



# Powering the future of work

Attracting and retaining talent in  
a competitive global landscape

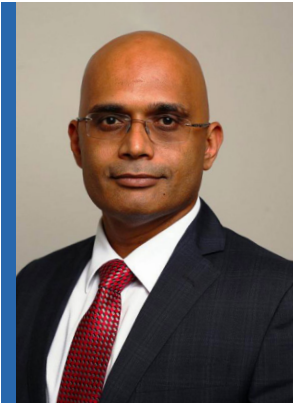
November 2022



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# Foreword: The art of the possible



**Sajeev Nair**

Senior Executive Officer,  
Zurich Workplace Solutions

Today, organizations are at a critical crossroad, as the battle to attract and retain talent is fought globally. This is a pivotal moment amidst looming talent shortage and rising international competition. In response, governments and the private sector must take a longer-term, worldwide view to attract and retain the best talent to fuel future growth ambitions.

For those in the UAE specifically, the need to drive forwards to achieve the nation's bold ambitions to create a diversified knowledge-based economy requires them to embrace the art of the possible; the Emirates must enter a new paradigm as a net importer of talent and net exporter of knowledge work, which is a huge change from where the country stands today.

In recent years, the government of the UAE has taken steps to address the changing talent landscape through the introduction of progressive policies that enable the attraction of skilled individuals to the country. This, in addition to a low tax environment and a great infrastructure provides for a fertile ground for attracting talent from the rest of the world. However, as we explore in this report, both government and employers must do more to keep homegrown talent in the country and to attract and retain top talent from a competitive global recruitment market.

For government, continued investment in education is proving fruitful, but further partnerships and collaborations with the private sector to align on the future needs of industry will be critical to success.

From an employer's viewpoint, there is a need to urgently address the critical talent gap in today's market while also taking a long-term view to forecast future talent needs and enact proactive policies that will position them as an employer of choice.

Open dialogue, a shared narrative and a unified taxonomy to define what constitutes a comprehensive set of employee benefits is needed. There is a clear mismatch in an employer's definition of a benefit and what employees understand to be a tangible benefit i.e., what would entice them to join a company and remain on staff for an extended, enjoyable, and productive period. This is further compounded by a difference in the value placed on certain benefits by employers versus employees. To attract and retain talent, employers must work harder to recognize what potential employees truly value and offer the benefits that will position them ahead of competitors.

In a competitive landscape where talent is at a premium, skilled employees can be easier to attract but difficult to retain, particularly if the total compensation package is not clear, and available benefits are not regularly reinforced. Effective communication and continuous engagement are beyond critical.

As employers look to support the government in realizing the country's ambitions and championing private sector growth across a diverse range of sectors and capabilities, the time to address future skills needs and attract top global talent is now.

# Executive summary

## The workforce revolution is here, and businesses must respond

### Purpose

Since the onset of the pandemic, businesses have had to rapidly adapt to the changing employer-employee dynamic, where employee expectations have irrevocably changed. This shift has been felt with a greater call for work-life balance, flexibility, an empowered work culture, and demands for higher pay. With global media headlines over the past years flooded with increasing conversations on trends such as the 'Great Resignation', the 'war for talent' or the 'workplace of the future', there is a great benefit to employers, employees and the government to gain a clearer understanding of these trends and its implications, as the nation continues its ambition to be a global magnet for talent.

Zurich in the Middle East commissioned a survey targeted at employers and employees on what the future of work will look like in the UAE, to uncover the state of talent, employee benefits and the extent to which companies are positioned to attract the talent of tomorrow by demonstrating social leadership. This report aims to provide insights into the changed state of the work landscape in the UAE and help the public and private sector better understand how to create and communicate effective employee benefits propositions to attract and retain talent in an increasingly competitive market.

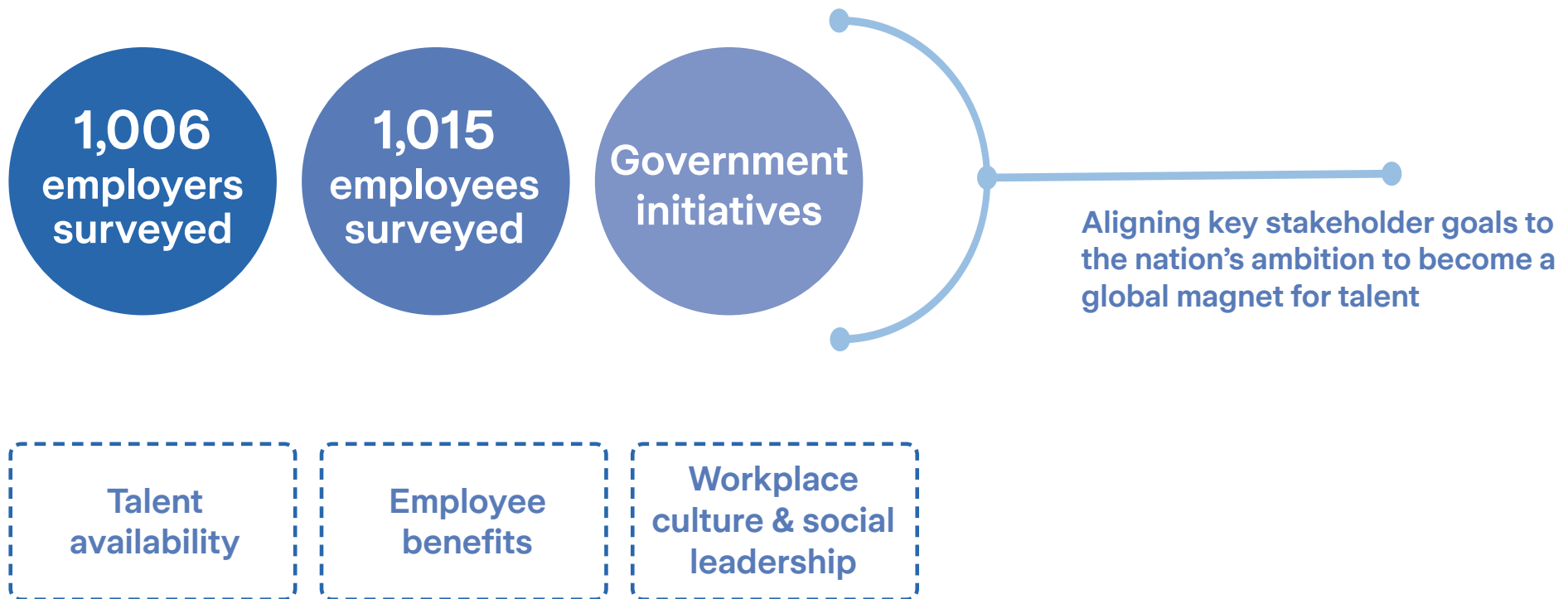
### About Zurich

Zurich International Life is part of Zurich Insurance Group, a leading multi-line insurer founded 150 years ago. Present in the Middle East for 35 years, we have developed a deep understanding of the needs of people and businesses in the region, providing a range of market-driven life insurance, savings and employee benefits solutions.

