

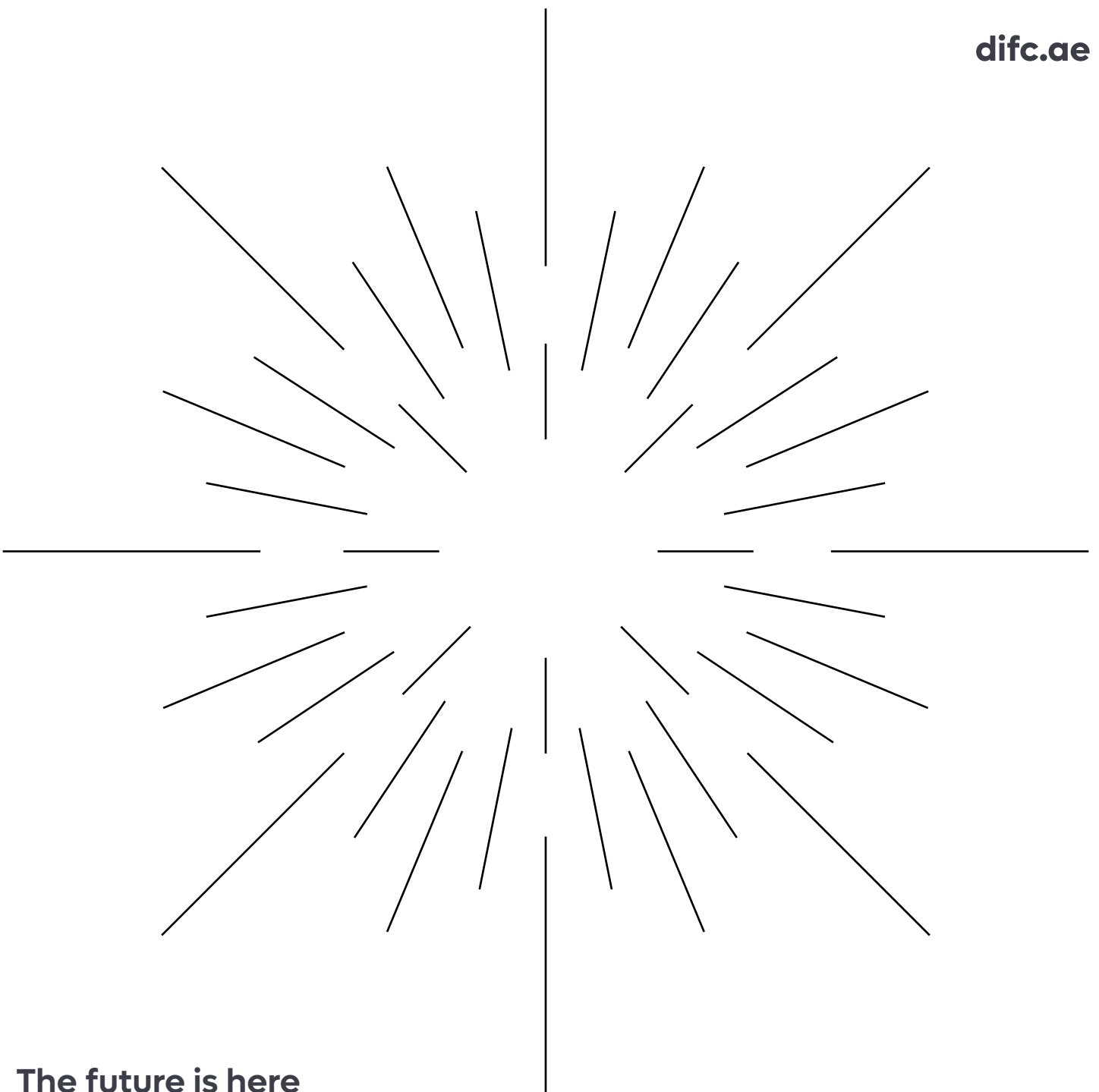


LSEG DATA &
ANALYTICS



The future of financial services talent

difc.ae



The future is here



Contents

04

Forewords

06

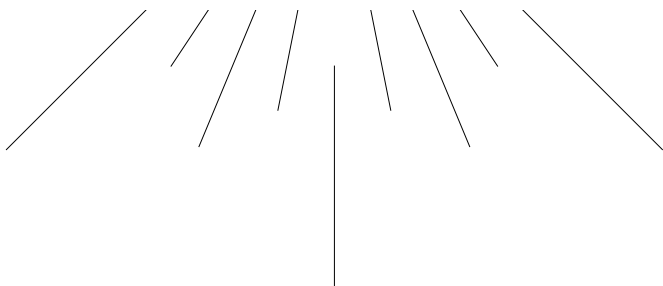
Executive summary

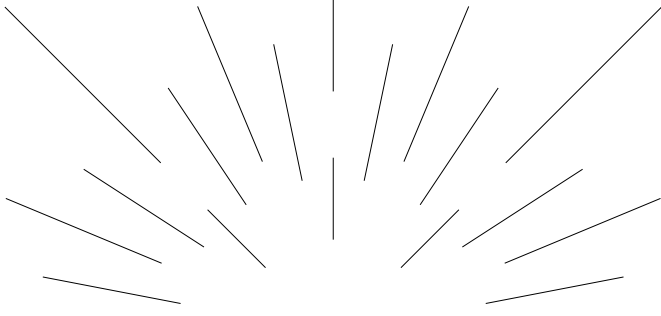
10

**Financial services talent
landscape**

12 Fast-shifting talent
landscape for financial services

13 Talent exodus from
traditional financial hubs





14

Attracting and retaining financial services talent

16 The 'Great Reshuffle'

17 Financial institutions that pivot will benefit

22

Dubai as a global financial services talent hub

24 Dubai financial services growth

26 Dubai's attractiveness to international talent

27 DIFC supporting employment opportunities and talent development

34 Executive insight: Heidrick & Struggles

36 DIFC talent milestones

Message from DIFC



Arif Amiri
Chief Executive Officer
DIFC Authority



Dubai has emerged as a global hub for talent attraction. At the heart of this magnetic pull lies Dubai International Financial Centre (DIFC), which has consistently spearheaded initiatives to attract top-tier talent from around the world.

At DIFC we see the impact of professionals increasingly choosing Dubai in our Centre's growing profile as a global talent hub. Our highly skilled workforce of over 39,000 individuals from over 160 nationalities make the highest per-capita contribution to GDP than any other economic sector in Dubai.

The strong growth of DIFC's broader ecosystem is also proving instrumental in attracting international talent. Dubai's attractiveness to professionals from around the world as a place to live and work has enabled financial institutions to create an array of new career opportunities. More than 6,300 employees joined in 2022 alone – the largest increase in new job creation since the Centre's inception.

Dubai and DIFC's response to the Covid-19 pandemic played a key role in retaining and attracting talent. The emirate offered free access to vaccinations for everyone, while maintaining limited restrictions on businesses and investors, thereby attracting many financial services professionals to Dubai.

Other success factors included the rapid integration of digital infrastructure for employees and clients; DIFC's ability to continue to upskill individuals through its DIFC Academy; and enhancements ensuring access to a flexible and affordable working environment through subsidised licencing structures, co-working spaces and flexi-desks.

Today we continue to enhance our eco-system by cultivating an environment conducive to innovation and growth, offering an array of professional development opportunities and world-class infrastructure.

Our commitment to nurturing talent is evident through initiatives like the DIFC Academy, offering best-in-class education and the DIFC Innovation Hub, which provides comprehensive training programmes by fostering collaboration between start-ups and financial institutions.

When it comes to job creation, DIFC's Talent Network continues to connect top talent with companies in the DIFC ecosystem both locally and globally. It offers over 77,000 open positions worldwide, with around 900 opportunities available within DIFC.

Message from LSEG



Nadim Najjar
Managing Director,
CEEMA,



Even before the Great Resignation, voluntary attrition rates had been steadily rising over the past decade, albeit at a slower pace. However, the significant surge in resignations that began during the pandemic illuminated the underlying reasons why employees chose to leave their jobs, extending beyond financial compensation and benefits. These reasons encompassed factors such as the lack of career growth and promotion opportunities, a misalignment of employer values with employee values, and rigid working models that led to burnout and job dissatisfaction.

This trend evolved from individuals simply resigning from their positions to exiting the workforce altogether or pursuing more attractive employment opportunities that offered workplace flexibility, improved compensation, and reasonable performance expectations. This shift underscored the importance of non-financial aspects of employment, which management should harness to continue attracting the desired talent and retaining their most valued employees.

