growth and success of SME (Matlay, Neupert, Baughn, & Thanh Lam Dao, 2006).

Source: (Matlay et al., 2006)

Past studies have explained that cost of operation is also high in the case of SME but the low investment cannot afford this cost of operations (A. S. Saleh & Ndubisi, 2006). It’s the biggest challenge to SME that how they have to afford the cost of their operations. Additionally, researchers have claimed that every business wants to expand and grow to compete with competitors and to gain success but, to grow properly, SME cannot afford the increase in the operational cost of different functions that include marketing, supply chain, and production (Coetzee & Visagie, 1995).

Researchers have explained that SME always faces a lot of issues if the demand for their products and services increase (Teittinen, Pellinen, & Järvenpää, 2013). Although it’s a success symbol for a company that customers are satisfied with it and are becoming loyal to a company but, SME cannot afford the increase in demand due to the lack of production capacity. Similarly, many researchers have claimed that every business should expand with the passage of time to retain and grow its market share in the overall industry but, in the case of SME, these business possess lack of capital to invest in marketing efforts because it is only a single way to grab an attention of wide range of customers (Hertog, 2010).

Past studies have mentioned the issues and challenges of SME to start and run businesses in a successful manner (Artopoulos, Friel, & Hallak, 2010). Government regulation to start a business and taxes on the profits always create a major challenge for SME because it restricts them to grow their business. Growth in business will increase their taxes and then it is not possible for SME to further invest in business for expansion (Sevilla & Soonthornthada, 2000). Governments always remain concerned about the success and income of SME, then they need
to understand the challenges of SME which they are not able to face and handle in a successful manner. Rules and regulation regarding business regulations and taxes should be different in the case of SME and large enterprises because low investment companies always fight with the shortage of working capital and in this situation, taxes create issues (Decker, Schiefer, & Bulander, 2006). Past studies have proved that all those companies are economically strong that focused on their SME. The United Kingdom is the best example of it because its government always finance SME to promote them in a country (Wynarczyk & Watson, 2005). The cost of finance is also very low to attract high-income, middle-income and low-income class towards SME because if people will have to pay the low cost of finance which they will gain by a government, then their success chances will definitely increase (Karami, Analoui, & Korak Kakabadse, 2006). Many other countries are applying the same financing rules to promote SME in their country (Berry, Grant, & Jarvis, 2004). From 2012, Dubai is trying to promote its SME because it has become a major attraction for tourists of all around the world. The government of Dubai opened many agencies for the support of SME that do not only help in providing finance but, also provide training to the management of SME regarding financial management, human resource management, operations management and marketing management (Dubai, 2011). The economy of Dubai is growing continuously by the SME promotion strategies of its government (Dubai, 2014).

The identification of new markets and new customers is very important to the success, growth, and expansion of every type of business; large or SME (Dubai). Past studies have explained that due to lack of financial budgets, SME cannot target the new customers because marketing efforts always need a high level of budget (Schilirò, 2015). Although there are many ways by which SME can also target the customers of all around the world with low marketing budget but, lack of managerial capabilities and skills create a big hurdle in this regard. Researchers have claimed that all these constraints can be removed from the growth of SME with the support of a government (Dubai).

**Growth strategies**

Researchers have explained that growth strategy is a method by which companies try their best to expand their business (Rodrik, 2005). A lot of researchers claimed that growth strategy only depends on the financial condition of a company and if it is strong, then a company can develop a plan of expansion. Some studies have claimed that growth strategies are important to develop for a company that is facing tough competition in an industry because, without expansion, these companies can lose their market share (Quinn, Baruch, & Zien, 1997). Furthermore, it is mentioned that company should gain finance from financial markets but, definitely grow their business after some time because it is very important to retain customers and to gain competitive advantage. There are many types of growth strategies; market penetration, market expansion, product expansion, diversification, and expansion (Carman & Langeard, 1980). All successful companies expand their business in accordance with their financial and market condition.

SME are different from large companies in terms of financial condition, profit margins, and market share but, one thing is common between them which revolve around the market competition (Gundry & Welsch, 2001). Every company faces tough competition in a market and SME should focus on their competitors more because if they will once lose their market share, then it will become impossible for them to regain. Researchers have suggested SME
focus on their growth strategies to retain market share and market position (Harbison & Myers, 1964). A lot of studies have concluded that it is really complex for SME to develop their growth strategies due to some issues and challenges but, every problem has a solution (Aaker & Adler, 1984).

**Importance of growth strategies**

Researchers have explained that when business move from their start-up phase to another, then growth is compulsory and company should think about the external opportunities by keeping in mind their internal strengths (Sandgren, 1988). If companies will not do so, then their competitors will steal their market share by availing opportunities. SME should develop long-term plans for their business growth because these strategies always have a direct impact on turnover, market share, profit, sales and staff members (M. Levy & Powell, 2004). Past studies have indicated that successful growth strategies are those which are developed by focusing on four functional areas of a business that include financial management, human resource management, operations management and marketing management (Need, 2006).

Past studies have proved that business can grow in a situation when management is satisfied with the current performance (Venkatraman & Ramanujam, 1986). It is necessary that SME current performance should go in a right direction and then they can think about availing external market opportunities to increase their sales and market share. A lot of researchers have claimed that SME is easy to develop just with little investment and skills but, when they reach their stage of growth, then a lot of SME fails due to lack of managerial skills, finance, human resource and marketing skills which all are key to business growth and expansion (Gupta & Govindarajan, 1984).

Recent studies have claimed that the complex nature of growth strategies because it needs high level of research for the identification of new opportunities in a market in the form of new customers, new products, change in products and much more (Hoffman & Preble, 1991). The right research can only be possible by the means of managerial skills that lack in SME. Secondly, the business growth strategies should get a match with the infrastructure of a company (Ostgaard & Birley, 1996). Researchers have explained that SME staff members are almost irrelevant to business and do not possess any kind of knowledge related to business activities due to which, SME’s growth strategies fails (Kaplan & Norton, 2001).

**Importance of growth strategies for SME**

Anna Bay is a suburb which is considered as both town and a bay. It is located in New South Wales, Australia. This region is now very famous for its Small and medium enterprises and acts like an example for the whole world that how this region was just a tourists place and no shop or stall exist there. Researchers have explained that Anna Bay’s local people considered these tourists as an opportunity to start their business but, these people did not possess enough money to start it (Oppenheim, 2003). The government of Australia supported these local people to start their SME in Anna Bay to serve tourists in the desired manner. Just like other SME, these people did not possess any managerial skill to handle the business operations but, the government of Australia provided them money and a proper guidance to run business in a successful way (Uwonda, Okello, & Okello, 2013). Government’s support proved very beneficial for this SME and within two years of their business, they developed growth strategies for attracting new customers of all around the world towards Anna Bay attractions by using social media marketing. All training in this regard were provided by Government so that SME of Anna Bay will grow and expand because their income will also affect the economic
condition of a country (Bakaykina, 2013). In 2015, Australian government claimed that their 20% of GDP is based on Anna Bay’s SME and now it acts like a role model for the SME of all around the world (Johnson, 1988). The government should support SME and their owners because the success of these small businesses can lead the country towards economic success.  