Zurich Workplace Solutions is helping to shape and revolutionize end of service benefits in the Middle East. We are proud to support companies to be an employer of choice, with flexible workplace savings solutions aligned with international standards, designed to help attract and retain the best talent. Also, we ensure employees have the confidence, transparency and control they need to manage their end of service benefits and create a brighter financial future.

## Methodology

The survey was conducted in the UAE by YouGov, with fieldwork taking place between September 29 and October 5, 2022. The survey results are based on a sample size of 2,021 respondents, of which 1,006 are employers and 1,015 are employees. The equal weighting of the employer-employee response reflects a balanced contribution and supports the accuracy of the data.



# An expert view:

## Why Dubai is primed to win the battle for talent



**Jacques Visser**

Chief Legal Officer, Dubai  
International Financial  
Centre Authority

“ A focus on employee benefits will cement Dubai’s place as the world’s expat destination of choice ”

The UAE, and Dubai in particular, has long been a hub for talent from around the world. Starting from around 2016, however, we saw a clear pivot towards attracting talent towards building a knowledge-based economy.

To achieve this, the government – locally and federally – has poured resources into creating a truly enabling environment. Capital is more readily available for investment, while government efficiency and ease of doing business have significantly improved.

As our survey shows, businesses across several key sectors are struggling to find qualified people, and a readiness for workers to move from job to job implies it’s

very much an employee’s market out there for certain the key skillsets required, especially in technology and innovation.

In a knowledge-based economy, employee wellness and benefits are key ingredients to attract top talent. When considering talent hubs globally, Dubai competes with the best on a range of metrics such as quality of life, opportunity, remuneration and tax. However, when it comes to employee benefits in the form of end-of-service savings plans or retirement schemes, the UAE and Dubai are lagging against what is provided to employees elsewhere. The provident schemes in expat hubs such as Hong Kong, Malaysia and Singapore serve as good examples of what can be provided to

employees from a benefits perspective, especially in a changing employee demographic where people stay much longer in the country and may end up retiring here.

This situation is about to change with the Dubai International Financial Centre (DIFC) having successfully launched in February of 2020 an end-of-service savings plan, the DIFC Employee Workplace Savings (DEWS) Plan, which is overseen and managed by top global experts, inclusive of the administration thereof by Zurich Workplace Solutions. The DEWS Plan effectively rewrote the script for end-of-service benefits in the UAE. Soon Dubai Government employees will be added to the plan, and a broader private sector roll-out on a voluntary basis is also in planning stages.

This represents a paradigm shift for the UAE. A scheme such as this, and the broader end-of-service savings plan marketplace that will follow, promises much broader strategic and economic benefits than just employees' end-of-service benefits and talent attraction. From a broader strategic and economic perspective, a number of additional objectives may be achieved. These include establishing an institutional investor class into the UAE markets with a local market allocation requirement built into these

savings plans and tapping into the economic benefits and GDP growth typically associated with a saving population.

Moreover, once a platform for providing defined contribution savings plan benefits to employees has been established, it can serve as a broader employee wellness delivery platform, adding components such as health insurance, life insurance, unemployment insurance and other wellness benefits. The survey points to other meaningful factors that can be used to attract and retain top talent. Chief among these is upskilling and training – something that becomes even more relevant when looking at the type of jobs Dubai is trying to create and fill going forward.

The key advantage that Dubai has in attracting talent in a skills-based economy is that it has been, for quite some time, a clustering point for entrepreneurial talent (i.e. they want to live here). Hence, employers and the local government doesn't have to compete with regional rivals in spending large sums of money to convince talent to move here. This puts Dubai in the enviable position of being one of a few nexus points around the world where natural clusters are supporting new ways of working and ensure a steady stream of new talent from the creative arts through to finance and technology.



## Finding 1:

# Talent is restless

Three-quarters of employees in the UAE say they are considering **changing jobs in the next 12 months**, with the overwhelming majority saying they would prefer to take on new roles within the country.



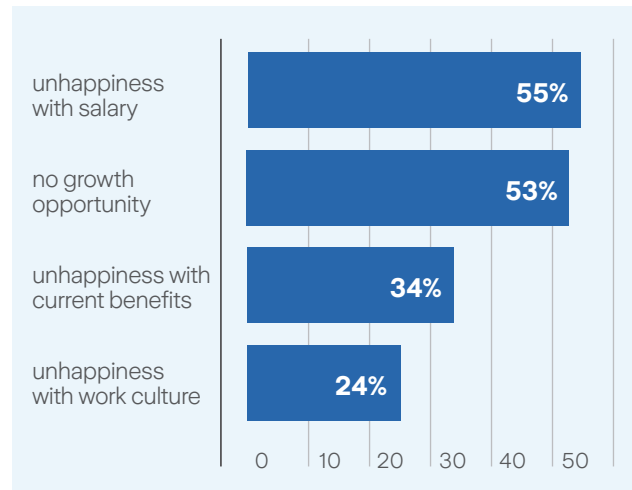


## Staff in the 25-34 age group are more likely to change job within the next 12 months

Three-quarters of employees in the United Arab Emirates say they are considering changing jobs in the next 12 months (76%).

This suggests a level of ambition and desire for growth, professionally and financially, among those in earlier stages of their careers or occupying positions with lower salaries and benefits. It also links in with global trends shown among staff in general, and younger staff in particular, where relationship and expectations for work having altered significantly.

Data from the survey showed the key reasons for changing jobs included:



Results point to professional development (or lack thereof) as a key factor in employees changing jobs. Ensuring employees are aware of the opportunities available to them and/or offering a better development programme would greatly aid in talent retention.

The survey highlighted that retention of staff is built on the effective communication of employee benefits and opportunities. A lack of awareness or understanding of the benefits included in an employee's package can cause them to leave an organization, often unnecessarily.

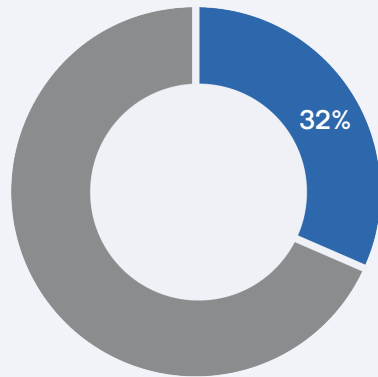
Despite the UAE Government's goal of expanding the longevity of residents' stay in the country beyond their working years, companies that offer the provision of after-work financial stability through a retirement/pension scheme are still rare and therefore highly sought after, particularly among expatriate staff.

**There is a correlation between youth and restlessness as the number of people changing jobs decreases with age and years of experience in the Middle East.**

Data showed that 30% of those with 6-10 years' experience changed jobs in the last 12 months, compared to 42% of employees with careers spanning 2-5 years.

