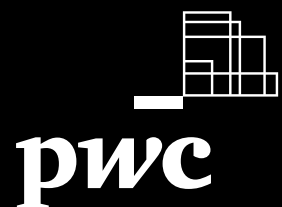


Workforce of the Future

Middle East Edition

March 2019

pwc.com/me/workforceofthefuture



PwC's Future of Work Series

Our report forms part of the ongoing research and analysis being carried out by PwC around the world to help us better understand the rapidly changing world of work and the challenges which organisations and individuals could face.

We build on the influential 2018 PwC report, *Workforce of the future: the competing forces shaping 2030*, which outlined four potential models for the world of work in just over a decade from now. The 'Four Worlds' model was developed from 10 years of research by a team from PwC and the James Martin Institute for Science and Civilisation at the Saïd Business School in Oxford, as well as a worldwide survey of 10,000 people.

The *Workforce of the future*, Middle East edition delves into perceptions of importance and risk in the Middle East, based on survey respondents and interviews with clients, and compares the regional findings with those globally.



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Foreword

The world today is changing at an unprecedented pace, brought about by a whole set of intertwined, large-scale trends, which include demographic changes, shifts in global economic power, natural resource consumption patterns and rapid urbanisation, among others. But by far the most dramatic changes are happening in the fields of technology, digitisation and science, where both the rate of change itself, and overall disruption, are exponential.

Technological progress has typically led to improvements in productivity through, for instance, automation of repetitive tasks. Technology advances have resulted in either drastic reduction or full elimination of jobs that are no longer needed (from copyists replaced by the printing press back in the mid-to-late 1400's, to call-center customer service representatives replaced by AI-powered bots in the 21st century). New jobs are being created at an incredible pace, to the point that, by some estimates, two-thirds of the jobs our kids are likely to have in the future do not yet exist.

The nature of work is changing, and our workforce around the world needs to change and adapt to these new demands and opportunities. Digital upskilling is a hot subject now, whether you are just joining the workforce or have plenty of professional experience. As people's life expectancy grows (babies born today are expected to live until the 2130s), a greater portion of the workforce will find it's no longer sustainable to retire at 65, opening up new opportunities for work and skills learning much later in one's life.

What does this mean for the future of work? What measures should we as workers of the future take to future-proof our jobs and our skills? How can companies unleash great performance taking into account all the challenges mentioned above?

This report builds on various PwC global surveys including *Preparing for tomorrow's workforce, today**. In particular, it builds on the *Future of the Workforce* study released in late 2018. This Middle East edition of the study examines the

findings of that report and delves into further analysis in the Middle East, and how this region compares to global averages. What are the things that are important to us in the region? Do we have similar or different levels of readiness when it comes to confronting workforce challenges in the future?

As part of this study we have interviewed a number of CHRO's and HR Directors across the region, in an effort to make the insights and recommendations more grounded on the reality we live in. We found that, by their own admission, leaders are not doing enough to develop these capabilities. This gap, we believe, will put them at risk in the future when it comes to attracting, developing and retaining talent. The action imperatives we identify to bridge this 'at risk' gap go beyond simply upskilling for technological change.

We also interviewed a number of educators in order to ensure the perspective of the education sector is included alongside that of industry. These contributors were able to provide insights into why the regional survey results are as they are, based on observations of the current position of universities and attitude of students. The overarching trend was that there is great potential from partnerships between educators and employers but more must be done in this area.

In many ways, the Middle East is broadly in line with global trends, but in terms of how ready businesses are for change, we lag behind the rest of the world, and that puts us at greater risk. We have a young, tech-savvy workforce, and unemployment is generally low by global standards. That said, in many organisations, there are outdated management styles which are not suited to the more automated workplaces and changing roles of workers now being introduced.

Some of our findings may confirm commonly held views about attitudes and risks for business in the region, but some present surprises. Certainly, they provide valuable new insights to help us prepare for the workforce of the future.



David Suarez
People and Organisation
Middle East Leader

*<https://www.pwc.com/gx/en/people-organisation/pdf/pwc-preparing-for-tomorrows-workforce-today.pdf>

Key findings

The most important organisational capabilities for the future

In our global survey, we asked more than 1,200 business and HR leaders in 79 countries to gauge the importance of 45 organisational capabilities and their organisational readiness - we look at the findings of leaders across 9 countries in the Middle East.

Top 10 capabilities as being critical for the workforce of the future - for Middle East*

Human Skills

We highly value, develop and reward 'human' skills such as leadership, creativity, empathy and curiosity

88%

Global Talent Strategy

Our sourcing and talent management strategies recognise the need to compete in a global talent market

78%

Trusted by Society

We are an organisation that's trusted by society, our customers and our employees

85%

Employee Collaboration

We have a robust virtual social platform and/or cloud technology that enables collaboration between employees

78%

Well-being

We have initiatives and policies in place that are successful in ensuring positive physical and mental wellbeing among our workers

85%

Pay Transparency

We ensure fair pay by creating transparency in how remuneration is determined

76%

Collaborative Environment

Our working environments are designed to encourage teamwork, collaboration and innovation

81%

External Networks

We encourage and reward employees for building networks and relationships outside of their function and organisation

76%

Future Skills

We're identifying and building the future skills created by the impact of technology

