

HR and Salary Report 2017

HR trends and salary structures at German, Swiss and Austrian companies in
the United Arab Emirates



A joint project of Departer – The German Headhunter

and the German Emirati Joint Council for Industry and Commerce

Contents

| | |
|---|-----------|
| Deporter – The German Headhunter | 4 |
| The German Emirati Joint Council for Industry and Commerce (AHK) | 6 |
| HR and Salary Report 2017 | 8 |
| Economy and business environment in brief | 10 |
| Key data of participants | 12 |
| Living and working in the UAE | 13 |
| Reasons for relocating | 14 |
| Duration of stay | 15 |
| Key factors challenging employees | 16 |
| German, Swiss and Austrian Companies in the UAE | 18 |
| Most valued attributes of GSA companies | 18 |
| HR departments in the UAE | 19 |
| Development of headcount in 2017 | 20 |
| HR management challenges | 21 |
| Bringing together companies and professionals | 22 |
| Salary packages, benefits and employee satisfaction | 24 |
| Salaries by department and type of position | 24 |
| Employee benefits | 33 |
| Employee satisfaction | 36 |
| Recruitment trends | 38 |
| Contact information | 40 |



Departer – The German Headhunter

Departer – The German Headhunter - and its long-standing business partner, the German Emirati Joint Council for Industry and Commerce (AHK), have for the third time conducted a survey among the employees and HR decision-makers who work for German, Swiss or Austrian (GSA) companies in the United Arab Emirates (UAE).

For many years our consultants have had a special and enduring interest in the UAE and have incorporated their experience into the results of the survey to prepare the HR and Salary Report 2017. By observing the local labour market, we seek to provide insight into HR trends and labour market conditions in order to support GSA companies by evaluating whether their salaries are in line with the market. The report also provides a supportive framework that helps identify possible concerns of employees in regards to their private and professional life in the UAE. Employee satisfaction is indispensable to retaining key talent and building a strong company brand, which is an important factor in the search for skilled employees.

The highly competitive labour market poses challenges that only can be met with a local market expertise. An individual recruitment strategy is important, as finding skilled employees is not the only challenge that companies face in the UAE labour market. Potential employees need to suit a company's working culture in order to ensure long-term employment relationships and a positive working atmosphere within the team.



Norman Sterz

Managing Partner

Departer – The German Headhunter



About DEPARTER – The German Headhunter

Departer is the regional HR specialist in international recruitment for German, Swiss and Austrian companies in Middle East and Africa.

Our convenient locations in the United Arab Emirates, Germany and Australia give us access to international candidate profiles as well as experienced and internationally oriented professionals and executives of all nationalities.

We have an excellent reputation as multilingual German recruitment consultants and headhunters with a long-standing market experience, especially in the UAE, and are the German market leader in the MENA region. Our partnerships are characterised by German values, which are appreciated as much by our national and international business clients as by individual candidates.

Our expertise in external recruitment and human resources management makes Departer a competent and respected partner for many leading large and medium-sized companies within the German, Swiss and Austrian economies.

German Emirati Joint Council for Industry and Commerce (AHK)

The United Arab Emirates is a dynamic market and a regional hub at the cross-roads between East and West. Attracting qualified professionals to work in this multicultural yet challenging environment for subsidiaries in the UAE represents an important factor for success. But key talent retention is one of the biggest challenges for German, Swiss and Austrian companies operating in the UAE and the surrounding GCC markets. Company subsidiaries in the UAE draw from a relatively small workforce and career paths are often limited to a low number of qualified employees who often relocate to other regions to advance their careers or move to another company promising more opportunities for personal growth.

This survey of people working for German, Swiss and Austrian companies is the third to have been conducted by the AHK in cooperation with DePARTER – The German Headhunter - and offers an overview of different salary levels across various industrial sectors in the UAE. This report is unique for this region and aims to support employer and employee decision making.



Felix Neugart

CEO

German Emirati Joint Council for Industry and Commerce (AHK)



About the German Emirati Joint Council for Industry and Commerce

AHKs are located all over the world and are of great importance to the German economy.

The German Emirati Joint Council for Industry and Commerce has offices in Abu Dhabi and Dubai, and also serves as the headquarters for AHKs in Oman and Qatar. The majority of its 500 members are German companies with offices in the UAE, followed by German-based and regional UAE companies.

The wide spectrum of services offered by the AHK includes general consulting in bilateral economic relations, providing market information and conducting market studies. The AHK also functions as an excellent networking platform for German and international companies by regularly facilitating business meetings and hosting social events.

HR and Salary Report 2017

The HR and Salary Report 2017 provides insight into salary structures and HR-related trends in the United Arab Emirates with a particular focus on German, Swiss and Austrian companies.

The following report provides an overview of HR-related subjects in the UAE and considers the daily business challenges faced by HR departments and those affecting expats living and working in the country.

We present useful information to companies already active in the UAE and those planning to start participating in UAE's economy.

