

Middle East Workforce

Hopes and Fears

Survey 2023

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PwC Middle East Workforce Hopes & Fears Survey 2023

The Middle East Workforce Hopes and Fears survey 2023, the fourth in a series that dates back to 2019, spotlights a young, ambitious and hyper-aware generation of employees who are comfortable with the rapid transformation around them. They are keen to upskill and are not afraid to stand up for themselves, demanding a pay rise and asking for autonomy and job fulfilment. Today's workforce in the region is more agile than ever and looks forward to embracing artificial intelligence (AI) more than its global counterparts, inspired by the advanced technologies that regional governments are constantly adopting.



About the survey

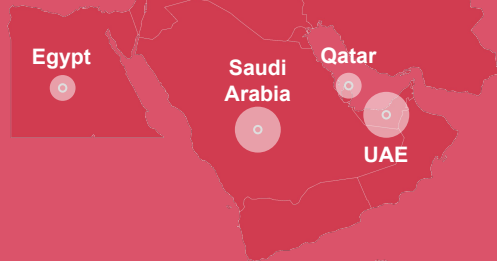
The Global Hopes and Fears survey has drawn responses from nearly 54,000 individuals in 46 countries and territories, including **1,563 Middle Eastern respondents from KSA, UAE, Egypt and Qatar.**

It examines the attitudes, mindsets and challenges faced by a workforce enthusiastic about embracing digitisation and reducing carbon emissions in the wider region. This workforce is in sync with the region's collective vision of a sustainable future and the need for economic diversification.

The survey also offers an exciting perspective into Gen Z, who are demanding a more supportive work environment.

Demographics

1,563 total responses
across 4 countries



Level of seniority



24%

Senior executive

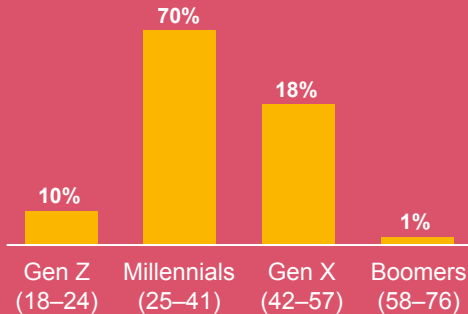
33%

Manager

43%

Non-manager

Generation



Working patterns



47%

Hybrid working

29%

Full-time in person

24%

Full-time remote

Our results reveal three key themes

1

Embracing the upskilling imperative:

Employees recognise the link between upskilling and job success in the next five years



2

Trust in the potential of AI:

Artificial Intelligence is generating optimism and excitement among employees



3

Rising demand for autonomy and job satisfaction:

Increased employee intentions to change jobs in the next 12 months



These findings shed light on the pressing issues that demand attention and action from organisations to empower the workforce and propel the region toward a prosperous future. Business leaders engaging with this workforce must understand their hopes and fears and empower them with the right tools to innovate and transform.

1

Embracing the upskilling imperative:

Employees recognise the link between upskilling and job success in the next five years



In a region that is undergoing transformative changes on multiple fronts, respondents recognise that upskilling is essential to unlocking the Future of Work.

52% of the individuals surveyed in the region, compared to the global 36%, believe their jobs will change significantly in the next 5 years, requiring them to acquire new skills and capabilities.

61%

of respondents understand how their skills will evolve in the future

Interestingly, **54% of regional employees also expressed their trust in their employers' ability to stay updated with the latest trends and encourage them to apply their newly acquired skills.** This can be attributed to a mature, enabling regional ecosystem of future-ready Middle Eastern governments and business leaders that have embraced digitisation and decarbonisation to diversify their economies and position themselves for sustainable economic growth and development.

Leapfrogging past more mature governments in the digital space, regional leaders are deploying advanced technologies, such as **cloud computing, AI and machine learning** in their operations. For instance, the UAE Roads and Transport Authority has reported that Chatbot Mahboub has contributed a 40% reduction in the RTA's live chat call centre within 2 years. This trend has been reiterated in our recent PwC 26th CEO survey¹, where 84% of respondents in the region said they would invest in automation processes as they prepare to advance their digital transformation agendas in the next few years.

