Are Students Entrepreneurs? A Case Study from Dhofar University, Sultanate of Oman

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Abstract
The study’s focus is to examine entrepreneurial affinity of university students at Dhofar University. The importance of their status is to show how much students are aware and into entrepreneurship, which becomes very popular across the country. Quantitative data analysis is used to achieve objectives and test hypotheses. Statistical techniques for this research are applied like descriptives, correlation and regression. Results did not show an exceptional affinity of students towards entrepreneurship. Moreover, networking and business environment in general do not affect entrepreneurial orientation of students. Correlation between entrepreneurial dimension, business environment and networking is negative in overall. Additionally, there is no difference between male and female students in terms of entrepreneurial orientation’s score although the society is seen more masculine. Other implications are discussed, as well as limitations and future works.

Keywords: Entrepreneurship, entrepreneurs, entrepreneurial orientation, students, networking, business environment, Oman

Introduction
In recent decades many entrepreneurship books were written, which emphasize the education in entrepreneurship field. Debates exist concerning whether students should be thought, trained or simply some of them are predisposed or born to be entrepreneurs. These myths being born not trained were discussed by Barringer & Ireland (2010). The context of this discussion may lead into two directions, opposing each other, like born entrepreneurs and trained ones.

Golf region is specific due to its history which was rich with trade transaction in ancient time more than thousands years ago. People were not producing from that time until now, but they were good vendors. Arab Peninsula, Sham (part of Syria and Iraq) were known by the trade. Merchants were buying goods and products from other
regions like India and China and were bringing it this region for sale. It used to be a continuous process for many centuries until the black gold (oil was discovered). This discovery has changed the way of trade especially after the technological and communication advancements. The education in the region used to be very tough and the knowledge was in-depth.

Sultanate of Oman is one of the countries belonging to Golf Cooperation Council (GCC), which also has its rich history and culture. It is a big country with small population of four million, from which almost half are expatriates. Having oil reserves, it exports some of it, while the Government is trying to establish an entrepreneurial environment across the whole country. The promotion of entrepreneurship is intense and could be seen in every institution as the main agenda in education future entrepreneurs. All universities in the country are obliged to offer entrepreneurship as compulsory course to all students. This is seen as good because all students will have the same opportunity to learn about entrepreneurship and its importance for the country. Students are exposed to entrepreneurial education and thus, this paper tries to explore the level of entrepreneurship among the students, at Dhofar University in Salalah.

Objectives

The main objective of this study is to explore the state of students ‘entrepreneurial intentions at Dhofar University. It is aimed to examine their affinity toward entrepreneurship and whether they have potentials to be one of future entrepreneurs. Moreover, results of this study may suggest eventual strategic moves toward better education concerning the entrepreneurship of students.

Research Questions

In this study we would like to answer the following questions:

1. Is Entrepreneurial orientation and its dimension (EO) affected by networking (NW) and business environment (BE)?
2. Are there any differences between female and male students in EO scores?

The first question will be examined through the statistical analysis (regression and correlation) which will be introduced in the following sections. The second questions will be answered using descriptive statistics.

Theory

The study is based on the recent research done by Taatila and Down (2012) who firstly introduce the networking as supplement to EO dimensions. Palalic et al. (2016), and Palalic et al. (2017), has adopted the survey from Taatila and Down (2012). The
survey was adjusted to Bosnian environment. They added business environment variable which may influence EO dimensions among students. All the models used were based on Covin and Slevin (1989) EO questionnaire, and further modified and adapted to each of the mentioned environments, so is for Dhofar University.

**Significance of Study**

This study is a pioneer in examining university population in Oman regarding entrepreneurial dimensions. Its significance comes from the curiosity of researchers to inspect actual affinity of students toward entrepreneurship at university level. Since the government of Oman puts huge efforts in promoting entrepreneurship across the whole nation, it is important to know this aspect so that the university can follow up the government strategic moves concerning entrepreneurship development. Thus, this study is seen as one of milestones in identifying entrepreneurship readiness among students, on which the Government and the University counts in the near future as future economic transformers. So the youth should be the *socio-economic development engine* of the nation’s prosperity.