Salary structures are divided according to department and the type of position of the candidates surveyed in order to provide a realistic and expedient illustration of salary levels and benefits paid by GSA companies in the UAE. The report focuses on existing regional salary structures and levels that differ greatly from the salary schemes in Germany, Switzerland and Austria.

Other survey results have been interpreted and used to derive recommendations for different HR-related fields such as retaining high-potential employees, providing assistance to newly emigrated expats and recruiting high-potential candidates in the local labour market.



Economy and business environment in brief

The United Arab Emirates belongs to the **top performing countries within the MENA region** and is therefore one of the most attractive places for international companies to set up operations to meet the demand for products and services within the region. According to data of the World Bank, the UAE's performance in terms of the Gross Domestic Product (GDP) per capita in 2015 was more than five times higher compared to the regional average for all MENA countries together.

The UAE has pursued a market diversification strategy to vary its economy and reduce its dependence on oil revenues. The country has **managed to successfully develop a variety of industries** including logistics and transportation, as well as trade and tourism.

The **openness towards international trade** is also reflected in the value of exports, which in 2015 was almost twice as high as the average for the MENA region compared to GDP.

High-technology exports were twice as high as the average for the MENA region and the products are considered to be more sustainable for a positive external balance of payments as well as less dependent on oil revenues in the long term. Apart from this, the government has undertaken measures to further reduce reliance on oil prices such as **the implementation of value added tax (VAT)**, which is due to come into effect in 2018.

This outstanding performance is also attributable to the **UAE's strategically advantageous location** which has contributed towards it becoming one of the world's most important international transport hubs.

The UAE has also managed to build a **sustainable framework for regulating business activities** within the economy, and is therefore one of the MENA region's top performers in this regard. The **attractive business environment and strong regulatory framework** draws the attention of many internationally operating companies, including those from Germany, Switzerland and Austria.

Economic stability and investment in the economy and infrastructure makes the UAE an attractive country for investors. Beginning a new business venture has become a quick and easy process, and the high proportion of foreigners demanding an ever-greater variety of products and services consistently adds new opportunities for international companies.

The continuing development of infrastructure and quick adoption of new technologies has made Dubai one of the most modern cities in the world. Dubai and Abu Dhabi rank **among most liveable cities in the Middle East** attracting travellers and expats with their fusion of tradition, modernity and a multicultural population from all over the world. This demand in turn drives the diversity of leisure activities and business opportunities.

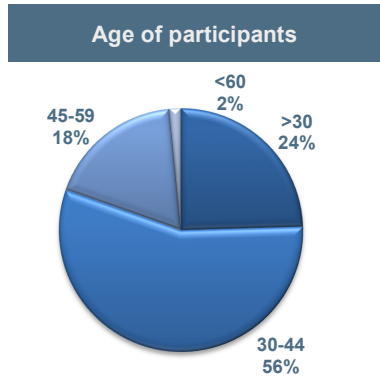


Key data of participants

The HR and Salary Report 2017 evaluates participants of all nationalities and professions living and working in the UAE. It focusses primarily on employees and HR decision-makers employed by companies headquartered in Germany, Switzerland and Austria.

The illustration to the right shows the age distribution of those who took part in the survey. 24 per cent of the participants were under 30 years old and the ages of the majority of 56 per cent were between 30 and 44. Participants over 45 accounted for 18 per cent and the number of participants over 60 made up just 2 per cent of the total.

The UAE is **known for its cultural diversity**, which is also reflected in the graphs below. Experts from Germany, Switzerland and Austria represent a large proportion of HR-related decisions whilst 84 per cent of the workforces employed in other departments are made up of other nationalities. The proportion of other nationalities in HR decision-making functions has however increased significantly over the last two years since the publication of the HR and Salary Report in 2015.

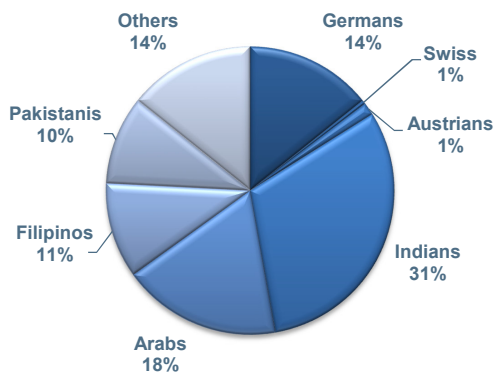


Living and working in the UAE

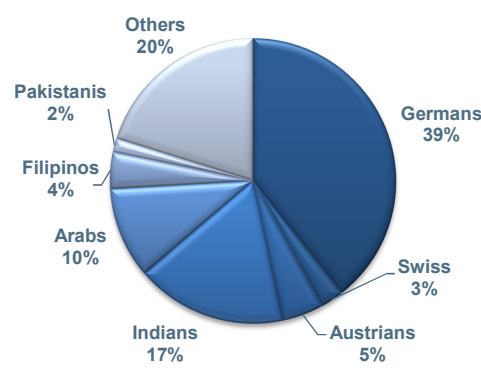
The UAE's thriving economy has unleashed a **great potential for expats** from countries around the world. Although the number of companies who recruit their specialists from outside the UAE has decreased, there are still opportunities for foreigners to gain international work experience.

