



Strategic Qatarisation:

Focusing on Meaningful Employment

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Contents

Introduction	3
Executive Summary.....	4
Methodology.....	6
Survey Sample	8
Research Findings.....	10
Analysis	24
Appendix	30
Contact and Enquiries.....	32



Introduction

Qatarisation is a strategic initiative launched by the Qatari government to provide permanent employment for its nationals in both the public and private sectors. In line with one of the key goals of Qatar's Vision 2030, the objective is to generate fifty percent or more of meaningful, permanent employment for men and women. By 2026, government officials have further pledged that nine out of ten positions within the public sector must be held by Qatari nationals. Our authors explain how training and development of Qataris is therefore crucial if the country is to reach its ambitious targets within the specified period.

Executive Summary

Qatar's small national population represents a challenge and opportunity. The extreme competition for talent, especially within the semi-government and private sector, remains a challenge. Yet the relatively small number of Qatari citizens makes training and developing the entire national workforce an achievable task and worthwhile opportunity.

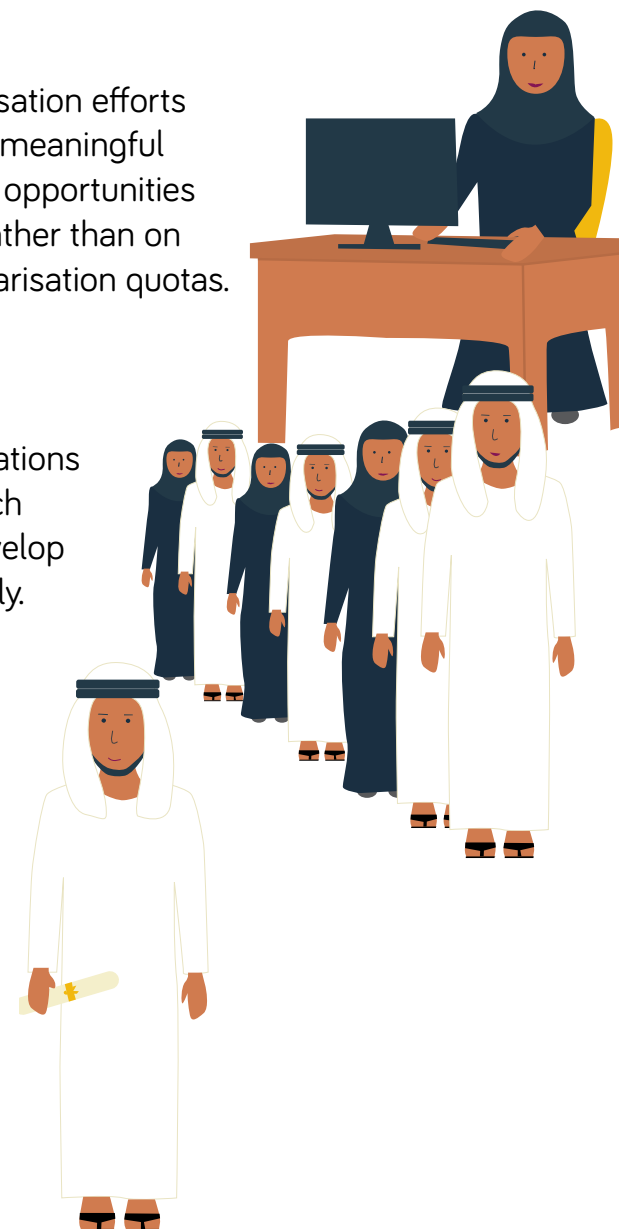
The Qatari government's continued efforts to employ nationals are commendable. Yet to maximise Qatarisation throughout the country, more focus should be placed on creating meaningful employment rather than meeting quota targets. Building talent pipelines from an early age and providing comprehensive training to nationals can also improve Qatarisation across the country.

Based on the responses from a survey of 75 HR leaders in Qatari organisations, Oxford Strategic Consulting recommends three key steps to maximise the effectiveness of Qatarisation:

1. Focus Qatarisation efforts on providing meaningful employment opportunities for Qataris rather than on meeting Qatarisation quotas.

2. Encourage organisations to proactively search for Qataris and develop talent pipelines early.

3. Ensure that all Qataris aiming for public sector roles receive world-class, globally-recognised training and professional qualifications.



Methodology

We surveyed 75 HR Leaders in Qatar about the extent to which their organisation had adopted Qatarisation strategies. Interviews were conducted in person in English and/or Arabic using a third-party fieldwork provider. Respondents were shown 38 Qatarisation strategies across the following five categories¹:-

- Nationalisation Strategy and Plan
- Acquisition of Nationals
- Development of Nationals
- Retention of Nationals
- Managing and Measuring Nationalisation

For each strategy, a Likert scale was used where respondents were given the option to answer 'Always' 'Frequently' 'Sometimes' 'Never' or 'Don't know (DK)'.