Consequently, cities like Dubai and Singapore have witnessed an influx of financial services professionals from more traditional global financial hubs. Numerous global financial institutions have already expanded their employee bases in Dubai, which has become one of the world's most appealing destinations for international talent.

As the MEASA region's largest financial ecosystem, Dubai International Financial Centre (DIFC) provides professionals from various backgrounds with opportunities to connect with potential employers, including leading financial institutions. The Centre also offers access to a wide array of top-tier learning, development, and training programs to support career advancement.

The "Future of Financial Services Talent" report, the third in a series covering recent trends in Dubai's financial industry, is a collaborative effort between DIFC and LSEG Data & Analytics. It offers an overview of the financial services talent landscape and insights into the new expectations talent has from employers, which will influence management styles in the industry. Furthermore, the report outlines DIFC's value proposition as a global hub that attracts world-class specialized talent.

Executive summary

The Covid-19 pandemic led to the 'Great Resignation' as many professionals reconsidered elements of their careers, including career progression, compensation, corporate culture, training opportunities, working arrangements, and wellbeing. This attrition occurred due to low compensation, lack of advancement opportunities and feeling disrespected at work, according to a survey by Pew Research Centre¹.

Around 47 per cent of employees who voluntarily left the job market during the pandemic have since returned to the workforce, according to a poll by McKinsey². These workers are pursuing opportunities that are more aligned with their values and offer better work-life balance opportunities to develop specialised skills.

Employers who are receptive to these new expectations are more likely to attract and retain talent. Financial institutions recognise that they can access a wider pool of talent if they improve their career development programmes. Creating customised career development roadmaps makes employees feel valued and motivates them to achieve their career goals within the company. Such an approach helps to attract new talent and retain existing high-value employees.

Investing in learning and on-the-job training for reskilling and upskilling are promising methods of increasing and retaining specific talent for financial institutions. Upskilling can foster a culture of upward mobility within an organisation.

Another initiative financial institutions are considering is improving the way they communicate their business purpose and hiring employees with similar values and ambitions. This approach leads to better productivity, deeper employee engagement, greater loyalty, and higher employee retention.

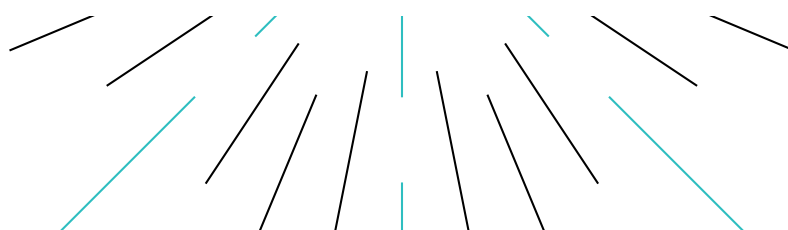
Restructuring compensation packages is another effective route to attracting and retaining talent, addressing issues that impact employees such as financial stress, wellbeing services and flexible work arrangements.

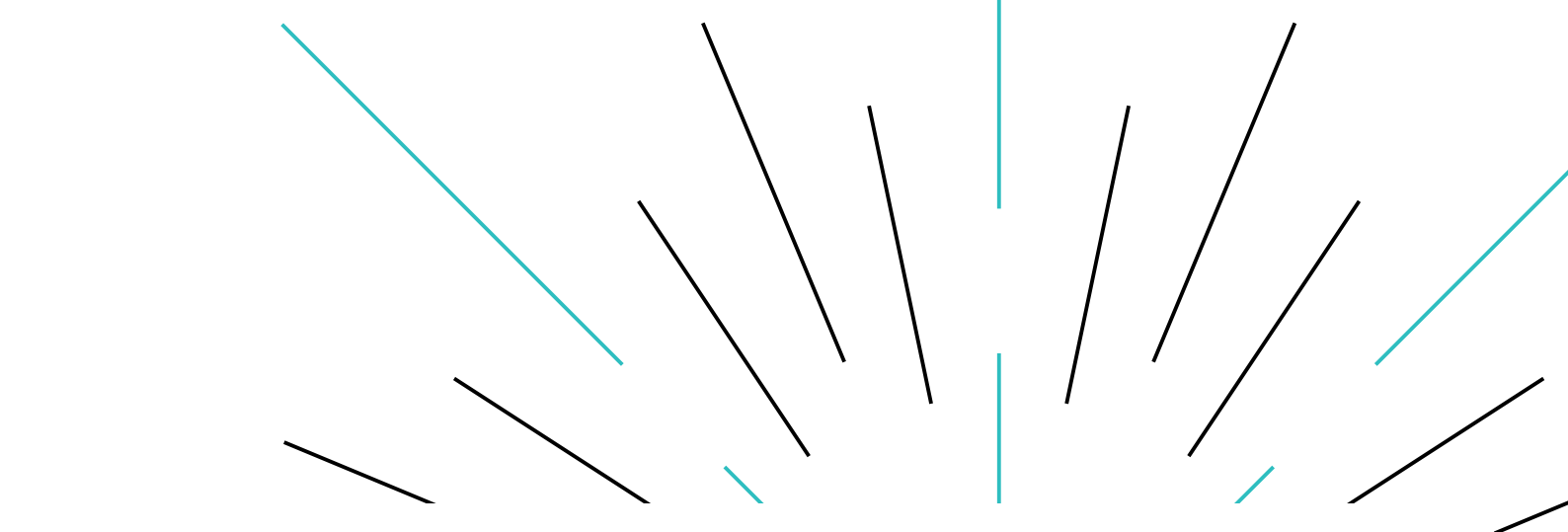
Flexible work arrangements are also an important deciding factor for employees. According to a McKinsey survey³, 87 per cent of employees would embrace opportunities to work flexibly and spend three days a week working remotely on average. The preferred office time and remote working time split varies across the workforce, ranging from working completely remotely to working on-site on a full-time basis. Hence, companies will need to experiment and adapt working arrangements to accommodate their employees' preferences.

1. Parker, K. and Horowitz, J.M. (2022) Majority of workers who quit a job in 2021 cite low pay, no opportunities for advancement, feeling disrespected, Pew Research Center."

2. De Smet, A. et al. (2022) Gone for now, or gone for good? How to play the new talent game and win back workers, McKinsey & Company.

3. Dua, A. et al. (2022) Americans are embracing flexible work—and they want more of it, McKinsey & Company.





Since the pandemic, large financial institutions have been providing more career opportunities at new offices in cities such as Dubai, as a way to retain current employees and attract new highly skilled professionals.

The UAE is on a drive to attract world-class specialised talent with a series of initiatives launched in 2021, including its 10-year Strategy for Talent Attraction and Retention.

According to INSEAD's 2022 Global Talent Competitiveness Index, the country ranks among the top 25 in terms of global talent competitiveness, and places within the top five for external openness towards foreign talent, attracting global talent, and accessing growth opportunities.

Dubai offers an enticing array of benefits for international talent, including its strategic location, easy immigration processes and a high quality of life that supports a wide array of lifestyles. It is rated as one of the world's top three cities for professionals to live in, according to Savills Executive Nomad Index 2022. Moreover, there is currently no personal income tax in the UAE.

Dubai International Financial Centre (DIFC) is a global business hub that has attracted top financial institutions and in 2022, enjoyed its largest single year of inflow of over 6,000 people, bringing the total to 39,140 professionals employed at the Centre.

Talent is considered a leading priority for DIFC's clients and partners, and the Centre has developed several initiatives to connect top-tier professionals with DIFC-based institutions, support capacity building and professional development, and promote diversity and inclusion in the workforce.

DIFC's Talent Week was introduced to enable new talent to connect directly with potential employers. Meanwhile, DIFC's Talent Network offers a centralised platform for local and international talent to explore career opportunities in financial services and innovation with institutions within and outside of DIFC. The platform hosted 717 job opportunities at DIFC-based companies out of 72,645 positions worldwide, as of 24 July 2023.

The DIFC Academy was established in 2017 to provide learning and training opportunities within and beyond the workplace, supporting professionals in the region's financial and supporting sectors to develop their careers.

The Centre is also committed to supporting diversity in Dubai's financial services sector. In addition to championing and promoting women into senior leadership with the DIFC Authority, it has launched programmes such as AccelerateHer and Women in Tech to support the development of female talent in the technology, FinTech and innovation sectors.