**Methodology**

Methodology used in this research is in its nature quantitative, using self-administered questionnaire. Data collection was implemented by giving the questionnaire to students from different class sections and faculties. It encompassed diploma, bachelor and master level of study. The sample size is 125 to which descriptive statistics, correlations and regressions were applied. Moreover, due to adaptation of the original questionnaire from Taatila and Down (2012); Palalic eta al. (2016), and Palalic et al. (2017) statistical validity was applied using Cronbach’s Alpha.

**Literature Review**

According to Fayolle (2007) entrepreneurship is the “engine” of a national economy. It creates new values, solves problems in the society, covers market gaps in certain industries and all of them are creating new jobs, which contributes to socio-economic development of every country. Stereotypes exist arguing that entrepreneurs can be only born. However, Laukkanen (2000) argues that there is a bigger probability that students will become entrepreneurs if they are offered entrepreneurship courses at universities. At universities students learn basic skills in entrepreneurship. This education is important that students know a difference between an idea and an opportunity as described before by Barringer and Ireland (2012). Students through this education should be guided thoroughly so that in the future they can avoid possible business pitfalls.
Entrepreneurial orientation has been developed by Covin and Slevin (1989). The dimensions of the EO were innovativeness, proactiveness and risk taking. Each of these were represented by three questions. Through the time, the model was examined in small and medium enterprises (SMEs) across the globe. Generally, results showed that EO dimensions have influence on business performance in firms. It has been rarely found that these dimensions do not have impact on firms’ business performance.

Latest progress about EO was found at universities. The EO intentions of student have been discussed in recent works of last decade. Many of them tried to investigate entrepreneurship status among all students at universities (Alvarez et al., 2006; Franco et al., 2010). Similarly Taatila and Down (2102) investigated entrepreneurial dimensions among different faculty students at a university. Palalic et al. (2016) and Palalic et al. (2017) examined students’ intention toward entrepreneurship at International University of Sarajevo. In addition, they explored effect of networking and business environment on EO intentions of students and found that EO has been affected by networking and business environment, while all EO dimensions were positively correlated with networking and business environment (Palalic et al., 2016). Regarding gender differences in terms of EO dimensions male students had higher score than female ones (Palalic et al., 2017).

Based on the above literature, we propose the following hypotheses:

**H1:** Students’ EO is affected by Networking and business environment.

**H2:** Risk taking is affected by Networking and Business environment.

**H3:** Proactiveness is affected by Networking and Business environment.

**H4:** Innovativeness is affected by Networking and Business environment.

### Findings and Discussion

#### Data Reliability

A reliable study is considered if the Cronbach's alpha ranges from .70 to .95 (Nunnally & Bernstein, 1994; Bland & Altman, 1997; DeVellis, 2003). Cronbach's alpha, however, is not recommended be too high as it indicates redundancy, so the maximum alpha should not exceed .90 (Streiner, 2003).

The reliability test shows an acceptable level of reliability. Cronbach's alpha coefficient is 0.797 i.e. 79.7% is considered to be reliable.

#### Entrepreneurial Orientation of students

The mean value for the entrepreneurial orientation of students is 4.04 on a scale of 7 which is above average but not considerably high. The highest mean value for the EO dimensions was innovativeness with 4.3. (Table 1)
In order to compare the entrepreneurial orientation for both genders we carried out a t-test for equal means. The results do not show any significant differences between genders regarding entrepreneurial orientation or any of its dimensions.

Oman is considered to be a masculine society (At-Twajji & Al-Muhaiza, 1996). In the cross-cultural management literature masculinity is defined as the extent to which a society encourages assertiveness, achievement and the pursuit of material welfare (Hofstede & Hofstede, 2005). Masculinity is usually associated with high entrepreneurial orientation (Buttner & Moore, 1997; De Martino & Barbato, 2003, Goktan & Gupta, 2015). Therefore, masculinity in this context is not restricted to the masculine biological gender. It is rather a set of values which the members of certain societies share regardless their gender.

Nevertheless, there are some values related to masculinity that may lead to the conclusion that in such societies men may have higher entrepreneurial orientation than women (Hofstede & Hofstede, 2005). In fact, masculinity also includes a strict distribution of roles between men and women (Hofstede & Hofstede, 2005), which both genders accept.