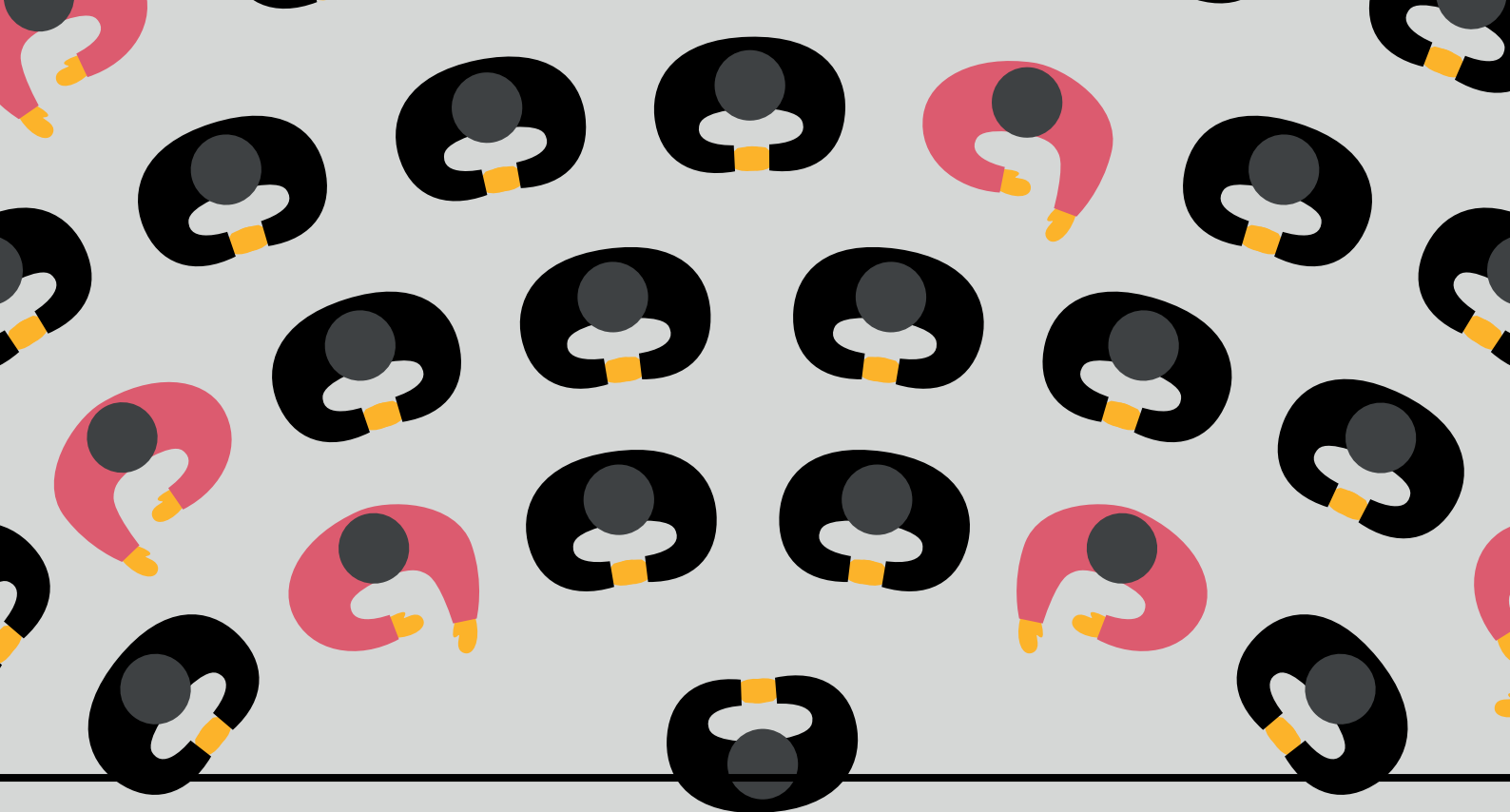
78%

Adaptability

Our talent practices and processes (e.g. rotations, secondments, learning and development opportunities, etc.) are designed to nurture employee agility and adaptability

76%

*Question: How important are the following to the future of your organisation? (Percentage of respondents choosing the two most critical options: Extremely High Importance' and 'High Importance')



What's putting your organisation's success at risk?

By looking at the number of respondents who say a capability is important to the future of their business – and who also indicate they are not yet taking action – we can identify where organisations are most 'at risk' of jeopardising their future success.

In 30 of the 45 categories, the Middle East has a higher risk factor than the global average. Although respondents in the region were broadly in line with their counterparts around the world in the importance they gave to these factors, the big difference was in how ready they were to deal with them.

This lack of preparedness creates risks which present a particular challenge for the region as the workforce of the future becomes the reality of now.

*Question part 1: How important are the following to the future of your organisation? (extremely high importance/high importance) and Question part 2: To what extent do you agree or disagree you are taking action on these statements right now? (disagree and disagree strongly)

We calculated 'at risk' as the percentage of respondents who say a capability is important but are not taking action today.

Top 10 risk areas for the Middle East*

- 01 Manageable Workloads**
The workload is manageable enough at our company that employees are able to make full use of their vacation allowance and relax away from work pressures most evenings and weekends.
 - 02 Remove Bias**
We use data analytics to de-bias hiring and rewards.
 - 03 Disconnect from Work**
We see it as acceptable for employees to disconnect from work (i.e. not check emails or return phone calls) outside working hours, while on holiday or at the weekend if they choose to do so.
 - 04 Flexibility**
We attract talented people by providing a good work/life balance and flexibility over hours and working locations.
 - 05 Employee Autonomy**
Our employees have a high degree of autonomy over how they work, e.g. they can influence which projects they work on, which teams they work with and how they structure their work day.
 - 06 Personal Responsibilities**
We understand the diverse family arrangements and caring responsibilities of employees and offer work-life balance policies accordingly.
 - 07 Ecosystem of workspaces**
We have designed workspaces to promote wellbeing, for instance, with spaces for relaxation, recuperation, and to accommodate a variety of working styles.
 - 08 Virtual Working**
We actively support remote and virtual working for everyone whose job role allows for it.
 - 09 Data Driven Decisions**
We use insights from big data and advanced analytics in workforce decision-making.
 - 10 Innovation**
We have avenues present for employees to offer innovative ideas and support them in turning these ideas into action.
- Skill Gaps**
We use data analytics to predict and monitor skills gaps in our workforce.

How ready is your organisation for the work and workers of the future?

The survey questions were split into three themed areas, with 10 categories across the themes.

The Middle East respondents do not feel 'Future Workforce Ready' in 60% of the categories, compared to the global average.