Attracting and retaining financial services talent

TOP REASONS FOR THE GREAT RESIGNATION



TOP REASONS FOR TALENT RETENTION



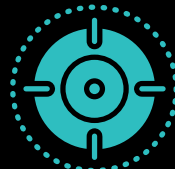
BUSINESS PRACTICES TO INCREASE TALENT AVAILABILITY IN FINANCIAL SERVICES



Improve talent progression and promotion processes



Employee empowerment through upskilling



Purpose and job fulfillment



More attractive compensation and benefits



Flexible working models

Dubai as a global financial services talent hub

INSEAD Global Talent Competitiveness Index 2022 – UAE ranking



Source: INSEAD

Growth in number of employees at DIFC 2019 – H1 2023



Source: DIFC

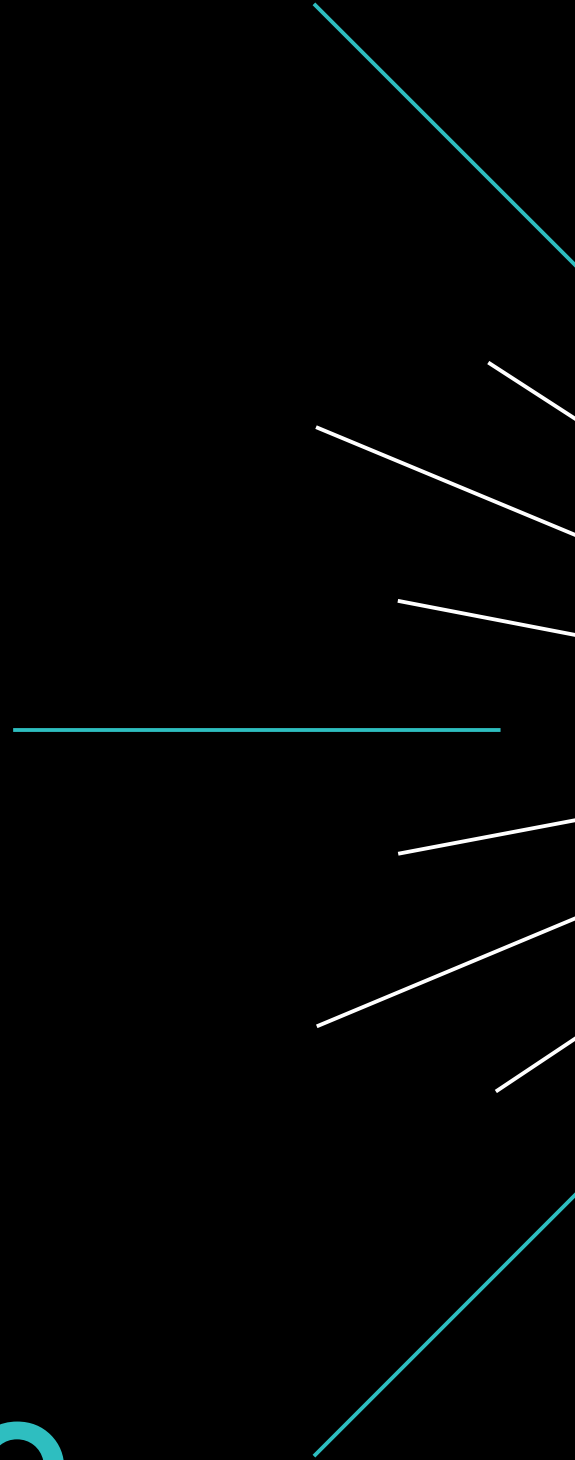
Supporting employment opportunities and talent development

- Access to career opportunities**
 - DIFC Talent Week
 - DIFC Talent Network
- Capacity-building and talent development**
 - DIFC Academy
- Talent diversity and inclusion**
 - DIFC Authority championing women in leadership
 - AccelerateHer programme
 - Women in Tech programme

COMPREHENSIVE RANGE OF ECOSYSTEM BENEFITS

<p>Geographical advantage</p> <ul style="list-style-type: none"> • Operational convenience • Accessibility for business travellers 	<p>Lifestyle</p> <ul style="list-style-type: none"> • World-class infrastructure • Safe living environment • Unrivalled lifestyle offerings • High standards of housing and education
<p>Immigration processes</p> <ul style="list-style-type: none"> • UAE Talent Attraction and Retention Strategy • Projects of the 50 • Advanced Visa System 	<p>Financial benefits</p> <ul style="list-style-type: none"> • Zero income tax • Zero corporate and capital gains tax

**Financial
services
talent
landscape**



Fast-shifting talent landscape for financial services

During the Covid-19 pandemic, many financial services professionals began to reconsider some elements of their employment and workplaces. These included work environment, career progression, training opportunities, corporate culture, compensation and benefits, mental and physical wellbeing, and location.

This in turn has led to a large number of financial services professionals exploring new opportunities to fulfil their new expectations from an employer.

'Great Resignation' in the wake of the pandemic

One outcome of this realignment in the workplace was what came to be known as the 'Great Resignation', which over time evolved into the 'Great Reshuffle'.

Under the Great Resignation, larger-than-usual numbers of employees voluntarily left their jobs for reasons other than financial compensation and benefits. These ranged from career dissatisfaction and burnout to lack of growth opportunities and poor work-life balance. The financial services industry was no exception.

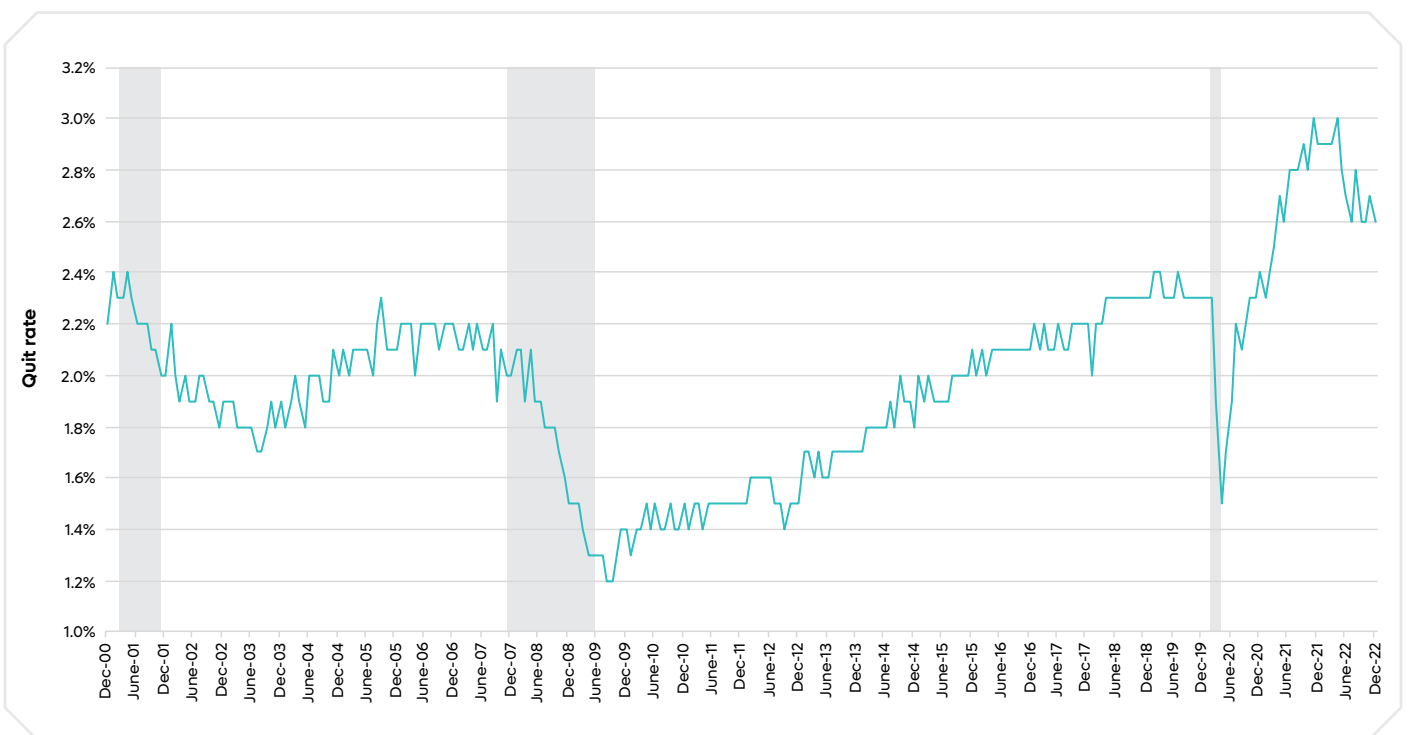
According to a survey by Pew Research Centre in February 2022, the main three reasons respondents cited for leaving their jobs were 'low pay' (63 per cent), 'no opportunities for advancement' (63 per cent), and 'feeling

disrespected at work' (57 per cent).