**Economy of Oman**

Oman is a country in the Middle East. The status of this country is not considered as a developed but, developing (Cordesman, 1997). Oman GDP per capita is growing continuously from 1999 but, currently, a condition is totally different. This country is rich in oil resource and when prices of oil were high, then country’s economy started to grow properly just by selling oil to other countries (Schneider, 2009). Now in the present time, oil prices have decreased a lot in the market, and country’s economy has disturbed a lot from the past two years. The government of Oman was generating high revenue from the sale of oil but, due to a decrease in oil price, this revenue income has also decreased (Common, 2008).

![Budget Surplus(+) / Deficit(-) as % of GDP](image)

**Source:** (Hertog, 2011)

During 2014 and 2015, country’s economy faced a lot of challenges but, a government has decided to move towards other income generating sources for country’s progress and SME is the result of this decision (Hertog, 2011). A lot of local people have started their own SME by borrowing from their friends and family. The government did not provide any kind of support to SME in this regard. The government should know that SME always need government support and it acts like an investment for a government because of SME’s high income will directly affect the country’s overall economy (Looney, 2013).

**SME of Oman**

In 2013, Government of Oman decided to move towards diversification of economy so that more jobs will be created for Oman people (Ashrafi & Murtaza, 2010). A lot of people of other countries were working in Oman and were earning a high income but, due to the high rate of unemployment among Oman’s people, the government decided to move towards ‘Omanization’ which is a strategy to locate Oman’s people at jobs by removing people of other countries (Al-Lamki, 2000). Past studies have indicated that Omanization is a clear indication that government of Oman is really concerned for the employment of its people. SME is a way by which one country can completely remove its unemployment but, SME always needs high level of government support to start a business and then for growth strategies (Ashrafi & Murtaza, 2008). Without government support, no SME can run in a successful manner.
Oman’s port location is very attractive for the trade of all around the world. A lot of Oman’s people moved towards the manufacturing of different items and then export it to the US market (Magd & McCoy, 2014). Additionally, tourist industry of Oman always remains in profit due to which, Oman’s people consider it as opportunity to start their SME for the attraction of SME.

**Conditions of SME in Oman**

Researchers have explained the condition of SME in Oman from 2015 that how its government is taking exemplary steps to strengthen their SME and overall country’s economy. SME sector of Oman is showing improvement and growth (Ennis, 2015). Almost 90% of a private sector is based on SME and it is providing a lot of employment opportunities to youth due to which unemployment of a country has decreased a lot in past two years. Past studies have explained that government of Oman has taken some initiatives to support its SMEs but, still, some gap exists (VARGHESE, 2011). The government is providing short-term loans to the owners of SME so that they can easily start their own business and can also provide employment opportunities in a market. Researchers have explained that SME can gain success when it will gain long-term loans at a low cost of finance because, in this way, owners can easily pay back their loans (S. Saleh, 2012). Short-term loans to SME always create a hurdle in running a successful business.

The SME sector in Oman is at the beginning of growth curve and researchers have explained that it’s a point where SME need a high level of government support. The contribution of Oman’s SME in GDP is low but, they are helping a country in removing unemployment from a country (AlMaimani & Johari, 2015). This low support in increasing company’s GDP is due to the fact that government is not supporting its SME in a desired manner by providing training to SME’s owners and staff that how they have to manage the business operations in the competitive business environment (Charbit, 1996). Additionally, a government should provide loans to SME but, long-term and at a low cost of finance so that they can contribute to Oman’s GDP without thinking about the loan payback system in the development stage of their businesses.

Oman’s youth constitute a 55% of the entire population and this country needs more than 50,000 jobs to remove unemployment which is estimated a 15% (Khan & Almoharby, 2007). The employment opportunities can be created in Oman when its country will start more businesses. Oman’s government should focus on its SME by removing current challenges and issues which they are facing to run their business and especially in their growth. If the government will support SME then it will act like an investment for the betterment of economy and removal of poverty from a country (Taderera, Al Nabhani, & Karedza). Researchers have claimed that SME has a potential to improve economic diversification and employment creation (Alia, 2014). The government has started an initiative to support SME by developing ‘Oman development bank’ but, this bank is providing short-term loans to businesses with 9% cost of finance. This figure is really high and by returning finance, SME cannot think about their growth and expansion which is a key to success in this competitive business environment (Al-Balushi & Anderson). Zubair Small Enterprises Centre, Bank Muscat, and National Bank of Oman are private sector companies that are providing financial support to SME. Although financial support is very important for SME but, other than this, SME owners should be provided with some managerial skills so that they can handle this finance in a desired manner by developing a right marketing strategy, human resource management practices, and operations management skills (Neelufer & Al Amri). SME need to be very careful while
expanding their business because if they is lack of managerial skills, then may SME face loss. The government of Oman has developed a rule that they will grant loans to those people who have a degree of at least 16 years so that they will manage their operations in a successful manner (Shachmurove, 2009). This rule of Oman’s government has disturbed the public that if someone is not able to gain an education, especially middle class, and lower income class, then why they do not gain loans to start their own business. The government should provide training and assistance to the public so that they will learn managerial skills for their business operations. Successful SME are those that use small capital but, use it an in an efficient manner to bring high profits (Küster & Vila, 2011).

Significance of the Study
This study will highlight the major issues and challenges which SME of Oman face in planning and implementing growth strategies for their business. In this competitive business environment, growth and expansion have its own importance to remain stable and also in getting a sustainable competitive advantage. Due to financial, operational, marketing and human resource constraints, SME of Oman is facing a lot of issues to grow and expand their businesses.

This study will act as a role model for SME of Oman and other countries that which type of issues and challenges they will face in their growth and expansion. By using this research, SME will consider these issues and challenges as a business risk and will definitely take some strategic steps for their solution before facing any loss. It will help entrepreneur and managers of different SME to develop their defensive strategies against these issues and challenges for business growth.

Furthermore, this research will help the government of different countries to take an idea that which type of challenges and issues their SME are facing and definitely, this research will motivate government agencies to take some serious steps for the support and growth of SME, so that they will overcome their issues and challenges at a right time. Almost all countries of the world are focusing on the success and growth of their SME because these businesses have become an economic success of every country. For this reason, this research will highlight the very important issue for the betterment of country’s economy, society, and SME.