¹ ^ See Appendix 1 for complete list of Qatarisation strategies covered in survey



Survey Sample

- The survey was conducted with 75 HR Leaders in Qatar across a variety of industries and sectors.
- Respondents were surveyed in the following sectors:-
 - Government or semi-government (19%)
 - Private sector (81%)
- All organisations taking part had 250 employees or more:-
 - 250-499 employees (65%)
 - 500 or more employees (35%)
- Of the organisations who took part in the survey, an average of 12% of the workforce were Qatari nationals and 88% were expats. Government figures suggest that nationals only represent around 6% of Qatar's workforce (Qatar Statistics Authority, Quarterly Labour Force Survey 2013). In the organisations we surveyed, the range of Qatari nationals as a percentage of the workforce ranged from as little as 0% to as much as 70%.
- Government or semi-government organisations and large organisations (employing more than 500 employees) were the most likely to have a higher than average proportion of nationals in the workforce (34% and 19% respectively).
- Private sector companies and smaller organisations (employing 250-499 employees) had a lower than average proportion of nationals in the workforce (7% and 9% respectively).

The results have been presented at an overall level by sector, company size based on number of employees and the proportion of nationals as a percentage of the workforce.



Research Findings

Qatarisation Performance

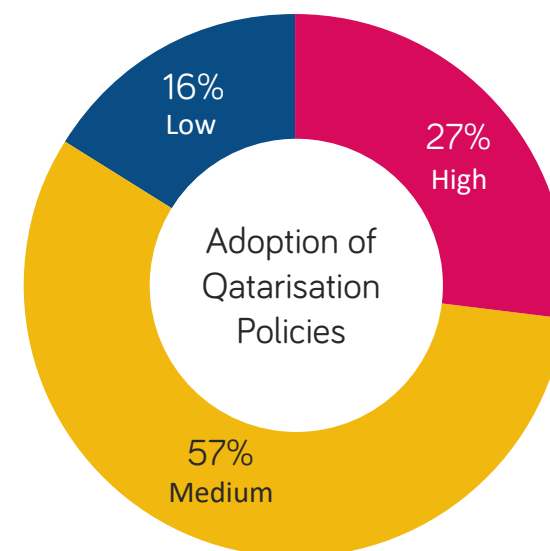
Each organisation was given an overall score for Qatarisation based on how frequently they adopted the 38 Qatarisation strategies.

The scoring criteria were as follows:-

- Always = 4; Frequently = 3; Sometimes = 2; Never/DK = 1
- Maximum score = 152
- Minimum score = 38

Category	Justification	Range
High adoption of Qatarisation strategies	Always/Frequently for most statements	130 or more
Medium adoption of Qatarisation strategies	Frequently/Sometimes for most statements	110-129
Low adoption of Qatarisation strategies	Sometimes/Never/DK for most statements	<110

Approximately a quarter of organisations surveyed (27%) had a high adoption of Qatarisation strategies. The majority (57%) adopted some policies but not others. Around a sixth (16%) rarely adopted Qatarisation strategies and were therefore given a low rating.



	Sector		Number of employees		Nationals	
	Government	Private	250-499	500+	< 10%	10%+
High	79%	15%	24%	31%	18%	35%
Medium	7%	18%	55%	62%	61%	54%
Low	14%	67%	20%	8%	21%	11%

Government or semi-government owned organisations were significantly more likely than private sector companies to have a high adoption of Qatarisation strategies (79% vs. 15%). Two-thirds of private organisations (67%) rarely adopted Qatarisation strategies.

This could be driven by that fact that on average government or semi-government owned organisations employed a workforce with 34% of nationals and private sector companies employed a workforce with just 7% of nationals.

Large organisations (with 500 or more employees) and organisations with at least 10% of nationals in the workforce were also more likely to adopt Qatarisation strategies.



Summary: Highest and Lowest Performing Qatarisation Areas

Most frequently used Qatarisation strategies	Rarely used Qatarisation strategies
Establishing a plan to achieve business goals	Actively promoting female Nationals
Clear, accessible and searchable database of all internal talent	Key talent managers identified via results
Benchmarking of packages to measure against competitors for talent	Roles identified to maximise development and involvement of Nationals
Appropriate induction process in place and effectiveness is measured	On-going coaching and mentoring
Retention Plan is agreed with appropriate success measures	Exposing Nationals to real business activities at senior levels
Clearly defined business strategy for Nationalisation (strategic intent)	Links with universities and colleges to influence the development of strategic capabilities
High level internal mentoring for the induction period	'Fast track' recruitment process - especially for emergency vacancies
Regular and frequent one to one reviews with new employees during first three months	Formal career development review process for Nationals (quarterly)
Strategic capabilities built into a resourcing plan (minimum 3 years)	Activities to identify potential talent early, even before college or university
Actions are taken swiftly to tackle retention issues	Careers advice to Nationals at schools and colleges

Nationalisation Strategy and Plan

Respondents were asked how often their organisation carried out the following activities in regard- to their Nationalisation strategy and plan.