Work of the future

Brains + Bots in Collaboration

Planning for the future

Workers of the future

New Talent Mix

Global Talent Market

21st century skills

Unleash performance

A connected modern workplace

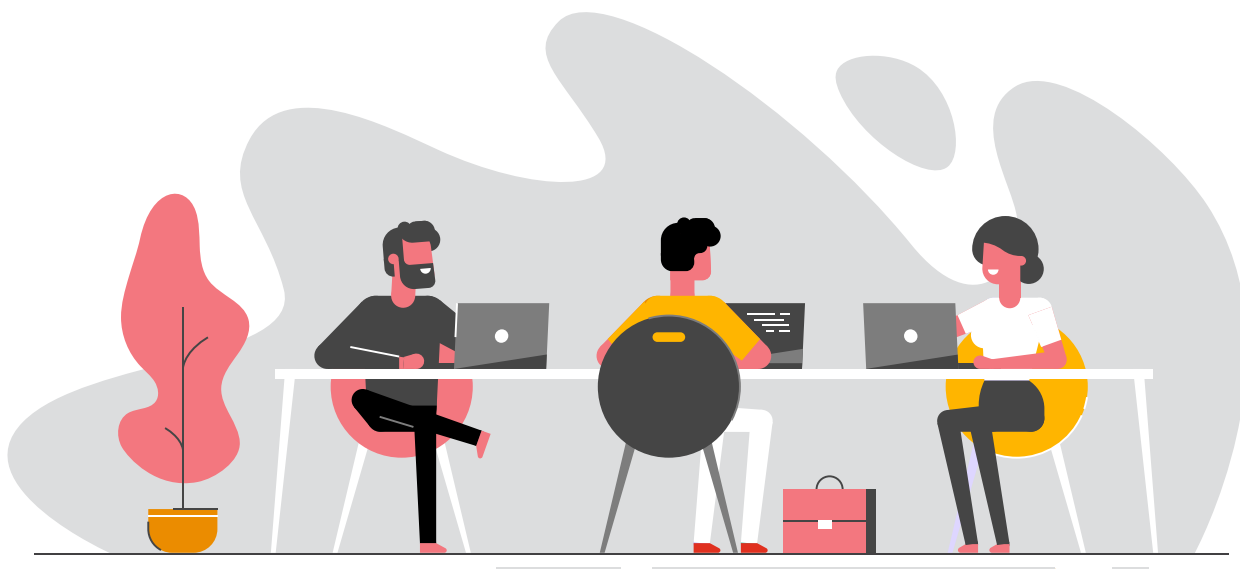
Unlocking work performance

Trust and Fairness in a transparent world

Value of inclusivity

Well Being: A key productivity driver

■ Lagging Behind ■ 50-50 ■ Leading





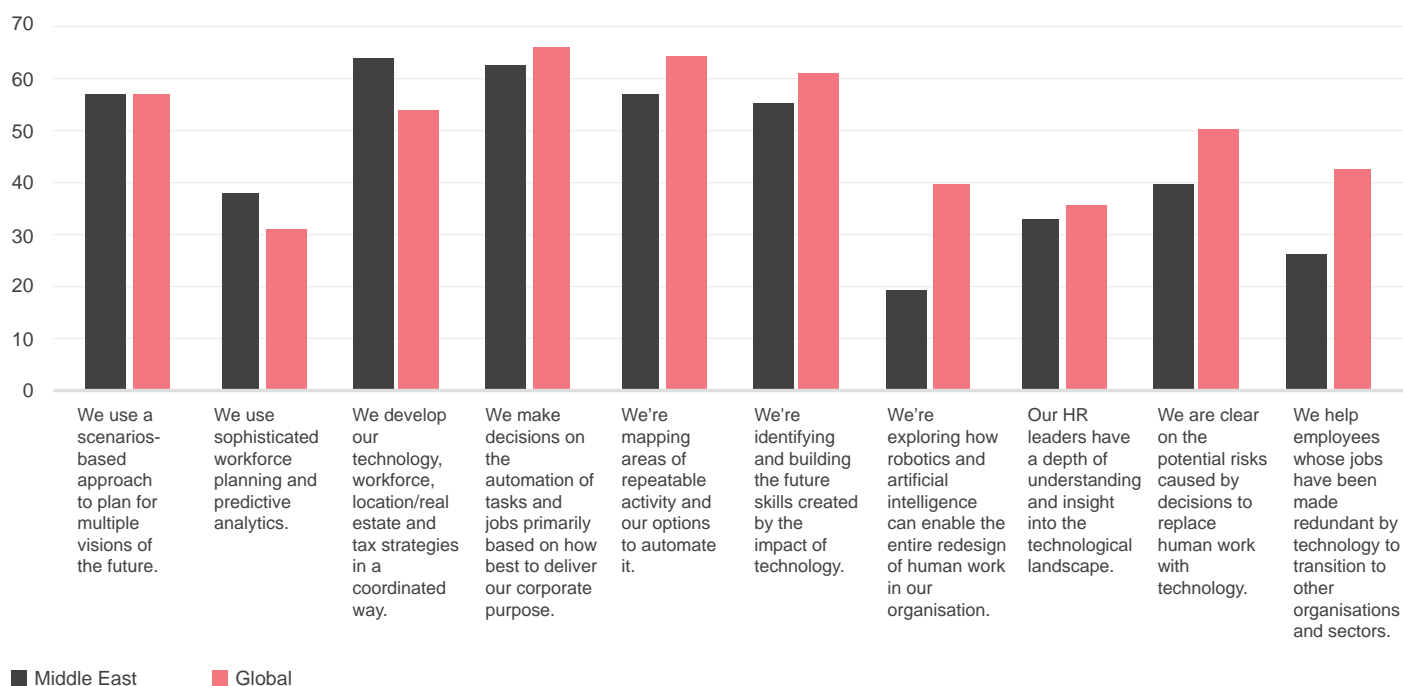
Work of the future: Is your organisation prepared?

Technology is already changing the way we work and the work we do. We predict this will continue until technology and work become a seamless environment. Our study looks at the impact of technology in two categories:

- Organisational planning
- How humans and AI will interact in their work



Readiness for Work of the Future



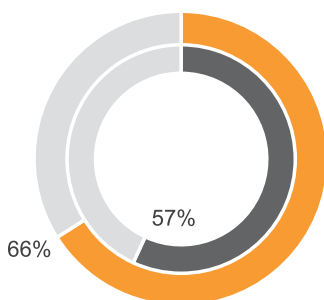
The Middle East respondents felt less prepared than globally in 70% of the areas across the two categories.



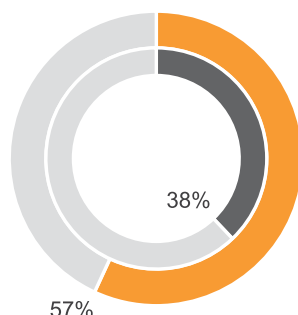
Planning for the future

The way we work in the future will be the result of complex, changing and competing forces. Technology has been a major driver of this development and will continue to be so.

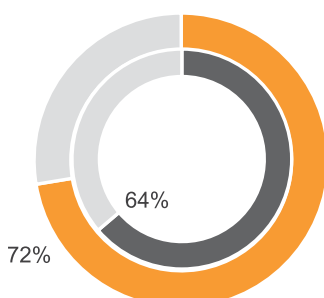
Q1: We use a scenarios-based approach to plan for multiple visions of the future.



Q2: We use sophisticated workforce planning and predictive analytics.



Q3: We develop our technology, workforce, location/real estate and tax strategies in a coordinated way.



■ Taking Action
■ Importance

The use of sophisticated workforce planning and predictive analytics was rated as the least important area within planning for the future, with only 38% of Middle East respondents stating their organisation is actually using such analytics and planning. Our interviews show that very few of the organisations utilise planning and analytics as organisations rely on traditional methods for talent acquisition and management.

Clients interviewed stated that one of the reasons organisations don't use technology is its perceived costliness and **"any investment in technology will require a deep cost-benefit analysis"** says Mohammad Shammari, Director of Human Resources and Administration, Saudi Railways Company. Understanding the benefits that can be delivered through using advanced workforce analytics is an educational process that companies need to begin and become comfortable explaining.