In a society where women are not faced with high expectations regarding achievement they may have a lower tendency to take risk or to be proactive or innovative than men.

The result of the t-test does not confirm this expectation. There may be other factors that could be affecting or moderating the relation between genders related role expectations and the difference in entrepreneurial orientation. For example, in a society that does not encourage achievement, it may be difficult to find high entrepreneurial orientation; and differences between genders are very likely to be not significant. A
more detailed and precise conclusion requires a targeted research. These results may be
the basis for future research.

The question: *Are there any differences between female and male students in EO
scores?*, the *t*-test has shown that there are no difference in EO scores between male
and female students. This contradicts somehow, that masculinity theory (Buttner &
Moore 1997; De Martino & Barbato, 2003, Goktan & Gupta, 2015) which argues that
masculinity is usually is associated to high EO scores. It also opposes Palalic et al.’s
findings (2017) where males has scored higher EO compared with female students.

**Entrepreneurial Orientation**

We used multiple regression in order to examine the impact of business
environment and networking on students’ entrepreneurial orientation.

**H1:** Students’ EO is affected by Networking and business environment.

We build the following model:

\[
EO = \beta_0 + \beta_1 \text{NET} + \beta_2 \text{BE} + \epsilon
\]

EO: Entrepreneurial Orientation, NET: Networking, BE: Business
Environment, $\beta_0$: intercepted, $\beta_1$ networking coefficient, $\beta_2$ Business environment
coefficient.

**Table 2**

_Regression Model Results with EO as Independent Variable_

<table>
<thead>
<tr>
<th>Model</th>
<th>UnstandardizedCoefficients</th>
<th>StandardizedCoefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td>15,669</td>
<td>.000</td>
</tr>
<tr>
<td>Networking</td>
<td>.043</td>
<td>.050</td>
<td>.848</td>
<td>.398</td>
</tr>
<tr>
<td>BusinessEnvironment</td>
<td>.060</td>
<td>.038</td>
<td>1,601</td>
<td>.112</td>
</tr>
</tbody>
</table>

This regression model with $R^2 = .026$ does not show any significant effect of
business environment or networking on the entrepreneurial orientation of students.
Therefore, we could not confirm H1. This result may lead to the conclusion that business
environment and networking do not affect the entrepreneurial orientation of students in
the present case. This also does not support Palalic et al.’s findings (2016) in which
they argued that networking and business environment affect students’ EO. In order to
have more precise conclusions we conducted further examinations.
The Dimensions of Entrepreneurial Orientation:

In this step we applied multiple regression to explore the impact of business environment and networking on every single dimension of entrepreneurial orientation. We conducted the same analysis in 5) to verify the following hypotheses:

**H2:** Risk taking is affected by Networking and Business environment.

**H3:** Proactiveness is affected by Networking and Business environment.

**H4:** Innovativeness is affected by Networking and Business environment.

Table 3

*Regression Model Results with Risk Taking, NW and BE*

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>2,828</td>
<td>,417</td>
<td>6,786</td>
<td>,000</td>
</tr>
<tr>
<td>Networking</td>
<td>,239</td>
<td>,090</td>
<td>,235</td>
<td>2,669</td>
</tr>
<tr>
<td>Business environment</td>
<td>,000</td>
<td>,067</td>
<td>,000</td>
<td>,002</td>
</tr>
</tbody>
</table>

This regression model with $R^2 = .055$ suggests that the risk attitude of students is affected by their networking orientation. On the other hand, there is no significant association between their assessment of business environment and their attitude towards risk. However, networking is associated to risk-taking. Therefore, H2 can only be partially confirmed. Moreover, the results partially go along with previous work of Palalic et al. (2016) which implies no effect of NW while BE has an effect of risk-taking.

**Proactiveness**

Table 4

*Results of the Regression Analysis with Proactiveness*

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>3,806</td>
<td>,439</td>
<td>8,678</td>
<td>,000</td>
</tr>
<tr>
<td>Networking</td>
<td>,051</td>
<td>,094</td>
<td>,049</td>
<td>,538</td>
</tr>
<tr>
<td>Business environment</td>
<td>,024</td>
<td>,071</td>
<td>,031</td>
<td>,338</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Proactiveness

We could not find any significant association between the students’ level of proactiveness and business environment or Networking orientation. This regression
model with $R^2 = .003$ does not confirm H3. Previous findings confirm that NW and BE have an effect on proactiveness (Palalic et al., 2016) while these findings do not show the same.