Objectives of the Study
Following are the major research objectives of this study:

- To determine the current growth strategies of Oman’s SME.
- To describe the major challenges and issues associated with the growth strategies of Oman’s SME.
- To highlight that how SME and their management overcome these issues and challenges while implementing growth strategies.

Hypothesis
Following are the research hypothesis of this study:

H1: Financial management constraints have a negative impact on the growth strategies of SME in Oman.

H2: Marketing management constraints have a negative impact on the growth strategies of SME in Oman.
H3: Operations management constraints have a negative impact on the growth strategies of SME in Oman.

H4: Human resource management constraints have a negative impact on growth strategies of SME in Oman.

Scope of the Study
The research scope of this study is to highlight the major issues and challenges that SME of Oman are facing while expanding and growing their businesses through growth strategies. SME of different countries are facing a different type of issues and challenges for their growth strategies but, this research will highlight the most common, especially in the case of Oman. Both primary and secondary data will be collected and analyzed to highlight the issues and challenges of SME of Oman because data from two sources will bring validity and reliability in the research that will definitely motivate concerned readers to take serious steps for the removal of these issues and challenges while planning and implementing growth strategies, especially in the case of SME of Oman.

This research has the aim to highlight the issues and challenges of SME of Oman which they face in planning and implementing growth strategies for the success of their business. Furthermore, it will highlight that how successful SME are gaining continuous success and how their management is playing a great role in overcoming all these common issues and challenges of SME. These issues and challenges may vary from kind of industry, geographical region, social and political environment but, this research will highlight the most universal issues and challenges.

RESEARCH METHODOLOGY
Chapter two focuses on a methodology that was employed in this study to gain the desired results. The chapter is divided into the following sections. The research design is discussed in section 3.1. Sampling design is discussed in section 3.2. Data collection methods are discussed in section 3.3. Section 3.4 is based on analysis of data along with the detail of used tools and techniques to produce final results. The last section highlights the limitations of the study.

Research Design
This study has used a mixed method approach which consists of both qualitative and quantitative research designs because both type of research always provide a different type of results but, valid and reliable (Neuman, 2002). The quantitative research helps researchers to collect data by using questionnaires and then convert data into numerical forms so that different statistical analysis can be made to gain a final conclusion in the form of interpretation (Dörnyei, 2007). The quantitative research design helps the researcher in collecting data by interview or focus group discussions by using open-ended questions (Pekrun, Goetz, Titz, & Perry, 2002). In this research, mixed method approach is used because quantitative data will conclude the exact information that how many SME’s of Oman are complaining the same things in the form of issues and challenges which they face in SME growth. This quantitative data will provide a clear valid and reliable data regarding issues and challenges that Oman SME faces while planning and implementing growth strategies. On the other hand, qualitative research will prove the open-ended answers of respondents related to issues and challenges which their SME face to expand a business. Their open-ended answers will elaborate the entire situations which
create hurdle in the growth of SME, and in simple words, it will elaborate the quantitative data results.

**Sampling Design**

**Population**

Research population is a large collection of individuals or objects that are considered as main focus of the study (Ritchie, Lewis, Nicholls, & Ormston, 2013). The population of this study is based on registered SMEs operating within the boundary of Sultanate of Oman. Researchers have claimed that 160,000 to 170,000 SMEs are working in Oman, but active SME that are playing a major role in the economic and social contributions are only 70,000. The total number of population of this research are 160,000-170,000 SMEs of Oman.

**Sample**

Researchers have explained the sample size as a statistical sample which is based on a total number of observations (Creswell & Clark, 2007). Sampling is an act, process, or techniques of selecting a best representative part of a population in order to determine the characteristics of the whole population (Cochran, 2007). There are two major methods of sampling that include probability sampling and non-probability sampling. Probability sampling method is a process in which each member of the population has a non-zero probability of getting selected as a sample of the research (Cooper, Schindler, & Sun, 2003). Random sampling, systematic sampling, and stratified sampling are the examples of probability sampling. Non-probability sampling method is a process in which members are selected in a non-random manner from the selected population of research (Oroho & Kombo, 2002). Convenience sampling, judgment sampling, quota sampling, and snowball sampling are the examples of the non-probability sampling method.

Convenience sampling technique was used to choose the sample from the population of this study due to a shortage of research time, lack of references in SME, and lack of all SME in responding interviews and questionnaires. The most major advantage of using the convenience sampling technique was active participation of respondents in the research because samples were selected by their own will rather than against their will (Teddlie & Yu, 2007). The sample size consisted of 100 SME of Oman. The reason to choose this sample size is to bring generalization of the collected data, and less number of research errors to make the research valid and reliable.

**Data Collection Methods**

To collect quantitative research data, questionnaires were used. The basic reason to choose questionnaire for data collection is large in number (Sandelowski, 2000). It helps in collecting a large amount of data from a large number of people in a short time, at low cost, and in an efficient manner (Dörnyei, 2007). The questionnaire items that include wording, naming, and questions were simple, clear, easy, and unambiguous so that respondents easily understood the questions to provide right answers. Questionnaires were based on close-ended questions but, revolved around selected variables of this research so that research questions can be answered properly. The questionnaire also concentrated on bio data of respondents firm and include following questions:

- Age of firm
Form of ownership  
Number of employees of the firm  
Average monthly turnover over the firm

To collect qualitative research data, interviews were used (Neuman, 2002). The basic reason to choose interview for data collection is the detailed explanation that which type of financial, marketing, human resource, and operational constraints are faced by SME while expanding or growing their business. The interview questions were asked in a simple and easy way so that they will provide appropriate answers to these questions. All interview questions were revolved around research variables so that same results will be gained by both questionnaires and interviews.

Research procedures
A pilot study was conducted right after the approval of data collection instrument. It was based on 10 respondents in the form of SME owners. The purpose of using pilot study is to refine the questionnaires so that respondents will not face any problem in responding the questions (Aleven, Popescu, & Koedinger, 2002). Furthermore, pilot study always enables the researcher to obtain some assessment of the research questions validity and reliability.

Both primary and secondary data was collected in this research (Friedman, Munoz, West, Rubin, & Fried, 2002). Primary data was collected through questionnaires and interview questions. The secondary data was collected from books, journals, magazines, newspapers, pamphlets, documents and the internet (Sapsford & Jupp, 2006). The basic reason to collect data from secondary resources was to provide a baseline on the basis of which, primary collected data results will be compared.

Analysis of Data; Tools and Techniques
The qualitative research data was collected by conducting interviews and then analyzed by using content analysis just in accordance to perception of researchers and in a descriptive way. It is a qualitative analysis method that is mostly used by qualitative researchers so that they can better analyze their rich text-based information for both small and large volume of data (Bazeley & Jackson, 2013). It will help in arranging information, examination of relationships in data, and model development. By using content analysis of respondent’s interviews, researcher can easily analyze or test theories (Gibbs, 2002).