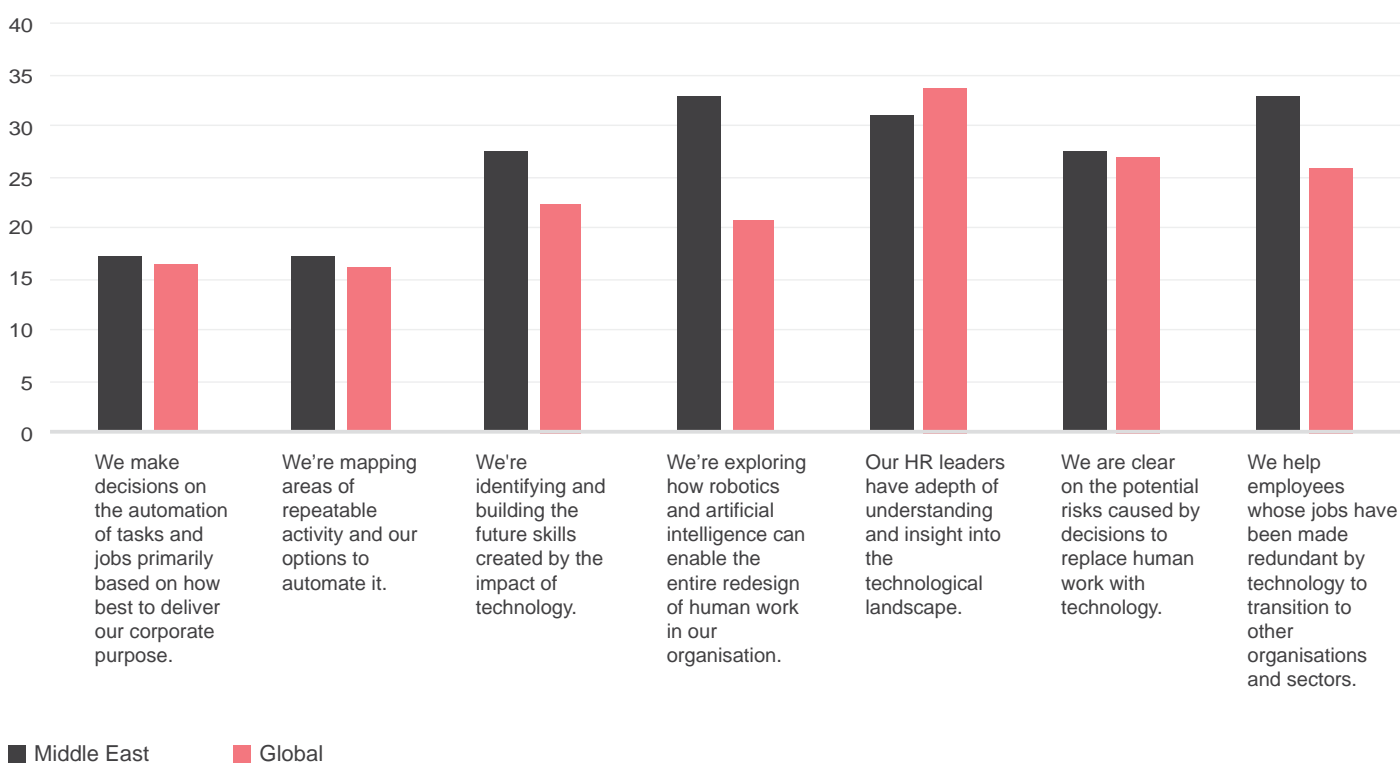
Organisations in the region need effective and more frequent workforce planning. The pace of change and prevailing economic conditions create the need to diversify revenue streams and increase productivity from their workforce, especially nationals. There is a greater focus on measuring employee output, or their contribution to the business, which is leading to the need to more closely align and recognise employee preference in terms of working arrangements, patterns and style.

Technology is pervasive in all aspects of our daily lives, however despite this for many firms the technology strategy is still developed in isolation of human capital needs, notably that of workforce planning. Insights derived from data analysis can improve candidate selection, performance analysis and job matching. In turn this helps drive increased employee advocacy and motivation, and paints a true picture of employee over or underperformance.

Brains and bots in collaboration

Automation, including robotics and AI, is advancing quickly and has the power to not only change the types of jobs we do, but also how many jobs there are and how much we value them.

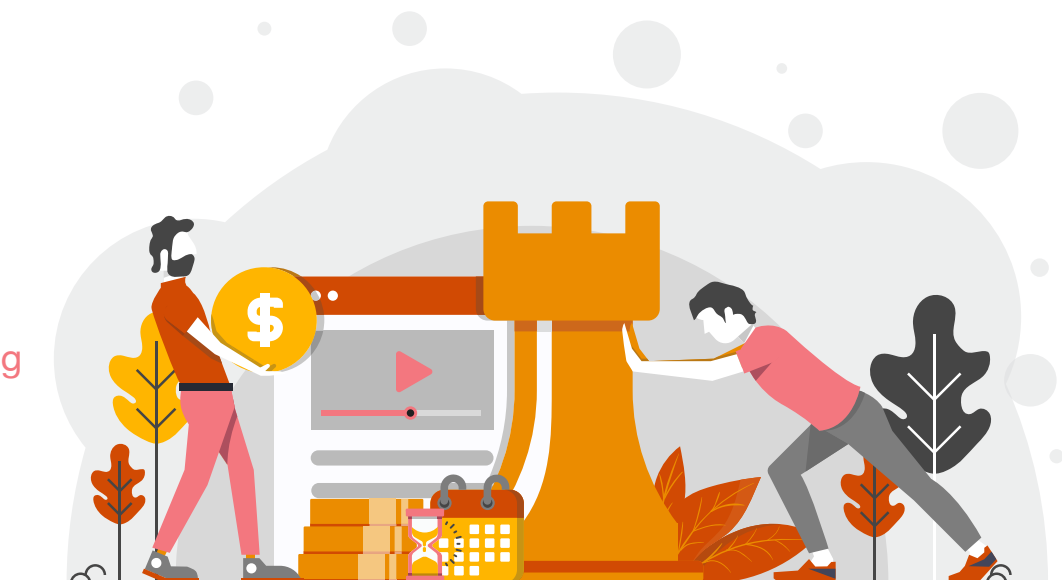
Risk Rating for Brains and Bots in Collaboration



This is a high risk category, with the Middle East having a higher risk rating than global in 86% of the areas questioned.

33%

of respondents say HR leaders have a depth of understanding and insight into the technological landscape.

