



EXECUTIVE SUMMARY

The fastest growing economy in the Middle East, the United Arab Emirates (UAE)—with Dubai ranked 29th in 2011 in the Global Financial Centers Index worldwide—has a private sector capable of creating tens of thousands of new jobs every year (Al Ali, 2013). Yet, many Emiratis prefer to remain unemployed rather than work in the private sector, contributing to an unemployment rate of nearly 12% (Sharif, 2013). Many Emiratis prefer to remain unemployed rather than work in the private sector because private sector salaries are perceived to be lower than public sector salaries. Sharif (2013), supported by Toledo (2013), adds that unemployment will increase as an estimated 13,000 Emirati college graduates enter the workforce each year and raise to the number of first-time Emirati job seekers to over 200,000 (nearly 25% of the entire Emirati population) within 10 years.

This paper uses the findings of a recent study on family involvement in Emirati college student education to show how families contribute to the development of the attitudes, beliefs, and opinions of young people, some of which prove counter-productive in the workplace. According to Al Ali (2013), through the mid-2000s, Emiratis entering the workforce had little difficulty securing positions in the public sector, which paid high salaries and required only a basic education. However, by the late 2000s through the time of this paper, Al Ali, along with Sharif (2013) and Toledo (2013), found that in order to enter the workforce, Emiratis needed at least a college education and that there were few opportunities to work in the public sector. This paper explores the social and cultural factors that influence many young Emiratis to avoid considering positions in the private sector. The paper gives recommendations on how educational institutions and labor policy makers can join forces to reshape young Emiratis' attitudes, opinions, and values by raising their awareness of their need to obtain higher education credentials and to work in the private sector. These institutions and policy makers can also initiate programs in the workplace and throughout the educational environment of post-secondary institutions and schools.

Reshaping Attitudes, Beliefs, and Opinions: The Key to Emiratization in the Private Sector

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Introduction

As noted above, the United Arab Emirates (UAE) has the fastest growing economy in the Middle East region and has a private sector capable of creating tens of thousands of new jobs every year (Al Ali, 2013). Yet, in 2012, the Emirati unemployment rate reached nearly 12% (Sharif, 2013). Studies, including Toledo (2013), have found that the most substantial obstacles to *Emiratization*—incorporating Emiratis into the workforce—are the preferences, held by many Emiratis, to work in the public rather than private sector and the preference among some private sector employers to employ foreigners, whom they perceive as more qualified, more experienced, and less costly to employ than Emiratis. According to Sharif (2013), “National employees cannot find jobs that match their skills at the reservation wage, which is determined largely by the opportunity wage rate in the public sector” (p. 160). Therefore, many Emiratis prefer to remain unemployed rather than to work in the private sector at a wage lower than they might receive from a public sector job.

Emiratization policies have focused on improving the education and skills of Emirati employees and establishing labor laws that encourage private sector employers to hire and develop Emirati employees. However, little has been done to understand or reshape Emirati attitudes, beliefs, and opinions. Consequently, some Emiratis avoid jobs in the private sector, even if it means remaining unemployed.

Background

After being a regional trade center for thousands of years (Alsayegh, 2001), the area now known as the United Arab Emirates witnessed the stagnation of its economy in the early 20th century. Causes of the stagnation included a sharp decline in demand for natural pearls in the early 1900s and the region's status as a British protectorate, resulting in its relative isolation from the rest of the world up to the late 1960s. Prior

to its unification in 1971, the United Arab Emirates was devoid of modern social and physical infrastructures in most areas: illiteracy was widespread, modern health care was virtually non-existent, and the economy was in shambles (Alsayegh, 2001).

Immediately following unification, the nation's leadership began extensive development projects using revenues from newly discovered oil resources (Alabed & Vine, 2008). Emiratis migrated from rural areas to cities and shifted from a transient to stationary lifestyle (Alsayegh, 2001) to take part in the development efforts. Alabed & Vine (2008), Alsayegh (2001), and Toledo (2013) concurred that a wave of Emiratis educated at the primary and secondary levels in the fledgling educational system eagerly left school to accept public sector posts that offered relatively short working hours (7:30 a.m. to 2:00 p.m.), generous salary and benefits packages, and other incentives. Others joined the police or military, earning relatively high salaries despite their low education levels. Even so, an influx of expatriate labor at every skill and education level was needed to facilitate the increasing rate of economic expansion (Al Ali, 2013).