Career development remains the main reason for relocating to the UAE. Interviewees have also reported factors such as potential salary and the possibility of gaining international work experience as reasons for leaving their home country and taking up residence in the UAE. The high standard of living together with the culture, weather and the opportunity to improve language skills further increase the attractiveness of the UAE as a working destination.

Employees by nationality



HR decision-makers by nationality

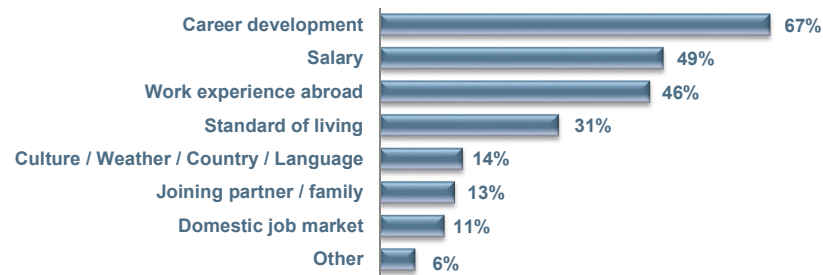


Tension in other countries across the Middle East and Northern Africa continue to impact on job markets in countries with stable economies including the UAE. **High unemployment rates in their home countries** often motivate expats to seek career opportunities in the Gulf countries.

Six per cent of those surveyed mentioned other reasons for relocating to the UAE, such as being sent by their employer to increase the company's market share in the region, the attraction of earning a tax-free income, and better educational perspectives for their children as reasons for relocating to the UAE.

Employees and HR decision-makers tend to remain in the UAE for prolonged periods of time. Only 37 per cent of the interviewees have been living in the country for five years or less whilst **52 per cent have been living there for between five and fifteen years**. Eleven per cent of those surveyed have been in the country for more than fifteen years.

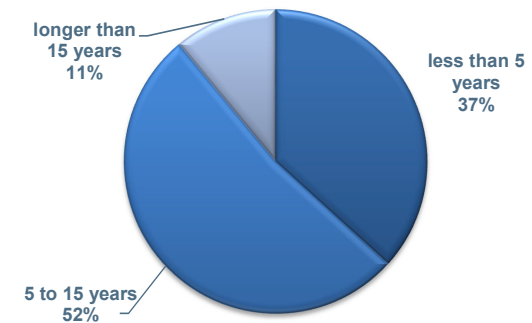
Reasons for relocating to the UAE (multiple answers were permitted)



Altogether it may be observed that individuals do not only come to the UAE to earn a higher salary, but rather due to the **promising perspectives** that the country and the Emirati market have to offer.

Expatriates still make up a significant proportion of the UAE's over nine million inhabitants. Approximately 52 per cent of the interviewees were already living in the UAE when they began working for their current employer whilst 48 per cent of the interviewees moved to the UAE for their current employment. **Only 36 per cent of those surveyed are planning to leave the country** within the next few years and 64 per cent want to continue living and working in the UAE for the foreseeable future.

Duration of stay in the UAE

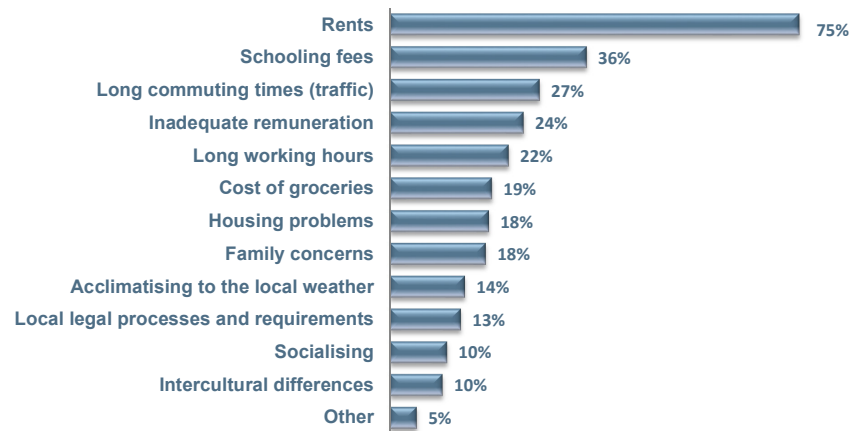


The duration of stay seems to have changed over the years with **more than 60 per cent of foreign employees spending a large part of their working lives in the UAE** for more than five years.

Moving to a foreign country also presents new challenges associated with a different system, culture and language.