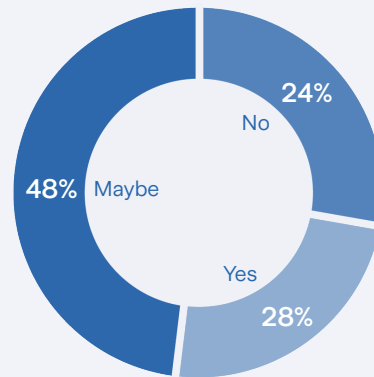
According to the survey's findings, staff working in the infrastructure and tech sectors showed the lowest inclination to move between employers, a result of the salary, employee benefits, and packages traditionally available in these fields, especially for those who have long periods of service.

**Employees who have changed jobs (organization) in last 12 months**



Number of those changing jobs decrease with age and years of experience in Middle East

**Employees who intend to change jobs (organization) in the next 12 months**  
(those who haven't changed jobs in past 12 months)



Those in the 25-34 age group and lowest income group show higher intention of changing jobs in next 12 months



**76%**  
of employees have either changed job (organization) in the past 12 months or plan to in the next 12 months

Infrastructure and tech companies have traditionally focused on staff retention for the success and progress of extended projects and client relationships.

The likelihood of switching jobs for the same pay, but better benefits, reduces with an employee's age, suggesting that older staff enjoy a more stable working environment.

Finding new talent through interactions with educational institutions is vital to the UAE's growth ambitions; ensuring current, experienced staff are well catered for is just as critical.

**The overwhelming majority of staff say they would prefer to take on new roles within the country (85%).**

These findings can be attributed to several professional and societal factors that contribute to or shape a person’s willingness to remain a resident of the UAE in the medium to long term.

Professional knowledge of the UAE’s business landscape, which comes with extended experience of different sectors and practices, is deemed a major plus point for potential employers, who are more inclined to provide attractive compensation and benefits packages to staff with longevity and experience in the Emirates.

The UAE’s status as 4th Best Place to Live, according to HSBC’s annual Expat Explorer survey, contributes greatly to the country’s renowned high standards of personal safety and its status as a ‘tax-free’ destination, albeit with just a low VAT rate at present.

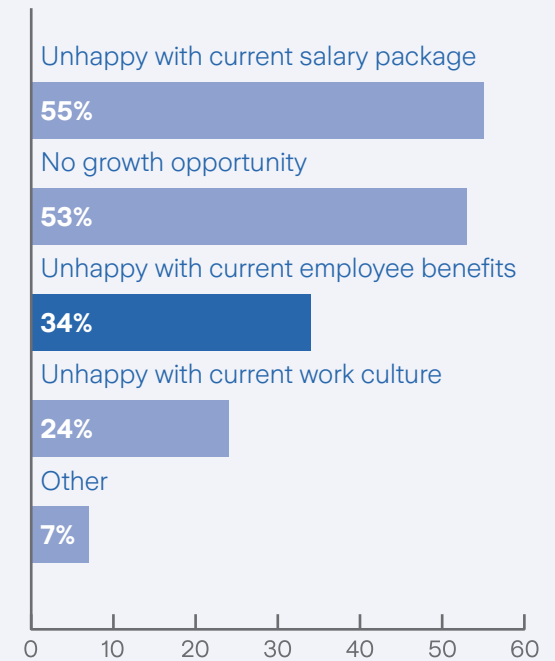
Around half of companies in the UAE say they are facing talent shortages and believe this will continue into the future (48%).

**52%** of employers in the UAE report facing talent shortages



**Reasons why employees changed jobs**  
(those who changed jobs in past 12 months)

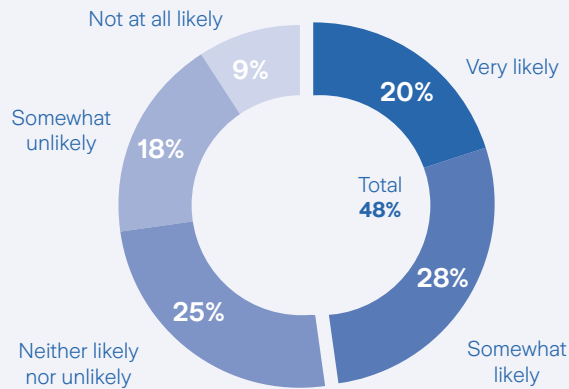
Number of those changing jobs decrease with age and years of experience in the Middle East



**Reasons employees are looking for new jobs**  
(those considering changing job in next 12 months)

The majority of employers say the inability to attract and hold on to talent will have an impact on profitability and operating costs (61%), and that this is set to continue in the future (61%).

**Likelihood the organization will face a shortage of talent in the near future (employer)**

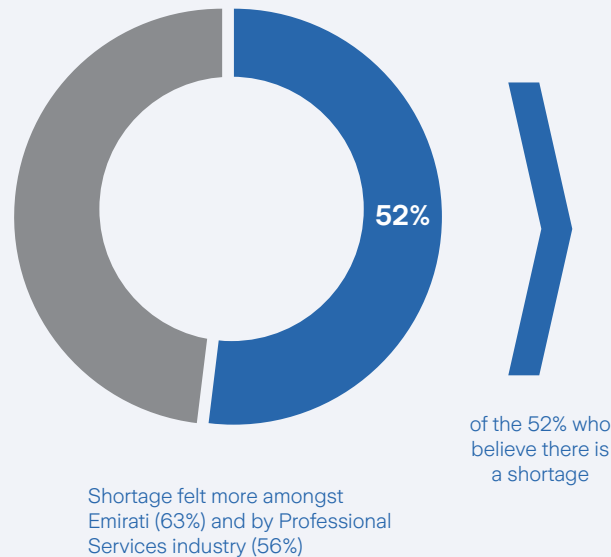


The tech industry sees the talent shortage as more of a threat to profitability and operating costs than other industries, with 28% saying the threat is high or very high.

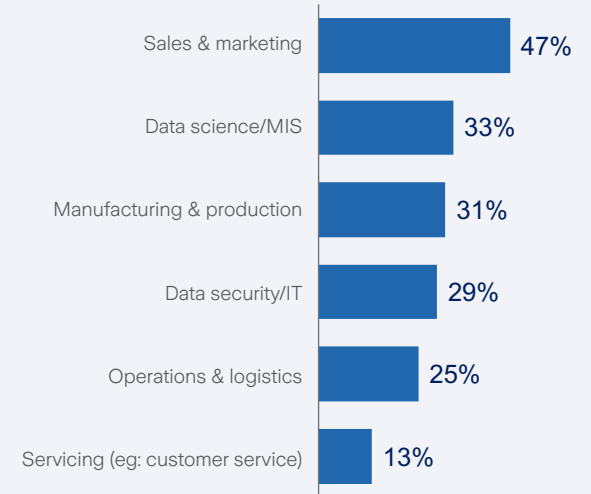
Sales and marketing professionals are the most in demand (47% say this area is most impacted by shortage), and also the most difficult to recruit (31% face difficulties).