The twin transitions of digitisation and decarbonisation are reshaping how we live, operate and think about the future. Emerging technologies, environmental awareness, rapid urbanisation, the circular economy, greening and automation directly impact the labour market, creating new occupations that require new skill sets and making other employment opportunities and skills obsolete.



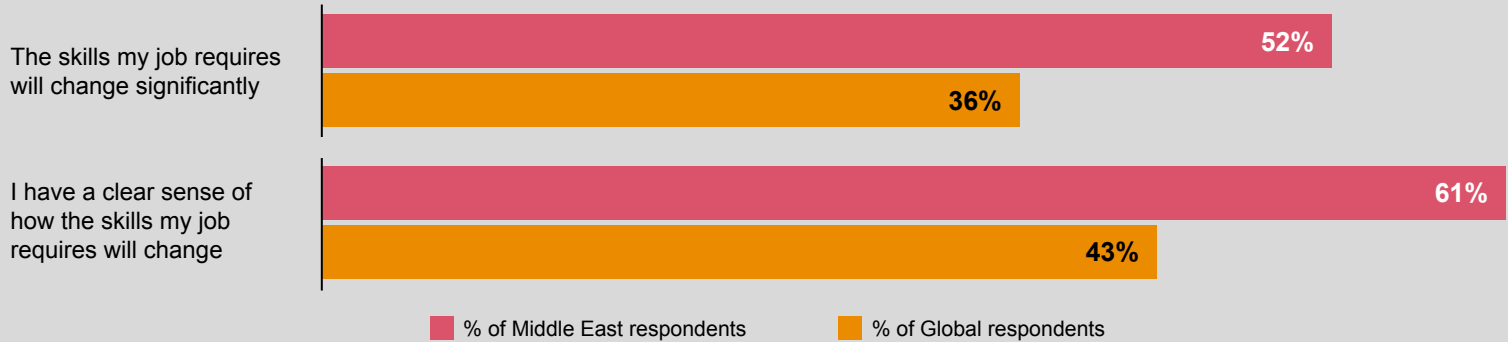
1. <https://www.pwc.com/m1/en/ceosurvey/2023/pwc-26th-ceo-survey-middle-east-findings.pdf>

Employees are clearly aware of the need for upskilling

Q: Regarding your current role, to what extent do you agree with the following statements?

(Showing only 'moderately agree' and 'strongly agree' responses)

In the next five years:



Source: PwC Middle East Workforce Hopes and Fears Survey 2023 of 1,563 workers across 4 countries.



Bridging the Skills Gap: anticipating demand for the next five years

In the Middle East, as key economies drive forward with their green initiatives, employees have displayed a heightened awareness of the importance of green skills compared to their global counterparts. **This indicates a strong recognition of the region's emphasis on sustainability and the growing demand for environmentally conscious expertise.**

62%

of respondents believe that green skills will play a crucial role in shaping their careers

Furthermore, a significant **57% expressed confidence in their employers' commitment to equipping them with the necessary tools and opportunities** to enhance their green skills.

These statistics strongly align the workforce and the region's green agenda, highlighting a **shared vision for sustainable growth and professional development.**

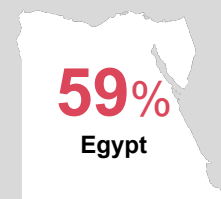
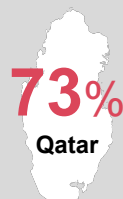
The importance of unlocking sustainability skills to support the region in achieving its climate ambitions and advancing towards a sustainable future is a key highlight of the [PwC 2023 Middle East ESG report](#)², which examines employers' attitudes on environmental, social, and governance (ESG) issues. The report emphasises the shortage of internal expertise and skills necessary to successfully implement ESG initiatives, including specialised roles such as net-zero accounting specialists and risk managers. This skills gap is not limited to the Middle East but is a global challenge that must be addressed to effectively drive sustainable practices worldwide.