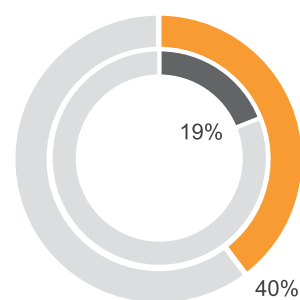


Our interviews with clients showed that while organisations recognise AI and robotics as an opportunity to develop, they need to pay more attention to the human element and develop a different work ethic. Clients interviewed stated that “people are eager to learn about new technologies and better ways to do their work however they need the right tools to support them in that endeavour” Mohammad Shammari, Director of Human Resources and Administration, Saudi Railways Company. It was observed that some employees have a “weak understanding of cause and effect [and the fact that] 100% effort and dedication will be recognised and consequently award and promotion will follow” Dr. Addel al Ameri, Vice President Strategy & Futures, Higher Colleges of Technology

Employers in the Middle East must develop their human workforce alongside their investment in technology, especially AI. In doing this, organisations create a seamless link where technology can help augment human capabilities, and reduce the risk of an over-reliance on technical expertise from other countries. As humans work increasingly with advanced technology, there needs to be recognition that the core skills required need to change in order to allow employees to interact successfully with technology. For example, operating in an augmented reality environment with robots will require a different set of technical and behavioural skills than many people currently possess.

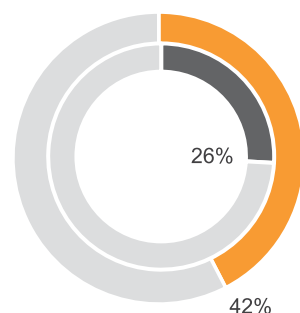
Once these advances have been achieved there is a further challenge of actually integrating AI and automation. How automation and AI may affect humans is an area where the region is very unprepared, and this stands out against the global results.

Q1: We use a scenarios-based approach to plan for multiple visions of the future.



■ Taking Action ■ Importance

Q2: We use sophisticated workforce planning and predictive analytics.



From our client interviews there is a belief that “this is a shared challenge between higher education and employers” and support is required from government to develop incentive programs in order to foster academic institutes and employers engagements” Dr. Addel al Ameri, Vice President Strategy & Futures, Higher Colleges of Technology. Organisations are currently ill-prepared, and this poses a big risk for the Middle East, where youth unemployment is already close to 30% even in GCC states.



Recommendations

- Stakeholders across the business landscape should recognise that preparing for the work of the future can not be done in a simple step, nor does it center solely around the introduction of technology. Robust preparation pivots around three actions:
 - **Getting the basics right** - ensuring that your employees can manage their time and have a strong work ethic
 - **Leveraging technology** - being prepared to invest in technology to improve business processes and increase efficiency
 - **Disrupting your processes** to do entirely different things - giving employees the time and space to innovate and explore new ideas
- Evolve **workforce planning** to improve prediction of future skills requirements and to adapt to a more flexible and fast moving talent market. This should be done regularly, at least once a year and consider people's work preferences (e.g. location, style, pattern) to develop a model that has a greater degree of alignment to employee preferences.
- Develop **new national capability** across multiple sectors in a way which is future proofed to a great extent than legacy industries in more well established sectors the West. Organisations should consider not just how to develop quickly but how to do so in a way which will cater to the work and workers of the future in order to capitalise on this opportunity.
- **Work proactively with educators** to align course design with labour market needs and promote opportunities such as internships and industry placements.

Workers of the future: Is your organisation prepared?

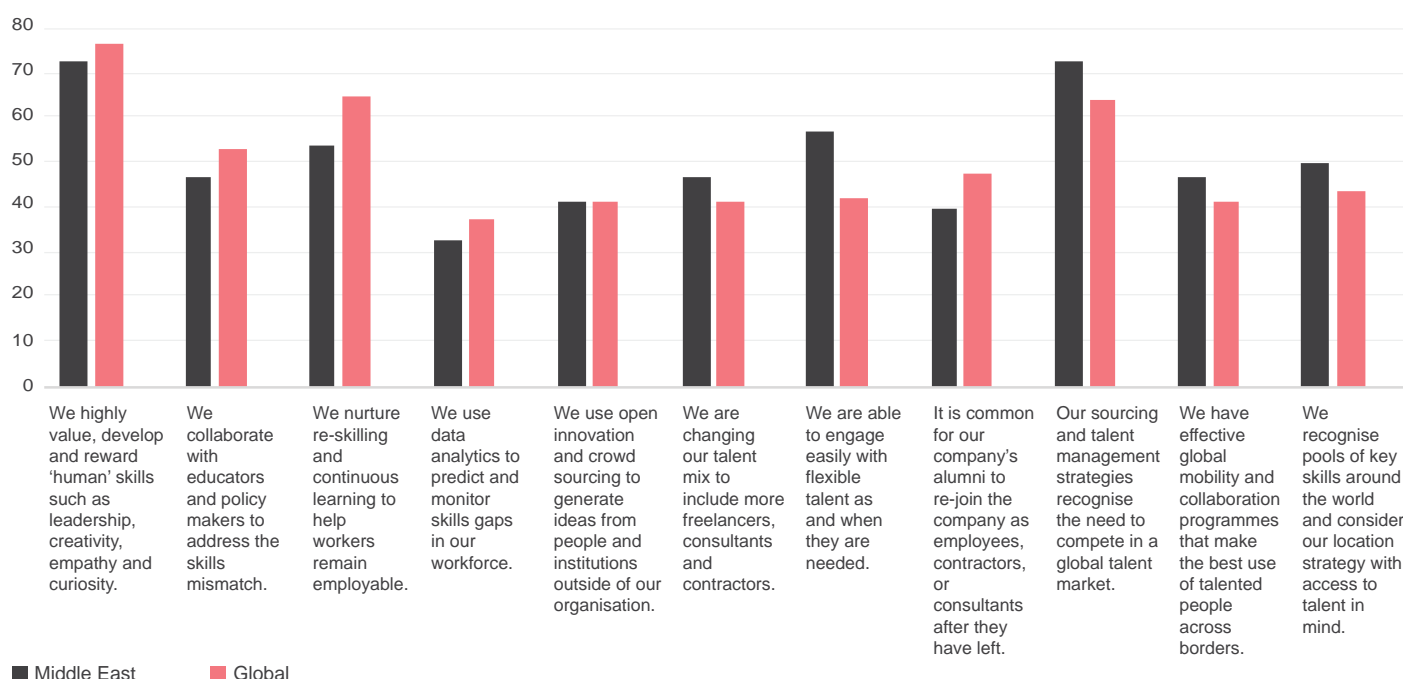
Preparing for the workers of the future is the area where the Middle East is more prepared in comparison to global, with over half of the statements having a higher readiness result.