However, this trend most likely began more than a decade prior to the pandemic. The following chart indicates a slow but steady rise in resignations since 2009, which was only interrupted by the 2020 global lockdown and the resulting layoffs.

The pandemic accelerated decisions for many, resulting in voluntary resignations for reasons other than retirement sliding from 2.3 per cent in February 2020 to 1.6 per cent just two months later. However, the trend shifted from April 2020 through March 2022, when 3 per cent of the workforce exited their jobs, according to the Job Openings and Labor Turnover Survey (JOLTS) by the U.S. Bureau of Labor Statistics.

Quit rate, total nonfarm payrolls 2001-2022



Source: U.S. Bureau of Labor Statistics

Financial services talent shortage creates new choices and opportunities

As lockdowns and social distancing measures subsided, the wave of resignations left a noticeable gap, with demand for financial services talent exceeding supply. A record 4.5 million workers quit their jobs for reasons other than retirement in March 2022 – an increase of 152,000 from the month before, according to JOLTS data. Job openings of 11.55 million at the end of March 2022 were also the highest on record.

The resulting jobs gap provided workers with more options, which together with rises in living costs and changes in lifestyle brought

on by the pandemic caused many workers to feel dissatisfied by jobs they thought offered inadequate compensation or by inflexible working conditions.

In the pre-pandemic era, a spike in resignations would have indicated competition between industry players for in-demand talent that could easily move within the same industry. With the recent spike in voluntary attrition, however, employers are having to compete with those in entirely different industries or are losing all of the in-demand talent from their workforces.

Talent exodus from traditional financial hubs

The traditional global financial hubs – particularly New York, London and Hong Kong – appear to have lost some of their lustre. High costs of living on top of an assortment of economic, political and social challenges have made these cities less appealing to financial talent than they once were.

New York's sky-high cost of living, for example, has driven financial talent to relocate to cost-friendly cities within the US or new hubs that can offer a similar metropolitan lifestyle. New York is tied with Singapore as the most expensive cities in the world, according to the Economist Intelligence Unit's Worldwide Cost of Living Index 2022.

London, meanwhile, has declined in its attractiveness to global talent, according to the 2022 IMD World Talent Ranking report. The UK's overall global talent ranking dropped from 21st in 2021 to 28th in 2022, while its ranking in terms of appeal dropped from 16th to 24th. Brexit, the end of free movement of labour within the EU and the introduction of a new, more expensive immigration system were the main reasons behind the lowered perceptions of the UK's

attractiveness to international talent, according to a 2022 report by City of London.¹

Hong Kong has lost thousands of residents since the pandemic started, worsening an already-underway 'brain drain' from the international financial hub. The exodus was exacerbated mainly by stringent Covid restrictions and concerns for the city's geopolitical uncertainty.

The local workforce shrank by about 140,000 in the two years since the outbreak of the pandemic. Many people and companies moved to Singapore, while some expatriates returned to their home countries. There have also been an increasing movement of local and international talent to Canada, the UK, Dubai, Japan, South Korea and Thailand.

To retain current employees and attract new highly skilled professionals, larger financial institutions have been allocating talent to new offices in cities such as Dubai that offer a high standard of living, an extensive international travel network, and flexible work hours to match different time zones and trading hours.

1. City of London, "Our global offer to business: London and the UK's competitive strengths in a critical time". January 2022.

**Attracting
and retaining
financial
services
talent**



The 'Great Reshuffle'

The 'Great Resignation' in time evolved into the 'Great Reshuffle', as employees began to pursue roles with better work-life balances and workplaces more aligned to their values.

A McKinsey poll of almost 600 employees who voluntarily left a job between December 2020 and December 2021 without another job to go to revealed that 47 per cent later returned to the workforce, whether this was under traditional or non-traditional working arrangements.

76 per cent of those surveyed returned to traditional employment, citing workplace flexibility, adequate compensation, and

reasonable expectations about performance as the leading reasons for their decision. Out of those who returned to traditional employment, 21 per cent went back to work in the same sector and in similar roles to those they left.

Employees are also factoring in their well-being and opportunities to learn and develop specialised skills. Many said they want the flexibility to choose when and where they work. Those returning to the job market are also often in search of roles that offer reduced commutes, a better work-life balance, and a workplace more aligned with their values.

Top reasons for returning to traditional employment after the Great Resignation²



Source: McKinsey & Company

²Based on top three ranked choices from respondents to McKinsey's, Great Attrition, Great Attraction survey who left a job between Dec 2020 and Dec 2021 without another job offer in hand and returned to traditional employment. Traditional employment refers to an employee-employer relationship in which a single employer hires and pays an employee and manages the employee's work.

Financial institutions that pivot will benefit

Management at financial institutions will have to take the previously mentioned survey findings seriously if they want to attract the talent they need. Employers who are receptive to remote and hybrid working arrangements are more likely to attract the desired talent. They could also reconsider and adapt existing management styles so as to retain their most valued employees.

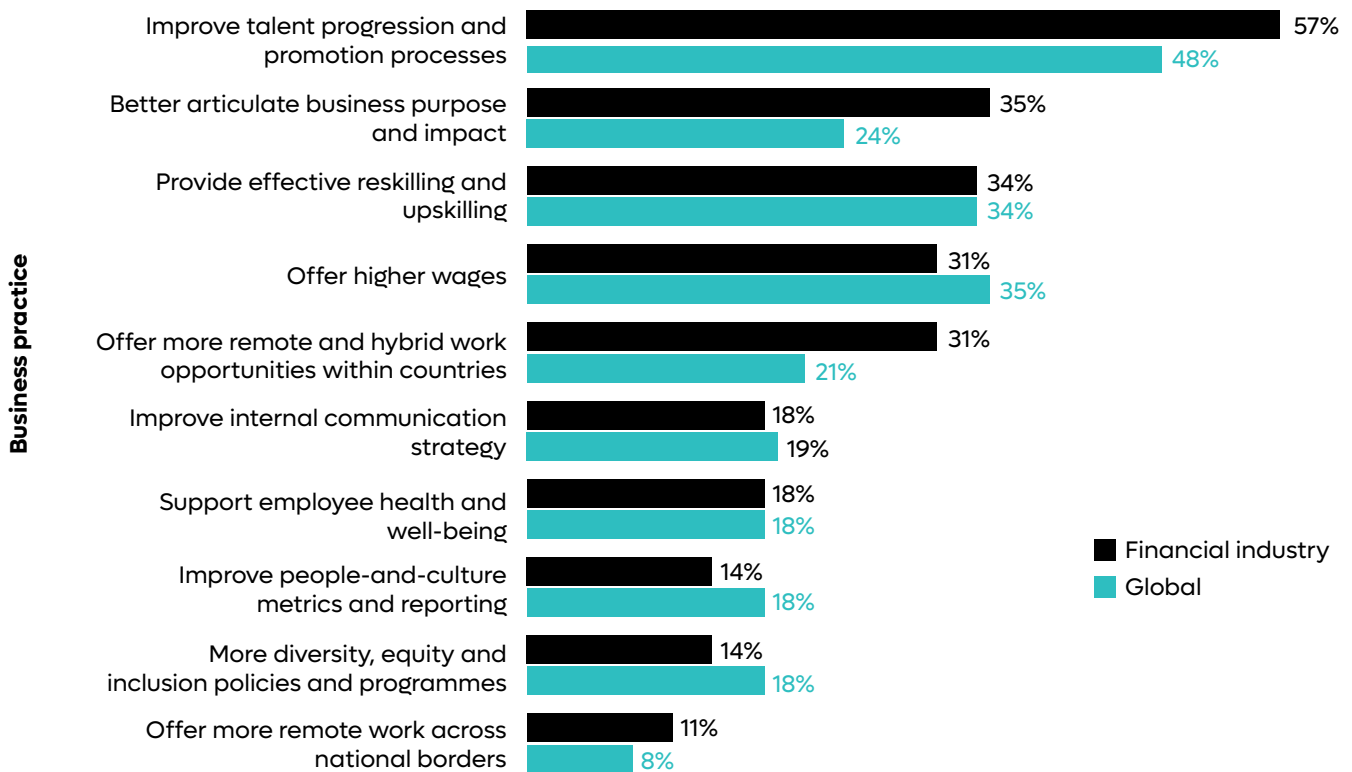
Based on the business practices rankings in the table below, financial institutions consider improving talent progression and promotion processes to be the most promising means of

increasing the availability of talent for their organisations. This is followed in the rankings by better articulating business purpose and impact and aligning this with employees' sense of purpose at work.

