

E-Business Role in the Development of the Economy of Sultanate of Oman

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Abstract : Oman has accomplished as much or more than its fellow Gulf monarchies, despite starting from scratch considerably later, having less oil income to utilize, dealing with a larger and more rugged geography, and resolving a bitter civil war along the way. Of course, Oman's progress in the past 30-plus years has not been without problems and missteps, but the balance is squarely on the positive side of the ledger. Oil has been the driving force of the Omani economy since Oman began commercial production in 1967. The oil industry supports the country's high standard of living and is primarily responsible for its modern and expansive infrastructure, including electrical utilities, telephone services, roads, public education and medical services. In addition to extensive oil reserves, Oman also has substantial natural gas reserves, which are expected to play a leading role in the Omani economy in the Twenty-first Century. To reduce the country's dependence on oil revenues, the government is restructuring the economy by directing investment to non-oil activities. Since the 21st century IT has changed the performing tasks. To manage the affairs for the benefits of organizations and economy, the Omani government has adopted E-Business technologies for the development. E-Business is important because it allows • Transformation of old economy relationships (vertical/linear relationships) to new economy relationships characterized by end-to-end relationship management solutions (integrated or extended relationships) • Facilitation and organization of networks, small firms depend on 'partner' firms for supplies and product distribution to meet customer demands • SMEs to outsource back-end process or cost centers enabling the SME to focus on their core competence • ICT to connect, manage and integrate processes internally and externally • SMEs to join networks and enter new markets, through shortened supply chains to increase market share, customers and suppliers • SMEs to take up the benefits of e-business to reduce costs, increase customer satisfaction, improve client referral and attract quality partners • New business models of collaboration for SMEs to increase their skill base • SMEs to enter virtual trading arena and increase their market reach A national strategy for the advancement of information and communication technology (ICT) has been worked out, mainly to introduce e-government, e-commerce, and a digital society. An information technology complex KOM (Knowledge Oasis Muscat) had been established, consisting of section for information technology, incubator services, a shopping center of technology software and hardware, ICT colleges, E-Government services and other relevant services. So, all these efforts play a vital role in the development of Oman economy.

Keywords : ICT, ITA, CRM, SCM, ERP, KOM, SMEs, e-commerce and e-business

Conference Title : ICEMBIT 2016 : International Conference on Economics, and Management of Business, Innovation and Technology

Conference Location : Toronto, Canada

Conference Dates : June 13-14, 2016