**Innovativeness:**

**Table 5**

Results of the regression analysis with innovativeness

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>4,348</td>
<td>,516</td>
</tr>
<tr>
<td>Networking</td>
<td>-162</td>
<td>,111</td>
</tr>
<tr>
<td>Business environment</td>
<td>,157</td>
<td>,083</td>
</tr>
</tbody>
</table>

According to the results of his regression model with $R^2 = .044$ we could not find any significant effect of networking and business environment on students’ innovativeness. Therefore, we reject H4. These results are partially in contrary with Palalic et al.’s arguments (2016) where networking does not have influence on students’ innovation while business environment does. This might be justified by the country specific factors that differ from one culture to another (Palalic, 2017)

**Interim Conclusion:**

The most important results after this step are:

Business environment does not affect the entrepreneurial orientation of students or any of its dimensions. This result does not follow the general tendency to associate entrepreneurial orientation with the environment and its perception(Alexandova, 2004; Morris & Schindeutte, 2005; Shirokova et al., 2016; Kozubikova et al., 2017). It may be explained with students’ lack of awareness or misconception regarding the business environment. Oman is a rich country and the economic welfare may lead to wrong conclusions about the business environment. The Omani economy is based on oil export and the economic situation does not reflect the situation in all business sectors or industries.

Networking affects students’ attitude towards risk. This result confirms the findings in former studies about the relation between individual risk attitude and the extent of embeddeness in social networks. Networking in collectivist societies like Oman networking is used as a way to deal with risk. Companies and entrepreneurs connect with important stakeholder in order to gain support for innovative projects. It
increases their proclivity to take the risk which innovations usually involve (At-Twaijri & Al-Muhaiza, 1996; Chan & Saqib, 2015; Su et al., 2015; Kotabe, et al., 2017).

**Correlations between dimensions of EO and dimensions of Networking and Business environment:**

Since we could not find any relation between innovativeness, proactiveness on the one side and Networking, business environment on the other side, we used correlations to spot associations between the dimensions of Business environment that have been covered by the survey items and the dimensions of EO i.e. proactiveness, innovativeness and Risk taking.

*Table 6*

*Correlations between dimensions of EO and dimensions of Networking*

<table>
<thead>
<tr>
<th></th>
<th>Networking 1 (preference for few trusted friends)</th>
<th>Networking 2 (task orientation)</th>
<th>Networking 3 (separation between private life and work/study)</th>
<th>Networking 4 (people orientation)</th>
<th>Networking 5 using Networks for Advancing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proactiveness</td>
<td>Pearson Correlation: 0.066, -0.393**, -0.113, 0.141, -0.295**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>125</td>
<td>125</td>
<td>125</td>
<td>125</td>
</tr>
<tr>
<td>Innovativeness</td>
<td>Pearson Correlation: 0.213*, 0.367, 0.035, 0.05, 0.252**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.017</td>
<td>0.000</td>
<td>0.696</td>
<td>0.57</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>125</td>
<td>125</td>
<td>125</td>
<td>125</td>
</tr>
<tr>
<td>Risktaking</td>
<td>Pearson Correlation: 0.119, 0.047, -0.220*, 0.05, 0.093</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.187</td>
<td>0.600</td>
<td>0.014</td>
<td>0.53</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>125</td>
<td>125</td>
<td>125</td>
<td>125</td>
</tr>
</tbody>
</table>

**, Correlation is significant at the 0.01 level (2-tailed).**

*Correlation is significant at the 0.05 level (2-tailed).**
Table 7
Correlations between dimensions of EO and dimensions of Business environment

<table>
<thead>
<tr>
<th></th>
<th>Environment 1 (Feeling environment as demotivating)</th>
<th>Environment 2 (Environment as motivator)</th>
<th>Environment 3 (missing opportunities)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risktaking</td>
<td>Pearson Correlation</td>
<td>-0.042</td>
<td>-0.061</td>
</tr>
<tr>
<td></td>
<td>Sig.(2-tailed)</td>
<td>0.639</td>
<td>0.500</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>125</td>
<td>125</td>
</tr>
<tr>
<td>Proactiveness</td>
<td>Pearson Correlation</td>
<td>-0.042</td>
<td>-0.209*</td>
</tr>
<tr>
<td></td>
<td>Sig.(2-tailed)</td>
<td>0.642</td>
<td>0.020</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>125</td>
<td>125</td>
</tr>
<tr>
<td>Innovativeness</td>
<td>Pearson Correlation</td>
<td>0.165</td>
<td>0.082</td>
</tr>
<tr>
<td></td>
<td>Sig.(2-tailed)</td>
<td>0.066</td>
<td>0.366</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>125</td>
<td>125</td>
</tr>
</tbody>
</table>

This results show some interesting associations:

*Proactiveness* is negatively associated with task orientation, using networks for advancing in career and job, and positive perceptions about the environment. This result indicates that the concentration on work duties may be associated with a lack of initiative. It is the case of bureaucratic oriented workers which exhibit high levels of work discipline and conscientiousness in performing their duties while they would not take any initiative without formal instructions (Wolfe, 1994; Hirst et al., 2011). Relying on networks and positive feelings about business environment may also create a kind of lax attitude towards action. In other terms these factors work in some situations like hygiene factors and not like motivators. They may give a feeling of security that can negatively affect students’ motivation to take initiative. On the contrary, hostile environments stimulate innovative action and entrepreneurship (Hazlina et al., 2011).

*Innovativeness* is positively associated with the preference for a small circle of friends; separation of private life and work and using networking to advance at work and studies. It points out on a selective and goal oriented networking behavior. In this case people connect only with people that could help them in achieving their objectives. Innovativeness is negatively associated with a negative perception about opportunities. In general, people have two options when they feel that the environment is not offering opportunities; either they try to create opportunities which will stimulate their innovativeness or they will just wait for the situation to improve without looking for
new solutions. The results show that many students will opt for the second option, when they feel that the environment does not offer enough opportunities.

*Risk taking*, has not been affected at all by business environment. Probably, innovativeness and proactiveness play major role in these relationships with business environment. Additionally, *networking* in over all, does not correlate positively with risk taking.

**Conclusion**

Considering these findings, we could claim that the students have some entrepreneurial traits but in overall they are not the typical entrepreneurs as described in theory.

The most common personality profile that could be found shows a careful attitude towards risk, a considerable dependence on networking as success factor, and a low initiative, when task oriented. In fact, these traits are not indicative of a high entrepreneurial orientation. Entrepreneurs are usually described as risk taking people with high initiative. The only kind of initiative that the students may take is to seek to connect with people that could support them in their business projects. This may be the only typical entrepreneurial behavior that we can expect students to show.

If the above-mentioned personality traits are combined with a lack of information or a misconception about the business environment we could not expect a high motivation for an entrepreneurial career.

Oman is a wealthy country and the public sector offers high income and secure jobs. The motivation for entrepreneurship will depend on the preference for security or for independence. Arab countries are generally described as cultures with high uncertainty avoidance e.g. (Hofstede & Hofstede, 2005; At-Twaijri & Al-Muhaiza, 1996) and this may lead people to prefer a job with a good income and security rather taking risk to achieve richness and independence.

**Limitations**

Limitations of the study are twofold. Firstly, the sample size could be bigger that may lead to different results in the end. Due to time constraints this limitations could not be diminished.

Secondly, the sample has not been taken across the whole Oman so that results could be more generalized to the whole country. These limitations are deemed as *future works* besides the following recommendations of this work.
Recommendations

It is strongly recommended that the University pays attention to the lack of students’ affinity towards academic entrepreneurship activities. Education in entrepreneurship at this university should be customized to the local students and their level of knowledge and readiness to accept entrepreneurship challenges.

Moreover, professors should prepare entrepreneurship courses in the way that would be practically effective at first place and then from academic perspective. Having in mind that the Government promotes entrepreneurship across the country it is more than necessary to be practical than theoretical.

References