The quantitative research data was collected by using questionnaires and then analyzed by using descriptive statistics tests, chi-square test, and ANOVA test to increase the accuracy of results. The data generated from close-ended questions were analyzed properly by using the technique of descriptive statistics so that researcher can explain the responses by graphs well. A descriptive statistics remained really beneficial in this study to determine the issues and challenges that SMEs of Oman face in growth strategies. The collected data were converted into tabulations which later helped in identifying the respondent’s presented issues and challenges (Agresti & Kateri, 2011). For example, 98% of SME respond that they find difficulty in getting finance for their business expansion or growth. Graphs, charts, and tables were used for the presentation of quantitative research data.
Limitations of the Study

Although this research successfully answered all research questions and accepted hypothesis but, research limitations are following:

- This study was cross-sectional in nature due to the shortage of research time, and it is a major limitation of research. This research topic has a great scope in the business world because it has a direct impact on the success and growth of SME which also has an effect on the socioeconomic condition of a country. The longitudinal research would conduct on the same topic to better help governments and SME in removing or overcoming these issues and challenges (Menard, 2002). The longitudinal research could make this research more valid.

- Data triangulation strategy was missing in the research but, if it was adopted, then research might produce more valid and reliable data (Williamson, 2005).

- This research has highlighted the issues and challenges that SME of Oman are facing in growing their business but, do not suggest anything overcome these issues and challenges.

- The research respondents did not show any interest in responding questionnaires. It was a major limitation of this study because respondents responded in hurry and may provide bias answers of questions. To convince these respondents towards filling the questionnaires in an ethical manner was really difficult because it was completely a wastage of time for them.

- This research was conducted only in the context of Oman and should be conducted in other countries of UAE to check that either SME of all around the world are facing the same type of issues or not. If not, then how government and SMEs of these countries are overcoming these issues and challenges that SME face in growth strategies.

RESULTS AND DISCUSSIONS

In this chapter, the results of data analysis are presented. Firstly, data was collected by the means and qualitative and quantitative data collection methods and then processed in response to the problem posed in the first chapter of the dissertation. Every research has two fundamental goals that include a collection of data and its subsequent data analysis. The basic purpose of achieving these two goals revolve around the determination of current growth strategies of SME in Oman and major challenges and issues that these SME face in growing their businesses. All these objectives were accomplished and this chapter provides a proof of it. The findings presented in this chapter demonstrate the potential for merging theories and different practices.

Quantitative Results

Table 1: Age of respondents

<table>
<thead>
<tr>
<th>Age of Respondent</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>31-40 Years</td>
<td>99</td>
<td>39.6</td>
<td>39.6</td>
<td>39.6</td>
</tr>
<tr>
<td>41-50 Years</td>
<td>65</td>
<td>26.0</td>
<td>26.0</td>
<td>65.6</td>
</tr>
<tr>
<td>51-60 Years</td>
<td>86</td>
<td>34.4</td>
<td>34.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 1 has shown that total 250 respondents were asked to fill the questionnaire and all of them belong to different age groups. It is really good for this research that respondents are of
Table 2: Gender of respondents

<table>
<thead>
<tr>
<th>Are you Male/Female?</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>173</td>
<td>69.2</td>
<td>69.2</td>
<td>69.2</td>
</tr>
<tr>
<td>Female</td>
<td>77</td>
<td>30.8</td>
<td>30.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 2 has shown that the majority of research respondents were males because more males are running SME in Oman. The basic reason for it is the male dominating society of Oman and it is beneficial for research to collect data from males, who are running SME in Oman.

Table 3: Educational qualification of respondents

<table>
<thead>
<tr>
<th>Educational Qualification</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School</td>
<td>65</td>
<td>26.0</td>
<td>26.0</td>
<td>26.0</td>
</tr>
<tr>
<td>Graduation</td>
<td>85</td>
<td>34.0</td>
<td>34.0</td>
<td>60.0</td>
</tr>
<tr>
<td>Masters</td>
<td>48</td>
<td>19.2</td>
<td>19.2</td>
<td>79.2</td>
</tr>
<tr>
<td>Others</td>
<td>52</td>
<td>20.8</td>
<td>20.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 3 has shown that research respondents possess different educational background. For example, 26% gain education till high school, 34% gain education till graduation, 19.2% gain education till master’s level, and remaining respondents have other educational backgrounds. It is really important for the research because, in a different educational background, SME faces different type of challenges and issues in growing their business.

Table 4: SME has lack of availability of credit
This diagram has cleared that 54.8% of respondents respond that SME has a lack of availability of credit. It means that SME of Oman are not getting credit from financial institutes due to many reasons which create a big hurdle in developing or planning growth strategies for their business and it’s a fact that without having capital, no SME can grow or expand.

Table 5: SMEs are not facing availability of long-term credits

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>11</td>
<td>4.4</td>
<td>4.4</td>
<td>4.4</td>
</tr>
<tr>
<td>Disagree</td>
<td>17</td>
<td>6.8</td>
<td>6.8</td>
<td>11.2</td>
</tr>
<tr>
<td>Neutral</td>
<td>81</td>
<td>32.4</td>
<td>32.4</td>
<td>43.6</td>
</tr>
<tr>
<td>Agree</td>
<td>97</td>
<td>38.8</td>
<td>38.8</td>
<td>82.4</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>44</td>
<td>17.6</td>
<td>17.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 5 has shown that majority of respondents and their SME are getting short-term credits from the government or financial institutions. It is a clear indication that Oman SME is not getting long-term loans from the government or financial institutions which are a key to success for any SME and also have its own importance in growing or expanding a business.

Table 6: Working capital management is not good in SMEs

Working capital management is not good in SMEs.
The above-mentioned diagram has shown that majority of respondents and SME are getting difficulty in managing their working capital management and there are many reasons for it. This factor creates a lot of problems for Oman’s SME in expanding or growing their business. If companies will manage their working capital in a successful way, then they can take a decision of growing their business.

*Table 7: Cost of finance is higher for SMEs*

The majority of respondents respond that cost of financial for SMEs in Oman is quite high which act like a major hurdle, challenge, or issue in growth strategies. For the success and growth of SME is important that they will gain finance at low cost so that SME will easily pay back their loan and its related cost.
The majority of respondents respond that their SME do not have enough budget for their marketing activities which is the biggest hurdle in business growth and expansion. Only those SME can gain success which tries to expand their business in other markets, especially in an international market. To expand business in the international market, it is important that SME possesses high marketing budget.