2. <https://www.pwc.com/m1/en/esg/survey.html>

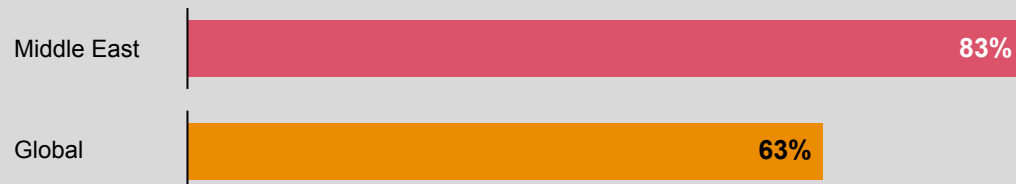
Green skills

The significance of green skills was evident among our Middle East respondents who recognise their importance.



Leadership skills

Leadership skills emerged as a top priority in the region, with 83% of respondents considering them critical, compared to 63% globally.



More in-demand skills

As digitisation initiatives continue to flourish in the regional economy, 75% of Middle East respondents emphasised digital skills as one of the top priorities for their careers in the next 5 years, surpassing the global figure of 57%.

77% of individuals surveyed expressed the need for specialist technical skills, compared to 56% globally, while 76% recognised the value of analytical and data skills, in contrast to 58% globally.

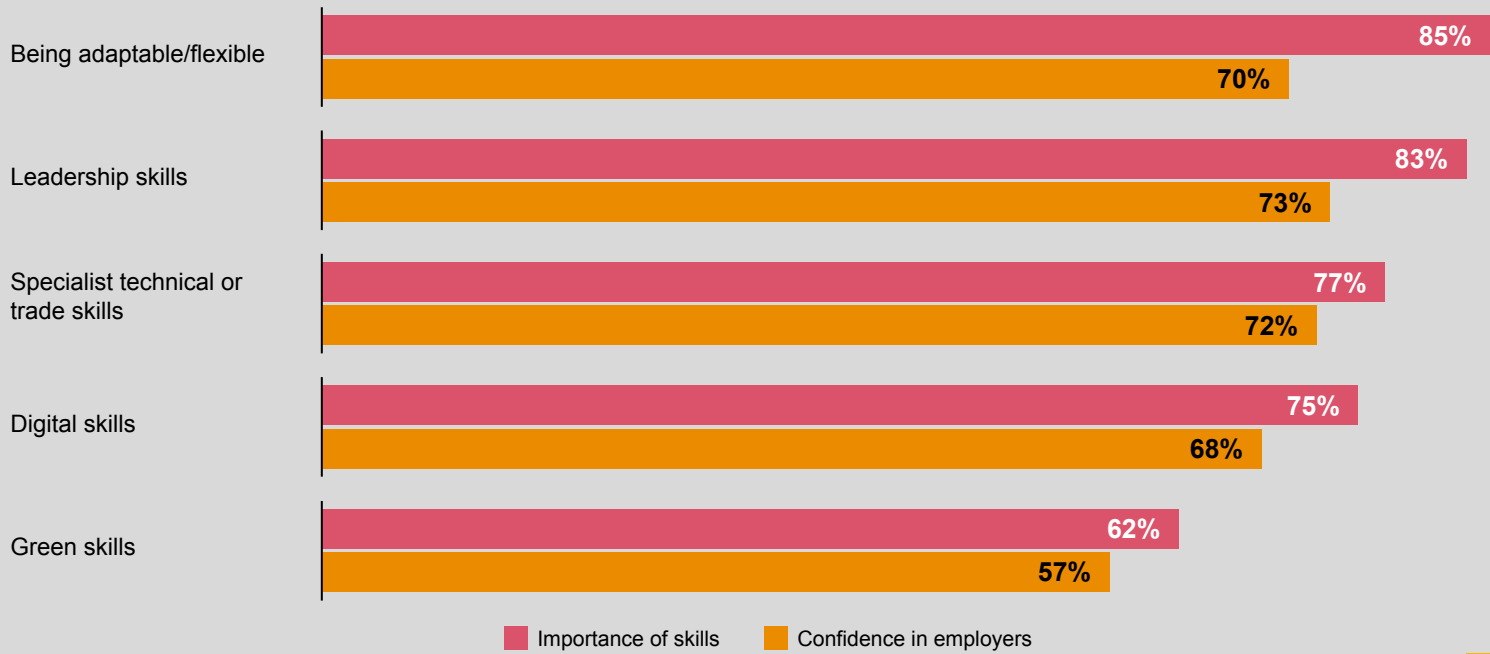


■ Middle East ■ Global

As the skills-mix evolves, the workforce must adapt

Q: How important will the following skills be to your career in the next five years?