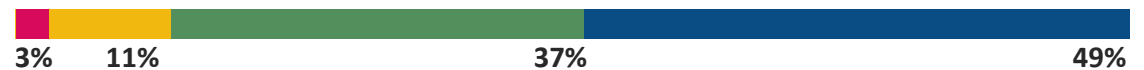
Establish a plan to achieve business goals



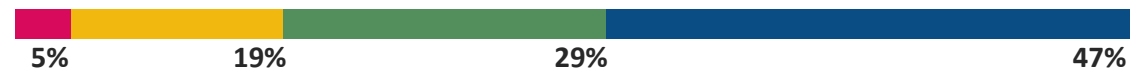
Establish a clearly defined business strategy for Nationalisation (strategic intent)



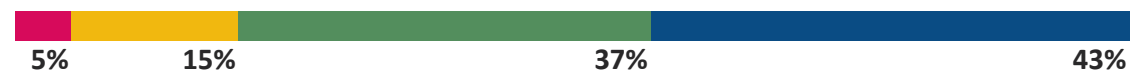
Strategic capabilities are built into a resourcing plan (minimum 3 years)



Nationalisation plan is signed off at Board level



Nationalisation strategy and resource plans are major Board items



Nationalisation issues and impact are clearly communicated within the organisation



Specific strategic capabilities and roles are identified to maximise development and involvement of Nationals



Never/DK
 Sometimes
 Frequently
 Always

Organisations were more likely to have a well-established business strategy and plan to achieve strategic nationalisation goals.

Key areas to improve were the communication of Nationalisation issues within the organisation and identifying strategic capabilities to maximise development and involvement of nationals.

Privately-owned companies were significantly less likely than government or semi-government owned organisations to always undertake the following:-

	Sector	
	Government	Private
Establish a clearly defined business strategy for nationalisation	93%	46%
Establish a plan to achieve business goals	93%	61%
Nationalisation issues and impact are clearly communicated	79%	25%
Specific strategic capabilities and roles are identified to maximise development and involvement of nationals	57%	28%
Nationalisation plan is signed off at Board level	79%	39%

Organisations with a lower proportion of Qatari nationals in the workforce were significantly less likely to always undertake the following:-

	Proportion of Nationals	
	Less than 10%	10% or more
Nationalisation issues and impact are clearly communicated	21%	49%
Maximise development and involvement of nationals	24%	43%

Onboarding of Nationals

Respondents were asked how often their organisation carried out the following activities in regards to the acquisition of nationals.

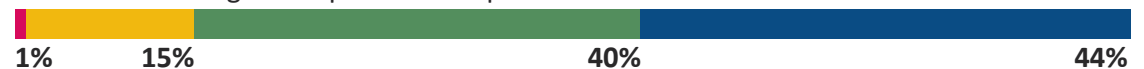
How clear, accessible and searchable database of all internal talent



Recruitment is planned and takes place well in advance of need



Succession management process is in place and used



Vacancies are circulated internally across the organisation



All external hires are matched against internal candidates



Actively promote female nationals in our organisation



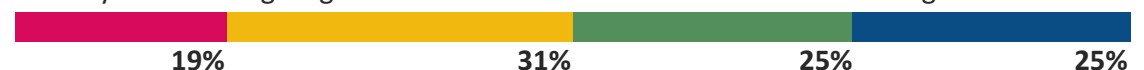
'Fast track' recruitment process is used especially for emergency vacancies



Activities such as internship are undertaken to identify potential talent early



Actively involved in giving careers advice to nationals at schools and colleges



Never/DK Sometimes Frequently Always

Organisations were most likely to have a database of all internal talent. Most organisations also planned recruitment in advance, used succession management and circulated internal vacancies.

Key improvement areas were fast tracking emergency vacancies, early identification of potential internal talent and giving careers advice in schools and colleges.

Privately-owned companies were significantly less likely than government or semi-government owned organisations to always undertake the following:-

	Sector	
	Government	Private
Activities such as internship are undertaken to identify potential talent early, even before college or university	50%	20%
Actively involved in giving careers advice to nationals at schools and colleges	50%	20%

Smaller organisations (250-499 employees) were significantly less likely than larger organisations (500+ employees) to:-

- Give careers advice in schools and colleges (Never 29% vs. 4%).
- Actively promote female nationals (Never 16% vs. 0%)

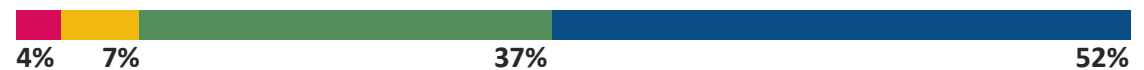
Development of Nationals

Respondents were asked how often their organisation carried out the following activities to develop nationals.