In this section, we look at three key categories:

- 21st century skills
- Global talent market
- New talent mix



Readiness for Workers of the Future



Middle East respondents felt more prepared than globally in 45% of the areas across the three categories.



21st century skills

As more routine tasks become automated, workers with problem-solving, leadership, emotional intelligence and creativity skills will become even more valuable. It will be vital for workers of the future to do the things which machines can't. When it comes to collaboration with educators and policy makers, the risk factor in the Middle East is higher because although employers agree to the importance of collaboration, there is simply less collaboration here.

"We need a more flexible approach to 'counting education or lifelong learning'- the credit system is too narrow... we need to encourage our students to spend more time in the workplace" Dr. Addel al Ameri, Vice President Strategy & Futures, Higher Colleges of Technology.

Educators tell us that employers don't worry enough about this because they think they can always find the skills they need among expats. Collaboration is also quite hard to achieve in the Middle East because the higher education sector is not as tuned into the employability needs of its graduates as in other parts of the world, where it is a priority for the all-important rankings. But things are changing, as universities look to engage more with employers and understand the importance of graduate employability.

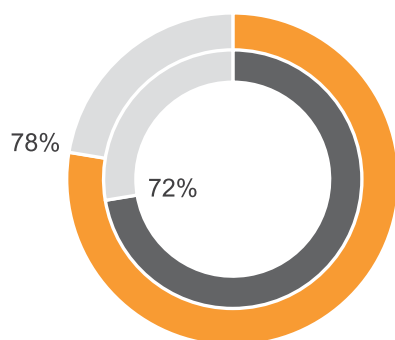
88%

of respondents agreed they highly value, develop and reward 'human' skills such as leadership, creativity, empathy and curiosity.

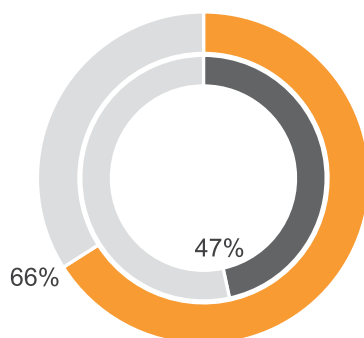


Global talent market

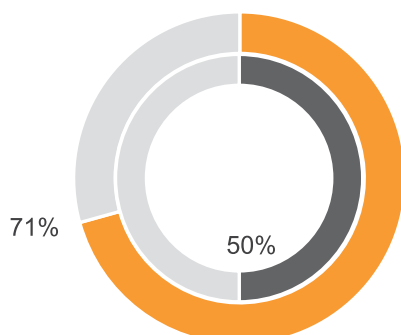
Q19: Our sourcing and talent management strategies recognise the need to compete in a global talent market.



Q20: We have effective global mobility and collaboration programmes that make the best use of talented people across borders.



Q21: We recognise pools of key skills around the world and consider our location strategy with access to talent in mind.



■ Taking Action ■ Importance

Just like the rest of the world, organisations in the Middle East are increasingly aware that they need to be a global employer and to make the best use of international expertise to grow local economies and talent. This may conflict with the nationalisation agenda of GCC countries, although some of the largest new semi-government bodies are now seeking global talent to achieve their national visions. Employers in our interviews recognise this is not the most cost-effective way of building knowledge and capability, especially at present. But they are not addressing the problem. One of the clients interviewed observed that *“There isn’t a planning culture here - CEOs don’t plan to train the indigenous population, they count on importing skills they need from overseas - maybe the rising cost of living (in the UAE) will impact this thinking soon.”* (GCC Faculty member)



New talent mix

In line with the global trend, organisations in the Middle East are embracing a wider range of working arrangements. This extends to all stages from attraction to development and retention, and is illustrated by the rise of the 'digital nomad' in recent years – the person who can work from anywhere, thanks to technology. In some cases, face-to-face work is still essential – and in consulting, clients are still a long way from accepting that remote working is effective. But that is the direction of travel. Working arrangements are becoming increasingly diverse.

Options for employers could include shifting their focus from full-time to contingent workers, including consultants, freelancers, contractors and part-time employees. This however, does not mean that full-time employees are no longer needed especially in niche industries where there is no track record in many countries (such as nuclear), or in new technology (such as cyber), or in new specialisms (like tax and compliance).



69%

of respondents agree that it is important to be able to engage easily with flexible talent as and when they are needed.

Recommendations

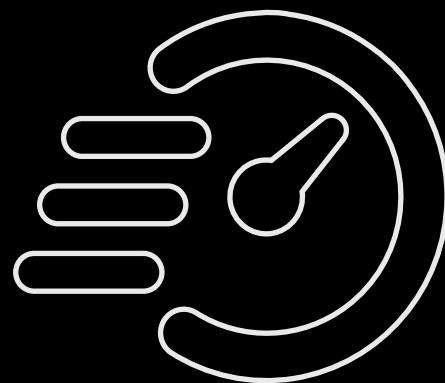
- Promote '21st century skills' such as creativity, design thinking, leadership skills and innovation in order to capitalise on these in collaboration with AI and digital technology. Evolve ways of looking at employee development, taking into account continuous upskilling as an iterative process and allowing more space for on the job learning and knowledge transfer.
- Increase awareness of digitisation and the introduction of AI in their field in order to proactively upskill, freeing time for more creative idea generation and further upskilling.
- Challenge traditional delivery channels for learning and fully integrate AI and digital technology within the learning and development agenda. Using cloud based solutions can challenge the traditional delivery channels not only by offering a truly flexible learning experience, but also by providing access to learning solutions from around the globe.
- Redefine the interface between the education sector and the business world in order to develop comprehensive career paths for learners and to increase opportunities for employees to upskill or return to work after a career break. This partnership should not just focus on providing skills but on developing learning attitudes to equip employees with the mindset which will allow them to continuously develop alongside technology.
- Local companies need to recognise that selective use of expats is required when there are no nationals who can do the role, despite a short term rise in costs. In order to encourage national talent building, expatriates should be incentivised to develop local talent. In parallel, organisations need to have a clear talent sourcing strategy and identify which skills can be developed in the long term and which skills may need to be hired from external sources in the short term.

Unleashing great work performance: Is your organisation prepared?

Of the region's top 20 themes with the highest risk, three-quarters of them occur here. However, at a global level, this area accounts for just half of the top 20 highest risk themes.

In this section, we look at five categories relating to performance:

- Inclusivity
- Trust and fairness
- Wellbeing
- A connected, modern workplace; and
- Unlocking work performance



The value of inclusivity

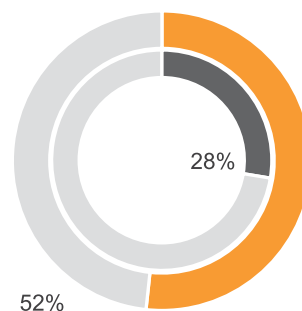
There is a strong global drive towards embracing diversity in the workplace and a growing awareness of how it can boost an organisation's success. The Middle East has seen a lot of progress in this area, with initiatives to encourage women into the workplace at all levels, through flexible working and more favourable maternity policies. But diversity has to contend with nationalisation initiatives and historic cultural norms, notably in Saudi Arabia. When it comes to inclusivity, intention is not always matched with action.

The second highest overall risk for the region and third globally is for the statement 'We use data analytics to de-bias hiring and rewards'. Across the region, we see an increasing focus on improving the return on investment from the workforce. Implementing a smarter, more analytic approach to hiring will enhance this return of investment, and remove bias from recruitment.

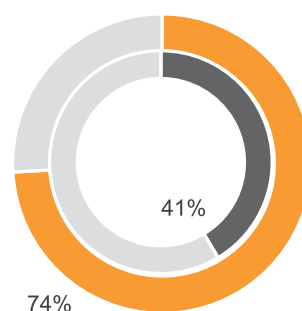
45%

of respondents who agreed that using data analytics to de-bias hiring and rewards did not agree their company was taking action on this.

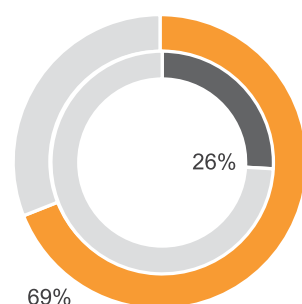
Q23: We have adopted non-traditional assessment and training processes in order to hire and engage talent with physical disabilities and/or neurological differences like autism and ADHD.



Q25: We understand the diverse family arrangements and caring responsibilities of employees and offer work-life balance policies accordingly.



Q26: We use data analytics to de-bias hiring and rewards.



■ Taking Action
■ Importance



Trust and fairness in a transparent world

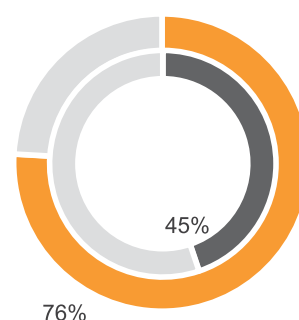
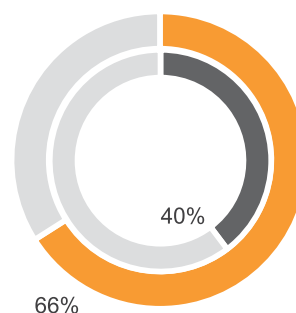
In common with companies around the world, those in the Middle East are well aware of how the rise of social media has made the world more transparent, and are worried about the potential impact of negative publicity on their reputation. This is reflected across our study, with respondents in the region broadly in line with their global counterparts. Interestingly, there is a difference in responses depending on whether the statement relates to an inward-looking or outward-looking perspective.

For example, regionally, 85% of respondents highlight the importance of the statement ‘We are an organisation that’s trusted by society, our customers and our employees’, and 81% agree they are taking action to achieve this. This comes as no surprise, given the widespread use of social media. In Saudi Arabia, where smartphone and Twitter penetration rates are among the highest in the world, companies are increasingly held to account on social media, and changes to company policies are often communicated by a Tweet. Turning inwards however, regional respondents give less importance to ensuring fairness in remuneration and creating an open and transparent narrative on how they’re preparing for the future of work.

While many organisations are starting to discuss the ‘future of work’, our interviews found few, if any, could actually say what it means or show any real changes (for example to their employee value proposition). This is consistent with the data from the survey, and highlights an area organisations need to look at, especially given the trend for people to want to work for employers whose corporate ambitions and values match their own.

Q28: We have created an open and transparent narrative on how we are preparing for the future of work - including the anticipated impacts of automation and AI on our workforce.

Q29: We ensure fair pay by creating transparency in how remuneration is determined.



■ Taking Action ■ Importance

Wellbeing: A key productivity driver

Boosting productivity and diversifying revenue are key challenges in the region, especially in the era of lower oil prices. Organisations have tended to respond to these challenges by increasing individuals' workloads instead of improving performance. The long standing view has been, especially in the public sector, that jobs are for life and that productivity is less important – a view which has been reinforced by the nationalisation agenda.

Our respondents agree that this is still a central challenge with three of the top four overall risks for the Middle East centred on organisations' ability to balance employee wellbeing and maintaining productivity.

In line with the global picture, regional respondents placed importance on their workers' wellbeing and encouraging teamwork, collaboration and innovation. This fits with a global

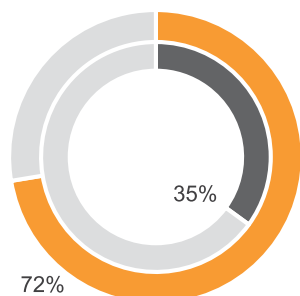
trend of looking beyond rewards, incentives and discipline to boost performance, and towards a more holistic view of how employees excel. But organisations in the Middle East are not going far enough in practice. Firms globally place more importance on unlocking work performance, and rewarding outcomes and value added, instead of hours worked and effort shown. This shows a disconnect between intent and action in the region, and potentially a more traditional view of performance linked to effort rather than productivity. Today's work needs people who are creative and engaged – not stressed or overworked.

A connected, modern workplace

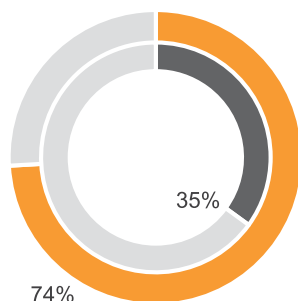
Tomorrow's workplaces will bring together physical spaces and virtual working to harness team work and creativity. Our survey respondents and interviewees feel the Middle East is well prepared for this and, as one of our interviewees observed, they recognise the importance of being 'creative in adopting policies that balance between employee engagement and remote working'. However, in line with the previous trends, the region appears slow to maximise the benefits from any investment in the workplace. Many respondents feel that workplaces do not encourage different working styles

Employers are focusing more on the process of 'getting the job done' than on creating the right environment to help their employees, our research finds. Firms need to do more work to build trust with employees over remote working. The mentality of clocking in and out is slowly starting to shift, with companies introducing flexible working patterns and locations, but this is less prevalent in the public sector which makes up much of the workforce in the region.