This is followed by data scientists (33% impacted by shortage, 30% finding it hard to recruit) and IT & data security professionals (29% and 30% respectively).

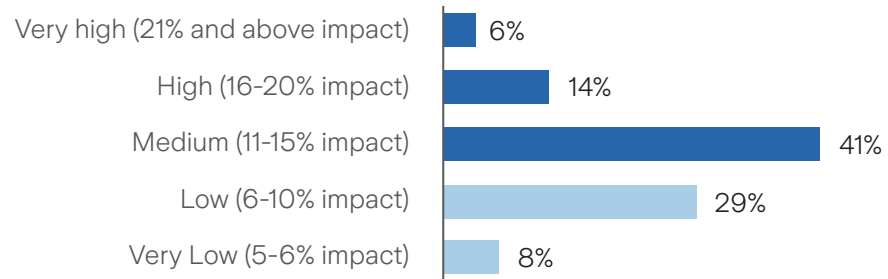
**% of employers who believe they are facing a talent shortage for particular roles in their organization**



**Areas of business most impacted by shortage of talent (employer)**



**Impact of talent shortage is severe on business productivity and profitability:**



61%

## Finding 2:

# Comprehensive benefit packages can beat salary

An overwhelming majority of employees say they would move jobs for the same pay if **better benefits were on offer**. Meanwhile, employers are open to providing better employee benefits, but are held back by cost and time resources.



Of those surveyed, almost all, 89% say they would be either likely or somewhat likely to take a new job with the same salary if benefits are better.

Workplace savings, unemployment insurance and education allowances are among the employee benefits most highly valued by employees, cited by 34% and 33% of respondents respectively (respondents could give more than one answer).

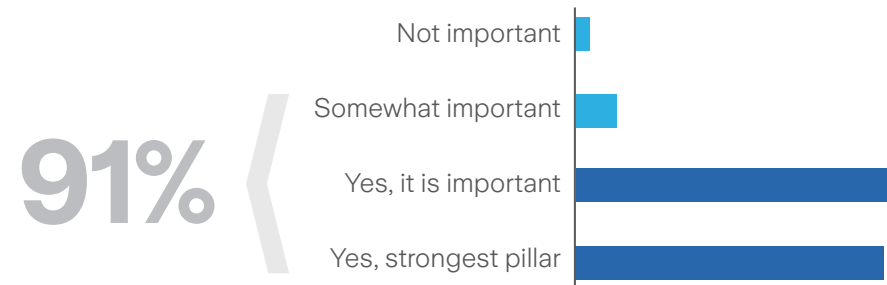
Almost half (45%) of employees say salary aside, benefits are the strongest pillar in their relationship with an employer; while, over and above salary, a third (35%) of employers cite benefits as the most important pillar of their people strategy.

Of those who have moved jobs, 55% cite market leading salary packages, 44% better benefits package and 43% growth opportunities as their reasons. 31% moved for a better work culture, 27% for flexible working and 27% for a better office location.



89% of employees would switch jobs for same remuneration if more benefits are on offer

Consideration by employees of benefits (over and above salary) as a key pillar

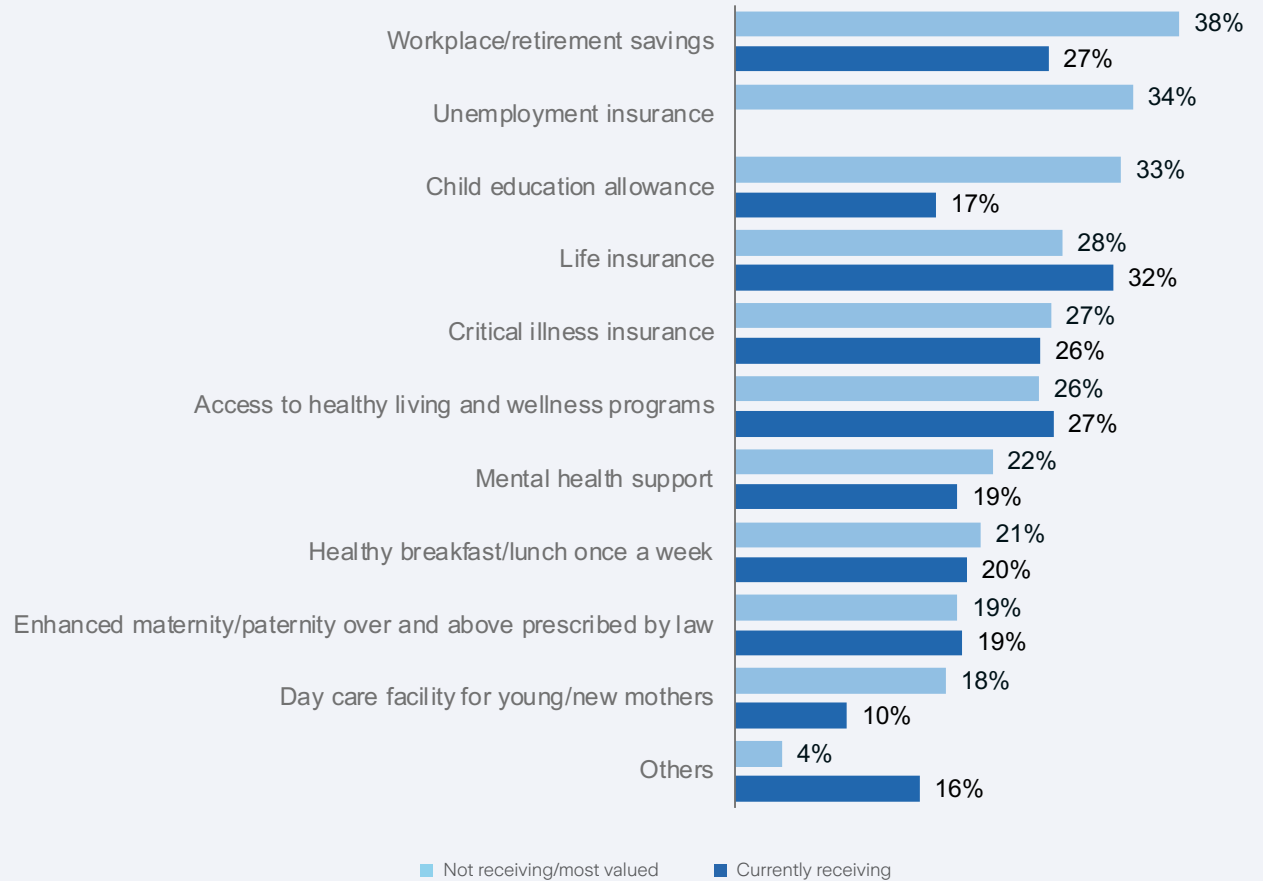


## Less than 1/3 of the employers are providing non-mandatory benefits

To stand out as employers of choice, companies need to rethink their approach to employee benefits and what they offer staff.