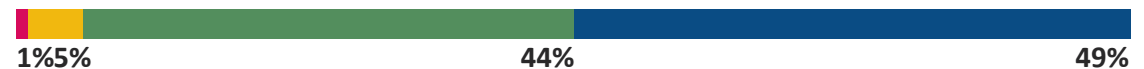
Appropriate induction process is in place and effectiveness is measured



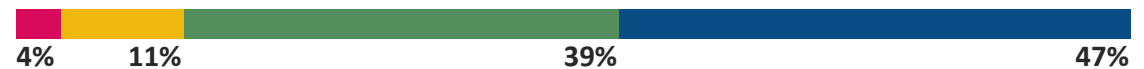
High level internal mentoring is in place for induction period



Regular and frequent one to one reviews with new employees are conducted during first



Development of nationals forms part of senior management decision making



Top performing Nationals are identified and rewarded



On-going coaching and mentoring system is used



Nationals are exposed to real business activities at senior levels



Establish links with universities and colleges to influence



Formal career development review process is in place for nationals (quarterly)



Never/DK Sometimes Frequently Always

Organisations were most likely to have an induction process, internal mentoring and one-to-one reviews in the first three months of employment. Key improvement areas were exposing nationals to real business activities at senior levels, establishing links with educational institutions and formal career development processes.

Key improvement areas involved establishing links with universities and colleges as well as instituting a formal career development review process for nationals.

Privately-owned companies were significantly more likely than government or semi-government owned organisations to always identify and reward top performing nationals (51% vs. 14%).

Top performing nationals are identified and rewarded	Number of employees		% Nationals	
	250-499	500 or more	Less than 10%	10% or more
	31%	62%	24%	59%

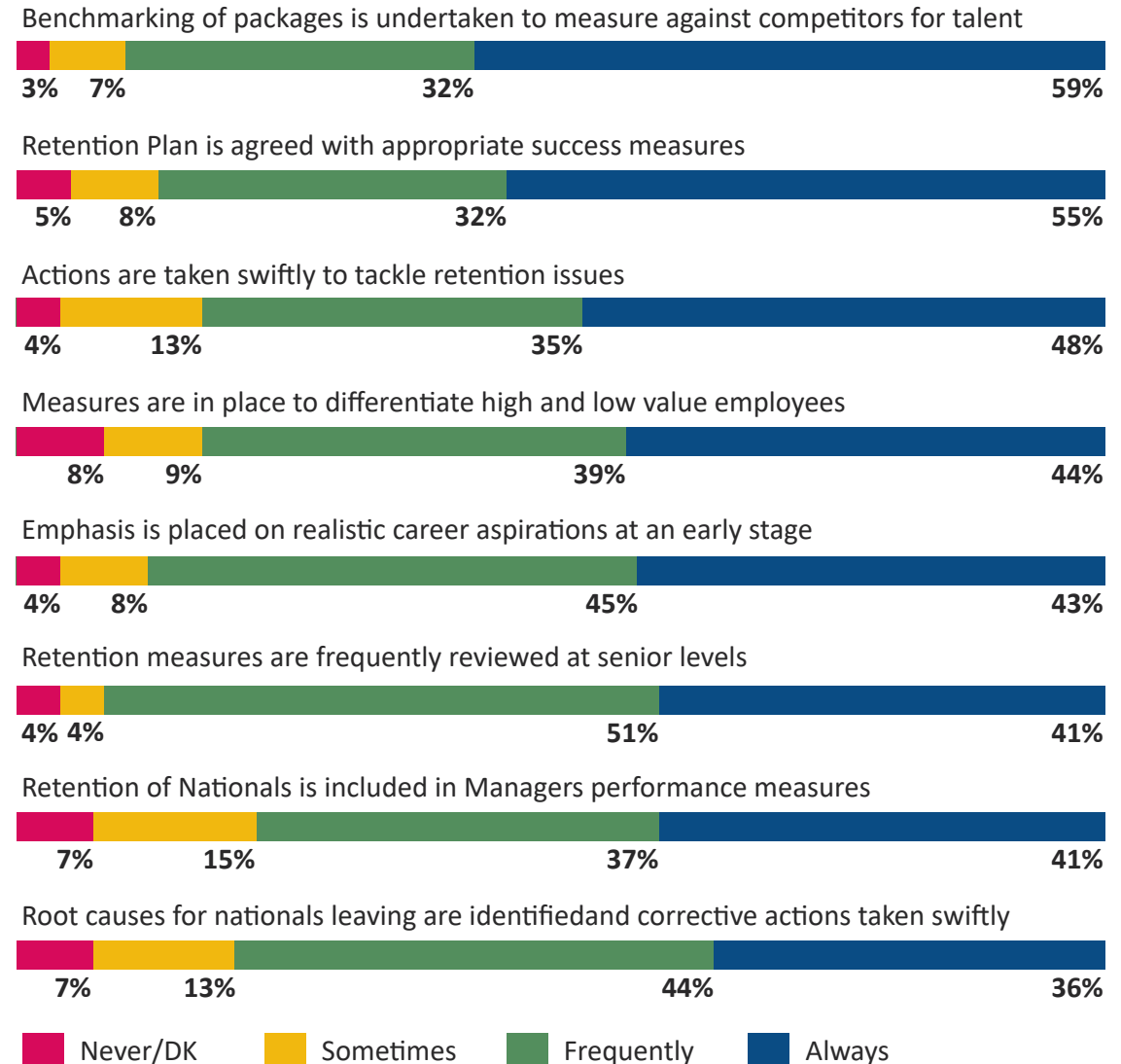
Privately-owned companies were significantly less likely than government or semi-government owned organisations to always undertake the following:-