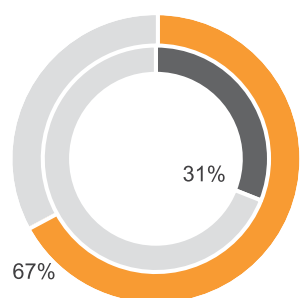
Q32: The workload is manageable enough at our company that employees are able to make full use of their vacation allowance and relax away from work pressures most evenings and weekends.



Q33: We see it as acceptable for employees to disconnect from work (i.e. not check emails or return phone calls) outside working hours, while on holiday or at the weekend if they choose to do so.

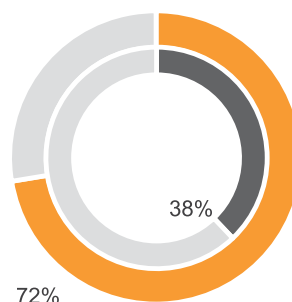


Q34: We attract talented people by providing a good work/life balance and flexibility over hours and working locations.

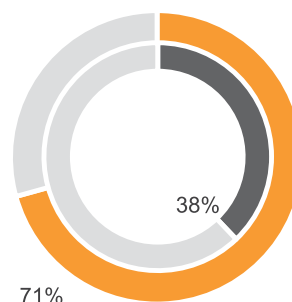


■ Taking Action
■ Importance

Q35: We have designed workspaces to promote wellbeing, for instance, with spaces for relaxation, recuperation, and to accommodate a variety of working styles.



Q36: We actively support remote and virtual working for everyone whose job role allows for it.



■ Taking Action ■ Importance

Unlocking work performance

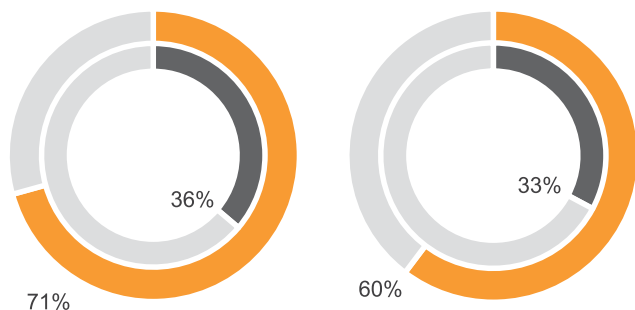
Tomorrow's employers will need to connect with their workers more personally to unlock productivity and a lasting, mutually-beneficial relationship. To make this happen, employers will have to make workforce decisions based on data analytics and give employees more autonomy over how they work. It's troubling for the region that the readiness for this type of working is low in the region, compared to the importance assigned to it.

These are high risk areas at a global as well as regional level although the Middle East is at slightly less risk. However, while comparing favourably to global trends, our interviews suggest that the region can make more progress by formalising and developing talent practices and performance management practices.



Q44: Our employees have a high degree of autonomy over how they work, e.g. they can influence which projects they work on, which teams they work with and how they structure their work day.

Q45: We use insights from big data and advanced analytics in workforce decision-making.



■ Taking Action ■ Importance

33%

of respondents agreed they use insights from big data and advanced analytics in workforce decision-making.

Recommendations

- As the world becomes more transparent and employers are held to greater levels of accountability by their employees, organisational leaders must role model trustworthy and transparent behaviours. Organisations will need to interrogate, test and validate any digital outputs in order to build trust in robotic capabilities with both internal and external stakeholders.
- In order to capitalise on and attract 'digital nomads' and leverage new ways of working, organisations should give greater consideration to the nature of their work and the locations where work can be completed. In more traditional working environments, organisations can promote workplace inclusivity through initiatives such as: nursing rooms, crèches, child care discounts, bring-your-kids-to-work days and part-time working.
- Use data analytics to forensically analyse the type of benefits that employees truly value, and restructure your employee value proposition to allow the flexibility to include these.

Key takeaways

Employers in the Middle East are implementing positive initiatives to prepare for the workforce of the future, but overall they need to do more, and in some areas a lot more. This report has shown that risk factors in the region are generally above the global average, because organisations here are just not prepared for what's coming. Our recommendations throughout this report point to ways to prepare you for the rapidly changing workforce of the future.

Two of the recurring themes which emerge from the research are nationalisation and the concept of the 'digital nomad'. While ultimately good for the region, nationalisation, the move to replace expat employees with homegrown talent, presents a short-term challenge on several fronts because companies have historically relied on expertise from abroad. The research finds employers will still need to bring in specialist skills, but they must be smarter about developing the right skills at home.

The idea of the 'digital nomad' crops up repeatedly too – those workers who use technology to work from anywhere, without the need to be based in an office. Some of the Middle East's traditional management practices need to adapt to accommodate these new, flexible ways of working. Our recommendations can be looked at from the perspective of business leaders, HR, educators, and employees themselves:

Key takeaways for Leaders

1. Recognise that preparing for the work of the future cannot be done in a simple step and that robust preparation pivots around three things: getting the basics right, leveraging technology and being disruptive.
2. Capitalise on the industrial diversification agenda to overtake more well established sectors in the West by developing national capability in a way which is future proofed.
3. Promote '21st century skills' such as creativity, design thinking, leadership skills and innovation in order to capitalise on these in collaboration with AI and digital technology.
4. Incentivise expatriates to develop local talent in order to build national capability. In parallel, develop a clear talent sourcing strategy, differentiating between skills which can be developed and which skills may need to be hired from external sources.
5. Role model trustworthy and transparent behaviours and continue to interrogate, test and validate any digital outputs in order to build trust in robotic capabilities with both internal and external stakeholders.
6. Consider the nature of work and the locations where work can be completed in order to attract 'digital nomads' and leverage new ways of working.



Key takeaways for HR

1. Evolve workforce planning, using analytics and employee preferences to improve prediction of future skill requirements and to adapt to a more flexible and fast moving talent market.
2. Challenge traditional delivery channels for learning and fully integrate AI and digital technology within the learning and development agenda.
3. Redefine the interface between the education sector and the business world, not just focusing on providing skills but on developing learning attitudes.
4. Work proactively with educators to align course design with labour market needs and promote opportunities such as internships and industry placements.
5. Promote workplace inclusivity through initiatives such as: nursing rooms, crèches, child care discounts, bring-your-kids-to-work days and part-time working.
6. Use data analytics to forensically analyse the type of benefits that employees truly value, and restructure your employee value proposition to allow the flexibility to include these.

Key takeaways for Employees

1. Increase awareness of digitisation and the introduction of AI in order to proactively upskill and free time for more creative idea generation and further upskilling.
2. Challenge leaders to accommodate personal and family arrangements during interviews and while in role.
3. Be vocal in expressing the type of benefits that would provide an employee value proposition that is highly attractive.

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* previous positions are detailed if there has been a change of role since the date of interview



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