(Showing only 'moderately agree' and 'strongly agree' responses)



Source: PwC Middle East Workforce Hopes and Fears Survey 2023 of 1,563 workers across 4 countries.

2

Trust in the potential of AI:

Artificial Intelligence is generating optimism and excitement among employees



In a world where companies actively strive to comprehend the capabilities of Generative AI and navigate its potential disruptions, survey respondents from the Middle East have displayed a positive attitude toward artificial intelligence.

They have demonstrated trust in AI and an eagerness to embrace its integration in their workplace. They have recognised the positive impact of AI on their jobs, surpassing their global counterparts. **Nearly half of the respondents view AI as valuable to their productivity.**

Middle Eastern governments and businesses have wholeheartedly embraced AI and advanced technologies. Our 2018 report on the [potential impact of AI in the region](https://www.pwc.com/m1/en/publications/potential-impact-artificial-intelligence-middle-east.html)³ emphasised that AI holds the potential to foster the development of innovative businesses and entirely new business models. At that time, the estimated impact of AI on the Middle East economy was a staggering US\$320 billion, underscoring its transformative potential for the region. Given the recent rapid developments in AI, we expect this estimated figure to be much greater now.



3. <https://www.pwc.com/m1/en/publications/potential-impact-artificial-intelligence-middle-east.html>

A significant 46% of respondents in the Middle East recognised that AI had the potential to enhance their workplace productivity, surpassing the global figure of 31%. Notably, the overall perception of AI in the region was highly positive, with 43% of respondents in Egypt, 41% in Qatar and Saudi Arabia, and 39% in the UAE expressing a favourable view.

Approximately **42% agreed that AI would create opportunities for them to acquire valuable skills**, compared to 27% globally. Within the region, 47% in Egypt, 42% in the UAE, 41% in Qatar, and 39% in KSA believed AI would present avenues for learning crucial skills.

34% of respondents felt that AI would also create new job opportunities surpassing the global figure of 21%.

However, it is worth noting that millennials showed a lower level of confidence in their capacity to learn new skills offered by AI at 31%, while Gen X respondents demonstrated a similar sentiment at 29%. In contrast to them, Gen Z displayed relatively greater optimism with only 19% expressing less confidence



46%

of respondents believe AI has the potential to enhance their workplace productivity



Employees embrace AI with optimism

Q: What impact, if any, do you expect artificial intelligence (AI) to have on your career in the next five years?



Source: PwC Middle East Workforce Hopes and Fears Survey 2023 of 1,563 workers across 4 countries.



3

Rising demand for autonomy and job satisfaction:

Increased employee intentions to change jobs in the next 12 months



Just when we thought the era of the Great Resignation was behind us, employees in the region are now more inclined than ever to seek new employment opportunities.

According to our survey findings, a significant 39% of respondents in the Middle East expressed a higher likelihood of switching employers in 2023, compared to 30% reported last year.

39% of respondents believe they will likely change jobs in 2023

Notably, this trend is predominantly driven by younger employees, with 37% of Gen Z and 40% of millennials leading the movement.

On a global scale, the desire to change jobs within the next 12 months has also increased, with 26% of respondents indicating their likelihood of seeking new employment opportunities, up from 19% in 2022.

The survey results indicate that managers, in particular, demonstrated a significantly higher inclination to change employers. Several recurring factors emerged as driving forces when exploring the motivations behind employees wanting to switch jobs. These included pursuing higher salaries, aspiration for job fulfilment, and the desire for increased autonomy in the workplace.

These compelling reasons shed light on the dynamics shaping employees' career choices in the current landscape.



Building upon last year's prominent theme of flexibility, this year, employees have further emphasised their desire for greater autonomy over their work approach. A notable statement echoed by respondents is, **"I can choose how I do my work in a way that suits me."** This sentiment is shared by 55% of millennials, 54% of Gen X and 48% of Gen Z respondents, highlighting these generations' distinct expectations regarding traditional work arrangements.