	Sector	
	Government	Private
Recruitment is planned and takes place well in advance of need	79%	38%
Actively promote female nationals in our organisation	79%	25%
Nationals are exposed to real business activities at senior levels	64%	25%
Formal career development review process is in place for nationals (quarterly)	57%	18%
On-going coaching and mentoring system is used	64%	25%

Smaller organisations (250-499 employees) were significantly less likely than larger organisations (500+ employees) to always have a formal career development review process in place for nationals (16% vs. 42%).

Retention of Nationals

Respondents were asked how often their organisation carried out the following activities to retain nationals.





Organisations were most likely to benchmark against competitors and agree retention plans with appropriate success measures.

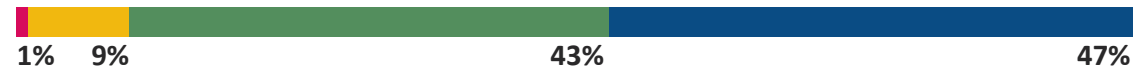
Key improvement areas included considering the retention of nationals as a key performance measure for managers and understanding the root causes for nationals leaving their organisation.

Smaller organisations (250-499 employees) and organisations with a lower proportion of Qatari nationals in the workforce were significantly less likely to always identify and reward top performing nationals.

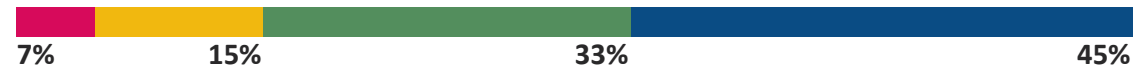
Managing and Measuring Nationalisation

Respondents were asked how often their organisation carried out following activities in regards to managing and measuring Nationalisation.

Measures are revised according to changing markets and business strategy



Nationalisation Management performance is regularly reviewed through management structure



Key Nationalisation Measures are in place and agreed at board level



Nationalisation Management is a set item at all management review meetings



Key talent managers are identified via results



■ Never/DK
 ■ Sometimes
 ■ Frequently
 ■ Always

Organisations were most likely to revise Nationalisation measures in light of changes to the market and business strategy and to regularly review Nationalisation management performance.

The key improvement area is identifying key talent managers via results as only a third of organisations were doing this regularly.

Privately-owned companies were significantly less likely than government or semi-government owned organisations to always undertake the following:-

	Sector	
	Government	Private
Key Nationalisation measures are in place and agreed at board level	64%	34%
Nationalisation management performance is regularly reviewed through management structure	86%	36%
Nationalisation management is a set item at all management review meetings	86%	23%
Key talent managers are identified via results	57%	28%
Measures are revised according to changing markets and business strategy	79%	39%

Smaller organisations (250-499 employees) and organisations with a lower proportion of Qatari nationals in the workforce were significantly less likely to always have Nationalisation management as a set item at all management review meetings.

Nationalisation management is a set item at all management review meetings	Number of employees		% Nationals	
	250-499	500 or more	Less than 10%	10% or more
	24%	54%	24%	46%