With the growing economic development, according to studies by Allague and Breslow (2011) and Hussane (2011), came the apprehension that traditional values and proficiency in Arabic were eroding due to Emiratis' exposure to external value systems and to the use of English in business transactions, post-secondary educational institutions, and the internet. The traditional Emirati value system, according to Simidi and Kamali (2004), was based on religion and family expectations and held males financially and socially responsible for their nuclear families and for females in their extended families (Al Ali, 2013; Crabtree, 2007; Tabutin & Shoumaker, 2005). However, Crabtree (2007) and Schevanevaldt et al. (2005) reported concerns that young Emirati males, who persisted in post-secondary education only half as frequently as did females by the mid-2000s (Ridge, 2010), may not be prepared to take care of their future families according to social and familial expectations.

The population of UAE nationals increased rapidly after nationalization, according to Sharif (2013), mostly due to advancements in healthcare, which dramatically reduced maternal, child, and infant mortality (Alsayegh, 2001). *The Demography of the Arab World and Middle East from the 1950s to 2000s: A survey of change* (Tabutin and Shoumaker, 2005) supports Alsayegh's conclusions and adds that other important shifts included changes from extended to nuclear family

structures, from earlier to later marriage for women, and from more to fewer children per woman. Figures from the 2005 census revealed that 51% of the Emirati population was age 15 or younger, putting pressure on the job market to absorb an increasing number of fresh graduates each year (Sharif, 2013).

By the early 2000s, technology, including the internet, computers, and mobile phones, had become an important part of the UAE's burgeoning economy (Al Abed et al., 2008), and the first technologically trained cohorts were graduating from public post-secondary institutions and expecting to find jobs. In 2002, the federal government approved a plan to Emiritize federal government jobs in ministries to absorb newly educated and unemployed Emiratis and decrease dependence on foreign workers (Al Ali, 2013). By the end of 2009, according to federal government reports, 64% (approximately 42,000 of the 66,000) of the public sector employees were Emiratis. In other words, the public sector, though containing only 11% of the country's jobs, employed 80% of the working Emiratis (Sharif, 2013) and had little capacity to absorb more. By 2010 unemployment rates among young Emiratis were as high as 14% in some areas, and this prompted officials to request that post-secondary institutions make extra efforts to prepare Emirati graduates to enter the private sector (Habboush, 2010) rather than to pursue employment in the saturated public sector.

The lure of the public sector salaries and benefits may be attractive, but this does not fully explain why such large numbers of Emiratis remain unemployed rather than work in the private sector. Researchers including Al Ali (2013), Behery (2009), Elamin (2011), Shallal (2011), Sharif (2013), and Toledo (2013) agree that the three important issues related to Emirati under-employment in the private sector are:

- Many Emiratis perceive that salaries, benefits, working conditions, and job security are more attractive in the public sector than in the private sector.
- A significant number of Emiratis working in (or who have worked in) private sector jobs experience low job satisfaction due to factors including feelings of isolation, cultural insensitivity, and little flexibility from the job to accommodate family issues.
- Some private sector employers perceive that Emirati employees are more expensive, less skilled, and more difficult to manage than non-national employees.

Al Ali (2013), Sharif (2013), and Toledo (2013) agree that the generous benefits and subsidies available to Emiratis have contributed to labor market imbalance, discouraging Emiratis from considering employment in the private sector and encouraging private sector employers to prefer foreign employees who do not expect significant benefits and subsidies from a job.

Critique of Policy

To encourage private sector employers to hire and retain Emiratis, the government has established various economic incentives supporting Emirati employment and penalties for not meeting labor guidelines (Al Ali, 2013; Sharif, 2013; Toledo, 2013). Emiratization policies have focused on improving the education and skills of Emirati employees and establishing labor laws that encourage private sector employers to hire and develop Emirati employees, but up to the time of this paper's publication, no initiatives have honed in on the real problem: understanding and reshaping the attitudes and beliefs of Emiratis that cause them to avoid private sector employment.

This paper uses the findings of a study on family involvement in Emirati college student education, referred to in this paper as the *Family Involvement Study*, to show how family influences contribute to the development of those attitudes, beliefs, and opinions of young Emiratis that often prove counter-productive in the workplace. The study surveyed 1,173 male and female students who were attending a federally funded post-secondary institution and 30 randomly-selected guardians of these students about family involvement in the post-secondary educational experiences of college students. The purpose of the study was to explore links

between specific family involvement behaviors and/or home environment factors and academic achievement. One important finding was that family involvement behaviors categorized as *influences*—defined as interactions intended to shape students' attitudes, beliefs, and opinions—largely explained Emiratis' avoidance of private sector employment. This finding contains keys to developing initiatives to reshape such counter-productive attitudes, beliefs, and opinions.