Of the financial institutions surveyed, 34 per cent consider investing in learning and on-the-job training for reskilling and upskilling to be a promising method of increasing specific talent availability. Furthermore, 31 per cent identified offering higher compensation as an effective route to increasing talent availability.

Business practices to increase talent availability in the financial services and capital markets industry, 2023-2027

Share of organisations surveyed that identify the following business practices as promising ways to increase talent availability over the next five years



Improvement of talent progression and promotion processes

Customised career roadmap

Providing a customised career development roadmap is seen as a good way to attract new talent and retain existing high-performing employees. It makes people feel valued and motivates them to achieve their career goals within the company rather than seeking career development and progression elsewhere.

By mapping out a career roadmap, companies provide employees with a clear and documented process that will help them advance through the company. The roadmap should include the method by which an employee can advance, such as the required qualifications, experience and skills, and can make provision for help in this regard such as tuition reimbursement, flexible schedules for attending school, on-the-job training, and paying for online classes.

Talent progression through upskilling

Talent progression requires a combination of effective skill training, project visibility and continuous learning, which not only prepares

talent for movement within the business hierarchy but also positions them for a broader range of opportunities across the organisation.

The skills gap in the global workforce is widening mainly due to unequal access to and quality of training, which has been exacerbated by the disruption caused by the pandemic. Respondents to the World Economic Forum Future of Jobs Survey 2023 identified skills gaps and an inability to attract talent as the key barriers preventing industry transformation.

Employees are demanding enhanced learning and development opportunities, with 77 per cent of respondents saying they are ready to learn new skills or even to completely retrain.

Moreover, offering digital upskilling and training as an employee retention strategy can help organisations maintain a competitive edge. 80 per cent of survey respondents said they expected to implement learning and on-the-job training and automated processes over the next five years.

Purpose and job fulfilment

One US-based survey by McKinsey & Company found that employees expect their work to bring a significant sense of purpose, with one third of respondents saying they were re-evaluating the type of work they do as a result of the pandemic. This suggests that employees who find purpose in their work tend to be more productive and more likely to stay at the company. Moreover, if their sense of purpose is aligned with the organisation's purpose, the benefits will extend to deeper employee engagement, greater loyalty, and a

higher likelihood that they will recommend their employer to other talent.

In the survey, 70 per cent of employees said their sense of purpose was largely defined by work, while 63 per cent said they wanted their employer to provide more opportunities for purpose in their day-to-day work. This signals a clear opportunity for employers to encourage employees at all levels to develop and live their purpose at work.

The relationship between individual purpose and work



Source: McKinsey & Company

Considering the above illustration, management should ideally aim to employ individuals whose sense of purpose from work is aligned with the company's values and objectives. The closer the company gets to this, the more fulfilled the employee, which in turn opens up more opportunities for employee engagement and encourages them to seek more purpose from work, and to feel more aligned with the company's purpose.

More attractive compensation and benefits

Financial pressures and the need to seek higher wages are making some employees increasingly willing to look for a new job, with 26 per cent of employees planning to change jobs within the next 12 months, compared to 19 per cent a year before, according to the PwC Global Workforce Hopes & Fears Survey 2023.

Meanwhile, 42 per cent of workers are planning to ask for a pay increase, compared with 35 per cent a year prior. For employees who say they are struggling financially, this figure rises to 46 per cent. Management should be aware of how much stress, including financial stress, is impacting their employees and help them

While many employers tend to implement programmes supporting employees' sense of purpose, such as community outreach programmes, these may not be the best approach to aligning employee and company purpose. Town hall meetings and immersive, small-group sessions may prove a lot more effective in helping employees to see the good they can achieve in their day-to-day work.

address these issues through restructuring compensation packages in ways that will retain existing employees and attract new talent. Employers should also assess standard compensation against the types of relational factors that employees say they want, such as mental health services or flexible work arrangements.

However, compensation and benefits reviews are just a first step. Companies could also invest in building 'sticky' workplaces that listen to employees, anticipate and address their concerns, foster psychological safety and sense of community, and measure outcomes.

Flexible working models

Employers should be aware that when a candidate is deciding between job offers with similar compensation levels, the opportunity to work flexibly can become a deciding factor. The McKinsey survey revealed that when people have the chance to work flexibly, 87 per cent embrace the opportunity and spend an average of three days a week working from home, and this holds true across a range of demographics, occupations and geographies.

Employees say they just want more flexibility: while 58 per cent of employed respondents said they can work from home part of the time, 65 per cent would be willing to do so all the time.

The survey also revealed that some employed respondents would prefer to work remotely full time, with 12 per cent of respondents who are offered only part-time or occasional remote work actually working from home for five days a week. This contradiction indicates misalignment between what employers offer and what employees demand in flexibility.



Days worked remotely per week

<u>31%</u> 5+ days	<u>10%</u> 4 days	<u>16%</u> 3 days
<u>17%</u> 2 days	<u>13%</u> 1 day	<u>13%</u> No days

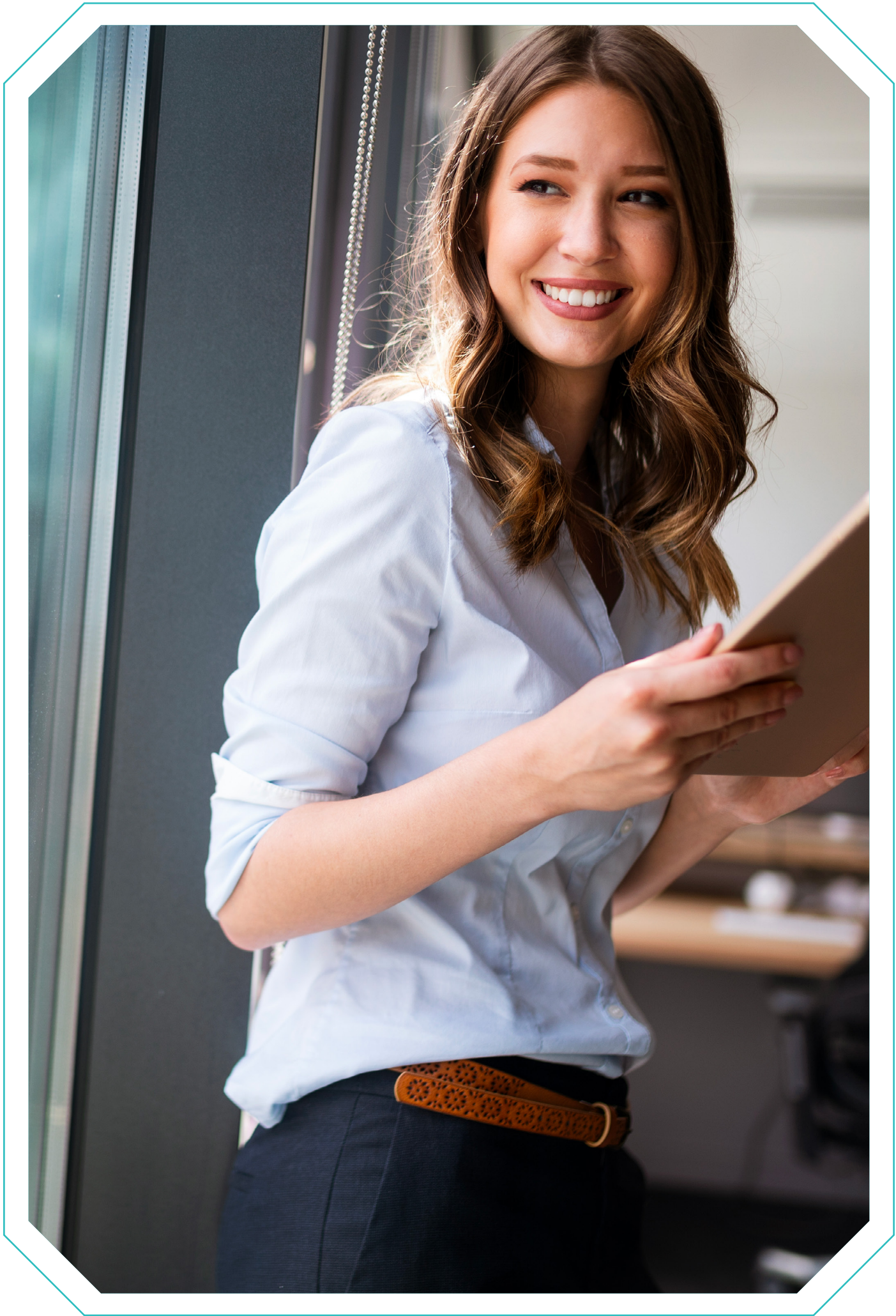
% of employed respondents with remote-work options

Source: McKinsey & Company

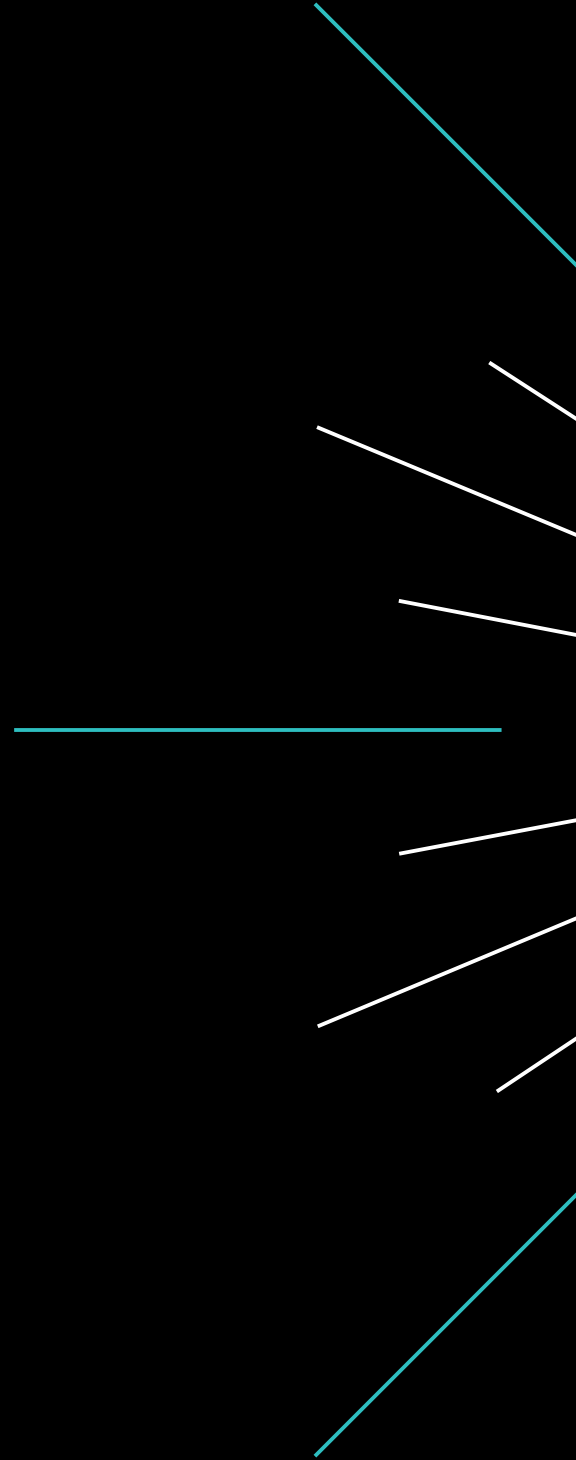
Employers should also be aware that different groups perceive and experience remote working differently, with more than 10 per cent of employees saying they would prefer to work on-site because they prefer the workplace environment, their home environment is not suitable, or they lack the skills and tools to work remotely productively.

In other words, hybrid work is here to stay. The precise ratios of office time and home time will

vary, but companies will need to experiment and adapt. That includes addressing the factors that drive retention risk—including authenticity, meaningful work and pay transparency—all of which become harder when employees are not in the same location every day. Companies must also invest in technology to support remote work and put the right governance in place over decisions regarding pay, promotions and other rewards, in order to fight ‘proximity bias.’



Dubai as
a global
financial
services
talent hub



Dubai financial services growth



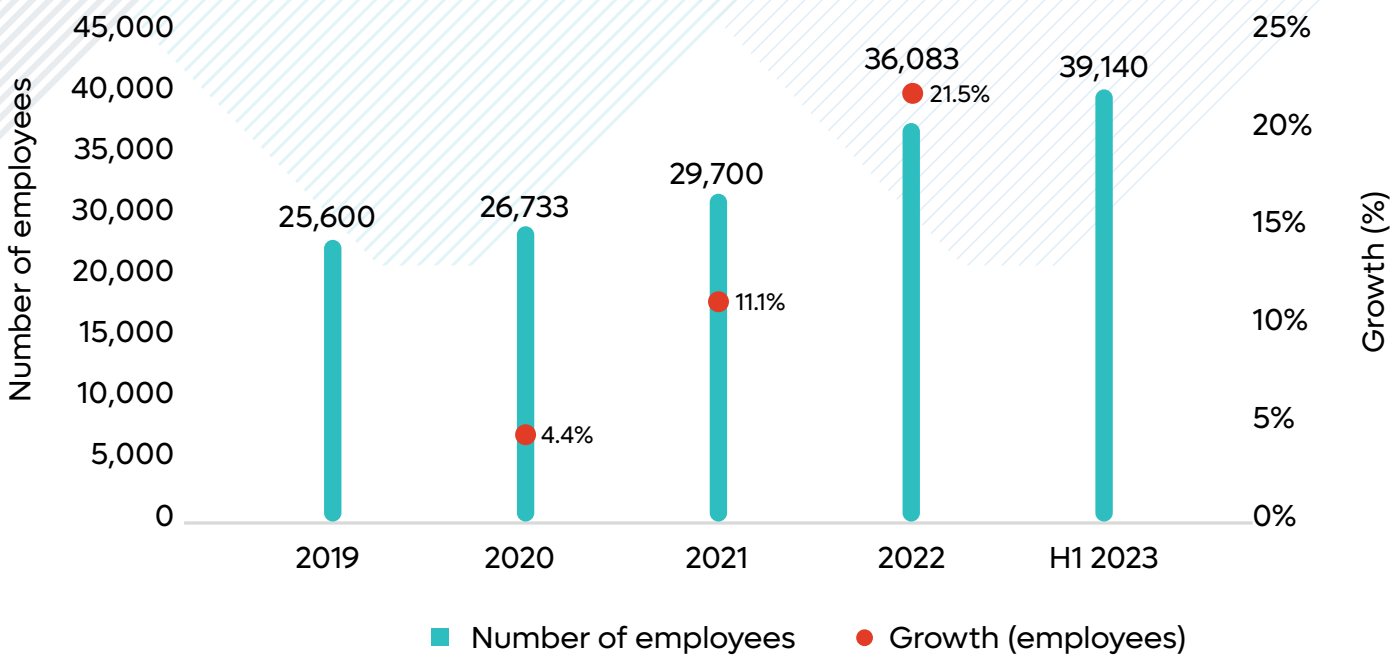
DIFC is the largest financial services ecosystem in the region with the overall market size approaching USD 1tn. The Centre was home to 4,949 companies by the end of H1 2023, including many leading global financial institutions, professional services firms and FinTech and innovation companies.

On average, the number of companies based in DIFC grew by 23%, signalling a strong inflow of firms into Dubai and reaffirming the emirate's position as a preferred destination for financial institutions from all sectors. This growth trend gained further momentum with 572 new company registrations in the first half of 2023, higher than any annual increase in the past five years.

Rapid growth in companies operating within DIFC has led to a large rise in its workforce. There are now more than 39,140 professionals employed there, with 3,057 joining in H1 2023 alone – the highest number of jobs created since the Centre's inception.

DIFC's hedge fund industry, in particular, has seen swift growth, with the number of hedge funds increasing by 54% in 2022 with another 60 in the pipeline. Dubai's attractiveness to specialised international talent has been a key factor in hedge funds' decisions to choose the emirate to establish their regional operations. Many of them continue to seek top-tier international talent to support their expansion plans as they increase their investment in the region.

Growth in registered firms and employees at DIFC 2019 – H1 2023



Source: DIFC

Dubai's attractiveness to international talent

Attracting, developing and retaining talent is a national priority for the UAE, which has welcomed dedicated, ambitious and innovative individuals from across the world. According to INSEAD's 2022 Global Talent Competitiveness Index, the UAE ranked among the top 25 countries in terms of overall global talent competitiveness.

INSEAD Global Talent Competitiveness Index 2022 – UAE ranking



Source: INSEAD

Dubai leading the region

Looking more closely at the individual pillars that make up the index, the UAE is ranked within the top five countries in: external openness towards foreign talent; attracting global talent; and accessing growth opportunities. These rankings confirm that the UAE, and Dubai in particular, is well positioned to attract and foster international talent. This means that the DIFC is also well positioned to attract global financial services talent, especially those who are highly specialised in areas such as asset and wealth management, hedge funds, and FinTech.

The Global Financial Centres Index 34, published September 2023, ranked Dubai first among financial centres in the region. Dubai has been consistently positioned within the top quartile of the world's financial centres over the last five years. Notably, the survey associated with this index identifies human capital as the most important area of competitiveness.

Dubai is an attractive destination for international professional talent to live and set up roots in due to its strategic location, easy immigration processes, advanced infrastructure and an established global reputation for offering a quality of life that caters particularly well to affluent lifestyles.

Geographical advantage – Dubai offers financial services talent ready access to high-growth emerging markets in MENA, Western Europe, Asia and Africa, all reachable through flights of eight hours or fewer. Dubai International Airport offers accessibility for business travellers to almost all major global cities through Emirates and more than 100 other international airlines.

Easy immigration processes – The UAE launched a series of initiatives in 2021 including its Strategy for Talent Attraction and Retention, a 10-year, holistic plan to facilitate immigration

pathways, enhance social insurance, and increase workforce flexibility and mobility.

Another initiative is Projects of the 50, which delivered a package of provisions including enhanced residency and visa pathways for investors, skilled professionals, and high-achieving students. Also, the UAE's new Advanced Visa System, which came into effect in 2022, offers professionals several visa options that do not require employer sponsorship. The system's benefits include a 10-year renewable residence visa and residence for family members and children, with no age limit.

Quality of life and affluent lifestyle – Dubai's focus on happiness and its reputation for enabling a high quality of life are major factors in attracting global financial institutions and the people who work in them. Savills Executive Nomad Index 2022 rated Dubai one of the

world's top three cities for professionals to live in. The city is renowned for its year-round sunshine, world-class infrastructure, safe living environment, unrivalled lifestyle offerings, and high standards of housing and education.

The city is also close to becoming the most sought-after market for luxury residential properties in the world, with high-net-worth buyers snapping up dozens of homes priced at USD 10mn and above in 2022. The emirate registered 219 sales of prime residential properties worth USD 10mn or more, the fourth highest in the world in 2022, just behind New York, Los Angeles and London, according to global property consultant Knight Frank.

Moreover, there is currently no federal or emirate-level personal income tax in the United Arab Emirates, and therefore no individual tax registration or reporting obligations.

DIFC supporting international talent employment and development

As a global financial and innovation hub, DIFC regards talent as a leading priority for its clients and partners. In addition to the attractiveness of living in Dubai, DIFC has introduced several career-focused programmes and initiatives that

enable international talent based in Dubai and overseas to access new career opportunities with DIFC clients and to further develop their professional and technical skill and career prospects.

Access to career opportunities

DIFC's Talent Week was introduced in 2021 to provide new talent with direct access to career opportunities at DIFC-based institutions, in collaboration with educational institutions, world-renowned corporates, start-ups, and government bodies. By 2023, the event shifted its focus to empowering Emirati talent – students, graduates and young professionals – and preparing them for the future of work. It introduced Emiratis to the founders of successful technology start-ups so they could benefit from their experience be encouraged them to pursue a similar career path, while providing them with access to job opportunities at leading financial institutions and FinTech companies.

DIFC also hosts the Talent Network, which offers a centralised platform for local and international talent to explore career opportunities in financial services and innovation with leading market players operating both within and outside of the DIFC. The platform hosts a wealth of opportunities for skilled financial services professionals in DIFC, including options to deepen their expertise. At the time of writing, the Talent Network hosted 717 job opportunities at DIFC-based companies, and 72,645 positions worldwide as of 24 July 2023.

Capacity-building and talent development

To meet strong demand from professionals in the MENA region for training opportunities within and beyond the workplace, DIFC established the DIFC Academy in 2017, a training and development platform to help professionals in Dubai's financial and supporting sectors develop their careers.

The Academy also provides a platform for educational institutions to deliver professional development and higher education courses

ranging from short certificate workshops to executive master's degree programmes.

In July 2023, the Academy announced a partnership with the CFA Institute to launch a knowledge hub for banking, finance and investment professionals. This provides access to the latest industry perspectives and insights through workshops, webinars, conferences, training courses and thought leadership.

Talent diversity and inclusion

DIFC has been committed to supporting diversity in Dubai's financial services sector since its inception in 2004, with a particular focus on women's empowerment. The DIFC Authority employs more women than men, with a 57 per cent female representation. Women at the DIFC Authority lead across many different areas such as the FinTech Initiative and the Cybersecurity divisions.

In addition to its own internal policies, the Centre also supports capacity building among female talent in its technology and FinTech and innovation sectors through dedicated programmes led by the DIFC Innovation Hub.

The DIFC Innovation Hub's AccelerateHer programme, launch in 2019, aims to develop female talent in the financial technology and innovation sectors. Participants in the programme have come from a range of financial

services firms and have used it to accelerate their personal development and contributions to their organisations. Through the accelerator programme, some participants were able to launch their own female-founded FinTechs.

The Innovation Hub is also partnering with Standard Chartered in the Women in Tech accelerator programme, an initiative designed to empower women entrepreneurs in the UAE's technology sector. The programme provides the support, mentorship and access to seed capital that can help female-led start-ups to succeed. To date, the programme has accelerated four cohorts, comprising more than 20 start-ups, who have collectively raised over USD 5mn from various venture capitalists to expand their businesses within and outside of the UAE.



Interview



Shadi El Farr
Regional Managing
Partner for the
Financial Services
Practice
Asia Pacific and
Middle East
Heidrick & Struggles



Tell us about Heidrick & Struggles and how it supports the financial services industry.

Heidrick & Struggles is an executive search and consulting firm that offers advisory services to organisations around leadership, culture, diversity, and inclusion, and more. Our goal is to ensure our clients are fully equipped with the right leadership teams and business models in place to develop and nurture talent across their organisations to be future-ready.

Our areas of industry expertise span across sectors including financial services, venture capital, private equity, technology, industrial, and consumer markets. We help our clients meet the challenges inherent in leadership risk by determining the gap between the leadership they have today, and the leadership needed to deliver on future strategy.

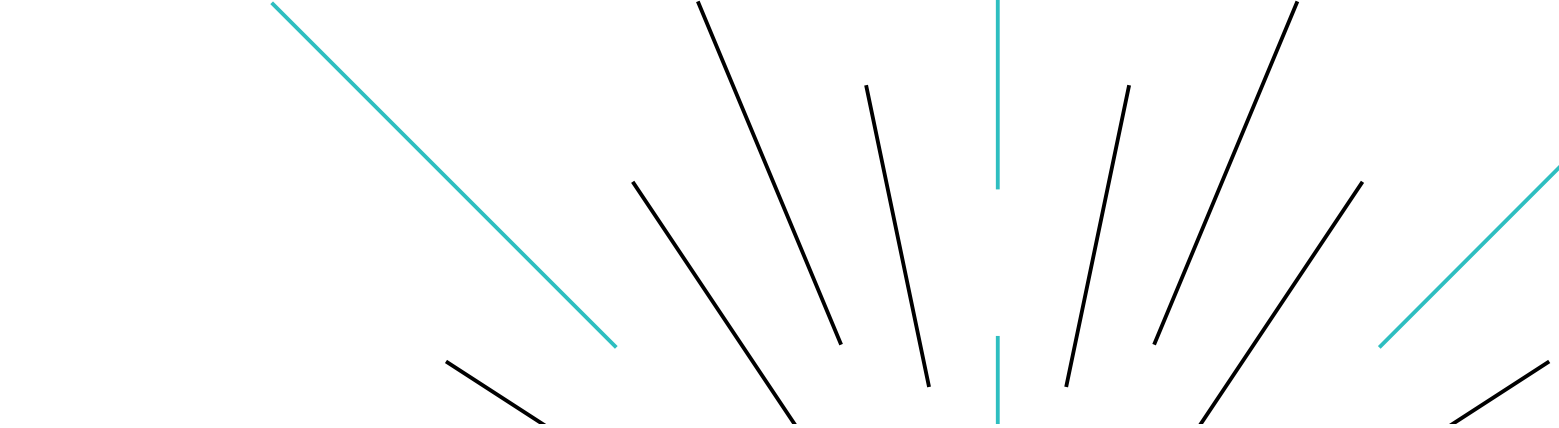
What do companies in the MENA (or emerging markets) financial services industry look for in leaders? What are the main challenges these companies face in sourcing talent?

One critical requirement of financial services would firstly be leaders who understand the dynamics in the region and can establish meaningful relationships with stakeholders. This proves to be particularly effective in transformational and growth scenarios. However, there are also a couple of specific areas of expertise that the region lacks, such as experience in hedge funds, commodities, digital assets, and financial technology. Skilled talent in these areas is limited in the region, which necessitates seeking them beyond borders.