The table below lists the main challenges facing employees moving to the UAE. 75 per cent stated that the **most challenging issue in the UAE is the cost of renting accommodation** followed by 36 per cent who mention the cost of schooling fees. The accumulated cost of living presents the most challenging factor for foreigners with 24 per cent listing insufficient remuneration. Apart from the salaries, other job-related factors mentioned were the long commuting times (27 per cent) and the long working hours (22 per cent). Although the UAE is one of the most culturally diversified countries in the world, **only ten per cent of the interviewees mentioned intercultural differences as a challenge.**

Key factors challenging employees (multiple answers were permitted)



German, Swiss and Austrian Companies in the UAE

The past experiences of interviewees with German, Swiss and Austrian companies are illustrated in the graph below. **68 per cent of employees especially value the clearly structured organisations of GSA companies** followed by the respectful interaction between colleagues and managers, reliable and punctual salary payments and the high level of responsibility. 55 per cent viewed opportunities for career growth within an organisation as a significant factor in their choice of employer with some interviewees also mentioning that improving their skills in German as a foreign language was important. Professionalism, reliability and work-life balance were also explicitly stated by a few employees.

Most valued attributes of GSA companies (multiple answers were permitted)



The survey also asked interviewees about factors they considered less favourably. Whilst many valued clearly structured organisations, a few interviewees thought that this did not provide enough flexibility for reacting to certain situations. According to a few of those interviewed, **GSA companies sometimes lacked understanding of the local market** with regard to the working culture and business trends and sought to apply the same strategies used in their domestic markets.



HR departments in the UAE

HR departments are an important component when it comes to employee satisfaction in an organisation. Next to the responsibility of providing each department with suitable employees, their function includes disseminating the organisation's corporate mission, values and visions. The relationship between the headquarters and foreign subsidiary plays a crucial role in efficient HR management. A process including **several decision-makers in different countries very often means a complicated and lengthy application and interview process** making it difficult to react in a timely manner.

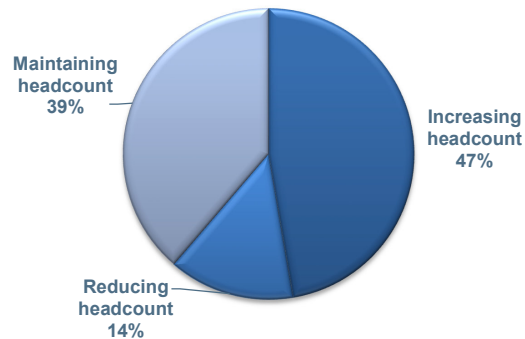
In order to analyse local trends and practices in HR departments, around 190 HR field specialists from various industries were queried about their operations in the UAE.

The survey revealed that **54 per cent of the companies interviewed have an HR department in their UAE subsidiary**. The remaining 46 per cent is divided with regard to the need of establishing a local department. 67 per cent sees no need to

establish a local HR department whilst 26 per cent think that this is urgently required. Seven per cent are already in the process of setting up a local HR department.

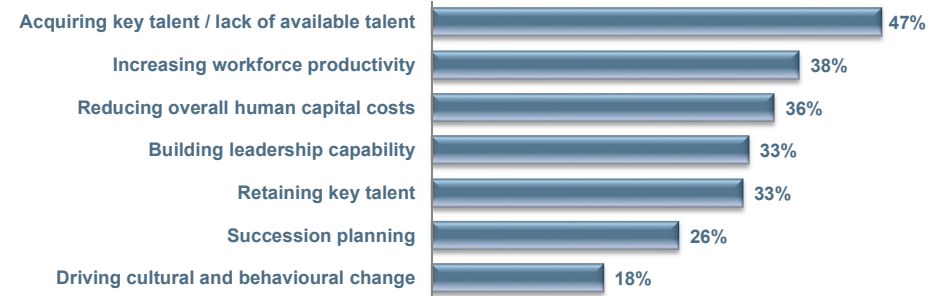
70 per cent of the HR specialists surveyed stated that their company had hired new employees in 2016 highlighting the constant need for recruitment of suitable personnel. The graph below shows how HR specialists assess the recruitment situation for 2017 and **reveals that nearly half of them expect that the headcount in the UAE will increase**. 39 per cent expect that the headcount will be maintained whilst only 14 per cent think that the headcount in the UAE will decrease during the course of the year.

Development of headcount in 2017



HR decision-makers face different challenges with regard to HR management. The following graph shows the main work-related challenges mentioned by the interviewees. It is clear that acquiring key talent or rather the **lack of available talent in the local market presents the biggest challenge** with 47 per cent. Once a suitable candidate has been found, retaining him/her presents another challenge (33 per cent). The dynamic nature of the job market in the UAE means employees are more likely to change their jobs more frequently. Succession planning, mentioned by 26 per cent of the participants, is another issue associated with finding suitable personnel. The survey also reveals the perceived importance of increasing workforce productivity, reducing overall human capital costs and building leadership capabilities.

HR management challenges (multiple answers were permitted)



Companies often compete with each other concerning salaries and benefits in order to acquire key talent. The survey reveals that 78 per cent of the HR specialists surveyed were certain that their company pays salaries according to market conditions. Other important and frequently discussed factors for employees are benefits including schooling fees, flight tickets, insurances and bonus payments. This will be addressed in more detail in the section on employee benefits.