Generational Gap in Education and Work Experience

The *Family Involvement Study* revealed that there is a generational gap between the education and work experience of college students and that of their parents. This generational gap is characterized by parents' having access to a bevy of public sector jobs, which required only a basic education and provided relatively high salaries and generous benefits; meanwhile, the current college-age generation faces a saturated public sector job market, and this forces them to consider employment in the private sector. Private sector employment, however, requires them to have a higher education and more experience than do public sector positions, yet private sector employment offers lower salaries, fewer benefits, and less attractive working conditions than public sector jobs. Half (50%) of the parents of college students had no more than a primary education (Table 1), while 50% of the fathers' and 84% of the mothers' employment was classified as retired, not working, or unknown (Table 2) at the time of the study. Of the fathers that were working at the time of the study, 43% were employed in the police or military.

Table 1: Parents' Education Level

Responses	Father's Education		Mother's Education	
	Frequency	Percentage	Frequency	Percentage
I don't know	129	11%	89	8%
No education	161	14%	202	17%
Primary school	287	25%	317	27%
Secondary school	343	29%	355	30%
College/university graduate	212	18%	196	17%
Master's qualification or higher	41	3%	14	1%
	1173	100%	1173	100%

Table 2: Parents' Employment

Responses	Father's Employment		Mother's Employment	
	Frequency	Percentage	Frequency	Percentage
I don't know	37	3%	12	1%
Not working or retired	549	47%	972	83%
Working	587	50%	189	16%
	1173	100%	1173	100%

Yet, despite the different economic environments of the two generations, according to Ahmad (2011), Emirati students often make program study choices in areas that do not match their skills and aptitudes in order to gain a credential perceived to be valuable for public sector employment "so they could follow in their parents' footsteps" (p. 4). Ahmad's assertion is supported by Al Ali (2013), who notes that, in many Gulf Cooperation Council (GCC) countries, measures are being taken to root out poor hiring practices such as nepotism, or hiring based on family influence, known as *wasta* in the UAE. In the *Family Involvement Study*, 72% of the students in the study believed that their family would find them jobs when they graduated, and 64% reported that their *families influenced their program decision*. Families headed by parents working in the public sector or by retired fathers and non-working mothers may counsel their

children with the best intentions but may not realize how much the workplace has changed in recent years. As long as families are actively encouraging young Emiratis, especially females, who need parental or spousal permission to work (Al Ali, 2013), to seek only public sector positions, little can be done by educational institutions or policy makers to encourage young Emiratis to consider private sector employment.

Preparation for Academic and Workplace Success

Results from the *Family Involvement Study* suggest that families of students who persisted to post-secondary education were supportive of their students' attending college (Table 3), but were not fully aware of the commitment of time and effort needed for high academic achievement (Table 4).

Table 3: Study Constructs Indicating Family Support for Post-secondary Educational Persistence

Q#	(Agree/Strongly Agree or Always/Most of the Time)	Percentage
Q56	My family encouraged me to go to college.	97%
Q49	My family provides money for food every day.	95%
Q36	My family provides the computer, printer, paper, and other tools I need to study.	92%
Q52	My family is very interested in my academic progress.	91%
Q48	My family insists that I respect my teachers and follow the college's rules.	88%
Q40	My family stresses the importance of good grades.	84%
Q37	My family ensures that I am at college in time for my classes.	82%
Q29	My family is complimentary when I get good grades.	76%
Q34	I tell my family when I have a project, paper, or test to prepare for.	67%
Q45	My family encourages me to speak to my teacher, counselor, or supervisor when I have a problem at college.	62%

Table 4: Study Constructs Indicating Family Not Fully Aware of Behaviors Needed to Achieve Academic Success

Q#	(Agree/Strongly Agree or Always/Most of the Time)	Percentage
Q65	I would do better if I had more support from my family.	68%
Q47	My family shows disapproval if I miss college when I am not ill.	62%
Q30	My family shows disapproval if I get bad grades.	53%
Q41	My family tries to limit the amount of time that I can visit with friends when I have college the next day.	52%
Q38	My family encourages me to get enough rest to be alert in college each day.	49%
Q33	My family checks to see that I've done my homework and other academic tasks.	33%
Q44	My family supports my participation in college clubs, activities, or sports.	29%
Q46	My family hires a tutor to help me with my college work.	15%
Q35	Someone in my family will quiz me to help me study before a test.	10%

Evidence in Table 3 shows strong family support for post-secondary persistence in encouragement, positive reinforcement for good marks, and following college rules, as well as financial/logistical support.