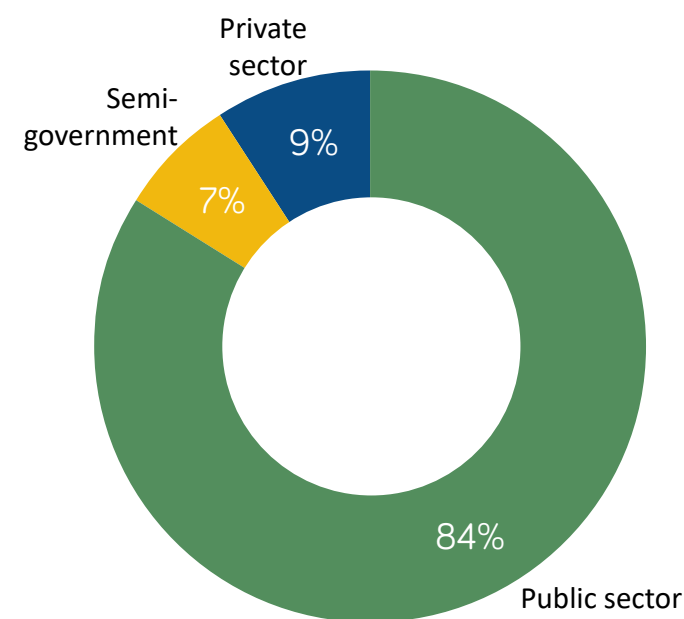
Analysis

Qatar's unique labour context

As a small state and economic powerhouse, Qatar is uniquely positioned to help determine the professional trajectories of its citizens. In 2015, economically active citizens in Qatar totalled 99, 218 Qataris.² Meanwhile Qatar has approximately 161,748 public sector job roles, consisting of government administration and government-owned companies.³

The public sector has been actively recruiting nationals. Nearly 84% of Qataris are already employed by the public sector, and this only covers approximately 43% of available public sector job roles. Currently, semi-government organisations employ approximately 7% of Qataris and the private sector employs around 9% of citizens.

As part of the effort to provide employment opportunities for its citizens, the government pledged to fill 9 out of 10 public sector roles with Qataris by 2026. Moreover, one of the key aims of National Vision 2030 is to provide 50% of Qataris with meaningful permanent employment. Our research into Qatarisation reveals that the government is on track to accomplish these goals in the public sector, but there is room for a greater focus on creating meaningful employment opportunities for Qataris while also reducing some pressures regarding quotas on private sector employers.



² ^ Annual Qatar Labour Force Survey, Q1 2015.

³ ^ Annual Qatar Labour Force Survey, 2012 – latest publicly available survey of total job roles by sector.

Quotas vs. meaningful permanent employment

Quotas can be useful in a theoretical sense but filling roles for the sake of quotas is counterproductive. This puts the focus on quantity, when the focus should be on improving quality through essential training and talent development. The government initiative whereby Qatar wants to fill nine out of ten public sector roles with Qataris by 2026 highlights this point. Currently, the public sector provides approximately 84% of Qataris with employment which only constitutes 43% of total employment in the public sector. If the public sector were to fill 90% of public sector roles with Qataris today, then they would need to fill approximately 145,753 public sector roles. As of 2015, there were less than 100,000 economically active Qataris - so this is quite a task.

While this public sector Qatarisation goal represents a gradual target for 2026, it nevertheless demonstrates the extreme competition for talent faced by employers outside the public sector. As the government meets its Nationalisation targets, more semi-government and private sector employers will find it increasingly difficult to meet Qatarisation requirements in their industries. A key talent pool to meet that demand is that of the 25,000-30,000 Qatari female homeworkers and although this demographic segment is insufficient to address the scarcity of talent, it nevertheless presents the Qatari government with a much-needed labour force.

Qatari companies could be encouraged to transform their engagement with nationals through robust learning and development programmes to ensure a truly meaningful professional experience for Qatari staff. In return, companies would not have to meet strict and often unattainable Qatarisation requirements. Rather than report Qatarisation numbers to relevant authorities, companies could report their progress and success in providing meaningful employment by reporting on career development, learning programs, and engagement programs, for a smaller, more realistic number of Qataris.



Renewed focus on meaningful permanent employment

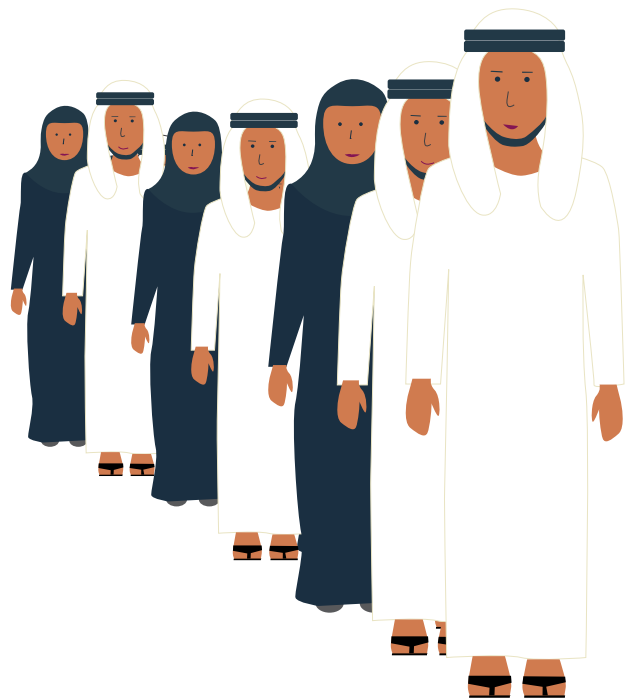
Our research indicates that Qatar can aim much higher than achieving 50% meaningful permanent employment of nationals and simultaneously reduce pressure on employers by making Qatarisation less about numbers and more about the professional experience.

Meaningfully employed individuals use their talents, skills, and knowledge to contribute to the achievement of an organisation's key objectives. Yet our research indicates that current Qatarisation efforts are not focused on fostering meaningful employment opportunities. For example, the least used Qatarisation strategies by surveyed organisations included:

- Key talent managers identified via results
- Roles identified to maximise development and involvement of nationals
- On-going coaching and mentoring
- Exposing nationals to real business activities at senior levels
- Formal career development review process for nationals

Surprisingly, only 33% companies surveyed stated that they always maximise development and involvement of national talent. Similarly, just 33% of companies always identify key talent managers. Based on these results, Qatar-based organisations seeking to maximise Qatarisation should begin by reviewing career development programmes.

A greater number of meaningfully employed nationals affords various benefits. Organisations and companies receive increased value from engaged employees. The country develops its human capital and knowledge base to meet future needs of the country. Moreover, Qataris will then be better-positioned to develop the leadership skills needed within the country. Our past research found that approximately 80% of Qataris need to be leaders if they are to fill all the strategic leadership roles within the country.



Develop talent pipelines early

In a scarce talent market, organisations always need to be on the lookout for talent that fits their organisation and talent needs. Organisations in Qatar must be particularly pragmatic when identifying young talent given the scarce national labour pool available in the country and the government's desire to fill most public sector roles with Qataris. Those companies that develop early talent pipelines will be better-suited to create meaningful employment opportunities for more engaged and effective nationals.

Yet organisations in Qatar do not appear overly focused on creating talent pipelines for nationals. The least used Qatarisation strategies by surveyed organisations included:

- Links with universities and colleges to influence the development of strategic capabilities
- Activities to identify potential talent early, even before college or university
- Careers advice to nationals at schools and colleges

Talent spotting is the technique employed by the most successful employers to find the best fit employees for their organisations. Other techniques used are ambassador programmes and internal referrals. These approaches leverage current national employees who understand the company best to build a strong talent pipeline for the organisation.

Successful Qatarisation programmes also focus on underutilised segments of the national labour force, like Qatari women. Qatari women were significantly more pessimistic than men about how easy it is to find a job, and they were three times more likely than men to consider 'not knowing how to apply for a job' to be a significant difficulty.⁴ Direct interventions such as interview training, CV workshops and mentoring can help improve female job candidates' self-esteem and confidence. Similarly, well-designed job fairs and online portals can better connect employers with qualified female candidates.

⁴ ^ Oxford Strategic Consulting, *Qatar Employment Report: Insights for 2016*



Require world-class training for all Nationals in the public sector

Given the government's pledge to fill nine out of ten public sector roles by 2026, it is critical to ensure that all Qataris entering public sector roles receive globally-recognised, world-class training. This training should include leadership and management training and other professional qualifications, such as those from the Chartered Management Institute (CMI) and Chartered Institute of Personnel and Development (CIPD). The government could make this learning and professional development mandatory to ensure its public sector employees remain fully qualified, year on year.

More specifically, many Qataris in the public sector will need sharp business acumen to lead state-owned enterprises (SOEs) and semi-government organisations. Given the various high-profile privatisation programmes across the GCC region, other Qataris will likely participate in privatisation efforts at some point in their professional careers. In either case, Qataris should be prepared to flexibly transition between the public and private sectors to adapt to changing economic dynamics in the region.

Qatar's small national population may increase the competition for talent on the one hand, but it also makes training and developing Qatar's small national workforce more achievable. Companies should expend more effort on creating rewarding and meaningful professional opportunities for national employees rather than only trying to meet difficult quotas. The most pragmatic companies will build strong talent pipelines by reaching out to nationals often and early. It is also important to not only focus on talented Qataris, destined for senior management, but also second and third level Qatari talent who have yet to ascend the career ladder. These Qatari professionals should also receive mentorship, training and coaching to help them on their way into leadership positions.

Furthermore, organisations that are committed to providing meaningful employment of Qatari nationals will exhibit the strong leadership needed to help support essential economic development.