The COVID-19 pandemic played a significant role in shaping these changing perspectives, as stay-at-home measures led to the emergence of non-traditional work arrangements (NTWAs). These arrangements encompassed intermittent work patterns, remote work, and the option to work from one's own office or home office. These NTWAs granted employees the freedom to determine their work schedules and dress codes, providing them with more flexibility than traditional employment norms.

Q: I can choose how I do my work in a way that suits me

55%

Millennials

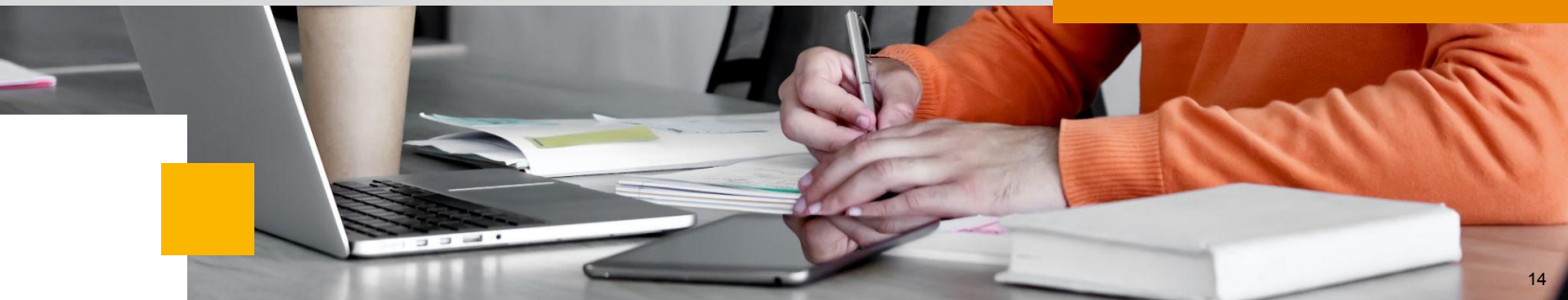
54%

Gen X

48%

Gen Z

Source: PwC Middle East Workforce Hopes and Fears Survey 2023 of 1,563 workers across 4 countries.



Gen Z expects a more supportive work environment

As Gen Z enters the workforce, the labour market witnesses shifting expectations. This generation exhibits particular preferences for flexible working arrangements and feels less comfortable and aligned with their company culture than their more senior peers.

Last year, the [Middle East Hopes and Fears survey⁴](https://www.pwc.com/m1/en/ceosurvey/2022/pwc-26th-ceo-survey-middle-east-findings.pdf) provided valuable insights into the behaviour of Gen Z individuals (born between 1995-2010) in the workplace. **This generation demonstrates unique concerns regarding the support and resources offered by employers for ethical decision-making.** They also express lower confidence in employer transparency regarding diversity and inclusion efforts. Additionally, Gen Z individuals are more inclined to engage in frequent discussions with colleagues about social and contemporary issues and exhibit a stronger preference for full-time or predominantly remote working arrangements.

This year, the trend continues as Gen Z seeks a supportive work environment. Globally, over one-fifth of respondents reported frequently facing unmanageable workloads in the past 12 months, with half of them attributing this challenge to a lack of resources.

In the Middle East, Gen Zs reported staff shortages or unreasonable timelines as the primary factors contributing to their workload in the past 12 months, followed by unrealistic client demands and a lack of support from management. Notably, **around 58% of Gen Z respondents expressed concerns that if their employer continued on the same trajectory, the company may not survive another decade.** This percentage is approximately 10% higher than the global average of 49%.

37%

of Gen Z respondents say unreasonable targets and deadlines are adding to their workload

Similarly, an almost equal percentage mentioned unrealistic client or customer demands, while 36% attributed their burnout to a lack of resources. These insights shed light on the specific challenges Gen Z faces in the Middle East, highlighting areas where improvements and support are necessary to foster a healthier work environment.

4. <https://www.pwc.com/m1/en/ceosurvey/2022/pwc-26th-ceo-survey-middle-east-findings.pdf>

Gen Z exhibits specific preferences for working arrangements...

Q: Which of the following factors have created unmanageable workloads for you in the past 12 months?