While salary is a major motivating factor for some employees seeking to switch companies, interestingly those working in the tech sector were found to be less driven by financial incentives and more interested in improved employee benefits when considering moving jobs, according to the survey – possibly a reflection of that sector’s history of engaging with staff through the availability and communication of benefits more than other industries.

### Benefits that appeal most to employees



## Finding 3:

# Benefits must be better communicated

**Effective engagement around employee benefits is central to retaining staff. A lack of awareness around the breadth and availability of benefits may lead to employees resigning simply because they did not know what was on offer.**



There is a significant gap between what employers see as additional benefits and what employees see as worthwhile extras. For example, while almost a third (29%) of employees are offering enhanced maternity or paternity leave, only 19% of employees say they are aware that such benefits are available in the jobs marketplace, and want them.

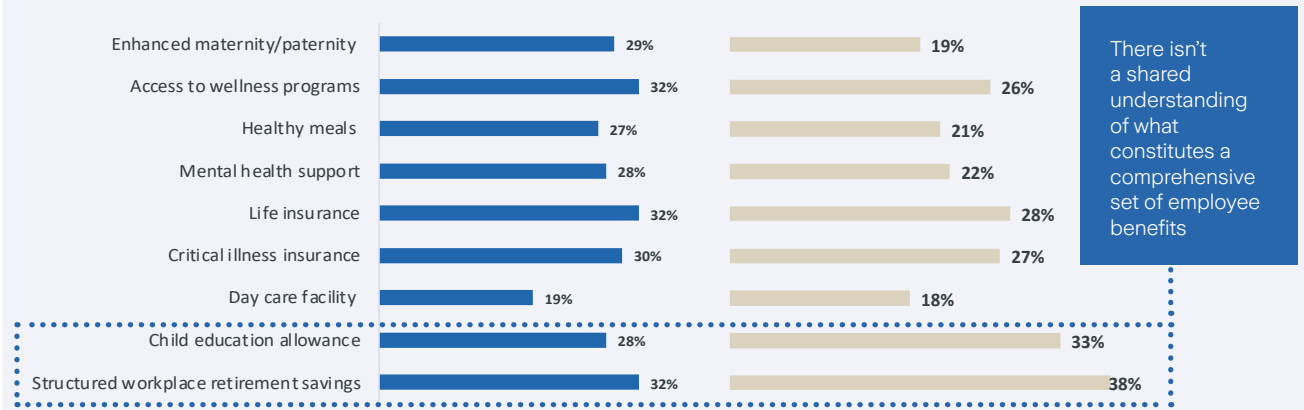
There is also a significant gap in those benefits that are desired by employees and what employers are actually offering. For example, 38% of employees are not receiving what they see as the most valuable benefit – a child education allowance – something only received by 17% of employees surveyed.

Effective communication around such benefits is key to attracting and retaining staff. A lack of awareness around the breadth and availability of benefits may lead to employees resigning simply because they did not know what was on offer.

Ensuring regular communication of the benefits on offer will require developing a shared narrative and understanding of what benefits are available. Employers must regularly survey employee satisfaction to gain insight into the levels of awareness, understanding and overall reactions around employee benefits.

Less than 1/3 of employers are providing non-mandatory benefits

Employees are aware and want these benefits, but aren't receiving them



## Finding 4:

# Find tomorrow's talent today

To attract the talent of tomorrow, **employers have an added responsibility to be social leaders and showcase a true commitment to addressing some of the most pressing issues of our time.**

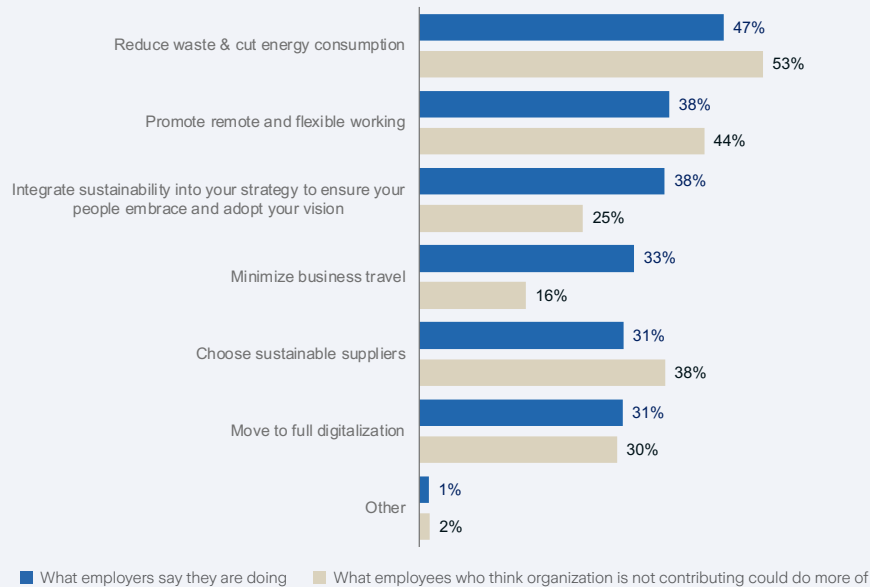


Climate change mitigation and adaptation strategies are at the top of the global agenda, and talent is increasingly championing sustainability initiatives and place value in working for employers that enact policies that align to their social values.

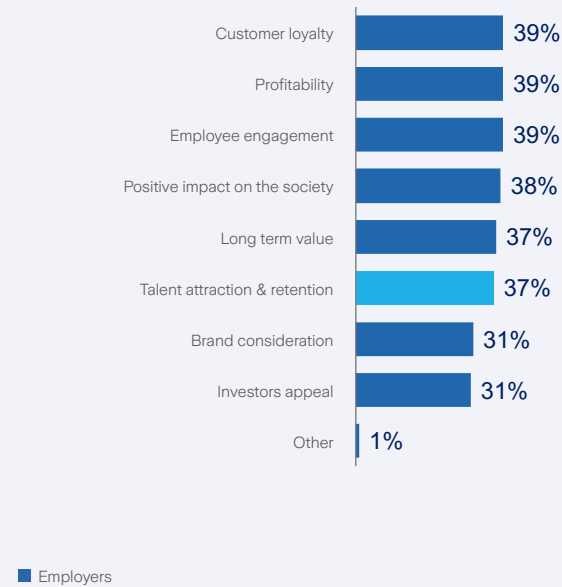
When asked what employers could do to be a more sustainable business, initiatives to reduce waste and allowing flexible working are recommended as keys ways to improve. Furthermore, one fourth of employees believe organisations must do more to integrate sustainability in their overall strategy, to ensure employees embrace sustainable practices. The findings show disparity between what employers believe they are doing to reduce their carbon footprint and the perceived impact of initiatives by employees.

**36%** of employees believe their organisation is not contributing to reducing climate change

**A third of employees feel their organization is not helping to reduce climate change impact**



**Tangible benefits CSR: Corporate Social Responsibility and DEI: Diversity and Inclusion bring to the organization according to employers**

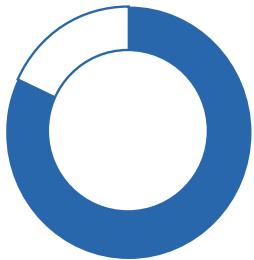


## Finding 5:



# Upskilling is essential for everyone

While 82% of companies believe they offer ample upskilling opportunities, a third of employees say professional development is lacking in their workplace.



**81%** of employees say they would give up an evening of leisure time per week for six months to undertake retraining\*

\*Zurich-Oxford Shaping a brighter world of work: The employer outlook

Recognising and rewarding achievement (48%), upskilling (48%) and listening to employees (47%) are seen as the most effective ways to foster a positive work culture.

While 82% of companies believe they offer ample upskilling opportunities, a third of employees say professional development is lacking in their workplace (36%). 53% cite unhappiness with growth

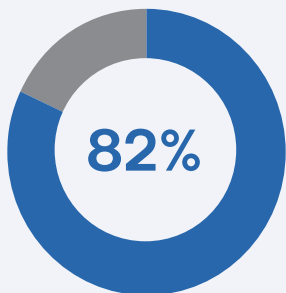
opportunities as a reason to change jobs, just behind dissatisfaction with salary (55%).

Employers in the professional services industry (89%) have the most initiatives for people to upskill, while staff working in infrastructure (71%) and tech (70%) say they feel most supported to acquire new skills and grow.

The data shows a significant gap between the perception of upskilling opportunities as provided by employers and employees' understanding of opportunities available to them. This could be due to two factors; 1. employers' upskilling packages do not adequately address the skills-gaps within their organization or 2. employees simply are not aware of the opportunities on offer. It is clear increased dialogue is needed to close this gap.

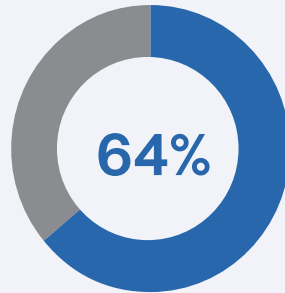
Fresh talent, education and university infrastructure remain critical to the UAE's future growth. Building and offering courses that target critical sector roles and ensuring graduates are best placed to enter the workforce is vital to enable the UAE to meet its recruitment needs.

Employers who have an existing initiative for current employees to upskill



Highest amongst professional services (89%) and tech industries (86%)

Employees who feel their employer supports them in professional development to acquire new skills



Highest amongst infrastructure (71%), tech (70%) and professional services (68%) industries

**73%** of employers are actively recruiting fresh graduates

Finding 6:

# Workplace culture matters

Listening to employees, recognizing achievement and upskilling employees are seen as being the **most effective ways to implement a positive workplace culture.**

When looking to create a positive workplace culture, employees and employers are largely reading from the same page.

Asked how they establish a positive workplace culture, almost half (48%) of employers said listening strategies that are focused on gauging employee satisfaction and loyalty, this was followed by recognizing and rewarding achievement and engagement (44%) upskilling employees (42%), investing in a diverse workforce (40%), and promoting and/or recruiting fresh graduates in their organization.

This is largely mirrored by the workforce, who feel the actions that have most impact on positive workplace culture are listening strategies (47%), recognition and reward programs (48%), upskilling mechanisms (48%), diversity at the workplace (44%) and giving younger talent more opportunities for visibility in the company (35%).

There is a significant disparity between an employers belief in how diversity and inclusion are

fostered in the organisation, and an employees' perception on their organisation's D&I efforts.

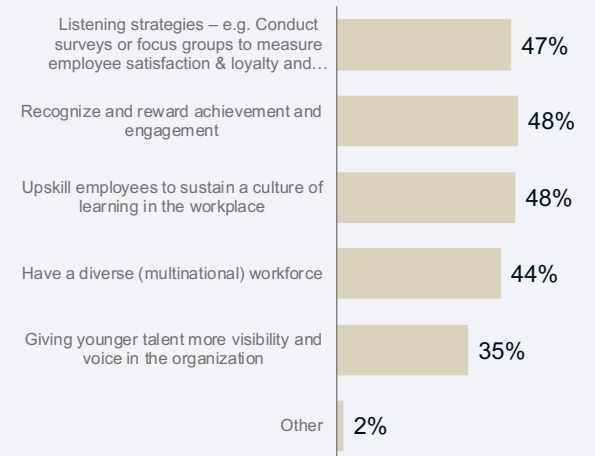
The greatest differences that jumped out in our survey lie in fair reward packages and inclusive leadership. While slightly more than half of all employers (54%) believe they are offering reward packages that are fair, inclusive and unbiased, only 39 percent believe they truly are. In parallel, while 47% of employers believe that their organisation is fostering D&I through accountable and empathetic leadership, 38% of employees feel that is actually true.

Employees feel more could be done is in implementing fair and unbiased rewards packages and having more accountable/empathetic leaders

### How employers establish a positive workplace culture

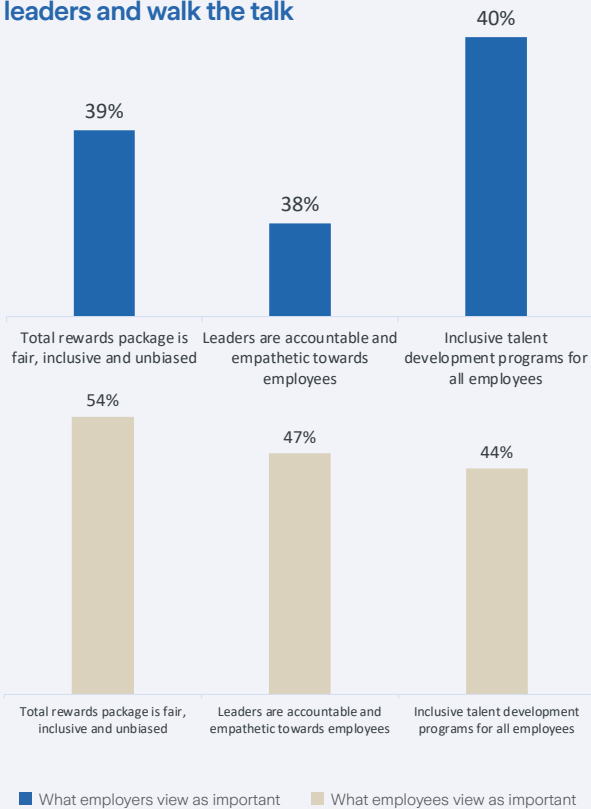


### Initiatives which employees feel have most impact on promoting a positive workplace culture

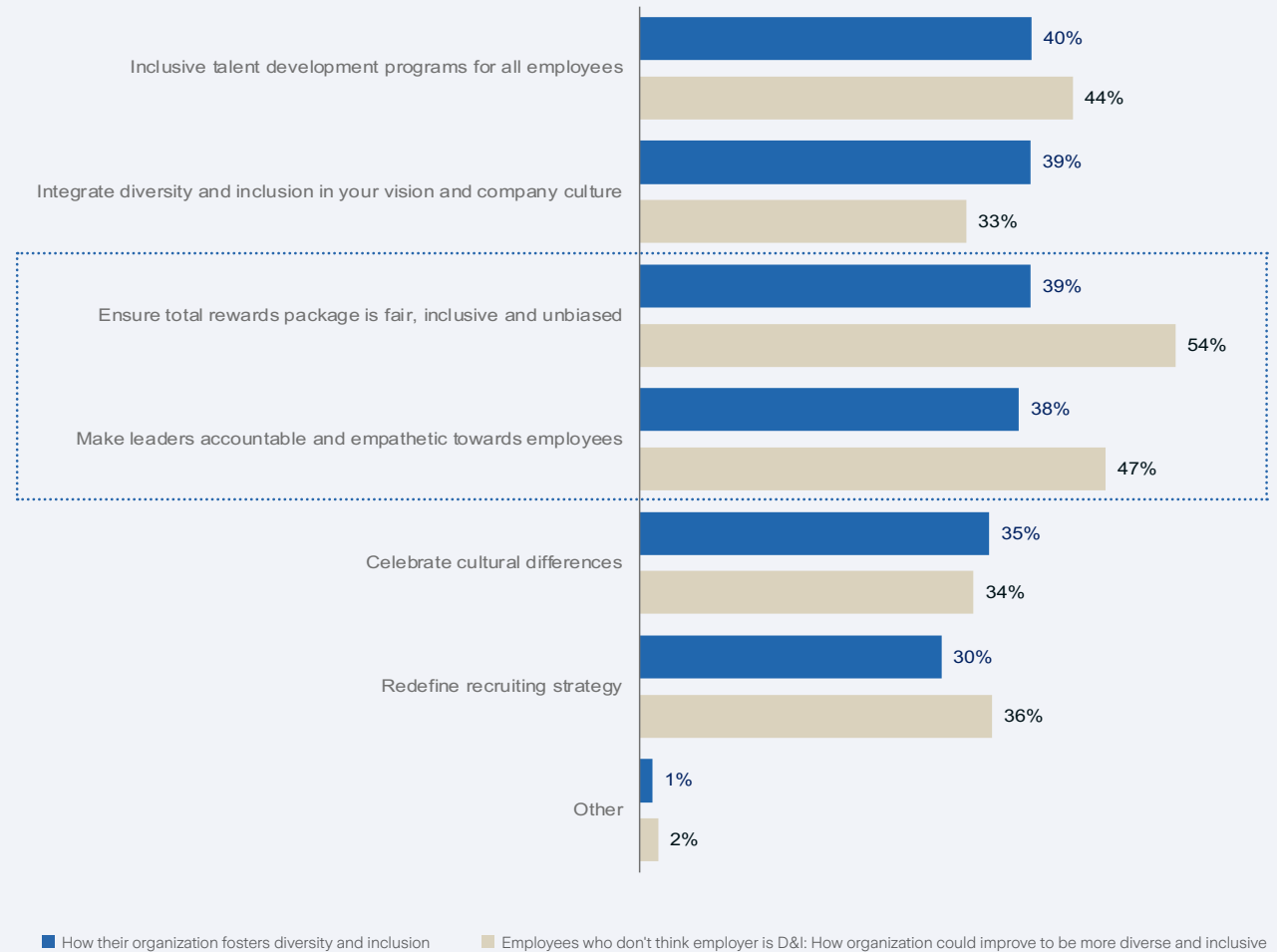


The data indicates that employees are more aware of these issues than employers. The time is now for employers to showcase that they are not simply paying lip service to critical issues.

**To attract the talent of tomorrow, employers have an added responsibility to be social leaders and walk the talk**



**How diversity & inclusion are fostered in the organization / How can organizations be more diverse & inclusive**





Finding 7:

# Employers are willing to offer additional employee benefits

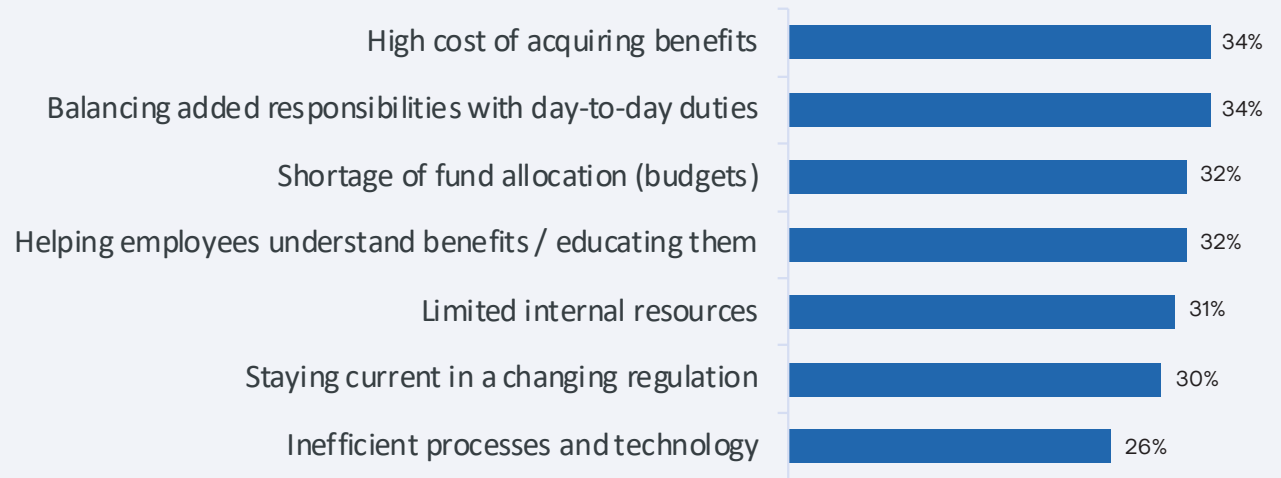
**Businesses want to do more, but are held back by cost, effort and time constraints.**



The good news is there is willingness to offer benefits if they were easily available at competitive prices.

An eco-system comprising of platforms delivering employee benefits would rapidly accelerate adoption and provision of a comprehensive set of employee benefits. This would particularly benefit SMEs by providing them access to benefits at competitive prices, which hitherto were only available to large corporations.

**Employers report challenges in offering additional employee benefits**



**86%** of employers would offer additional employee benefits if they were easily available at a competitive price

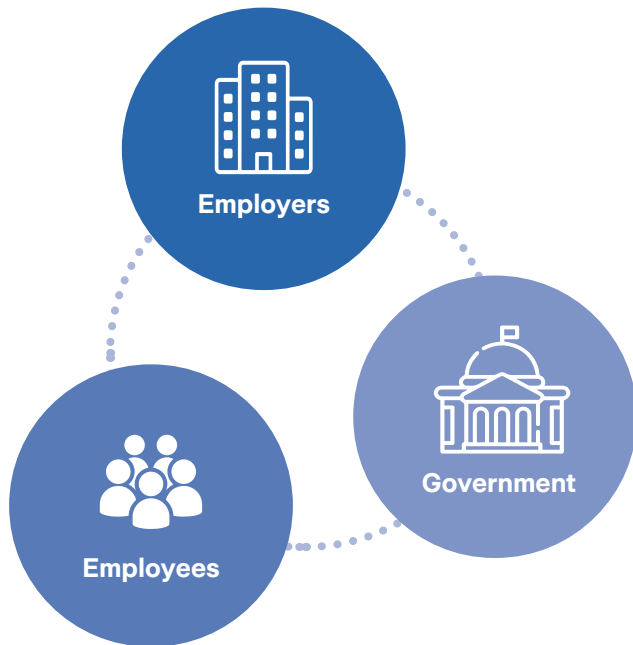
**89%** of employers are looking to introduce these within 12 months

Conclusion:



Starting with a common taxonomy on employee benefits in the UAE, we can develop a world-leading employee benefits landscape

## Three stakeholder groups define the direction and success of **talent landscape** within UAE



In an increasingly competitive and globalized talent landscape, it is clear that three stakeholder groups must act now in order to define a compelling proposition to power the future of work. Industries and economies are changing at a rapid pace and so are the expectations of talent. To solidify the UAE's rightful place as a premier destination for world-class talent, we must come together in defining the direction and success of the talent landscape in the UAE.

In order to do this, employee benefits should cover key themes that have a profound impact on employees and the societies that they live and work in such as:

- Financial wellness related benefits covering savings for the future and protecting employees and their families from unforeseen events
- Digital wellness related benefits aimed at a secure digital presence for all and inspiring confidence in a digital society
- Physical and mental wellness related benefits aimed at keeping employees' bodies and minds in peak condition

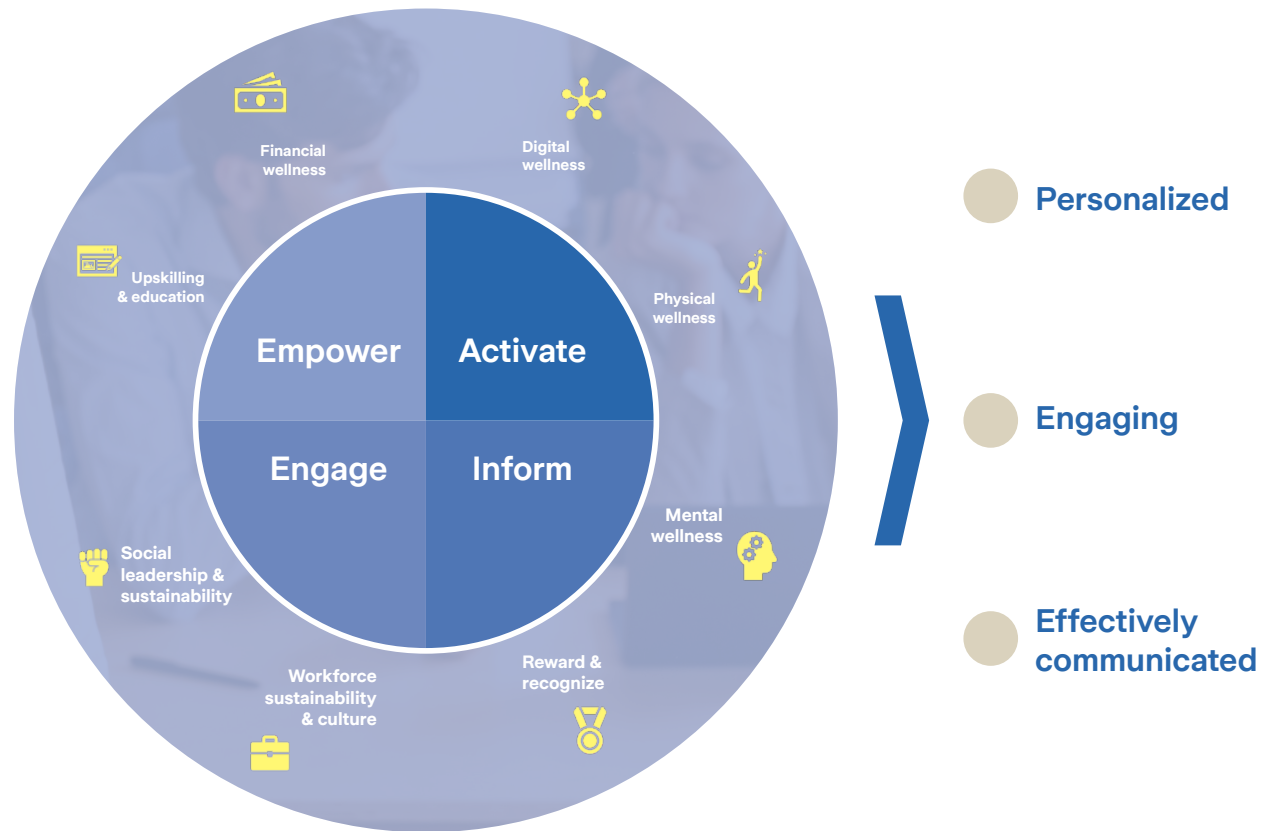
- Rewards and recognition initiatives to say thank you to those who go over and above their daily responsibilities
- Workforce sustainability and culture initiatives enabling companies to be employers of choice
- Social leadership and sustainability initiatives, while primarily giving back to the planet and society, will also help attract the talent of the future
- Last but by no means least, upskilling and education initiatives that not only enable sustainability of the workforce but also ensure that the UAE leaps further forward from importing talent to becoming a creator of talent

**Employers must ensure benefit plans are personalized to meet the needs of their specific industry or employee base**

These factors alone are not enough. Employers must take action and ensure three things;

1. that benefit plans are personalized to meet the needs of their specific industry or employee base
2. that they are engaging and meet the needs of their employees and
3. are regularly and clearly communicated to all employees so that they have a full understanding of the range of benefits on offer.

Only companies which effectively and proactively highlight the benefits on offer will maintain a competitive edge from an employer brand perspective and be in a strong position to attract and retain top global talent.





[zurich.ae/employee-benefits](https://zurich.ae/employee-benefits)

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