

# [Introduction: economy, or even an organization to depend](https://assignbuster.com/introduction-economy-or-even-an-organization-to-depend/)

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Introduction: Countries have a main rule amid theglobalization period on the world.

The most important issue is to create, enhance and assimilation of information in procedure of perfecting nation. Dueto the distinctions in national properties, like their structure of economy, culture, history and establishments, a nation cannot be superior in allindustries. Toward the end of the period, country’s profitability is developedin a specific industry depending as their national surroundings and dynamics.(Michael Porter, 2008).

Question1: Nation competitiveness relies on theability of its industry to modernize and innovate. Firms attain an advantage overthe world’s top rivals because of thrust and challenge. They gain from havingactive national competitors, strong domestic traders, and ambitious residentcustomers.

In a universe of progressively worldwide rivalry, countries haveturned out to be more, not less, critical. As the premise of rivalry has movedincreasingly to the creation and digestion of learning, supported through anexceedingly confined process. Contrasts in histories all add to focusedachievement. There are striking contrasts in the examples of intensity in eachnation, no country can or will be aggressive in each or even generallyenterprises. Eventually, countries have achieved success in specific industriesin light of the fact that their home condition is most dynamic, innovative andchallenging.

Organizations accomplish upper handthrough demonstrations of advancement. They approach advancement in itsbroadest sense, including new innovations and better approaches for gettingthings done. They see another reason for contending or discover better meansfor contending in old ways. Development can be showed in another productdesign, another generation procedure, another advertising approach, or anothermethod of training.

Much development is day by day and incremental, dependingmore on an accumulation of little bits of knowledge and advances than on asolitary, huge technological revolution. It regularly includes thoughts thatare not in any case new thoughts that have been around, yet never vigorouslysought after. It often includes investment in expertise and knowledge, and alsoin physical resources and brand reputation. A few innovations make upper hand byseeing an altogether new market opportunity or by giving services to a marketsection that others have disregarded. At that point when challengers are slowto react, such innovation earned competitive advantage. It is never good for a country, or aneconomy, or even an organization to depend on just a single item. At some pointor another, things will change.

That is reality of the universe. Furthermore, when things will change, it is way likely that you won’t like the outcome. Thepresent best case for this is Venezuela and Russia, the two nations that haveshaped their economy on oil. Along with the present vanishing of costs for oilfrom north of $100/barrel to beneath $50/barrel has hugely affected the twonations. While it is conceivable that the present low costs are nonpermanent, it must be comprehended that when the price begins to increase, the US andother oil providers will all of sudden start up once more, and the costs willdrop. Saudi Arabia trusts that they can drive these expensive suppliers out ofthe market with low costs, but that’s not entirely certain.

So the loss of these nations singlesource of income will probably have serious effect on the politicalcircumstance in those nations too. A single product economy is generallyterrible for the long standing soundness of that economy. Unavoidably theproduct will somehow turns out to be less important on a worldwide scale andthat will start to weaken the gross domestic product (GDP).      Question2: The global financial crises, coupled withthe unstable fluctuation in the oil prices in the global market, have led to aprudent Oman’s ninth five- year plan, which was made after lots ofdeliberations through Tanfeedh project and yield in diversifying the governmentrevenues as alternative revenue sources than solely depending on oil.

Thegeneral features of this five years plan emphasized on many alternativepromising revenue sources as will be elucidated below: Tourism: Sultanate of Oman has been gifted with natural reserves in animal lifean example Arabic oryx and very unique natural tourism resources that includeslovely mountains, deserts , beaches , valleys and Wadis and very diversifiedunique environment as climate differ between the north and the south that makesall the seasons enjoyable by the tourists through whole the year. In additionto that the deep rooted heritage and culture that’s the oldest in the GCCregion that really attracts the tourists to know about not only the history ofOman, but the entire region. All these factors together with other many factorsattracts tourists to visit Oman as one of the famous safety and peacefulcountry that known of its people hospitality. Therefore, as one of thestrategic alternative government revenue, Oman’s ninth five-year plan focusedand emphasized on developing the tourism to be one of the main sources ofrevenues beside the oil and very optometric tourism infrastructure projects hasbeen announced and released by the government from the inception of thereferred plan, focusing in the areas that attractive to tourists, through asmart partnership between the government and the private sector.

Moreover, thegovernment went ahead relaxing the visa requirements for many nationalities. Asthe result of all these tourism projects and streamlining the tourism rules andregulations and the co-operation between all government sectors, all theseexerting efforts yield in increasing the number of tourists this year and therevenues from tourism have nearly increased by 50% comparing with the previousyear and expected to be doubled in the year 2018 considering the massivetourism projects that going on at present. Logistics: Based on the prime geographic location ofSultanate of Oman being situated facing the Arabic Peninsula, Gulf of Oman andIndian Ocean. This prime location makes Oman as a sea trade path between India, Iran and Gulf countries and considered as a very important trading hub. In thelight of the above, the government plan commenced focusing on logistics asnon-oil revenue and start massive logistic projects, like Al Mazyona free zoneis Salalah, Sohar Port and Sohar Free zone and Duqm Port, Duqm dry-dock andfree zone. With all these massive infrastructure logistic projects and with theestablishment of all other relevant facilities to support that , Oman start toplay a great role in terms of logistics in the region and globally and thelogistics start generating huge revenues to the government and become analternative non-oil revenue to the government. Recently this role of logisticshas witnessed a great change in the regional conflict between Qatar and otherGCC countries, as Qatar started using solely the ports and airports of Oman tobreak the siege imposed by the neighboring countries and this featured theimportance of the logistic facilities of Oman. In fact the objective is toprovide the logistics facilities to all traders and to become a logistics hubfor the international trade through Arabian Peninsula and it will become soonconsidering the instability and security issues in the neighboring country andOman will definitely become the main logistic hub in the region based on itsprime location and the logistics infrastructure being made across the country.

Transformative Industries   The government plan set up a verypromising forecast for the transformation industries not only for downstreamindustries only, but also for other industries as well so as to be a lucrativesource of non-oil revenue to the government. Hence the government has focusedon mega project through partnership between the government and private sector, which yield in many new projects, like Liwa Plastic Factory, Solar Energyproject which is coming up soon etc. Of course these projects and other similarprojects will definitely add value to Oman industry as well as generateconsiderable revenues. Oman has also made very flexible measures to encourageInternational investors to come to Oman with mega projects of course that willadd a value to the national economy of the county. These mega projects will notonly generate revenues but will also create more jobs to Omanis, hence reducingthe unemployment percentage. The laws of Oman have been amended accordingly andin particular the Foreign Investment Law to accommodate this forecastedgovernment plans and there are new forthcoming amendments that will encouragethe Multinational Companies and big investment International organization toinvest in Oman. These steps of localizing the transformative industries in Oman, will definitely add in value to the country specially that the end commoditiesor products will bear the label of made in Oman.

SME          The prudent and wisdom leader of Oman, His Majesty Sultan Qaboos Bin Said has early called for supporting SME and wasencouraging the young Omani entrepreneur’s to penetrate to the businesssectors. Now his Majesty’s vision has become an integral part of Oman’s ninthfive- year plan as a strategic non-oil revenue source to the government. In thelight of that vision, many SME funds have been established to not only fundingand facilitating the operational capital and investment cost of thosebusinesses, but also to mentor and support young Omani entrepreneurs.

Thecorner stone of this vision and strategic decision is that to boost the tradingand industrial businesses in Oman, to encourage Omanis to have their ownbusinesses and that will lead to the improvement of the level of per capitaincome for the Omanis, the fair distribution of wealth, creation ofanti-monopoly in the market, increasing the competition in the market that leadto high quality products and better services to consumers. Of course such SMEwill create more job opportunities to Omanis and will positively contribute inthe national economy of Oman either in terms of monetary contribution throughcorporate taxes and other governmental charges and services or in term ofadding great value to the trading and industry market in Oman.        Conclusion: Conclusively, this report has discussed significanceof devising nation specific systems according to nature of the nation so asaccomplish a competitive advantage in worldwide environment. Oman businesscondition presents extraordinary chances and opportunities yet needs uniquetechniques and care while entering the nation and further during the businessoperations are conducted in the nation. There are a few special features of thenation.

Individuals are value mindful; there is a presence of enormousdiversity between individuals due to religion and different beliefs, culture, wealth and ways of living.