Table 8: Lack of marketing budget is there in SME

<table>
<thead>
<tr>
<th>Lack of marketing budget is there in SMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disagree</td>
</tr>
<tr>
<td>Neutral</td>
</tr>
<tr>
<td>Agree</td>
</tr>
<tr>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

Table 9: Lack of marketing knowledge is there within SMEs personnel

<table>
<thead>
<tr>
<th>Lack of marketing knowledge is there within SMEs personnel.</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>8</td>
<td>3.2</td>
<td>3.2</td>
<td>3.2</td>
</tr>
<tr>
<td>Disagree</td>
<td>15</td>
<td>6.0</td>
<td>6.0</td>
<td>9.2</td>
</tr>
<tr>
<td>Neutral</td>
<td>70</td>
<td>28.0</td>
<td>28.0</td>
<td>37.2</td>
</tr>
<tr>
<td>Agree</td>
<td>91</td>
<td>36.4</td>
<td>36.4</td>
<td>73.6</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>66</td>
<td>26.4</td>
<td>26.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Table 9 has shown that majority of respondents do not have marketing knowledge to gain an attention of right target market towards SME and its products. It’s a basic fact that marketing knowledge is very important to possess by companies so that they will attract a large number of customers at a right time to gain competitive advantage. The lack of this knowledge is the biggest hurdle in the SME success and growth.

Table 10: SMEs are facing lack of R&D to identify new markets and products.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>3</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Disagree</td>
<td>15</td>
<td>6.0</td>
<td>6.0</td>
<td>7.2</td>
</tr>
<tr>
<td>Neutral</td>
<td>84</td>
<td>33.6</td>
<td>33.6</td>
<td>40.8</td>
</tr>
<tr>
<td>Agree</td>
<td>93</td>
<td>37.2</td>
<td>37.2</td>
<td>78.0</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>55</td>
<td>22.0</td>
<td>22.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 10 has shown that majority of SME of Oman are facing lack of Research and Development program due to lack of knowledge, skills, and training. It is very important for SME to identify new markets and products for their business before taking a decision on growth and expansion but, lack of R&D do not allow them to do so.

Table 11: SMEs don’t have the accurate knowledge of outsourcing and supplier’s management

The majority of respondents respond that SME of Oman do not have enough knowledge to select right suppliers for their business and to build a strong supplier relationship on a long term basis. As a majority of SME owner start their business by taking financial support and do
not have any experience of managing a business. Lack of knowledge for outsourcing and supplier’s management is the biggest hurdle for the SME to expand their business because more expanded business needs more products and more products demand strong supplier relationship management to complete orders on time.

Table 12: SMEs have lack of access to latest technology

The majority of respondents respond that SMEs have a lack of access to technology which is a biggest challenge or issue in developing growth strategies of SME. The basic reason for it is the lack of knowledge to use technology, the lack of Research and Development, and lack of capital to invest in R&D for the selection of appropriate technology for SME.
Table 13: Environmental issues are being encountered by SMEs.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>11</td>
<td>4.4</td>
<td>4.4</td>
<td>4.4</td>
</tr>
<tr>
<td>Disagree</td>
<td>14</td>
<td>5.6</td>
<td>5.6</td>
<td>10.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>56</td>
<td>22.4</td>
<td>22.4</td>
<td>32.4</td>
</tr>
<tr>
<td>Agree</td>
<td>91</td>
<td>36.4</td>
<td>36.4</td>
<td>68.8</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>78</td>
<td>31.2</td>
<td>31.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 13 has shown that majority of respondents (22.4% neutral, 36.4% agree, and 31.2% strongly agree) and their SME are facing environmental issues in Oman that has a direct impact on the SMER success and growth. Environmental issues are issues related to technology, politics, society, economy, and legal. All these issues have a direct impact on all companies but, affect SME more as compared to large.

Table 14: Lack of managerial skills are there in SMEs.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>18</td>
<td>7.2</td>
<td>7.2</td>
<td>7.2</td>
</tr>
<tr>
<td>Disagree</td>
<td>22</td>
<td>8.8</td>
<td>8.8</td>
<td>16.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>73</td>
<td>29.2</td>
<td>29.2</td>
<td>45.2</td>
</tr>
<tr>
<td>Agree</td>
<td>95</td>
<td>38.0</td>
<td>38.0</td>
<td>83.2</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>42</td>
<td>16.8</td>
<td>16.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 14 has shown that majority of respondents and their SME are lack in managerial skills due to lack of experience to manage a business in a successful manner. For the success of any business, it is very important that personnel should possess managerial skills to manage the entire business and if not, then they should gain training from outside companies in this regard but, must possess managerial skills.
Table 15: Lack of formal relationship is found in SMEs.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>10</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>24</td>
<td>9.6</td>
<td>9.6</td>
<td>13.6</td>
</tr>
<tr>
<td>Neutral</td>
<td>86</td>
<td>34.4</td>
<td>34.4</td>
<td>48.0</td>
</tr>
<tr>
<td>Agree</td>
<td>96</td>
<td>38.4</td>
<td>38.4</td>
<td>86.4</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>34</td>
<td>13.6</td>
<td>13.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The majority of respondents (34.4% neutral, 38.4% agree, and 13.6% strongly agree) respond that SME does not have formal organizational structure and formal reporting system due to which no formal relationship exist between employees and owners. It is very necessary for the success of SME that formal relationship exists between employees and owners so that they will gain an idea regarding company’s rules, regulations, motivation and much more. In this way, employee performance will definitely increase but, lack of it is the biggest hurdle to expanding business because expansion will need more management which is only possible by the means of formal relationship.

Table 16: Lack of knowledge to hire related employees is there in SMEs.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>11</td>
<td>4.4</td>
<td>4.4</td>
<td>4.4</td>
</tr>
<tr>
<td>Disagree</td>
<td>28</td>
<td>11.2</td>
<td>11.2</td>
<td>15.6</td>
</tr>
<tr>
<td>Neutral</td>
<td>72</td>
<td>28.8</td>
<td>28.8</td>
<td>44.4</td>
</tr>
<tr>
<td>Agree</td>
<td>84</td>
<td>33.6</td>
<td>33.6</td>
<td>78.0</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>55</td>
<td>22.0</td>
<td>22.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 16 shows that majority of respondents (33.6% agree, 22% strongly agree, and 28.8% neutral) respond that SME of Oman do not have enough knowledge to hire the best-related employees for their business and it is a key to success or growth but, missing in the case of Oman’s SME. It is a basic fact that when SME will not hire related employees, then their productivity will decrease due to lack of related skills.
Table 7: T-Test