Secondly, digitalisation has taken a prominent position on organisations' agendas, with 40 per cent of large and medium-sized companies' affirming active investments in developing their digital resilience capabilities. The ability to wholeheartedly embrace and adapt to these technologies while effectively managing associated risks and transformation targets is key.

Thirdly, leaders must be more agile than ever before. In Middle East markets today, leaders who are particularly adept at operating effectively in ambiguous and less predictable environments

1. International Data Corporation (2022, February 14). IDC Identifies Three Key Priorities that Will Shape CIO Decision Making Over the Coming Year.



compared to other economies are highly valued. To drive innovation and growth, leaders must be adept at addressing core business issues, ensuring business continuity, and maintaining overall stability.

However, there are challenges in finding agile leaders with the necessary technical expertise. It is imperative for organisations to identify leaders who possess both the ability to adapt swiftly to change and the technical proficiency to navigate complex technological advancements.

What are the key issues leaders take into consideration when deciding to join a financial services company?

With the region undergoing accelerated growth, as seen from the Saudi Arabia Vision 2030, the leadership recruitment landscape is robust, fuelled by the abundant opportunities within its markets. This is further underscored by incentives aimed at attracting top-notch talent from beyond the region, including the Regional Headquarters Programme designed to incentivise globally established companies to move their regional headquarters to Saudi Arabia.

With the emergence of varied financial centres across the region, an evolving consideration is where to base oneself and in which city and legal jurisdiction, whether Dubai, Abu Dhabi or Riyadh, among others.

Additionally, as the cost of living in the Middle East continues to rise amidst exchange rate fluctuations and housing costs, leaders may seek higher compensation to maintain their standard of living. This could create wage pressures for employers.

Financial institutions need to find a balance between offering competitive compensation while also managing cost pressures to ensure financial sustainability. Companies that demonstrate flexibility by providing localised packages tailored to diverse talents, such as benefits that promote work-life balance and personal development opportunities, are more likely to attract and retain a diverse and skilled workforce.

How does Dubai differentiate itself as a destination for international financial services talent?

Dubai's position as a regional finance hub has been strengthened through a strong inflow of top firms. In the first half of 2023, the Dubai International Financial Centre (DIFC) reported a total of 661 new entities registered, representing a 23 per cent year-on-year increase.

The depth of Dubai's talent pool today is a large differentiator for companies operating in the region. The market has evolved tremendously over the past five years, and now consists of a more sophisticated pool of both multinationals and local players, which by itself attracts a lot of new entrants into the city. One factor for this is the number of opportunities available today when compared to before. Additionally, Dubai's business-friendly environment such as tax incentives and free zones creates an attractive environment for financial institutions and professionals. Dubai's position as a travel hub also contributes to its global appeal and establishes it as a strategic gateway to both regional and international markets. Financial services entities seeking global connectivity can tap into the city's excellent infrastructure and digital interconnectivity.

DIFC talent milestones

2004

September

Dubai Government passes the 'Law of the Dubai International Financial Centre'
- DIFC opens for business
- DFSA established as independent regulator of DIFC
- DFSA issues first licences

2007

February

Cass Business School launches its Executive MBA (EMBA) programme offering three alternative specialisations: Islamic Finance, Energy and General Management and Finance

2013

October

DIFC reaches 1,000-company milestone

2005

September

Dubai International Financial Exchange opens for business

2008

February

DIFC announces establishment of (Mudara) The Institute of Directors (IOD)

October

DIFC Investments announces launch of DIFC Global, a new unit providing a global network of premium business centres and corporate services

2016

October

DIFC establishes Wealth Management Working Group

2006

December

London Business School operations launches operations at DIFC, offering executive education programmes including a Dubai-London Executive MBA programme

2009

November

DIFC Centre of Excellence unveils Resource Centre to encourage knowledge and research

2017

January

DIFC launches FinTech Hive, the region's first FinTech accelerator

September

DIFC announces launch of DIFC Academy to curate regionally relevant executive education programmes

November

DIFC launches USD 100mn FinTech fund

2018

September

DIFC Academy partners with The University of Paris II Pantheon-Assas to launch a joint Master of Laws (LLM) in International Business Law

2019

April

DIFC FinTech Hive launches AccelerateHer, a mentorship programme for female professionals to play a more active role in developing the region's FinTech landscape

May

DIFC enacts a new DIFC Employment Law, complimenting the Centre's commitment to international best practice

June

DFM and DIFC launch Dubai Sustainable Finance Working Group

November

DIFC enacts new Intellectual Property Law

2020

January

DIFC announces Employee Workplace Savings Plan

February

DFSA introduces a comprehensive Money Services regime

May

DIFC Academy and CISI partner to provide internationally recognised CPD programmes to financial services Professionals

DIFC Academy enters an agreement with the International Compliance Association (ICA) to offer ICA education to UAE nationals and residents

June

DIFC signs MoU with EC3 Brokers to implement a Group Health Insurance Master Policy for the employees of DIFC-registered firms

August

DIFC launches Innovation License to boost creativity and entrepreneurship

2021

January

The Future Learning Lab launches its space as part of the DIFC Innovation Hub to provide educational solutions and tools aligned with the trends of the Fourth Industrial Revolution

DIFC Academy partners with Candriam Academy to offer the world's first free-to-access accredited training platform for sustainable and responsible investing

2021

February

DIFC Academy and the Emirates Institute for Banking and Financial Studies (EIBFS) sign a MoU to strengthen financial training and expand knowledge exchange

March

DIFC Innovation Hub launched

May

DIFC strategic objectives expanded to include advancing sustainable economic growth for Dubai, developing and diversifying its economy and increasing the GDP contribution of the financial services sector, promoting investment in Dubai, and attracting regional and international entities to establish DIFC as their principal place of business

July

DIFC announces enactment of Intellectual Property Regulations

September

DIFC enacts Employment Law Amendment Law No. 4 of 2021, which brings the Qualifying Scheme regime under the Employment Law in line with DFSA's Employee Money Purchase Scheme, so that only a single layer of regulation is applied to these schemes.

October

DFSA introduces regulatory framework for Investment Tokens

November

AED 1bn Dubai Future District Fund launched to support seed-to growth-stage start-ups

DIFC talent milestones

2022

March

DIFC launches ground-breaking Artificial Intelligence and Coding License in cooperation with UAE AI Office

April

DIFC launches first Global Venture Studio Launchpad to grow the "Ubiquitous Finance" ecosystem from Dubai

June

DIFC launches region's first Open Finance Lab

July

DEWS scheme roll out begins for expats in other Government of Dubai organisations

October

DIFC launches programme with Global Ethical Finance Initiative aligning with UAE's COP28 agenda

DIFC and The European Women's Association (EWA) sign an agreement to connect female entrepreneurs from Europe and the UAE.

2023

January

DIFC launches the 'Climate Finance Training Series' training programme, jointly delivered by the Global Ethical Finance Initiative (GEFI), as a part of DIFC's Path to COP28 campaign

May

DIFC Academy collaborates with PwC's Academy Middle East to offer access to 'UAE Corporate Tax Diploma Programme'

July

DIFC Academy and CFA Institute ink partnership agreement to upskill investment management professionals

August

Sukoon Insurance launches subsidiary offering 'Go Saver' scheme to administer end of service gratuity and workplace savings schemes

Report team

London Stock Exchange Group (LSEG)

Jinan Al Taitoon

Senior Research Analyst
Project Lead

Mustafa Adil

Business Head, Emerging
and Frontier Markets

Shereen Mohamed

Senior Research Analyst

Dubai International Financial Centre (DIFC)

Salmaan Jaffery

Chief Business Development Officer

Marcus Bailey

Consultant, Marketing & Corporate
Communications, Project Lead

Mahmoud Nsouli

Senior Vice President Marketing
& Corporate Communications

Henriette Svensen

Assistant Vice President – PR
& Communications

Disclaimer

The data in this report is believed to be correct at the time of publication but cannot be guaranteed. Please note that the findings and conclusions that the report delivers are based on information gathered in good faith from both primary and secondary sources, the accuracy of which we are not always in a position to guarantee. The findings, interpretations and conclusions expressed in this report do not necessarily reflect the views of LSEG.

As such, the information presented is intended to provide general information only and, as such, should not be considered as legal or professional advice or a substitute for advice covering any specific situation. LSEG specifically disclaims all liability arising out of any reliance placed on this material. LSEG makes no representations or warranties of any kind, express or implied about the completeness, accuracy, reliability or suitability of this material for your purposes.



LSEG DATA &
ANALYTICS



The future of financial services talent

The future is here

difc.ae