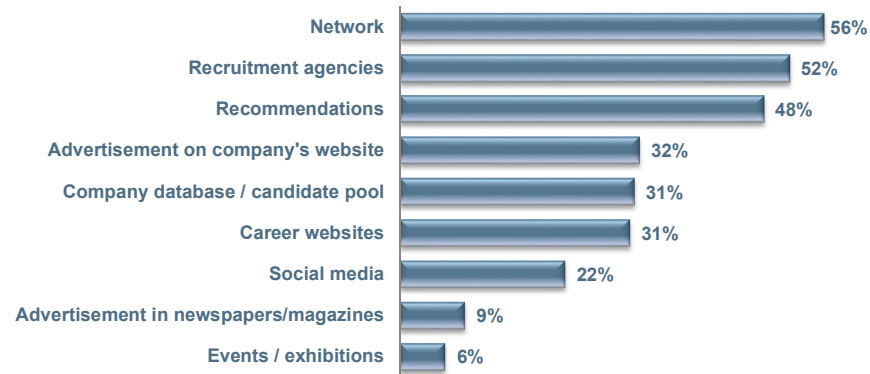
Job titles in the UAE more frequently use **the term “manager”** in comparison to German-speaking markets. The title is not necessarily used as part of the employer’s remuneration system but rather **serves to convey authority and prestige**. Consequently, the right job title at the beginning of a recruitment process often increases the number of applicants, and it is not unusual that candidates request a change to the title during the application process if it does not meet their expectations.



Bringing together companies and professionals

How is key talent found in a highly competitive job market? The following two graphs show how HR specialists find suitable personnel and how potential employees find a new position when they are actively seeking a new challenge. Companies find most candidates through their own networks, recruitment agencies or headhunters and through the recommendations of their existing employees.

How HR specialists find suitable personnel (multiple answers were permitted)



Employees actively seeking new challenges prefer applying to advertisements on career and company websites, cooperating with recruitment agencies or headhunters and utilising their own networks.

The job market also offers potential for candidates not actively searching for a new position but open to new opportunities. These candidates can only be approached directly, often by employing the services of a headhunter.

How employees search for a new job (multiple answers were permitted)





Salaries by department and type of position

The next section presents an **overview of salary levels at German, Swiss and Austrian organisations** operating in the UAE.

The evaluation provides an insight into today's labour market for professionals in the following fields:

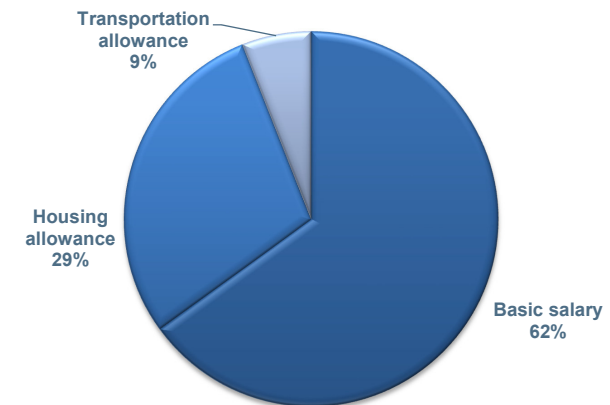
- Accounting & Finance
- Human Resources
- Information Technology
- Legal
- Management
- Manufacturing & Engineering
- Marketing
- Office Administration
- Sales & Service
- Supply Chain & Logistics

The selection of the most frequently placed job roles at GSA companies operating in the UAE labour market were chosen according to the long-standing experience of Departers' consultants.

Our evaluation includes the salary ranges for permanent full-time positions in various industrial sectors in the UAE, and is **divided into three categories of professional experience in years**. The salary ranges are the result of the survey conducted by Departar – The German Headhunter and the German Emirati Joint Council for Industry and Commerce, and the experience of our consultants who observe the UAE's labour market as part of their daily business.

UAE's common salary package cannot be compared with other labour markets, which is partly a result of the high number of expatriates. A salary package is in general divided into three parts – basic salary, housing allowance and transportation allowance. The following graph shows the average breakdown of a common salary package at GSA companies.

Salary breakdown



The salary ranges presented in the next section provide an orientation for GSA companies and enables them to evaluate whether their salary policies are in line with the market. We would like to emphasise that the **salary ranges are just an orientation** and can vary according to sector, size of the company, availability of similar talent in the labour market and other factors.



The salary amounts are given in thousands of United Arab Emirates Dirham (AED) per month and include **the basic salary, housing allowance and transportation allowances**. Other benefits and bonuses are not taken into account. These are examined in the following section.