One-Sample Test

<table>
<thead>
<tr>
<th></th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
<th>Mean Difference</th>
<th>95% Confidence Interval of the Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME has lack of availability of credit</td>
<td>66.318</td>
<td>249</td>
<td>.000</td>
<td>3.83600</td>
<td>3.7221 - 3.9499</td>
</tr>
<tr>
<td>SMEs are facing availability of long-term credits</td>
<td>56.698</td>
<td>249</td>
<td>.000</td>
<td>3.58400</td>
<td>3.4595 - 3.7085</td>
</tr>
<tr>
<td>Working capital management is not good in SMEs.</td>
<td>63.828</td>
<td>249</td>
<td>.000</td>
<td>3.51200</td>
<td>3.4036 - 3.6204</td>
</tr>
<tr>
<td>Cost of finance is higher for SMEs.</td>
<td>55.064</td>
<td>249</td>
<td>.000</td>
<td>3.65600</td>
<td>3.5252 - 3.7868</td>
</tr>
<tr>
<td>Lack of marketing budget is there in SMEs</td>
<td>78.585</td>
<td>249</td>
<td>.000</td>
<td>3.93200</td>
<td>3.8335 - 4.0305</td>
</tr>
<tr>
<td>Lack of marketing knowledge is there within SMEs personnel.</td>
<td>58.925</td>
<td>249</td>
<td>.000</td>
<td>3.76800</td>
<td>3.6421 - 3.8939</td>
</tr>
<tr>
<td>SMEs are facing lack of R&amp;D to identify new markets and products.</td>
<td>64.570</td>
<td>249</td>
<td>.000</td>
<td>3.72800</td>
<td>3.6143 - 3.8417</td>
</tr>
<tr>
<td>SMEs don't have the accurate knowledge of outsourcing and supplier's management.</td>
<td>56.868</td>
<td>249</td>
<td>.000</td>
<td>3.65200</td>
<td>3.5255 - 3.7785</td>
</tr>
<tr>
<td>Environmental issues are being encountered by SMEs.</td>
<td>57.020</td>
<td>249</td>
<td>.000</td>
<td>3.84400</td>
<td>3.7112 - 3.9768</td>
</tr>
<tr>
<td>SMEs have lack of access to latest technology.</td>
<td>57.840</td>
<td>249</td>
<td>.000</td>
<td>3.47200</td>
<td>3.3538 - 3.5902</td>
</tr>
<tr>
<td>Lack of managerial skills are there in SMEs.</td>
<td>50.318</td>
<td>249</td>
<td>.000</td>
<td>3.48400</td>
<td>3.3476 - 3.6204</td>
</tr>
<tr>
<td>Lack of formal relationship is found in SMEs.</td>
<td>56.234</td>
<td>249</td>
<td>.000</td>
<td>3.48000</td>
<td>3.3581 - 3.6019</td>
</tr>
<tr>
<td>Lack of knowledge to hire related employees is there in SMEs.</td>
<td>52.118</td>
<td>249</td>
<td>.000</td>
<td>3.57600</td>
<td>3.4409 - 3.7111</td>
</tr>
</tbody>
</table>

The results have explained that all questions of a questionnaire are significant for this research because their value is 0.000 and less than 0.05. It is a very good symbol for this research. When
all questions of a questionnaire are significant for this research then, it means that all hypothesis of this research is accepted. Question 1-Question 4 are a part of financial management and are significant to this research because their significance value is less than 0.05. It has successfully accepted the hypothesis 1 that ‘Financial management constraints have a negative impact on the growth strategies of SME in Oman’. Question 5- Question 7 are a part of marketing management and are significant to this research because their significance value is less than 0.05. It has successfully accepted the hypothesis 2 ‘Marketing management constraints have a negative impact on the growth strategies of SME in Oman’. Question 8-Question 10 are a part of operations management and are significant to this research because their significance value is less than 0.05. It has successfully accepted the hypothesis 3 ‘Operations management constraints have a negative impact on the growth strategies of SME in Oman’. Question 11-Question 13 are a part of human resource management and are significant to this research because their value is less than 0.05. It has accepted the research hypothesis 4 ‘Human resource management constraints have a negative impact on growth strategies of SME in Oman’. This test has its own importance to accept or reject the research hypothesis and to answer that either question of a questionnaire are significant to the research or not. This test in this research has accepted all hypothesis and proved that all questions of a questionnaire are really significant for this study.

**Qualitative Results**

The interviews of Oman’s SME were conducted to collect qualitative data and the interview questions based on four major constraints of growth strategies of SME in Oman including constraints in financial management, marketing management, operations management, and human resource management. The analysis of interview are as follows:

**Constraints in financial management**

The majority of interviewee respond that they are facing a lot of constraints in the financial management which is very important to the success and growth of SME. They have claimed that government or financial institutions do not trust SME in the providence of loan because they are unable to pay back a loan at a due data, especially in the case of short-term debts due to a shortage of working capital of a business. Long-term debts to SME are quite risky for the financial institutions due to which they avoid to provide loans to SME in Oman. In addition, they have answered that financial institutions and government do not provide long-term loans to SME which is very important for their growth strategies because it is easy to pay back and manage. All debtors provide short-term loans in which it remains impossible for SME to grow their business. When SME have to pay back their short-term debts and manage low working capital, then it is not possible for them to grow their business with such a shortage of money. Other than this, the interviewee has informed that they are facing difficulty in managing their working capital. For the management of good working capital, it is important that company should maintain its accounts receivable and accounts payable. SME are not capable of managing their accounts receivable and accounts payable due to lack of managerial skills and lack of relevant personnel hiring. It is the biggest hurdle in growth strategies of Oman’s SME. Furthermore, they have claimed that cost of finance is high in Oman which does not allow SME to take a loan for their business expansion.

**Marketing management constraints**

The majority of interviewee has answered that they do not possess enough marketing skills, knowledge, and budget to plan the right marketing strategies for SME which is very important
for the success and growth strategies of a company, and especially in the case of SME. They have explained the reason of lack of marketing budget in the form of SME’s low working capital to run a business operation in which it is impossible for them to invest in marketing practices. In addition, interviewee informed that they do not have enough skills for the Research and Development to identify new markets and new products just like the large companies but, it is only a single way to expand or grow a business. So, they have claimed that marketing management constraints are biggest challenge and issue for growth strategies of SME.

**Operations management constraints**
The majority of interviewee has answered that they do not have the knowledge to maintain long term relationship with suppliers due to which their suppliers change frequently and it has a direct impact on SME quality level, success, and growth. They have explained that supplier’s selection and management of long term relationship with them is very important to learn but, a government is not providing any kind of training to them in this regard. In addition, they have highlighted the issue that lack of working capital do not allow them to adopt the latest technology for their SME because it cost really high and personnel of SME does not have enough skills to use any latest technology. Other than this, they have mentioned that environmental issues in the form of social, economic and legal issues affect SME a lot more than large companies. The Economic condition of Oman is not good by the decrease in oil prices, it has a direct impact on the success of SME. Laws are changing on the continuous basis for the economic diversification and to promote SME in Oman which is also affecting the success and growth of Oman’s SME.