However, evidence from Table 4 shows that families are not fully aware of behaviors that lead to academic success because most students indicated they would *do better if they had more support from their families*. No more than half the families engaged in monitoring or support behaviors—including showing *disapproval for bad grades, encouraging students to get enough rest, checking to see that homework is done, hiring a tutor when needed, and quizzing before a test*—that are associated with the development of the study skills necessary for academic success. If families are not aware or supportive of the study skills and behaviors necessary for academic success, students are not likely to acquire these habits without intervention from the college.

Leadership skills, critical thinking skills, punctuality, high attendance, teamwork, and the ability to link learning (training) to practice are considered soft skills. According to Al Ali (2013), Behery (2009), Shallal (2011), Sharif (2013), and Toledo (2013), the lack of soft skills development in Emirati employees is a major complaint of private sector employers and may have its roots in the home environment. The fact that family support of participating in college clubs, activities, or sports measured at only 29% explains why 81% of students do not participate in extracurricular activities, yet these activities represent an integral part

of developing the soft skills that are in high demand in the competitive workplace.

Evidence suggests that families were either unaware of or unconcerned with the link between good attendance and academic success: only 62% of the families expressed *disapproval if students missed college when not ill*, and 96% of the students reported missing classes for *medical reasons*, 29% for *family obligations*, 29% for *other* (including bereavement), and 23% because they *slept in or didn't feel like it*. Behaviors learned and practiced in schools and post-secondary education institutions form the behaviors that students take into the workplace. If families are not aware or supportive of the importance of matching skills and aptitudes with job requirements, or of the benefits of soft skills development to success in the workplace, students are not likely to acquire appropriate and professional attitudes, beliefs, and opinions about working.

Policy Recommendations

To reshape the potentially counter-productive family influences mentioned in the previous section, a partnership must be forged between educational institutions and labor market policy makers. Post-secondary institutions and schools must create initiatives to raise awareness among students and their families of the demands of the workplace in a modern knowledge economy. Labor policy makers must strive to secure work environments in the private sector that allow Emiratis, especially females, to have more

attractive working conditions. For example, working conditions can be made more attractive by creating work spaces allowing Emiratis, especially females, to have more personal space in mixed-gender work environments. Timings can be made more flexible to allow current and future Emirati employees to retain their familial and community priorities and to achieve an acceptable balance between home and work lives.

Recommendations for Post-secondary Educational Institutions and Schools

- **Offering career guidance** at all levels, including identifying a variety of occupations as early as primary school and encouraging students to explore and match their own skills, aptitudes, competencies, and interests to occupations in which those skills and attributes are important
- **Promoting job satisfaction**, rather than a high salary and favourable working conditions, as the rationale for choosing an occupation
- Among students and their families, stressing the benefits of **extracurricular involvement** at secondary and post-secondary levels
- **Providing peer mentoring and tutoring** to post-secondary students who are identified as needing support in academic subjects, study skills development, and soft skills development
- In post-secondary institutions, **promoting workplace integration** that emphasizes participation in private sector employment through capstone projects, collaborative events, joint initiatives, and consulting projects between schools and employers

Recommendations for Labor Market Policy Makers

- **Developing labor policies** that encourage private sector employers to create suitable work environments that provide Emiratis with enough flexibility to achieve an acceptable home/work balance. An increased participation of Emirati women, the largest untapped human resource in the UAE's economy (Habbash, 2010), and of working students who are seeking to get the experience desired by the workplace to match their degrees can only happen if the employers becomes more flexible. Increased flexibility can be achieved through initiatives such as part-

time work, job-share options, in-house child care facilities, entry-level positions with reduced hours, company-provided transportation to employees in remote areas, and peer mentors who help ease the employees' introduction into private sector companies' corporate cultures, which may be unfamiliar and intimidating to first-time employees.

- **Initiating awareness campaigns for private sector employers**, campaigns that provide solid data supporting the hiring and developing of Emiratis as a cost effective alternative to employing non-nationals.

Conclusion

The UAE Vision 2021 (2010) document stresses that "efforts to prosper will not come at the expense of Emiratis' strong and healthy emotional balance" (p. 4), so traditions, culture, and language must remain "a crucial matter of national pride and social stability" (p. 7). Preparing Emirati youth to enter private sector employment is essential to providing sustainable employment for future generations of Emiratis while promoting the economic vision of the country.

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