ACCOUNTING & FINANCE

| Role | Up to 5 years | 5-10 years | 10 years < |
|----------------------|---------------|------------|------------|
| Finance Director | - | 45 - 55 | 55 < |
| Finance Manager | 26 - 30 | 30 - 40 | 40 < |
| Financial Controller | 24 - 29 | 29 - 35 | 35 < |
| Internal Auditor | 16 - 20 | 20 - 25 | 25 < |
| Business Analyst | 11 - 17 | 17 - 25 | 25 < |
| Chief Accountant | 12 - 16 | 16 - 23 | 23 < |
| Accountant | 9 - 13 | 13 - 19 | 19 < |

HUMAN RESOURCES

| Role | Up to 5 years | 5-10 years | 10 years < |
|-----------------------------------|---------------|------------|------------|
| HR Director | - | 40 - 55 | 55 < |
| HR Manager | 20 - 25 | 25 - 35 | 35 < |
| Compensation and Benefits Manager | 15 - 18 | 18 - 22 | 22 < |
| HR Assistant | 10 - 15 | 15 - 19 | 19 < |
| Recruitment Specialist | 8 - 12 | 12 - 15 | 15 < |

Salary ranges in AED (1 = 1,000) per month

INFORMATION TECHNOLOGY

| Role | Up to 5 years | 5-10 years | 10 years < |
|--------------------------|---------------|------------|------------|
| IT Manager/Consultant | 15 - 21 | 21 - 27 | 27 < |
| Software Developer | 9 - 15 | 15 - 20 | 20 < |
| IT Systems Administrator | 7 - 12 | 12 - 18 | 18 < |
| Network Engineer | 7 - 10 | 10 - 16 | 16 < |
| IT Support Engineer | 7 - 10 | 10 - 16 | 16 < |

LEGAL

| Role | Up to 5 years | 5-10 years | 10 years < |
|-----------------|---------------|------------|------------|
| Head of Legal | - | 40 - 60 | 60 < |
| Lawyer | 19 - 25 | 25 - 35 | 35 < |
| Legal Counsel | 18 - 25 | 25 - 35 | 35 < |
| Legal Assistant | 10 - 15 | 15 - 22 | 22 < |

Salary ranges in AED (1 = 1,000) per month

MANAGEMENT

| Role | Up to 5 years | 5-10 years | 10 years < |
|-----------------|---------------|------------|------------|
| CEO | - | 55 - 75 | 75 < |
| COO | - | 50 - 70 | 70 < |
| CFO | - | 48 - 65 | 65 < |
| General Manager | 40 - 50 | 50 - 63 | 63 < |

MARKETING

| Role | Up to 5 years | 5-10 years | 10 years < |
|----------------------|---------------|------------|------------|
| Marketing Director | - | 42 - 55 | 55 < |
| Marketing Manager | 16 - 24 | 24 - 32 | 32 < |
| Brand Manager | 22 - 26 | 26 - 30 | 30 < |
| Product Manager | 18 - 24 | 24 - 30 | 30 < |
| PR Manager | 17 - 23 | 23 - 29 | 29 < |
| Social Media Manager | 11 - 15 | 15 - 19 | 19 < |
| Marketing Assistant | 10 - 14 | 14 - 18 | 18 < |

Salary ranges in AED (1 = 1,000) per month

MANUFACTURING & ENGINEERING

| Role | Up to 5 years | 5-10 years | 10 years < |
|---------------------|---------------|------------|------------|
| Operations Director | - | 45 - 55 | 55 < |
| Commercial Manager | 35 - 43 | 43 - 50 | 50 < |
| Production Manager | 30 - 38 | 38 - 46 | 46 < |
| Operations Manager | 23 - 30 | 30 - 38 | 38 < |
| HSE Manager | 24 - 30 | 30 - 38 | 38 < |
| Project Manager | 18 - 23 | 23 - 31 | 31 < |
| Quality Manager | 20 - 25 | 25 - 30 | 30 < |
| Technical Manager | 16 - 21 | 21 - 30 | 30 < |
| Workshop Manager | 18 - 24 | 24 - 30 | 30 < |
| Civil Engineer | 16 - 22 | 22 - 28 | 28 < |
| Site Manager | 15 - 20 | 20 - 26 | 26 < |
| Design Engineer | 11 - 15 | 15 - 21 | 21 < |
| Technical Engineer | 9 - 14 | 14 - 19 | 19 < |
| Safety Engineer | 9 - 12 | 12 - 15 | 15 < |

Salary ranges in AED (1 = 1,000) per month

ADMINISTRATION

| Role | Up to 5 years | 5-10 years | 10 years < |
|---------------------|---------------|------------|------------|
| Office Manager | 19 - 24 | 24 - 28 | 28 < |
| Executive Assistant | 16 - 22 | 22 - 28 | 28 < |
| Personal Assistant | 11 - 16 | 16 - 24 | 24 < |
| Administrator | 7 - 10 | 10 - 15 | 15 < |
| Receptionist | 6 - 9 | 9 - 12 | 12 < |