**Human resource management constraints**
The majority of interviewee highlighted the issue that they do not have enough knowledge to hire the best-related employee for their SME and it is creating a lot of problems for the success and growth of Oman’s SME. They have mentioned that related employees always act like a key to success and SME owners can gain success if they will possess highly skilled employees to grow their business. In addition, they have informed that SME does not possess a formal organizational structure which creates hurdle in the development of a formal relationship between employee and owner. Due to this reason, owners are unable to take appropriate work from employees. Furthermore, they have explained that managerial skills are easy to learn but, difficult to apply and same is the case with Oman’s SME. Owners of SME have claimed that they are educated but, they do not have business experience and lacks in managerial skills which act like a major issue or challenge in the growth strategies of Oman’s SME. They further explained that if they possess managerial skills, then all other constraints are manageable.

**DISCUSSION ON FINDINGS AND RESULTS**
The major aim of this research was to highlight the challenges and issues that SME of Oman face in growth strategies of their business. By keeping in mind the past theories, a theoretical framework was developed that financial management, marketing management, operations management, and human resource management are independent variables and SME’s growth strategies highly depend on these major functions. To prove this relationship, data was collected from both quantitative and qualitative research method. The questionnaire was used to collect quantitative data and interview of the focus group was conducted to collect qualitative data. Both were analyzed in this chapter by using SPSS and content analysis.
Quantitative and qualitative results have provided the same results and successfully accepted all hypothesis of this research which is a major aim of the researcher. The results have proved that SME of Oman is facing financial management constraints due to lack of availability of credit for the business growth and expansion. Additionally, Oman’ SME are getting finance on a short-term basis which is really difficult for SME to pay back due to which, SME owners do not think to expand or grow their business (Lewis & Churchill, 1983). Moreover, SME owners are unable to manage their working capital in the desired manner which is the biggest hurdle for them to take a decision of business growth and it is all due to lack of managerial skills regarding working capital management. Furthermore, Oman’s SME are not getting loans at a low cost of finance which restricts them to develop growth strategies for a business.

Both qualitative and quantitative results have proved that SME of Oman is facing marketing management constraints due to lack of marketing knowledge and marketing budget. Marketing is a core activity of a business and no company can increase its sales without marketing efforts but, it is a really a costly method. SME always possess low working capital in which, it becomes impossible for them to make high investments in marketing activities. It creates a major hurdle for them to take a step of growth and expansion. SME of Oman has claimed that they do not have knowledge of marketing activities due to which they avoid this activity just in the fear of wastage of money by doing wrong marketing efforts (Aaker, 2008). Additionally, SME does not have knowledge of R&D that is a key to identify new markets and new products for business growth and expansion. The lack of research restricts them to grow their business in a desired and successful manner.

The results have proved that SME of Oman is facing operations management constraints in many forms which act like a challenge or issue in growth strategies. SME of Oman does not have enough skills to hire the best supplier for them and to maintain a long-term relationship with them. It is very important for a company if it wants to grow a business because when customers or products will increase, then more suppliers or increased supplier’s capacity will be needed (Fitzsimmons & Fitzsimmons, 2013). The lack of supplier relationship management skills restricts SME to grow. Additionally, SME of Oman are facing environmental issues in the form of economic, legal and technological that has a direct impact on the businesses, but SME gets more affected by these changes.

Furthermore, the qualitative and quantitative research results have proved that SME of Oman do not have formal organizational structure due to which employees are not following business rules, regulations, and relationships in the desired manner. The informal relationship between employee and owner always create problems and also affect business productivity. This factor restricts SME to grow. In addition, SME of Oman has claimed that they are incapable of hiring the best employees for their business and it has a direct impact on the productivity of the employee and a company (Need, 2006). The lack of managerial skills is the biggest challenge or issue for SME growth strategies and all this constraint give rise to financial management constraints, operations management constraints, and marketing management constraints.

CONCLUSION

Oman is focusing on bringing economic diversification in a country so that overall economy of a country will grow (Dietsch & Petey, 2004). To bring this economic diversification, government motivated local people to start their own SME that deal with different sectors.
SME of Oman are working in a very successful way but, growth is very important for every business at some specific stage (Hertog, 2010). These SME are facing a lot of issues and challenges in developing growth strategies for their business to grow and expand businesses in a successful manner (Welter & Smallbone, 2003).

By keeping in mind the past theories, a theoretical framework was developed that financial management, marketing management, operations management, and human resource management are independent variables and SME’s growth strategies highly depend on these major functions. To conclude this relationship, data was collected from both quantitative and qualitative research method. The gained results from these method have successfully accepted hypothesis that include ‘Financial management constraints have a negative impact on the growth strategies of SME in Oman’, ‘Marketing management constraints have a negative impact on the growth strategies of SME in Oman’, ‘Operations management constraints have a negative impact on the growth strategies of SME in Oman’, and ‘Human resource management constraints have a negative impact on growth strategies of SME in Oman’.

It is concluded that SME of Oman is facing financial management constraints due to lack of availability of credit for the business growth and expansion. Additionally, Oman’ SME are getting finance on a short-term basis which is really difficult for SME to pay back due to which, SME owners do not think to expand or grow their business. Moreover, SME owners are unable to manage their working capital in the desired manner which is the biggest hurdle for them to take a decision of business growth and it is all due to lack of managerial skills regarding working capital management. Furthermore, Oman’s SME are not getting loans at a low cost of finance which restricts them to develop growth strategies for a business.

It is also concluded that SME of Oman is facing marketing management constraints due to lack of marketing knowledge and marketing budget. Marketing is a core activity of a business and no company can increase its sales without marketing efforts but, it is a really a costly method. SME always possess low working capital in which, it becomes impossible for them to make high investments in marketing activities. It creates a major hurdle for them to take a step of growth and expansion. SME of Oman has claimed that they do not have knowledge of marketing activities due to which they avoid this activity just in the fear of wastage of money by doing wrong marketing efforts. Additionally, SME does not have knowledge of R&D that is a key to identify new markets and new products for business growth and expansion. The lack of research restricts them to grow their business in a desired and successful manner.

The accepted hypothesis H3 have concluded that SME of Oman is facing operations management constraints in many forms which act like a challenge or issue in growth strategies. SME of Oman does not have enough skills to hire the best supplier for them and to maintain a long-term relationship with them. It is very important for a company if it wants to grow a business because when customers or products will increase, then more suppliers or increased supplier’s capacity will be needed. The lack of supplier relationship management skills restricts SME to grow. Additionally, SME of Oman are facing environmental issues in the form of economic, legal and technological that has a direct impact on the businesses, but SME gets more affected by these changes.

The accepted hypothesis H4 draw a conclusion that SME of Oman do not have formal organizational structure due to which employees are not following business rules, regulations,
and relationships in the desired manner. The informal relationship between employee and owner always creates problems and also affects business productivity. This factor restricts SME to grow. In addition, SME of Oman has claimed that they are incapable of hiring the best employees for their business and it has a direct impact on the productivity of the employee and a company. The lack of managerial skills is the biggest challenge or issue for SME growth strategies and all this constraint give rise to financial management constraints, operations management constraints, and marketing management constraints.

It is important to conclude that the management of four major departments of SME should be strong enough for developing growth or expansion strategies. These four departments include finance, marketing, operations, and human resource. If SME’s owners possess knowledge and skills to manage these four departments of their business, then they can think to grow their business which is a key to success in today’s competitive business world. But, if SME owners do not possess knowledge and skills to manage these departments and their related functions, then it will result in a lot of challenges and issues for growth strategies of Oman’s SME. It can also be concluded that SME of Oman is facing some internal lacks in the management of these departments but, lack of external support in the form of governmental support is also creating a lot of challenges and issues for growth and expansion of SME.

SUGGESTIONS AND DIRECTIONS FOR FUTURE RESEARCH

Suggestions
Suggestions for SME owners
Small and medium Enterprises always play a great role in the economic success of a country. The majority of SMEs possess capability and potential to grow their business but, a lot of constraints exist in their way that restricts them to develop growth strategies for their business. SMEs of Oman should try their best to gain corporate management knowledge and skills by hiring advisory services. If government provide these services to SME for their success and growth, then it is best for the economic success of a country and SME but, if not, then SME owner should hire advisory services from private sector. Although the hiring of these services will remain costly for SME owners but, it will act like an investment for business and later it will provide a lot of benefits in the form of managing SME’s finance, marketing, human resource, and operations. When SME’s owners will become able to manage the business finance, marketing, human resource, and operations then they can easily develop growth strategies for their business by keeping in mind the internal condition and by gaining external support from the right place. When SME will raise right finance from the right place at a right time, then it can bring innovation and development in the company. It is also very important to gain a competitive advantage which is a key to success in today’s competitive business environment. When SME will raise its finance in a successful way, then it can easily develop long term plans for new projects, new deals, new business lines, new product line, and new markets.

Suggestions for Government
Every country’s government remain concerned for economic and social development. In this competitive business environment, every government knows well that bringing economic diversification in a country is a key to economic and social success and growth. For this purpose, governments are supporting their citizens to start their own SME. In this regard, governments are providing business suggestions that will remain profitable for citizens in the
future time. Additionally, governments are running financial support program for this citizens so that they will easily start their SME in a country. Oman is one of those countries in which a lot of SMEs have established with the financial support of government but, it is not enough. All those Omanis who established their SME with government finance are incapable of managing their business operations due to lack of skills, knowledge and experience. The government should provide training and advisory services to them at free of cost or at a low price so that they will gain guidance to manage their financial, marketing, operational, and human resource management skills and knowledge that are important to manage any business. Additionally, The government of Oman should provide finance at low cost and must be long term so that SMEs will easily return the loan by not affecting their business operations and their growth. If the government will provide only short term loans, then this SME will never think about growing their business due to lack of working capital for business growth or expansion. It’s a suggestion that government of Oman should provide loans for SME growth along with advisory services. The loans should be long term and advisory services should be based on developing managerial skills, and opportunities to expand or grow a business. Government do not forget that any support to SME will act like an investment because success and growth of SME always play a great role in socioeconomic success.

Suggestions for all type of organizations
The business world has become very competitive due to globalization and now, it is very important for every type of business to manage businesses in a successful manner so that they can easily grow or expand it to remain competitive. The business growth is only possible when company’s four major departments (finance, marketing, operations, and human resource) and their management will go well. To train staff, it is important that company will arrange various training sessions so that these employees will develop skills and knowledge to perform their duties in a successful manner. Although, the arrangement of training for an employee is really difficult for SME due to lack of working capital and knowledge possessions by owners, but SME should demand government support in this regard because these SMEs play a great role in the economic success of a country.

FUTURE DIRECTIONS
The future research should be done by using same independent and dependent variables but, comparison of developing country’s SME should be done with the SMEs of developed countries. In this way, the research will clarify that how SMEs of developed countries are gaining success and continuously moving towards growth or expansion. Additionally, this difference should highlight the strategies that SME of developed countries are using to overcome challenges and issues in developing their growth strategies.
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Neelufer, Aslam, & Al Amri, Said. *CHALLENGES AND BARRIERS ENCOUNTERED BY THE SMES OWNERS IN MUSCAT Blossom Christina.*


Taderera, Faustino, Al Nabhani, Said, & Karedza, Godwell. EXPLORING ENTREPRENEURSHIP AND SMES IN OMAN: OPPORTUNITIES, REALITIES AND PITFALLS.


**ANNEXURE**

**Questionnaire**

**QUESTIONNAIRE**

‘*Growth strategies of SME in Oman- Challenges and Issues’.*

**Age**
- 31-40 Years
- 41-50 Years
- 51-60 Years

**Gender**
- Male
- Female

**Educational qualification**
- High School
- Graduation
- Masters
- Others

<table>
<thead>
<tr>
<th>Questions</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME has lack of availability of credit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SMEs are not facing availability of long-term credits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working capital management is not good in SMEs</td>
<td></td>
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<td>Cost of finance is higher for SMEs</td>
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<td>Lack of marketing budget is there in SME</td>
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<td>Lack of marketing knowledge is there within SMEs personnel</td>
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<td>SMEs are facing lack of R&amp;D to identify new markets and products</td>
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<td>SMEs don’t have the accurate knowledge of outsourcing and supplier’s management</td>
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<td>SMEs have lack of access to latest technology</td>
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<td>Environmental issues are being encountered by SMEs</td>
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<td>Lack of managerial skills are there in SMEs</td>
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<td>Lack of formal relationship is found in SMEs</td>
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<td>Lack of knowledge to hire related employees is there in SMEs</td>
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Interview Questions

INTERVIEW QUESTIONS
‘Growth strategies of SME in Oman- Challenges and Issues’

1) Does your SME face a lack of availability of credit? If yes, then why?
2) Does your SME gain long-term debts from the government or another financial institute?
3) Do your SME is good in managing working capital? If no, then why you are not providing training to your employees?
4) At which rate your SME is gaining finance? Do you think that this rate is good to finance your SME with debt?
5) Do you SME’s employees possess marketing skills, knowledge, and experience?
6) How you identify new markets or new opportunities in markets for business success, growth, or expansion?
7) Which type of relationships has you with SME’s suppliers?
8) How long are you in agreement with your suppliers?
9) Do your SME using any latest technology for running business operations?
10) Which type of environmental issues your SME are facing or getting affected by it? (Environmental issues include political issues, economic issues, social issues, technological issues, and legal issues)
11) Do you have any management experience, knowledge, or skills?
12) Do you have a formal relationship with your employees?
13) Do your SME employees possess a related degree or qualification in the respective field of their work? (For example, marketing employees should possess marketing knowledge, skills, or experience)