(Showing only 'Gen Z' responses)

36%

Lack of resources
(e.g. staff shortages or
unreasonable timelines)

37%

Unreasonable
targets or
deadlines

37%

Unrealistic
client/customer
demands

30%

Poor teamwork

30%

Lack of support
from management

25%

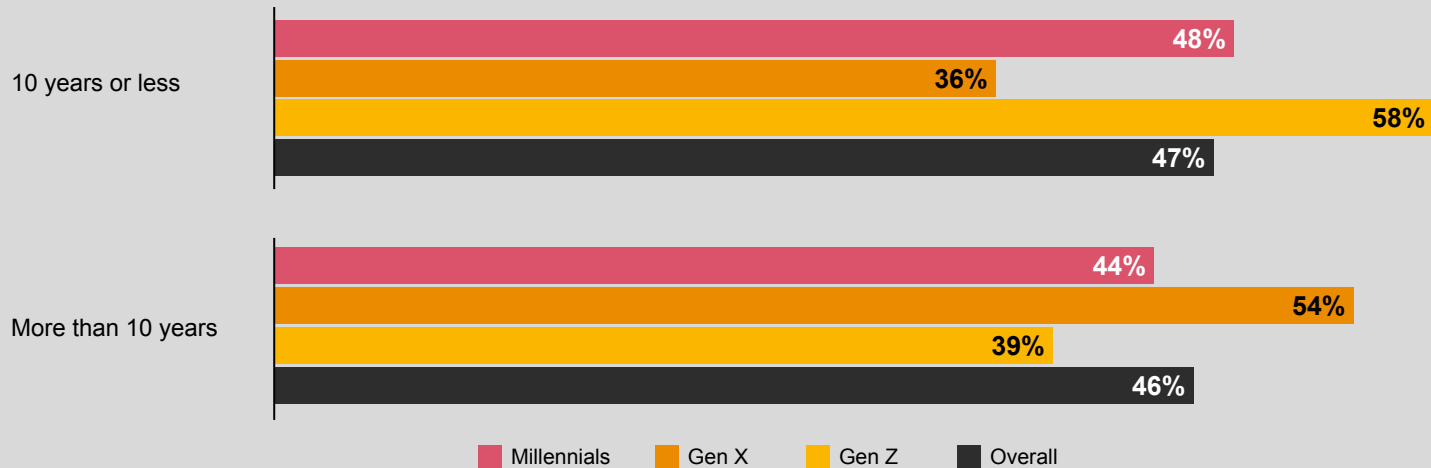
Not having the
right technology
or tools

Source: PwC Middle East Workforce Hopes and Fears Survey 2023 of 1,563 workers across 4 countries.



...and feels less aligned with their company culture

Q: Assuming your employer continues on its current path, how long do you think the company will be in business?



Source: PwC Middle East Workforce Hopes and Fears Survey 2023 of 1,563 workers across 4 countries.

Key takeaways

Practical steps for senior leaders

The survey results highlight global workforce trends that underscore the imperative for business leaders to prioritise upskilling initiatives in order to cultivate a more aware workforce that understands what's needed to perform their jobs in the next five years.

Upskilling must become integral to boardroom discussions as companies navigate the rapid transformations and diversification driven by digitisation and decarbonisation. The development of green skills and a comprehensive understanding of the responsible use of AI is pivotal for businesses to address. Additionally, fostering greater autonomy among employees should be a key agenda for business leaders.

It is essential for companies to recognise the emergence of a new generation, Gen Z, in the workforce. By understanding the unique characteristics of Gen Z, organisations can create an inclusive workplace environment where everyone feels supported, valued, and heard. This will attract and motivate top talent, embrace age diversity in organisations, strengthen engagement and boost productivity.

Middle East organisations must take specific actions:

1

Prioritise the roll-out of upskilling programs, nurturing a future-ready and resilient workforce through continuous learning and development

2

Integrate the twin transitions of technology and decarbonisation at the core of their strategies, enabling sustainable growth and resilience as economies strengthen their diversification efforts

3

Focus on agility and adaptability to stay ahead of the rapid pace of change and avoid falling behind in a dynamic business environment

4

Encourage leaders to actively engage with employees at all levels and embrace innovative and flexible work approaches to create a culture of trust

5

Create a compelling employee value proposition aligned with the evolving business landscape and changing expectations as newer generations enter the workforce

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