SUPPLY CHAIN & LOGISTICS

| Role | Up to 5 years | 5-10 years | 10 years < |
|-------------------------|---------------|------------|------------|
| Supply Chain Manager | 22 - 28 | 28 - 35 | 35 < |
| Procurement Manager | 19 - 25 | 25 - 33 | 33 < |
| Logistics Manager | 20 - 25 | 25 - 30 | 30 < |
| Trade Lane Manager | 19 - 23 | 23 - 28 | 28 < |
| Warehouse Manager | 10 - 15 | 15 - 20 | 20 < |
| Logistics Coordinator | 8 - 11 | 11 - 15 | 15 < |
| Procurement Coordinator | 8 - 11 | 11 - 15 | 15 < |

Salary ranges in AED (1 = 1,000) per month

SALES & SERVICE

| Role | Up to 5 years | 5-10 years | 10 years < |
|------------------------------|---------------|------------|------------|
| Director of Sales | - | 50 - 60 | 60 < |
| Branch Manager | 35 - 38 | 38 - 45 | 45 < |
| Regional Sales Manager | 29 - 34 | 34 - 42 | 42 < |
| Area Sales Manager | 24 - 28 | 28 - 37 | 37 < |
| Business Development Manager | 23 - 28 | 28 - 35 | 35 < |
| Sales Manager | 20 - 25 | 25 - 34 | 34 < |
| Key Account Manager | 21 - 27 | 27 - 32 | 32 < |
| After Sales Manager | 18 - 24 | 24 - 28 | 28 < |
| Service Manager | 18 - 22 | 22 - 26 | 26 < |
| Customer Service Manager | 18 - 21 | 21 - 26 | 26 < |
| Technical Consultant | 14 - 17 | 17 - 22 | 22 < |
| Sales Engineer | 11 - 14 | 14 - 18 | 18 < |
| Service Engineer | 10 - 13 | 13 - 16 | 16 < |
| Sales Executive | 8 - 11 | 11 - 15 | 15 < |
| Inside Sales Coordinator | 8 - 11 | 11 - 13 | 13 < |
| Customer Service Executive | 8 - 10 | 10 - 12 | 12 < |

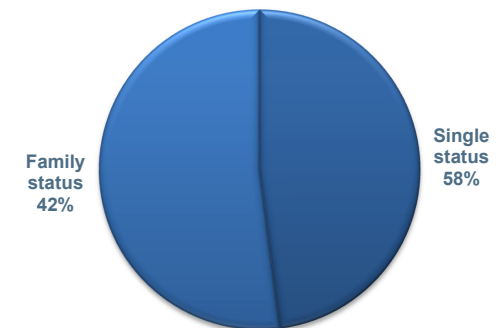


Employee benefits

Most GSA companies offer individual benefits on top of the common salary package depending on an employee's position and the personal situation. The benefits can also help to **cement a company's brand and make it more attractive** within the highly competitive labour market.

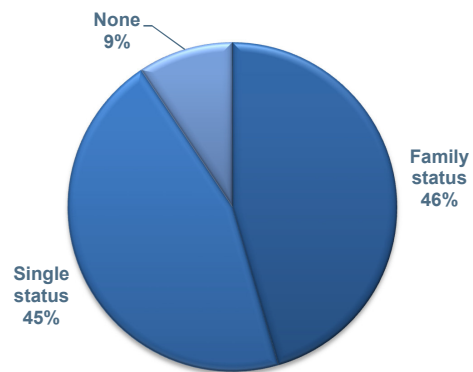
Medical insurance has become a mandatory extra in the emirates Dubai and Abu Dhabi over the last few years, although companies are still not legally bound to offer medical insurance for the whole family in Dubai where it is considered an additional benefit. 42 per cent of the employees at GSA companies in the region receive medical insurance covering the whole family.

Medical insurance



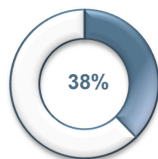
Employees of GSA companies are provided **on average with one return flight ticket to their home country** for each year of service. Some companies, however, prefer to provide a standard flight ticket allowance in order to avoid the booking formalities. 46 per cent of employees at GSA companies receive return flight tickets for their whole family. Nine per cent of the respondents do not receive any yearly flight tickets.

Flight ticket

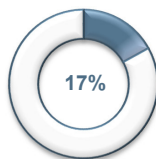


Other benefits provided by GSA companies in order to acquire or retain key talent are shown in the overview below.

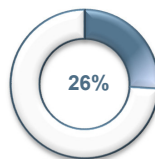
Company car



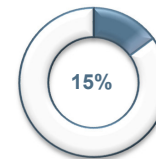
Life insurance



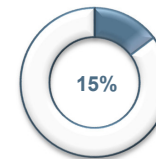
Accident insurance



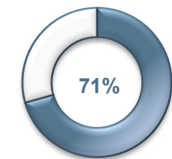
Pension scheme



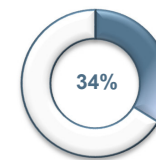
13th salary



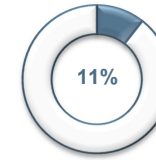
Bonus



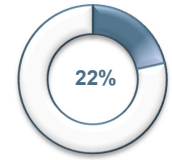
Education allowance



Commission



Home office



The **high cost of schooling fees** is one of the most challenging factors for foreigners living and working in the UAE. Families often accompany employees spending prolonged periods of time working in the UAE. 34 per cent of the companies surveyed support employees with children by offering a schooling allowance as part of the salary package. This amounts to **an average of AED 37,000** yearly per child with **an average of two children per employee**.