Appendix

Oxford Strategic Consulting measured the following 38 Qatarisation strategies as part of the Nationalisation Assessment Survey:

- Establish a clearly defined business strategy for nationalisation (strategic intent)
- Establish a plan to achieve business goals
- Strategic capabilities are built into a resourcing plan (minimum 3 years)
- Nationalisation strategy and resource plans are major Board items
- Nationalisation issues and impact are clearly communicated within the organisation
- Specific strategic capabilities and roles are identified to maximise development and involvement of nationals
- Nationalisation plan is signed off at Board level
- Have clear, accessible and searchable database of all internal talent
- Vacancies are circulated internally across the organisation
- All external hires are matched against internal candidates
- Succession management process is in place and used
- Activities such as internship are undertaken to identify potential talent early, even before college or university
- Actively involved in giving careers advice to nationals at schools and colleges

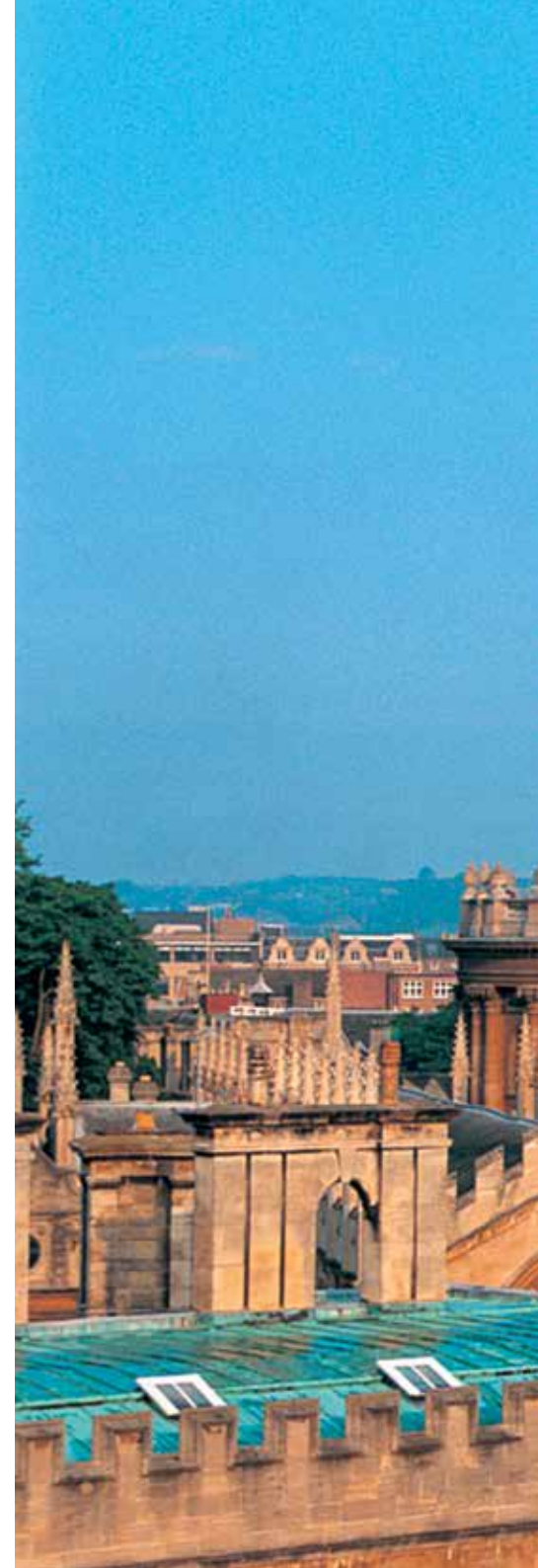
- 'Fast track' recruitment process is used - especially for emergency vacancies
- Recruitment is planned and takes place well in advance of need
- Actively promote female nationals in our organisation
- Appropriate induction process is in place and effectiveness is measured
- High level internal mentoring is in place for induction period
- Regular and frequent one to one reviews with new employees are conducted during first three months
- Development of nationals forms part of senior management decision making
- Establish links with universities and colleges to influence the development of strategic capabilities
- Nationals are exposed to real business activities at senior levels
- Formal career development review process is in place for nationals (quarterly)
- On-going coaching and mentoring system is used
- Top performing nationals are identified and rewarded
- Retention Plan is agreed with appropriate success measures
- Retention measures are frequently reviewed at senior levels

- Emphasis is placed on realistic career aspirations at an early stage
- Actions are taken swiftly to tackle retention issues
- Benchmarking of packages is undertaken to measure against competitors for talent
- Measures are in place to differentiate high and low value employees
- Root causes for nationals leaving are identified and corrective actions taken swiftly
- Retention of nationals is included in Managers performance measures
- Key Nationalisation Measures are in place and agreed at board level
- Nationalisation Management performance is regularly reviewed through management structure
- Nationalisation Management is a set item at all management review meetings
- Key talent managers are identified via results
- Measures are revised according to changing markets and business strategy

Contact and Enquiries

For additional information about the survey findings and analyses in this report, or to learn more about Oxford Strategic Consulting's other research on Nationalisation in Qatar, please contact Robert Mogielnicki at robert.mogielnicki@oxfordstrategicconsulting.com.

For more insights, publications and services related to HR in the GCC, please visit www.oxfordstrategicconsulting.com.





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