The survey also revealed that long commuting times or traffic in general presents one of the biggest challenges. 22 per cent of the interviewees employed at GSA companies have the option to work from home which enables them to organise their working day more flexibly and avoid peak traffic times.

Sourcing skilled individuals will remain a challenge for companies and their HR departments and therefore benefits will continue to be an important factor in ensuring employee satisfaction and maintaining a strong company brand.

Employee satisfaction

The satisfaction of the workforce is crucial to retaining key talent and building a strong company brand. The survey revealed that **employees at German, Swiss or Austrian companies remain within the company for an average of six years**, which represents double the average duration of employees working for non-GSA companies.

The dynamic nature of the labour market in the United Arab Emirates is underscored by the short duration of employment at companies. However, **only 48 per cent of employees at GSA companies said they planned to change their employer within the next twelve months**, well below 83 per cent of the employees at non-GSA companies who stated the same intention. This suggests that GSA companies are more successful at retaining their talent than non-GSA companies.

| Topic | Satisfied or neutral |
|-------------------------------|----------------------|
| Flexibility of working hours | 91% |
| Working atmosphere | 91% |
| Communication with management | 88% |
| Workload | 87% |
| Job security | 82% |
| Training and seminars | 74% |
| Opportunity for career growth | 70% |
| Salary | 69% |
| Benefits | 67% |



The table on the left shows the level of employee satisfaction at GSA companies and reveals that these companies perform particularly well in the areas of job security, flexibility of working hours, communication with the management and the working atmosphere in general.

In all these fields more than half of the interviewees stated that they were completely satisfied. The rest of those interviewed were neutrally disposed towards their employment situation whilst only a small number expressed a lack of satisfaction.

Employees of GSA companies are somewhat less satisfied with their salaries, benefits, training and seminars and opportunities for career growth. However, it is often difficult for companies with small subsidiaries in the UAE to implement training programmes and offer further career opportunities. In contrast to local companies, **German, Swiss and Austrian companies can also provide job opportunities in their subsidiaries worldwide.**

Recruitment trends

There are several trends likely to affect recruitment in the UAE's labour market over the following years.

Finding qualified employees remains one of the most important factors in the recruitment processes in many companies even though the number of individuals seeking employment in the region has increased. **Matching potential employees with the respective company cultures** will continue to present a challenge to HR departments.

Candidates have become more selective over the last few years as borne out by the widespread use of the term **"candidate experience"** which alludes to experience of applicants over the entire application process. Many applicants expect **open communication and a rather quick process** in which they are involved as extensively as possible. The survey results reveal that GSA companies are on the right path with higher-than-average durations of employment.

Digitalisation continues to affect communication between potential candidates and the individual companies. **Social media is not only an important tool for the marketing department**; it is increasingly used to establish and cement the company brand and attract potential employees with postings and advertisements. The importance of active sourcing will continue to increase over the next years as **job advertisements often fail to lead to successful placements in certain sectors**. Lack of time and the fear of damaging their reputation in the market has led many companies to delegate active sourcing to specialised organisations such as headhunters and recruitment agencies.



Particularly relevant to the UAE labour market is the tendency observed by 64 per cent of the HR decision-makers interviewed to **convert expat contracts into local contracts**.

Overall, the Gulf region's growing economy and major projects such as Expo 2020 will lead to GSA companies in the UAE **increasing their workforce to meet the demand for their products and services**. The increase in headcounts was also confirmed by the survey with nearly half of the HR decision-makers stating that they plan to increase their headcount in the UAE in 2017.

Contact information



Departer Middle East

Departer - The German Headhunter DMCC | Jumeirah Business Center Tower 1
(Cluster G) | Office 2308 | Jumeirah Lakes Towers | P.O. Box 336416 | Dubai |
United Arab Emirates | Tel. +971 4 399 5507

Departer Germany

Departer Deutschland GmbH | Wandschneiderstraße 4 | 28195 Bremen | Germany |
Tel. +49 421 168890-0 | Fax +49 421 168890-29

For more information please visit www.departer.com.



German Emirati Joint Council
for Industry and Commerce

المجلس الألماني الإماراتي
المشترك للصناعة و التجارة

German Emirati Joint Council for Industry and Commerce (AHK)

Business Village | Building B, 6th Floor, Office 618 | Port Saeed, Deira | P.O. Box
7480 | Dubai | United Arab Emirates | Tel. +971 4 4470 100

For more information please visit www.vae.ahk.de.

Support by and in cooperation with:

