

**Analysis of the Obstacles Facing the Implementation
of the ‘Nationalisation’ (Emiratisation) in the UAE
Labour Market**

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By

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Abstract

Placing Emirati nationals in jobs through the Emiratisation policy has become a topic that thoroughly deserves attention. The United Arab Emirates (UAE) government has made this policy a priority. However, due to obstacles related to organisational inefficiencies and failures of leadership in the public and private sectors, the policy has not been implemented to any significant extent. The purpose of this study was to investigate the current situation of the Emiratisation policy, the impact of the policy on skilled and unskilled labour, and the barriers to its implementation. Specifically, the study attempted to answer the following questions:

- What is the current state of Emiratisation?
- What has been the impact of Emiratisation on different categories of people (graduates, and skilled and unskilled labour)?
- What are the obstacles to effective implementation of this policy?

Qualitative and quantitative research methods were used. The qualitative method employed consisted of semi-structured interviews targeted at leaders (top managements) from the public and private sectors, while the quantitative method was a survey used to elicit data from Emirati nationals. The first question in this study was addressed by surveying the literature about Emiratisation, which found that Emiratisation has not achieved its objectives. It also found that Emiratis' lack required skills in the labour market in general and private sector organisations in particular. As regards question two, the study demonstrated serious concerns about the extent to which Emirati nationals understood Emiratisation. The third question was the core of this study, which focussed on the barriers to the implementation of the policy. The study has demonstrated that a great deal of confusion seems to exist about whether Emiratisation is a policy or a programme (Chapter Eleven). This confusion made it difficult to create a suitable atmosphere that might help the public and private sectors to cooperate in dealing with unemployment among nationals. Furthermore, the study found that higher educational institutions such as universities and colleges have not been engaged in the implementation of the policy. The study also found that the UAE government has not developed a database on the numbers of employed and unemployed, skilled and unskilled Emirati nationals. This would have helped in the planning and implementation of labour market policies. The study also found that leaders in both sectors were not involved in the process of planning and implementation of the policy; this too has hindered the absorption of nationals by organisations. The Emiratisation policy was not translated into programmes and action plans that could have helped in developing the skills of nationals to meet labour market needs. Public and private sectors organisations have not created an effective partnership that could have helped young people's (ages 18-30) engagement in the labour market. Both the survey and the interviews thus demonstrated that Emiratisation has not had any significant impact on the labour market, and therefore not on the country's economy either.

Dedication

To Suhail and Al Anood...

The strongest lights in the gloomy nights.

Acknowledgments

All praises to *Allah* for the strength and his blessing in completing this thesis.

I would like to acknowledge my supervisors Dr. Nabil Sultan (first and main supervisor) and Professor David Weir (second supervisor), for their advice, patience, and consistent feedback.

Before closing, I would like to express my warmest gratitude to my mother, my father, my wife, and my family. They shall not be forgotten for their support and patience.

Declaration

I confirm that the thesis is my own work, that I have not presented anyone else's work as my own and that full and appropriate acknowledgement has been given where reference has been made to the work of others.

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Chapter One

Introduction

1.1 Introduction

The economy of the UAE has gone through a number of phases. In the 1950s, the economy had limited national human resources and people relied on agriculture and fishery and related activities. With the discovery of oil in the 1960s, state revenues increased dramatically. From then on oil production increased from 253 million barrels in 1970 to about 619 million barrels in 1975, which brought c. \$6000 million annual revenues to the government (figures taken from Werker, 2013). However in the mid 1980s, there was a sharp decline in oil prices, which negatively affected oil revenues. The UAE government then realised the need to reduce over-reliance on the oil sector. One way to achieve this objective was to diversify the economy and attract foreign investment (Elhiraika & Hamed, 2002).

There was a structural change in the UAE employment patterns which were due to critical development in the service sector which includes trade, restaurants, hotels, transport, storage, communication, finance, insurance, real estates, and business services, social, and personal services. These sub-sectors accounted about 65 per cent of the labour force in the country in 2010 (Baldwin-Edwards, 2011). This heralded a new era for the UAE, which embarked on a massive drive to build its infrastructure, a process that required the importing of millions of migrant workers (many from South East Asia) (Budhwar, Al-Yahmadi, & Debrah, 2002). The UAE thought it necessary to reduce its heavy dependence on foreign labour and this objective could be achieved by absorbing nationals in public and private sector organisations (Al-Ali, Shee, & Foley, 2008).

In order to gain competitive advantage for its economy over other Gulf countries in the region as well as other Arab countries, the UAE initiated a ‘Twenty-five Year Plan’ to build up the Emirates’ economy through policies aimed at developing the private sector and national human resources. One of the main policies initiated by the UAE government was the ‘Emiratisation Policy/Programme’ the purpose of which was to enable UAE nationals to participate more effectively in domestic economic development (United Arab Emirates Yearbook, 2003).

The central objective of this study is to evaluate ‘Emiratisation’. This policy faces substantial obstacles to its implementation. One such obstacle is a lack of nationals in jobs that require technical skills, for example engineering, accounting, and medicine (Forstenlechner, 2010; Godwin, 2006; Shaham, 2009). Other obstacles include lack of organisational engagement, inadequate training and development of nationals, and ‘*Wasta*’¹ (Al-Ali, 2008).

1.2 Background

This section provides an overview of human resource development in the UAE, labour market opportunities and obstacles, nationalisation and its relation to Emiratisation.

1.2.1 Human resource development

Human, financial, and natural resources can play a critical role in helping countries to develop their economies and potentially to gain some competitive advantage. Human resource development has been effective in economic competition and the success of developed countries. However, some nations, and especially developing countries, have not managed to utilise their human resources to gain competitive advantage (Barney, 1991). A study conducted by Chew and Horwitz (2004) on human resources in Singapore found that its focus on developing national (local) human resources has

¹ *Wasta* is a term that often has negative connotations. It refers to the practice of using private connections to achieve private goals (e.g., securing employment or business contracts).

attracted foreign investment in various sectors such as manufacturing, hospitality, and the service industry. This has in turn contributed to developing the economy overall.

According to Al Lamki (1998), one of the main challenges facing human resource development in the Gulf Cooperation Council (GCC)² countries is the unwillingness of national young people (ages 16-24) to take up certain jobs in the private sector, such as those of builder, cleaner, agricultural worker, or other unskilled jobs with low wages and poor working conditions, for example short annual holidays and long working hours. Al Hamadi, Budhwar, and Shipton (2007) argue, moreover, that it is not possible for young nationals to work for the private sector without having the required skills, which take a great deal of training to acquire. This would require substantial investment in human resource development.

1.2.2 UAE labour market: opportunities and obstacles

In the UAE labour market there is a sharp dichotomy between skilled and non-skilled workers. National statistics and the relevant literature indicate that the majority of UAE nationals' lack technical skills and this in turn may be attributed to deficits in the country's educational system. Despite high rates of university graduates in the national population, they mostly lack the skills demanded by companies in the private sector (Shaham, 2009). Approximately 28,000 Emirati students graduated from local and international universities in 2011 (United Arab Emirates National Bureau of Statistics, 2012). But official statistics show that the majority of these students graduated in the humanities and social sciences (10,197 graduates), and few students opted for medicine and health sciences (2,133 graduates) (United Arab Emirates. Ministry of Higher Education and Scientific Research, 2012).

A comparison of the distribution of the specialisms of expatriates in the UAE in 2009 with that of nationals reveals a similar ranking in the fields of study (Table 1). The percentage of UAE Employees in education is more than double the percentage of manufacturing and hospitality employees, whereas immigrant workers are mostly

² The GCC is a trade and customs union between the six rich Arab countries of the Gulf that include Saudi Arabia, Oman, UAE, Kuwait, Qatar and Bahrain.

concentrated in health, mining, manufacturing, construction, agriculture, and the hospitality sector (Baldwin-Edwards, 2011; Gonzalez, Karoly, Constant, Salem, & Goldman, 2008; Wilkins, 2001).

Table 1: Percentage of national and foreign workers in the UAE in 2009, by economic sector

Economic Sector	Nationals %	Expatriates %
Health	15	85
Education	26.8	73.2
Public Administration and Defence	55.1	44.9
Mining	19.2	80.8
Electricity / Gas and Water	22.7	77.3
Manufacturing	6.1	93.9
Construction	5.3	94.7
Agriculture	8.2	91.8
Financial services	17.6	82.4
Transport	11.8	88.2
Hotels and Hospitality sector	4.3	95.7

Note. From “Labour Immigration and Labour Markets in the GCC Countries: National Patterns and Trends”, by Baldwin-Edwards, Martin, 2011, Kuwait: LSE Global Governance.

The large number of expatriates in the UAE is part of the fragmentation of the labour market in terms of wages, skills, and employment sectors such as the service and construction sectors. Labour market segmentation in the UAE means that Emirati nationals work in the public sector, non-nationals in the private sector. The problem is that promotion in the public sector is based on seniority rather than performance and productivity. Again, the working day is significantly shorter in the public sector than in the private sector: in federal and local governments, employees work 40 hours per week, whereas employees in the private sector work 48 hours, and in private

households drivers and maid servants often work 70 hours a week (Tong, 2010). Unsurprisingly, nationals to prefer working in the public sector (Megarbane, 2001).

Cultural factors can also prevent nationals from taking menial employment. There are many occupations in the service sector that nationals refuse to take, such as taxi drivers, serving food, clerks, cleaners, cooks, etc. The UAE has been experiencing pressure on the labour market, causing economic and social problems for the government. This has led to the segmentation of the UAE labour market³ and resulted in decreasing productivity. According to Tanmia (2006), segmentation of labour market in the UAE was due to clustering of Emirati nationals in the public sector and foreign workers in the private sector. Cheap imported labour working for private sector companies and households has obviated the need to invest in national human capital, which in turn resulted in low productivity and therefore low growth (Winckler, 2000).

Furthermore, labour markets in the UAE and GCC countries have been facing high rates of unemployment, particularly among young nationals. High population growth as well as rising participation of women in the labour force have resulted in a rapidly growing supply of nationals seeking employment. The annual growth in the UAE national work force reached 4.5 per cent in 2010 (Al Awad, 2010). Such high growth rates have put pressure on the Gulf governments to design labour 'nationalisation' policies (Chapter Four), also and more properly called (for example) Saudisation, Omanisation, Emiratisation etc. (Fasano & Goyal, 2004).

The public sector in the Gulf countries is pledged to absorb all nationals; however, this reached its limits when the wage bill became too large. The GCC governments started looking for other options to create job opportunities for nationals and shift job creation to the private sector. This shift became a major element of the UAE's labour 'nationalisation' policy (Al Dosary, 2004).

³ *Labour market segmentation theory* "initially distinguishes between two labour market segments, the one characterised by better, permanent, well-paid jobs with career prospects (the 'primary segment'), and the other having temporary, badly paid jobs without any career prospects (the 'secondary segment')" (Grip, Sieben, & Jaarsveld, 2006, p. 2).

1.2.3 Labour ‘Nationalisation’⁴

The topic of ‘labour nationalisation’ has been on the agenda of GCC governments for many years. Planning for it began in the early 1990s in countries such as Saudi Arabia and Oman. However, implementation of the plans did not begin until early 2000. Even then, no procedures were put in place to translate these policies into effective action, particularly in the private sector. As has already been noted, implementation of such policies faces many difficulties, notably lack of leadership to direct the process, a lack of skills among national people and adverse demographic conditions (Forstenlechner, 2010).

The practice in the Gulf countries in general and the UAE in particular to cope with rapid economic growth has been to import expertise from other countries as the quickest and easiest way to bridge the deficit in skilled people. While this has undoubtedly brought many benefits, it has also had the unfortunate consequence of discouraging nationals from developing skills in various employment sectors, and/or pursuing higher education in subjects relevant to economic growth (Berengaut & Muniz, 2005). Statistics show that 55.1 per cent of Emirati nationals work for the public administration and defence sectors, followed by 26.8 per cent working in education, 22.7 per cent in electricity, gas and water, and 19.2 per cent in the mining sector. The total workforce in the UAE was 3,043,000 in 2011, of which 455,000 were Emirati nationals (14.9 per cent) and 2,588,000 foreign workers (85.1 per cent) (Baldwin-Edwards, 2011).

In order to ensure continuity and improvement of public administration, as well as diversifying the national economy, the government began to concentrate foreign expertise from different countries in fields such as health, education, services (banking, hospitality, etc.), and transport. As mentioned above, the concentration of foreign labour in these areas was due to a lack of skilled nationals to cover the shortage in both the private and public sectors. The UAE government and the vast majority of UAE

⁴ The term ‘*nationalisation*’ is used in Britain to mean taking corporations into state ownership; it has long been a highly unfashionable term. However in UAE official documents in English, it is a term of approval: it is used to mean training the national population to be able to take (skilled, technical) jobs, while excluding foreign nationals.

organisations, whether in the public or private sector, relied on foreign skilled labour since there were no alternative human resources to draw on (Abdel Karim, 2001).

Countries such as Singapore and Malaysia have built strong economies and sustained economic growth despite their reliance on foreign labour (Ruppert, 1999; Wong, 1997). Admittedly they have a smaller proportion of foreign labour compared to the GCC countries: foreign workers accounted for only between 20-25 per cent of the Singaporean and Malaysian workforces in 1995 (Wong, 1997). Nevertheless they have played a critical role in contributing to rapid economic growth, because they accept lower wages and poorer working conditions (Aryee, 1994). Foreign labour in Singapore and Malaysia has been effectively managed through a complicated and tight migration policy based on work permits. In order to reduce the flow of foreign labour and encourage employing nationals, it was necessary to raise the cost of work permits, particularly for skilled and semi-skilled labour. Both Malaysia and Singapore addressed the issue of the nationalisation of the workforce through planned programmes for human resource development, by offering training programmes, job placements, and engagement with higher education (Chew & Chew, 1995). However, if such a course is to be followed, decision-makers and academics must link human resource development to education, and both of these to the requirements of the market (Baldwin-Edwards, 2011; Forstenlechner, 2008).

1.3 Research problem

Most researchers, analysts, and commentators agree with the UAE government on the importance of providing job opportunities for nationals (Al Bawaba Business, 2011; Al Lamki, 2005; Rees, Mamman, & Bin Braik, 2007). However, studies so far appear to demonstrate that the Emiratisation policy is not the optimal solution (Abdul Haleem, 2010; Al-Ali et al., 2008; Al Shaiba, 2008; Forstenlechner, 2010). There are over 2.5 million foreign workers in the UAE; most of them work in low income jobs such as construction, street sweeping, domestic service, and lower clerical employment. Moreover, there is no comprehensive educational system in the UAE; thousands of

Emirati students do not progress to higher education (i.e. universities and colleges). The Middle East Strategy Advisors (2006) attribute this to high tuition fees in private universities and a lack of places in the public universities.

The United Nations Human Development Report on the Arab countries emphasised a strong association between economic dependence on oil and poor conditions of knowledge acquisition (United Nations Development Programme [UNDP], 2003, p. 9). The report stated: “This rentier economic pattern entices societies to import expertise from outside because this is a quick and easy resort that however ends up weakening local demand for knowledge and forfeiting opportunities to produce it locally and employ it effectively in economic activity”.

The public sector is already overloaded with people in the 16-29 age-group. Therefore relying on that sector to create more job opportunities is unrealistic and would have significant adverse consequences for the implementation of the Emiratisation programme (Forstenlechner, 2010). Forstenlechner suggests that there should be action plans that take future generations into consideration and that seek cooperation with private sector organisations to replace foreign workers with nationals.

As mentioned above, academic research has documented the obstacles facing Emiratisation at the national level, such as the deficiencies in the country’s educational system (Godwin, 2006), the unwillingness of nationals to work outside the public sector (Forstenlechner, 2010), and demographic issues (Mellahi & Wood, 2001). However, these studies were not comprehensive in their analysis, they did not account for the differences between public and private sector perspectives on the implementation of Emiratisation, nor did they take into consideration the views about the Emiratisation programme of Emirati nationals in general and young people in particular. More importantly, these studies did not tackle the issues of public and private sectors leaders’ involvement in the policy implementation, public-private sectors partnership, communication between various parties (UAE government and other organisations), involvement of Emirati nationals (employed and unemployed) themselves, and the possible role of higher education institutions in advancing the

process. There is therefore clearly room for more comprehensive research into Emiratisation.

1.4 Research questions

The success of the Emiratisation policy depends upon how this policy is implemented, the role of leaders in the implementation process and the changes brought at the organisational and national level in terms of absorbing nationals in the local labour market.

Emirati nationals in the public sector accounted for 57 per cent in 2011. This was due to the focus of the UAE government on the implementation of the Emiratisation policy (United Arab Emirates. Federal National Council [FNC], 2012). However, some studies have claimed that the policy has not achieved its objectives and that it hampered productivity and development (Abdel Karim, 2001; Abdul Haleem, 2010). Other studies, by contrast, have regarded the policy as a ‘road map’ for development (Al Serhan, Forstenlechner, & Al Nakeeb, 2010; Godwin, 2006). The issue clearly needs further investigation, from the perspectives of key people in the public and private sectors as well as national young people (ages 18-30).

On the basis of the research background and research problem, the following questions will need to be addressed:

1. What is the current state of Emiratisation?
2. What has been the impact of Emiratisation on different categories of people (graduates, and skilled and unskilled labour)?
3. What are the obstacles to effective implementation of this policy?

1.5 The significance of the study

The main purpose of this study is to identify the main obstacles that stand in the way of the implementation of the Emiratisation policy. The results of this study may therefore contribute to the cooperation between public and private organisations in developing policies and action plans to implement Emiratisation more effectively. The study also hopes to provide valuable information for organisations about how to absorb Emirati nationals and how to manage the labour market, particularly through effective partnership between the public and private sectors.

This study also aims to provide information that is valuable as a basis for future plans for the implementation of Emiratisation since both public and private sectors can work collaboratively to translate the policy into action plans and programmes. This study will also, it is hoped, serve as an empirical model for further research of the same nature that will address not only the implementation of the policy, but also how to think about the long-run planning of the Emirati labour market.

1.6 Contribution to knowledge

There are several areas to which this study hopes to add value and to contribute significantly to knowledge. It aspires to offer a more searching examination of the weaknesses and strengths of the Emiratisation policy than has been available hitherto. In particular the study focuses on the major obstacles to the effective implementation of this policy in both the public and private sectors. A specific gap in the existing literature on Emiratisation that the study hopes to fill is that previous studies (e.g., Al-Ali et al., 2008; Randeree, 2009; Tanmia 2005; Tanmia, 2006) have not tackled that policy from the perspective of the private sector, graduates, and skilled/unskilled workers, etc.

The study has utilised a qualitative method to elicit data from leaders in the public and private sectors while using quantitative method to collect data from graduates, and skilled and unskilled people. The combination of methods and its justification are

explained below (Chapter Six). The focus is on the young nationals (ages 18-30) because they are the section of the population that is expected to benefit most from the effective implementation of Emiratisation. Furthermore, the highest rate of unemployment is among young people. In utilising a qualitative method, key people (leaders) working for various types of organisations (e.g., ministry consultants, members of parliament, deputy ministers, general managers, middle managers, and others) were interviewed in order to achieve the research objectives. The recommendations that resulted may change the criteria of Emiratisation.

1.7 Theoretical framework

In order to achieve the research objectives, it was essential to develop a theoretical framework for the study. This framework focused on the main theories and models related to the labour market. These theories are human capital theory, labour market segmentation theory, the employability model and the partnership model.

Human capital is considered the main contributor to the labour market, since the various industrial sectors cannot operate without qualified and skilled people. Human capital theory provides an insight into the way knowledge is transferred, and the relationship between education and earnings (Becker, 1993). Dustmann and Soest's analysis (1998) of the effect of educational attainment on the distribution of income, for example, found that people with higher educational attainment (e.g., university educations) were likely to earn more than people with less education (Chapter Five).

Labour market segmentation theory divides the labour market into several segments; each segment is subject to several obstacles. For example, segmentation theory attributes inequalities in income opportunities to inequalities in the mobilisation of recruitment opportunities, policies, and rewards. As has been noted, the UAE labour market is divided into two segments: Emirati nationals and foreigners. There is a demand for foreign workers in the UAE because of high rates of economic growth and increasing investments by businesses. Labour market segmentation theory suggests that nationals usually refuse low wage jobs. In fact, however, the segmentation of

employment differs for different countries. For example, Cain (1976) divides the labour market into two segments on the basis of differences in wage determinants such as age and education. As will be explained in Chapter Three, the UAE labour market is divided into two segments: nationals who mostly work in the public sector and non-nationals who work in the private sector. The private sector in the UAE is characterised by low wages (Chartouni, 2010).

This study also explores so-called affirmative action policies. The main purpose of affirmative action in the United States of America (USA) was to ensure that applicants from minority groups could obtain acceptance at the universities and gain access to jobs regardless of their race, colour or origin. According to this policy, there are no preferences but quotas. The main concern was said to be to ensure that those people who had been discriminated against in the past would no longer be discriminated against in the future (Sowell, 2004). In the case of the UAE, affirmative action, it is argued, is appropriate because Emirati nationals are a minority in their own country.

Employability skills and personal values are the critical tools and traits a person needs to succeed in the workplace. Academic skills related to the subjects taught at universities are in any case insufficient for graduates to obtain jobs in the labour market. University graduates normally gain theoretical knowledge (and some practical application), academic literacy, and numeracy about a subject. However, they do not gain substantial experience in other practical areas that lead to employability. It is clear, therefore, that in addition to what universities can teach, graduates need skills that are sought after by businesses, such as effective communication skills, computer skills, problem-solving, teamwork, leadership, and creativity. And even when a graduate has identified the sought-after skills and values and assessed the degree to which he/she is able to master them, he/she may or may not be competent at documenting and marketing them (in his/her resume, cover letter, and interviews answers) (Haas & Hansen, 2005).

As regards partnership, the collaboration between different sectors in local labour markets, particularly the public and private sectors, is considered critical in helping Emiratis to find jobs (Chapter Five). Effective collaboration and partnership between

the public sector and other relevant organisations (i.e. private sector) helps to translate labour market policies into action plans and programmes to absorb nationals in the labour market. The impact of these programmes on beneficiaries (people) will in turn have an impact on society at large (Osborne, 2007).

1.8 Summary of the research methodology

A choice facing the researcher at the outset of a project is between using quantitative or qualitative research methods or a combination of both. The choice usually depends upon the circumstances of the research project, its objectives, how much is already known about the research problem from either past research or the experience of the researcher, and what resources are available to him or her. Every research project has its own objectives and can be tackled in different ways, but it should utilise the best and most suitable research methods to achieve its objectives (Baines & Chansarkar, 2002; Creswell, 2009; Saunders, Lewis, & Thornill, 2009).

Quantitative research is a method of data collection that aims to gather information. That lends itself to comparison, statistical analysis, and generalisation. If the data are collected and scaled appropriately, they can be analysed easily, allowing significant patterns to emerge and providing data for further research. Qualitative research, by contrast, concentrates on the acquisition of data relating to the experiences, feelings, judgments, and understandings of those who are the subject of the current study (Nachmias & Nachmias, 2007). Bryman and Bell (2004, p. 154) define qualitative research as: “the understanding of the social world through a test of the interpretation of that world by its participants”. To gain an insight into social events, it is necessary to have knowledge of the perspectives, cultures and views of those involved, and for this purpose quantitative research is of little use.

This study employs two both qualitative and quantitative methods. In order to critically review the literature for this study, it was imperative to survey relevant empirical studies including abstracts, research methodologies, results and conclusions. The conventional approach for many studies has been to conduct small scale surveys.

However, new methodologies tend to focus on searching through digital libraries which are collections of journals, book articles, etc. that are stored in digital formats and accessed through computers. This methodology has been used in this study for the collection of secondary data.

A number of semi-structured interviews with key informants (leaders) from the public sector who are responsible for the implementation of Emiratisation have been conducted. Furthermore, a number of interviews were also conducted with managers in the private sector to solicit their views about Emiratisation.

In addition to qualitative methods, this study used a quantitative method by collecting and analysing data from national graduates, and skilled and unskilled workers (ages 18-30) who are deemed to be beneficiaries of the Emiratisation policy. This study employed quantitative method represented in a survey questionnaire that enables appropriate information to be collected directly from Emirati young people (Chapter Six).

1.9 Organisation of the thesis

This thesis is composed of eleven chapters. Chapter One has provided some background to the study, and outlined the research problem and the objectives of the thesis. The chapter includes a brief survey of the literature related to Emiratisation and empirical studies concerned with its implementation.

The second chapter provides an overview of the UAE, including population, labour force and other sectors in the economy, with reference to the political history of the region and the evolution of the political order, starting with the tribe which was the basis of the federal union.

The third chapter presents the characteristics of the labour market in the UAE including education, human resource development, the educational infrastructure, the record of reforms of the education system and higher education in the UAE. The chapter also discusses employment and labour market segmentation in the UAE, projection of

population participation in the labour force, youth and voluntary unemployment, wages in the public and private sector, and the diversity in the UAE labour market. Finally, the chapter discusses the potential governance model of the labour market and partnership between the public and private sectors in the UAE.

Chapter Four focuses on the labour market ‘nationalisation’ policies from the experience of other countries such as Saudi Arabia, Oman, Singapore and Malaysia. The chapter also presents the legal aspects related to the implementation of the Emiratisation policy.

Chapter Five presents and discusses the theoretical framework of the study including human capital theory, labour market segmentation theory, affirmative action model, employability theory, partnership models and competition theory.

The sixth chapter presents the research design and methodology that used in the study. Firstly, the chapter presents the philosophical paradigms of research with particular emphasis on positivism and interpretivism, deductive and inductive approaches. The chapter also presents quantitative and qualitative methods. Sampling techniques, recruiting participants, data collection, and data analysis are also presented in this chapter.

Chapter Seven presents the results generated from semi-structured interviews conducted with key informants from the public sector. The chapter considers the topics of public and private sectors leaders’ involvement in the policy implementation, human and financial resources required for the implementation process, the role of young people, public-private sectors partnership, communication strategies, and the role of higher educational institutions.

Chapter Eight aims to present the private sector leaders’ perspective on the Emiratisation policy. For the sake of comparison of private leaders’ viewpoint with the public sector perspectives, the same topics are used as in the previous chapter.

Chapter Nine presents the quantitative results produced by the survey questionnaire administered by young Emirati people.

Chapter Ten summarises and discusses the key findings of the study. The chapter compares the study findings with relevant literature and theories.

Chapter Eleven draws some conclusions reached by the study. This chapter also offers some recommendations that address the shortcomings in Emiratisation, limitations of the study, and potential future research.

Chapter Two

A profile of the United Arab Emirates

2.1 Introduction

This chapter provides a profile of the UAE, in order to enable the reader to understand the nature of the country and its people. A general overview of the UAE, including geographical information, will be followed by a brief political history of the region and the evolution of political power, starting with the tribe, which was the basis of the federal union. The population structure in the UAE will be explained from several angles, e.g., population growth, geographical distribution, and age structure. The changes in education and the record of economic growth in the pre-oil and post-oil stages will be reviewed. Finally, the structure of the UAE labour market will be examined, in order to define its characteristics in terms of nationality, gender, age, the geographical distribution of jobs, and qualifications. The role of Emirati women as an important element and essential component of the UAE workforce will be addressed. The theoretical framework which allows me to identify the salient features for this account is explained below, in Chapter Five.

2.2 Overview of the UAE

Figure 1: Map of the United Arab Emirates



Note. From “The Country”, 2012, retrieved from <http://www.emirates.org>

The UAE was established on 2nd December 1971. It is a federation of seven Emirates: Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al Quwain, Ras Al Khaima, and Fujairah. Abu Dhabi is the political capital and its ruler, currently Sheikh Khalifa Bin Zayed Al Nahyan, is the hereditary president of the federation. He is the eldest son of the founder of the UAE, Sheikh Zayed Bin Sultan Al Nahyan. The area of the UAE is approximately 83,600 square kilometres; Abu Dhabi constitutes 87 per cent of the total area. The UAE is ranked third in terms of area among the GCC countries after Saudi Arabia and the Sultanate of Oman (UNDP, 2007).

The UAE is located in the east of the Arabian Peninsula, south-west Asia and bordering the southern coast of the Arabian Gulf. Most of its land is desert interspersed with several oases such as the Al Ain Oasis. It has an estimated 200 islands.

The vast majority of people in the UAE are Muslims (mainly Sunni) and there are smaller numbers of Christians, Hindus, and Buddhists who live in the country, mostly foreigners. Arabic is the official language of the country and English is widely used. The official currency is the UAE *Dirham* (AED) (Rees et al., 2007; UNDP, 2007).

2.3 Establishment of the federal government

The land that became the UAE was formerly inhabited by a collection of tribes. Those tribes were the beginning of the emergence of what has been called Sheikhdoms⁵, which later formed the UAE. In the 19th century, the British wanted to control the region in order to protect India's trade from raiders in UAE waters off the coast of Ras Al Khaima, which led to wars and conflicts with the Sheikhdom Navy. In 1820, a peace treaty was signed between the British and the principal Sheikhs: Sheikh Dhiyab bin Isa Al Nahyan, 1761-1793; Sheikh Shakhbut bin Dhiyab Al Nahyan, 1793-1816; Sheikh Muhammad bin Shakhbut Al Nahyan, 1816-1818; Sheikh Thanun bin Shakhbut Al Nahyan, 1818-1833; Sheikh Khalifa bin Shakhbut Al Nahyan, 1833-1845; Sheikh Zayed bin Khalifa Al Nahyan, 1855-1909. The United Kingdom (UK) signed another agreement with Sheikh Abdullah bin Rashid Al Mualla in 1853, agreeing to a '*perpetual maritime truce*'.

In 1892, a new phase of relations began between the UK and what was subsequently known as the Trucial States of the coast, which included Qatar and Bahrain in addition to the seven emirates. It was agreed that the Sheikhs would not enter into relations with any foreign country without the consent of the United Kingdom, in exchange for protection from any aggression by sea or land.

In 1968, the UK announced its decision to terminate its relationships with the Trucial States by the end of 1971. A desire to form a union of the nine emirates emerged, but they could not agree on the terms of the union. So Bahrain became independent in

⁵ *Sheikhdom* was used as a state replaced by an Emirate. For example, Dubai was called Sheikhdom of Dubai. (Hawley, 1971).

August 1971, followed by Qatar in September of the same year. On the 2nd December 1971, the six emirates formed the UAE and Ras Al Khaima entered the union in February 1972 (United States. Department of State, 2007).

The UAE has a special status different from other Arab countries, in that it is a federal system. In addition to the federal government, there are local governments, in effect the Sheikdoms, responsible for administering local affairs (Library of Congress, 2007). The constitution of the country (1971) entitles the central government to administer foreign affairs, defence and to protect the Union's security against internal and external threats. The central government is also responsible for the union judiciary and its finance, customs, and revenues. It is also responsible for providing education, public health and medical services as well as other services such as electricity, construction, maintenance, improvement of the main roads and organising traffic, air traffic control and licenses for aircraft and pilots. Additionally, the central government is responsible for nationality, passports, residency, and immigration (Constitution of the United Arab Emirates, 1971).

Federal and local 'Emiratisation' institutions and bodies⁶ tended to move away from working with each other, as the contrast between their plans, visions and objectives shows. These organisations are local in their nature and tasks, and their role is limited to the employment of national job seekers in the institutions of the Emirate in which they are located. Therefore, the Emirati government called for the creation of a governmental institution responsible for the Emiratisation process at the state level (Abdul Haleem, 2010; Zaher, 2010). The UAE cabinet approved the establishment of an Emiratisation Council in May 2009 which includes representatives from the Emiratisation boards and bodies at the federal and local levels. The Council's role includes the development of the Emiratisation plans and standards, and providing the necessary support to ensure the development of skills and capacity of citizens to

⁶ *Emiratisation institutions* are governmental organisations (federal and local) which responsible for employing Emirati nationals in the UAE labour market. In some researches, these institutions are called 'organisations', 'authorities' or 'bodies'.

compete with foreigners in the labour market (United Arab Emirates. Ministry of Cabinet Affairs, 2010).

2.4 The United Arab Emirates population

As has been mentioned, large numbers of Arabs, Asians, Europeans, and Americans have come to the UAE since the establishment of this country in early 1970s. The massive increase in the foreign worker population has meant that the national population in the UAE has shrunk to less than 12 per cent of the total population (Table 2). According to Koji (2011, p. 41), Gulf countries are ‘national minority states’. The reliance on expatriate workers has increased the unemployment rates among nationals not only in the UAE but in all Gulf countries. For this reason, the UAE government has decided to establish a council for ‘nationalisation’ (Emiratisation).

Table 2: UAE population by nationality, 2010

	Male	Female	Total
Nationals	479,109	468,888	947,997
Non-nationals	5,682,711	1,633,362	7,316,073
Total	6,161,820	2,102,250	8,264,070

Note. From “Population by Nationality 2005-2010,” by United Arab Emirates. National Bureau of Statistics, 2011, Abu Dhabi.

2.5 The development of education

This section details the development of education in the UAE, specifically since the beginning of the traditional education period.

2.5.1 Traditional education

Before the formation of the UAE, the inhabitants of this region were mostly illiterate. The common form of education was '*Kuttab*', which refers to a place that could be the neighbourhood mosque or a teacher's house, where boys and girls were taught the *Quran*, reading, writing, and some simple arithmetic skills. At the beginning of the 20th century, a small number of schools resembling those in the West emerged, funded by other Arab countries such as Egypt (Bahgat, 1999). Due to the deficiency in schools as well as the rudimentary level of education, Sheikhs and rich families sent their sons to be educated in the UK, or in countries such as Sudan, Egypt, and Jordan, where there were Western-type schools (Bahgat, 1999; Burden-Leahy, 2005).

2.5.2 Modern/Formal education

Large revenues from the sale of oil heralded a significant shift in education. It began with the end of the traditional form of education and the construction of formal schools in all populated areas, whether urban or rural. The real start of the formal education system began with the establishment of the first Ministry of Education and Youth on 2nd December 1971. The government made great efforts to attract teachers from neighbouring Arab countries to cover the shortage of Emirati teachers. Illiteracy was a major challenge facing the government and to reduce illiteracy rates, public education, school transport, stationery, and uniforms were provided free of charge (Bahgat, 1999).

2.5.3 Higher education

Following the large scale development and modernisation of the UAE, the need to establish institutions of higher education became obvious. The United Arab Emirates University was created in 1977 as the first university, funded by the federal government. The Higher Colleges of Technology (HCT) - in effect Polytechnic universities - opened in 1988 and Zayed University in 1997. In addition to these, a number of specialised colleges and academies opened for higher studies relating to oil, the police, and the military. After the huge increase of population (spurred by demand for foreign workers), the UAE Ministry of Higher Education and Scientific Research

opened the way for the establishment of private higher education institutions, both national and international (Burden-Leahy, 2005).

2.6 Economic growth

Prior to the discovery of oil, the UAE economy was dependent on fishing, pearling, and primitive agriculture. Once oil began to be exported from 1962 onwards, economic conditions improved dramatically, thanks to the massive reserves that accumulated as a consequence of oil exports.

2.6.1 The oil sector in the UAE

Although the UAE is ranked as the sixth country worldwide in terms of oil reserves (98 billion barrels; OPEC, 2008), the government adopted a policy of reducing reliance on oil revenues through the promotion of non-oil trade such as real estate, construction, agriculture, light industry, trade, tourism, and financial institutions. In 1996, the non-oil sector contributed only 26.2 per cent of GDP, but this rose to 66 per cent and 67 per cent in 2006 and 2007 respectively. However, it decreased again to 63 per cent in 2008 because of the continuing increase in oil prices. When these dropped again, non-oil revenues again increased, to 72 per cent in 2009. According to International Monetary Fund report (2011), the non-oil sector had real growth in the UAE of 2.1 per cent in 2010 compared to 1.8 per cent in 2009 (International Monetary Fund [IMF], 2011).

The UAE economy has seen a growth in most economic indicators and achieved comprehensive development at all levels through urbanisation, continual development of infrastructure and the promotion of trade, tourism, services, banking, and capital markets. As a result, the UAE has become one of the top 30 locations for foreign investment in the world and the safest Arab country for investment, as well as ranking the highest in the Middle East and North Africa in terms of combating corruption (IMF, 2005; United Arab Emirates. Ministry of Cabinet Affairs, 2010).

UAE economic growth has seen national (real) income increasing from to US\$ 0.8 billion in 1972 to US\$ 61 billion in 2002 and to US\$ 248 billion in 2010, an annual rate

of increase of nearly 14 per cent. This has been reflected in the living standards, with GDP per capita at US\$ 42,921 in 2011, one of the highest living standards in the world (United Nations, 2013).

The features that characterise the UAE economy and that have attracted foreign capital and international business, would not have been possible by relying solely on the local workforce. It demanded the influx of a large number of skilled and specialised migrants, in addition to a larger number of unskilled and low-waged workers. This created an imbalance in the labour market, where the national workforce was 8.1 per cent of the total in 2006, compared to 9 per cent in 1995 (Tanmia, 2008). The dominance of foreign workers prompts economic losses due to the transfer of money (as remittances) out of the UAE. According to the International Association of Money Transfer Network, more than AED 36.75 billion (US\$ 9.9 billion) per year is transferred outside the UAE by foreign residents (Abdul Azeem, 2009).

In the 1990s and 2000s, from having been one of the least developed countries in the world in 1960, the UAE became one of the fastest-growing economies in the world, with GDP increasing from US\$279.9 billion in 2002 to US\$914.3 billion in 2009 (Forstenlechner, 2010), a level comparable to that of countries such as Sweden (US \$ 538.13 billion). This development did not follow the hypothetical or theoretical steps that every economy is expected to go through according to some now unfashionable theories of development; instead the economy jumped these stages to become one of the strongest economies. The huge income from oil and gas enabled the country to achieve a significant improvement in its social and economic infrastructure, especially during the period of high oil prices between 1973 and 1982 (Shihab, 1995).

Thus the UAE has been transformed socially, politically, and economically in the last three decades. It was able to respond to the new era of globalisation and internationalisation. Significant changes have taken place in health, education, the labour market, and welfare (Estes, 2000) as will be explained below.

2.6.2 The non-oil sectors in the UAE

1) Construction and real estate

Construction and real estate in the UAE is considered to be one of the largest sectors in the world. It has accounted for about US\$ 958 billion in terms of projects in 2010. It has been driven by high growth rates of the population. The financial crises that hit the world in 2008 have led to the cancellation of a number of large projects, particularly in Dubai. However, the UAE construction and non-oil sectors are expected to stabilise and recover in the next few years (Bank Audi sal, 2013). It is worth taking into consideration that more than three quarters of the country's foreign labour force (who come largely from South East Asia) work for the construction sector.

2) Transport

The UAE government has invested substantial resources in developing the infrastructure in general and the transport sector in particular. A report released by Fazil (2012) revealed that the total value of infrastructure projects in the Gulf countries reached US\$ 408.8 billion between 2009 and 2012, of which the UAE share was US\$ 187.2 billion. Abu Dhabi spent about US\$ 15 billion on infrastructure projects in the same period. These projects included Dubai Metro, which is expected to form the backbone of the Dubai public transport network, and the expansion of the capacity of the Dubai International Airport, which aims to absorb 90 million passengers by 2018.

2.7 The UAE labour market

The rise in oil prices over the last four decades created a desire on the part of the UAE government to design and implement ambitious economic growth and development plans for the UAE. This demanded importing large numbers of foreign workers, since the national work force lacked the required skills, experience, and willingness to work (Shah, 2008).

The statistics in 2012 indicate that the total number of workers in the private sector in UAE is 3.8 million whereby the percentage of nationals in the same sector did not exceed 0.8 per cent. In contrast, most of the nationals are concentrated in the public sector (Table 3) (United Arab Emirates. FNC, 2012).

Table 3: Employment in the UAE labour market, 2012

	Nationals %	Non-nationals %
Public sector	57.0	43.0
Private sector	0.8	99.2

Note. From “A framework for studying the issue of Emiratisation,” by United Arab Emirates. Federal National Council, 2012, Abu Dhabi.

2.8 Conclusion

This chapter has tried to explain that the economic development of the UAE has been largely dependent on oil revenues. The UAE government has for some decades regarded dependence on oil as undesirable, and has attempted to expand the non-oil sectors of the economy. Moreover, the economic growth of the UAE has been heavily dependent on immigrant and expatriate workers, given the unwillingness of Emirati nationals to work in either the service or the entrepreneurial sectors. As a result, Emiratis now compose a numerically very small proportion of the workforce, concentrated largely in public administration, education, and the armed forces. Emiratis have concentrated on the humanities and social sciences, rather than technical disciplines where the economy is experiencing the greatest need. For various reasons the federal and local UAE governments have regarded this situation as highly undesirable. The ‘Nationalisation’ or ‘Emiratisation’ policy has however faced many and serious obstacles, which will be explored in the following chapters.

Chapter Three

Characteristics of labour market in the UAE

3.1 Introduction

This chapter provides an overview on education and labour market issues (employment and unemployment) in the UAE. This will also serve as background for the discussion of the ‘nationalisation’ of labour. The chapter will focus on the role of the public and private sectors and their potential partnership in managing the labour market. It will also explain UAE labour market policies and will address the issue of labour market ‘diversity’⁷.

More specifically, the chapter explores the UAE education system and its infrastructure, human resource development and its relation to education and higher education. The chapter also explains labour market segmentation, employment, projections of population⁸ and labour force, youth unemployment and voluntary unemployment, women, and wages in the public and private sectors in the UAE. In addition, this chapter will outline the issue of ‘diversity’ in the country’s labour market, the labour market governance model, its administration, and promotion.

⁷ *Diversity* “refers to other ways in which people are different, such as life experience, socio-economic or educational background, personality, marital status, religious beliefs and family responsibilities. Workplace diversity builds on the principles of equal employment opportunity to include inherent differences such as gender, age, ethnicity, race, cultural/linguistic background, sexual orientation and/or gender identity, intellectual and/or physical ability” (Australian Government. Department of Immigration and Citizenship, 2013, p. 2).

⁸ A *population projection* “gives a picture of what the future population may look like, based on knowledge of the past and taking, for the future, hypotheses based on fertility, mortality and migrations. The demographic projections are made by French National Institute for Statistics and Economic Studies (INSEE, in French: Institut National de la Statistique et des Études Économiques) on the basis of the results of the population census. They can be made for the whole of the territory or for any area composed of several municipalities with a total of over 50,000 inhabitants. That could be a department, a region, an urban area, major towns or any ad hoc territory” (National Institute of Statistics and Economic Studies, 2013).

3.2 Education in the UAE

3.2.1 Human resource development

Human resource development in the Arab world has faced challenges such as rapid population growth, increasing enrolments in higher educational institutions (the UAE is a good example of this), high unemployment rates coupled with a shortage of employees with critical skills and knowledge required to do assigned jobs effectively, and inadequate incentives, particularly in the private sector. The objectives of human resource development are to identify the main skills-shortages and surpluses of trained and untrained workers in the work force, to set targets and priorities based on the actual and projected growth of the work force, and to translate these objectives into incentives, effective training programmes and the improvement of educational resources (Al Dosary, 2004).

Training and education are considered key to the success of effective labour nationalisation (Scott-Jackson, 2006). In order to develop people's education and training, human resource development demands effective communication between the higher education institutions and both public and private sectors organisations, and in particular to ensure that graduates who will join the labour market are appropriately educated and trained (Godwin, 2006).

3.2.2 Education infrastructure

On paper the education infrastructure in the UAE is one of the most advantageous in the region. Education is free at all levels of education. The UAE has one of the lowest pupil-to-teacher ratios in the world (15 pupils to one teacher). The federal government spent about 25 per cent of its budget (US\$ 1.9 billion) on the education sector in 2007, where in 2012, education made up US\$ 2.7 billion or 22 per cent of the total budget (Library of Congress, 2007 & United Arab Emirates. Ministry of Finance, 2013). In practice, however, studies indicate that the education system in general and the higher education system in particular do not equip students with the skills that would enable them to compete in the labour market (Salehi-Isfahani, 2001). According to Salehi-Isfahani (2001), education should be regarded as a process as well as an institution. As

a process, it should equip students with relevant skills and facilitate their entry to the labour market. As an institution, education should prepare students with good morals to make an impact on society as a whole. Whatever may be thought of this view, which for example does not even mention scholarship, these are at any rate the kind of objectives that induce governments to expend money on it. Again, according to Cuban (2001), high standards of basic education in schools are the first step towards building a qualified and skilled workforce. The responsibility of the government is to provide good quality education, though government need not be, and perhaps should not be, the only provider. This also requires education authorities to maintain high quality learning environments that strengthen the community (Friedman, 2007). The problem is the adjustment between educational outputs and labour market requirements, so as to avoid surplus and shortages in the supply of (in particular) graduates for the public and private sectors jobs available.

3.3 The educational system in the UAE

The old UAE system of education had been dependent on unqualified and untrained teachers. There were no performance indicators to measure and monitor the performance of schools and students. Once educational provision and standards became a policy issue, the government invested in upgrading the knowledge and skills of teachers (Al Nowais, 2004).

There are two types of schooling in the UAE: schools belonging to the public sector, where the sexes are segregated and the curriculum is dictated by Islamic beliefs, and private sector schools that follow their own curriculum. However, private schools are also required to adhere to government rules in relation to teaching Arabic language and Islamic beliefs, and to observe public holidays and Ramadan. The government schools expanded the traditional curriculum to include health education and road safety, Islamic and Arabic heritage, and a sports curriculum, but these subjects would not help students seeking higher education to achieve the entrance requirements (International Bureau of Education, 2005).

The higher education system, and in particular the active and increasing participation of women as students has already been discussed (Chapter Two).

It can be concluded from this brief background that the education system in the UAE is not directly related to Emiratisation and may be considered an obstacle to its implementation. This will be further discussed later.

3.4 Diversification of the economy in the UAE

The UAE economy is considered amongst the most diversified economies in the world (with a ranking of 16), according to the World Competitiveness Centre (WCC) Index for 2012. According to this index, it is more diversified than that of Finland (17), United Kingdom (18), Israel (19), Japan (27), France (29), India (35), Turkey (38), Brazil (46), and Russia (48). The official statistics show that the governments of Abu Dhabi and Dubai have been putting billions of \$US into the petrochemical industry and oils. In general, the Emirati non-oil GDP grew by nearly 11 per cent in 2010 (Schawb, 2011). This figure reflects how the UAE government has been able to diversify the economy in the last two decades. Lubna Al Qasimi, the UAE's Minister for Foreign Trade, stressed that the strategy of diversifying the economy has contributed to creating new industries such as advanced technologies, nuclear power, and renewable energy. The diversification also contributed to the economic development and strengthened the existing industrial sectors such as construction (Abdul Kader, 2011). However, this diversification has also brought risks, such as increasing the economy's vulnerability to external shocks, bringing in more foreign workers, and increasing unemployment rates among Emiratis (Schawb, 2011).

3.5 Employment in the UAE

3.5.1 Labour market segmentation in the UAE

Segmentation is related to the ‘dualisation’, or ‘dual labour market’ theory. According to Reich (2008), a dual labour market is one which is divided into two segments that allow little mobility between them. In the first, primary labour market segment, wages and promotion are governed by administrative employment rules rather than allocation mechanisms of competition. This applies to the public sector in the UAE, where the jobs are characterised by high wages, good working conditions, and chances for promotion and advancement. The majority of Emirati nationals try to join public sector organisations to gain access to those benefits (Nelson, 2004). The second segment of the labour market follows the rules of competitive markets (Piore, 1973). In the UAE it is represented by the private sector where wages are low, with poor working conditions, and job instability, as well as few opportunities for promotion and advancement. Foreign workers mainly join the private sector (Chartouni, 2010).

3.5.2 Employment

During the last five decades, GCC countries have witnessed rapid financial growth due to massive revenues from oil. A great deal of that wealth was used to develop those countries’ infrastructure. This level of development required the importation of labour forces from other Arab countries, Asia, America, and Europe. The Gulf countries realised that it was difficult to rely on national workers to meet labour demands; therefore the GCC governments started developing national policies to address the issue of increasing expatriate workers.

Gulf countries in general and the UAE in particular have been facing demographic and socio-economic obstacles which have led to a shortage in the national workforce (Ruppert, 1999). Furthermore, they have also been facing education problems, diversity of labour market, and gender issues, in particular cultural and social values conflicting with the demands of the market. Gulf governments have responded with so-called ‘nationalisation’ policies, called ‘Emiratisation’ in the UAE, ‘Saudisation’ in Saudi Arabia, and ‘Omanisation’ in Oman. Their aim is to reduce the demand for

expatriate workers and increase the employability of UAE nationals. In the UAE, the state has encouraged all sections of the national population, men and women, organisations (public and private sectors), and commercial establishments to participate in meeting the difficulties facing labour market ‘Emiratisation’ (Randeree, 2009).

The UAE has adopted what are called liberal labour market policies, which allow the private sector to import a competitive and experienced foreign work force (Haan, 2004). However, the Emiratisation policy that aims at prioritising the employment of nationals in both the public and private sectors at the expense of foreigners seems to contradict the liberal labour attitude implicit in the government’s previous economic policies. The government is uncomfortable about this. As Sheikh Nahyan bin Mubarak Al Nahyan, the Minister of Higher Education and Scientific Research, put it: “To be honest, I am against pushing and rushing things because this could be counterproductive. We should not force anything on the private sector because we are in a country which enforces the principles of liberalism and open markets. I am with a process of gradual transformation which will benefit everyone” (Koji, 2011, p. 52).

3.5.3 Youth unemployment in the UAE

In the 1990s, the UAE experienced very large demographic and socio-economic changes. These changes could be attributed to diversification of the economy which was aimed at moving away from the dependence on oil and gas products, and required attracting a large number of expatriate workers from various regions such as Arab countries, Asia (India, Pakistan, Iran, and Bangladesh), the United States, and Europe (Abdel Karim, 2001; Schiphorst, 2004; United Arab Emirates. Ministry of Economy, 2008). This flood of expatriate employees unbalanced the UAE demography, resulting in nationals becoming a minority in their homeland. The UAE Labour Force Survey Report (2008) revealed that there were more than three million expatriate workers, from 202 countries, employed by about 750,000 organisations (United Arab Emirates. Ministry of Economy, 2008).

The high flow of foreign labour created unemployment problems among nationals, particularly the youth. The unemployment rate among foreign workers was very low at

3 per cent, compared to 12 per cent among Emirati nationals (United Arab Emirates. Ministry of Economy, 2008). According to Al Shaiba (2008), principal among the many causes of youth unemployment among nationals was, as Tanmia (2005) in its report suggests, that they have not acquired the essential skills that the labour market demands, particularly in the private sector, and are unwilling to accept the generally inferior employment conditions for unqualified persons in the private sector.

The same study by Tanmia (2005) pointed to market segmentation in the UAE as a main cause of unemployment, with Emiratis (nationals) in the public sector and expatriates (non-nationals) in the private sector. The public sector has not been able to absorb the increasing numbers of university graduates and graduates from other technical and vocational education institutions looking for public sector work, who for various reasons will not accept the conditions of private sector employment.

Moreover, most Emirati graduates have studied subjects that are more suitable to jobs in the public sector than in the private sector. For instance, about half of national graduates (42 per cent) studied Business and Economics in 2012. In comparison, only 2 per cent of them have completed their degrees in Medical and Health Sciences, 1 per cent in Education, 2 per cent in Physical Sciences, 1 per cent in Tourism and Hospitality, and 1 per cent in Architecture and Construction (United Arab Emirates. Knowledge and Human Development Authority [KHDA], 2012). Lack of technical specialisations among Emirati nationals explains why the private sector organisations import expatriate workers from other Arab and Asian countries (Chapter Four).

A study conducted by the International Council on Security and Development [ICOS] (2010) showed that one third of unemployed young people are not jobless because there are no jobs, but because they will only accept selective and prestigious jobs that suit their social class. Emirati young women, on the other hand, work hard to build their educational and professional profiles and are more likely (than young men) to accept jobs (not necessarily prestigious) in the local labour market.

Thus there is, it seems, no single cause for unemployment among Emiratis, particularly the youth. In order to address the unemployment problem and its causes in the UAE,

what is needed is a large scale study at the level of the whole of the Emirates. On that basis the government would be able to design relevant and evidence-based policies.

3.5.4 Women in the UAE labour market

The achievement of Emirati women in higher education has resulted in changing attitudes towards women. Their participation in the labour market is now one of the highest in the Arab world, and with 41.8 per cent in 2008, it is the second in the Gulf countries after Kuwait's 44.3 per cent (Table 4). This is despite the fact that many other Arab countries commenced women's development programmes before the UAE attained independence (World Bank, 2010). The high rate of Emirati women's labour market participation is probably attributable to the high proportions of women graduates from the institutions of higher education, as mentioned earlier. This has arguably also affected the structure and the size of family and women's gender role in society (Moghadam, 2004).

Table 4: Women's participation in the labour market in the UAE compared to other Arab Countries

	2005	2006	2007	2008
UAE	39.3	40.2	41.0	41.8
Bahrain	33.0	32.7	32.3	32.2
Egypt	22.8	22.8	22.8	22.8
Iraq	13.4	13.4	13.4	13.3
Jordan	22.0	22.2	22.8	23.4
Kuwait	45.2	44.9	44.9	44.3
Lebanon	21.2	21.6	22.0	21.8
Libya	24.3	24.3	24.1	23.8
Morocco	26.2	26.2	26.5	26.5
Saudi Arabia	19.8	20.2	20.5	20.8
Sudan	30.1	30.3	30.5	30.9

Note.

From " Methodology for Demographic and Employment Projections," by World Bank, 2010, Washington: World Bank Publications.

3.5.5 Wages in the public and private sectors in the UAE

Studies indicate that employees in the private sector earn lower salaries than employees in the public sector. However, wages in the private sector have been increasing at a faster rate than those in the public sector. For example, the salaries of employees in the private sector increased by about 10 per cent, compared to only 2 per cent in 2006 in the federal government and 5.2 per cent in local governments. Nevertheless, statistics indicate that wages in the public sector are almost double those in the private sector in 2008 (US \$8,303 and US\$4730 per month respectively) (IMF, 2009). Table 5 shows that the highest wages in 2013 are allocated to the defence and internal security sectors, which include military and police sectors (US\$14,673), versus US\$5,434 for the federal governments' services.

Table 5: United Arab Emirates monthly wages by sector (U. S. \$)

Sector	2008	2013
Army and police	7,400	14,673
Federal government	4,327	5,434
Local government	5,480	9,336

Note. The data in column 2 are from Salary Survey, by Bayt and You Gov, 2009, Dubai: Bayt.com Publications.

Note. The data in column 3 are from Middle East and North Africa Salary Survey, by Bayt and You Gov, 2013, Dubai: Bayt.com Publications.

3.5.6 Diversity in the labour market

Esty, Griffin, and Hirsch (1995) define diversity as understanding, valuing, accepting and celebrating differences among people in relation to ethnic groups, gender, class, age, disability, and spiritual practices. Diversity in the labour force, it is argued, increases the competitive advantage of private sector organisations (Pyburn, Ployhart, & Karvitz, 2008). Additionally, private sector companies usually espouse diversity

because they believe that it has the potential to increase the ability of companies to compete in the market place and on the global level as well as improving organisational performance (Robinson, 2002). This is because private sector organisations believe that foreign workers are more qualified and skilled than national Emiratis, and accept lower wages. All of these factors, it is argued, lead to higher employee satisfaction and enhance the relationship between nationals and non-nationals (Koonce, 2001).

Randeree (2009) considers the UAE to be a prime example of global cultural diversity. There are Emiratis, Arabs from other Arab countries, Europeans, Americans, and Asians (from Iran, the Philippines, India, Pakistan, and Bangladesh). The labour market in the UAE accommodates more than 200 nationalities work in different sectors of the economy, in view of its high levels of development (Al Serhan et al., 2010). Managing all these diverse allegiances, traditions, and tensions is not an easy task, requiring effective coordination and cooperation between all sectors, particularly the public and private. It poses serious obstacles, not only to the UAE Ministry of Labour but also to other ministries and private sector organisations. These include the lack of cooperation and coordination between the private and public sectors, lack of a comprehensive database on employers and work force, coping with the specific requirements of the private sector organisations (e.g. technicians in different areas), weak productive capacity of the national workforce, and uncompetitiveness of nationals with foreign workers (Al Serhan et al., 2010).

3.6 The governance model of the UAE labour market

The UAE labour market is subject to a ‘governance model’, which places particular emphasis on partnership between the public and private sector in the implementation of Emiratisation.

3.6.1 Public and private sectors

The public sector in the UAE may be defined as all organisations, institutions, and clusters that are part of legally owned by, or in effect controlled by the government. These organisations include ministries, schools, municipalities, hospitals, the armed forces, police, civil authorities, and other governmental organisations (for a discussion, see Ayish 2005, p. 382). The UAE private sector comprises all private companies whose main aim is profit and who, therefore, are looking for cheap labour (Al Awad, 2010). However, many of the private companies are owned by the government, and the question of control or control relations, irrespective of *legal* ownership, is even more difficult. For instance, the UAE government owns about 60 per cent of Etisalat company shares, although this company ostensibly works purely on an economic basis (Etisalat, 2013). All oil and petroleum companies are in fact owned by the government, and their decision-making processes are therefore ultimately in the hands of the government.

3.6.2 Governance of the labour market

There has been a big debate about the definition of the terms ‘governance’ and ‘good governance’. Treib, Bahr, and Falkner (2007, p. 5) define governance as “steering and co-ordination of interdependent (usually collective) actors based on institutionalised rule systems”. In other words, governance is concerned with processes, policies, procedures, systems and practices, both formal and informal, the manner in which they are applied and followed, the relationship that these processes create or determine, and the nature of these relationships (Treib et al., 2007). The United Nations Development Programme defines governance as: “The exercise of political, economic and administrative authority to manage a nation’s affairs. It is the complex mechanisms, processes, relationships, and institutions through which citizens and groups articulate their interests, exercise their rights and obligations, and mediate their differences” (UNDP, 1997, p. 5).

Good governance is essential for order and equality, efficient delivery of goods and services, accountability in the use of power, protection of human rights and freedom,

and maintenance of organisational solutions to common problems. Good governance means that the government (public sector) places a focus on other stakeholders, such as the private sector organisations, performing clearly defined functions effectively, developing the capacity, and capability of the governing bodies (Yorkshire and Humber Assembly, 2006).

In relation to the labour market, there is what is called a 'structural public governance model' (Armstrong, Lloyd, & Redmond, 2004), which focuses on two main aspects: organisation and management and accountability. In terms of governance, key considerations are how, and by whom or what, a country's services and strategic plans should be structured or organised. The organisational aspect of the structural public governance model attempts, or should attempt, to deal with the role of governments (Armstrong et al., 2004).

Structural public governance focuses on the issue of ownership (control over laws and decision making processes), and falls into three categories: (1) state/government (metaphorical) ownership of decision-making; (2) public non-state/governmental ownership (delegation of issues to other organisations, such as in the private sector); (3) corporate ownership (the framework within which organisations are directed and managed) (Armstrong, Xia, & Totikidis, 2006). There is a distinction to be made between the governance and ownership of the public and private sectors that needs to be based on the type of law to which the organisations in the public or private sectors adhere. For example, universities in the UAE are public and non-profit but independent institutions which have developed their own systems. Universities are sponsored by the UAE government represented by the Ministry of Higher Education and Scientific Research, but they have developed their own systems in relation to appointment, salaries, and other issues. Universities have their cadre and wages systems that do not follow the government rules and regulation. There are also a number of non-profit organisations that are sponsored by the federal and local governments in the UAE, such as Human Appeal International, the Mohammed Bin Rashid al Maktoom Foundation, the Dubai International Seafarers Centre, and Gulf for Food Organisation (Index United Arab Emirates, 2011). In relation to private sector organisations, their system is

totally different from the public/government sector, particularly in relation to ownership and governance. However, private sector organisations have no control over labour laws and regulations. Thus it can be concluded that there is a difference between the role of the public sector and the private sector in managing the labour market outcomes (employment and unemployment), but each sector can define its own role in the process of managing its labour (Bresser-Pereira, 2007).

According to governance theory, public policy, and law making remain in the hands of the government (the public sector) (Keasey, Thompson, & Wright, 1997). This, however, does not hinder the government from *consulting* other sectors (i.e., the private sector) in designing relevant policies. Decentralisation can be achieved by transferring the service provision to other social and economic agencies such as private sector organisations. For instance, the UAE government can delegate some of its responsibilities for solving unemployment problems to private sector organisations, which may, for example, help in designing training programmes for unemployed people. Delegation of services or other aspects of solving labour market issues (i.e., creating jobs) to the private sector and other organisations can serve the government as well as put other organisations in an accountable position.

In terms of governance of the labour market, different issues related to employment and unemployment may be addressed and discussed between the government and other sectors. In the UAE, the Ministry of Labour has a pivotal role in designing labour market strategies and regulations. Nonetheless, the ministry also has to ensure that the private sector is involved in policy making and has a prominent place in resolving labour market problems such as unemployment (Bresser-Pereira, 2007). For Emiratisation, the public sector, represented by the Ministry of Labour, could ideally work in partnership with the private sector to design action plans for implementation of the policy. From a governance point of view, constructive negotiation may be established between the government and other social actors (private sector organisations, non-governmental organisations, and international organisations) to administer and manage the labour market. According to Hansen, Pedersen, and Patersen (2009), managing the labour market is not an easy task, because it covers all

actors/organisations responsible for the labour market. Indeed, there is a problem about whether the labour market can be ‘managed’ at all, given its complexity and the multiplicity of actors and social forces involved.

3.6.3 Administration of the labour market

‘Labour administration’ covers all public administration bodies responsible for and/or engaged in labour administration. In the vast majority of countries, ministries of labour are to a greater or lesser extent responsible for the administration of labour market outcomes including employment, underemployment, and unemployment, although their ambitions vary. The role of labour administration is to elaborate, implement, concentrate, and evaluate national labour policy, which may not be restricted just to employment and social policy. The classical functions of labour ministries include labour protection, employment, industrial relations, and cooperation with employers and workers' organisations (Cyrus & Vogel, 2003).

3.7 Conclusion

A study that aims to analyse Emiratisation must be based on a general account, such as is offered in this chapter, of the circumstances that this policy is intended to deal with. Particularly important in this respect is the character of the labour market, current and projected conditions of employment and unemployment, and the formal governance structures that are meant to regulate the labour market. Of the various institutions and policies that influence the labour market, and notably the place of women, the educational system must rank highly, and it has been outlined here. Some attention has also been given to the ‘partners’ that Emiratisation policy would have to rely on.

Chapter Four

‘Nationalisation’ of the labour market

4.1 Introduction

This chapter will survey the literature on ‘nationalisation’ policies in general and the Emiratisation policy in particular. A literature review in research projects is intended to serve various purposes. In particular it can relate the study in hand to the larger and on-going dialogue in the literature, and in so doing can point up gaps in knowledge that should be filled and avenues for further research. Done well, it allows the researcher to locate his/her project, and so provide some indication of its potential importance (Creswell, 2009).

Various studies (including Baldwin-Edwards, 2011; Randeree, 2009; Ruppert, 1999) have argued that the ‘nationalisation’ policies followed by governments in various parts of the world, including the UAE, are positively and/or negatively affected by several factors, such as the extent of human resource development, the existence of employment opportunities, and other programmes. This chapter will critically discuss these factors.

4.2 ‘Nationalisation’ policies

Readers are reminded that the term ‘nationalisation’ (also called Emiratisation, Saudisation, Omanisation, Qatarisation, Kuwaitisation, and Bahrainisation, depending on the country concerned) refers to the general policy initiated by the GCC governments to reduce their dependence on foreign employment and enhance the employment of nationals. According to Strom, Rasmussen, and Robinson (2011), the Gulf countries (United Arab Emirates, Kuwait, Saudi Arabia, Oman, Bahrain, and

Qatar) would not be able to absorb more employees in the public sector, and Strom et al (2011) therefore recommended implementing policies to increase private sector employment of nationals, in order to cope with their increasing demand for employment. In order to do so, the governments of the Gulf States launched policies to create job opportunities for nationals. These included direct labour market programmes, such as reserving particular job categories for nationals, and indirect programmes, such as providing technical and vocational training for nationals to suit them to the needs of the labour market. However, restricting the labour market in the Gulf countries is far from simple (Brooks, 2006). Emirati national men, and to a lesser extent women, are likely to reject anything except public sector employment. A move to a more diversified and knowledge-based market may contribute to motivating nationals to look for jobs in the private sector. However, for private sector enterprises in the Gulf countries employing nationals entails high costs in terms of training and experience, by comparison with recruiting non-nationals, who are already trained and experienced (Harvey, Moon, Geall, & Bower, 1997).

Several countries have begun to use more current economic thinking to approach the issue of unemployment. In classical economics, at least until the 1930s, unemployment was regarded as a temporary event resulting from market rigidities in a number of industrial sectors and wages. Subsequently, however, the new classical economics introduced other kinds of unemployment, notably structural unemployment, and other factors including lack of social and labour mobility. Productivity, competition, and foreign investment have become the most important factors in the analysis of the labour market and unemployment (Fasano & Goyal, 2004). Unemployment in the Gulf countries arguably stems from the low contribution made to economic growth by the national labour force in the private sector, and inability of the public sector to absorb more people. An empirical study of a number of Gulf countries conducted by Elbadawi and Gelb (2010) found that the Ministries of Labour in the Gulf countries, as well as public sector organisations, were already required to build up comprehensive databases about nationals, identifying the shortages in some areas of specialisation and focusing on the requirements of the labour market. The study contended that the most effective use Gulf countries could make of their oil incomes would be to accumulate a large and

sufficiently diverse stock of tangible types of capital (i.e. infrastructure) and intangible types of capital: human capital that can replace the foreign expatriates; knowledge capital, and good institutions that are based on transparency and accountability.

Nationalisation policies and strategies are usually adopted when economic growth, social and economic reforms, competitiveness and globalisation have increased (Looney, 2004). These issues related to nationalisation take time to address. Looney (2004) also stresses that the lack of reliable data hinders any meaningful quantitative analysis of labour market issues (unemployment, underemployment, labour relations, etc.) and therefore hampers any employment generation. Looney (2004) recommends that the Gulf countries should design policies and strategies to increase the interest of their nationals in finding jobs in other Gulf countries. He indicates that the total productivity factor is negative, which has led to mobility in the labour market to absorb the growing labour force. The Gulf countries have also failed to improve the outcomes of their market (employment) which was attributed to failure in the increase of employment creation and the capacity for growth (the employment elasticity of growth). Furthermore, Tohama (2007) argues that the Gulf countries are required to enhance their 'total factor productivity'. This is the portion of output not explained by the amount of inputs used in production, and its level is determined by how efficiently and intensely the inputs are utilised in production. Increased total factor productivity could therefore generate more job opportunities and lower total labour costs.

A study of Gulf labour market policies by McKinsey & Company (2013) concludes that if the Gulf countries are to balance labour demand and supply, their policies should focus on creating sustainable opportunities for nationals, while protecting the rights of non-nationals even after the nationalisation of labour market. Such policies should be based on reliable methodologies that enable policy makers to set attainable objectives, assess market performance, and design new programmes for the reduction of unemployment. Apart from high unemployment rates (13 per cent) in the Gulf countries, the labour market and labour performance can also be assessed using other indicators such as income distribution, wages, labour productivity, and unemployment benefits (World Bank, 2011). The labour market needs to be balanced. On one hand,

policy makers and leaders wish to create new job opportunities. On the other hand, they also want to protect people who are employed. If the labour markets are to be flexible, they will try to avoid minimum wages and collective bargaining (Osborne, 2007). The problem in all Gulf countries, however, is that they have developed policies related to security of employment for nationals, while overlooking the need for flexibility. The Gulf governments have protected nationals although these nationals have low skills, while placing restrictions on the number of foreign people who are allowed to work in specific fields, even though skilled foreign workers are readily available (Mashood, Verhoeven, & Chansarkar, 2009).

The governments of the Gulf countries have given priority to nationals in the public sector. This has decreased the unemployment rates. However, from the 1990s and early 2000s, the public sector has been increasingly unable to absorb the growing number of workers due to high demographic rates. Consequently, Gulf governments imposed quotas on the proportion of nationals employed by private sector organisations. Although these quotas have been in place in some Gulf countries for some time, the absorption of national workers in the private sector did not in fact occur (Fansano & Goyal, 2004). The problems of absorbing national workers differ across the Gulf countries. For instance, Qatar has not been tough in implementing nationalisation policies, but has focused on strengthening the education system and training, which may increase the proportion of national workers able to work in the non-governmental sector. The UAE has also avoided using the quota system except in the banking, trade, and insurance sectors which require skilled labour and offer high wages (Goyal, 2003). On the other hand, Saudi Arabia, Oman, and Bahrain have applied quotes in the hope of promoting the employment of nationals and allow the exclusion of foreigners. For instance, in Oman, the national labour force reached 81 per cent of the hydrocarbon sector and 91 per cent in the commercial banking sector. However, only 40 per cent of nationals work in the hotel industry, which requires less skilled labour. These countries, in fact, had suffered from high rates of unemployment, particularly youth unemployment. The Omani government has achieved limited progress in upgrading the skills of its young people; lack of these skills hampers their employment in the private sector (Al Lamki, 2000).

4.3 ‘Nationalisation’ programmes

The first steps towards ‘nationalisation’ were taken by the Kuwaiti government in 1985 and in Oman in 1988. However, the implementation of these initiatives really only began in the early 1990s (Al Kibsi, Benkert, & Schubert, 2007). In relation to nationalisation, Potter (1989) stated that effective nationalisation took place by filling the jobs required by organisations in competitive way. If this is correct, Emiratisation should focus on policies that help Emirati nationals to become effectively employable in jobs historically taken up by foreign workers who are more skilled.

Countries all over the world have developed different types of policies that help in the ‘nationalisation’ of their labour markets. For instance, the Malaysian government in the 1990s introduced a number of measures to encourage private sector organisations to absorb national citizens instead of employing foreign workers. For example it promoted the employment of Malaysian nationals by flexible work arrangements and the re-employment of qualified and skilled retired people, and incentives to increase labour mobility (for example by providing transport to work), and helping the private sector to introduce training and development programmes (Ruppert, 1999).

According to Jreisat (1992), oil wealth encouraged the expansion of the public sector, not only in the UAE but in all Gulf countries from the 1960s onwards. Placing Emirati nationals in public sector jobs was one of the UAE government’s methods of distributing oil wealth. This has however weakened the role of the private sector, because the UAE has not focused on partnership and collaboration with the private sector organisations that could contribute to determining the requirements of the labour market. It is the private sector that has recently played a central role in economic development in the UAE economy. Belatedly, as it came to believe that oil resources may be exhausted in the next few decades, the UAE government has attempted to diversify its resources and economy (United Arab Emirates. Ministry of National Economy, 2003). In any case the public sector should not be treated simply as a government tool to achieve short term labour objectives. It has a much important role to play in society. According to Sarrouh (2003, p. 6): “Effective public sector management is increasingly seen as more than just modernising state institutions, (but)

it is also about fostering dynamic partnership with civil society and the private sector in order to improve the quality of service delivery, enhance social responsibilities and ensure the broad participations of citizens in decision-making”.

In general, all Arab Gulf countries have been working towards implementing ‘Gulfisation’ policies as one of the main national human development plans in the region (Al Lamki, 2000). One of the main objectives of these policies is to employ nationals in the private sector.

To counter the excess of foreign labour and develop a national labour force, many of the Gulf countries adopted regional training and development programmes. These were accompanied by ‘Gulfisation’ policies and mechanisms to reduce the number of foreign workers. Gaad, Arif, and Scott (2006) observed that Emiratisation, Omanisation, Saudisation, etc. had already become fashionable terms by 1990. However, with the rapid increase of Gulf countries graduates from universities and other educational and training institutions, disequilibrium occurred in the Gulf countries’ workforce situation, primarily in the public sector, where supply exceeds demand. In other words, there are two ways of achieving nationalisation. One is replacing the expatriates quantitatively and the other qualitatively (Romani, 2009). In other words, replacement may not take place on the basis of skills and qualification, but is intended just to fill vacancies with nationals. This would mean that governments in the Gulf countries simply exclude foreign nationals, and replace them with nationals, without any sort of rehabilitation or development of their skills. The alternative is that prior to starting the replacement process of foreign workers by nationals, there is some plan that develop nationals’ abilities and skills so that they are actually competitive in the local market, and are not given jobs simply on the economically (and morally) irrelevant ground of their nationality. ‘Emiratisation’ is the latter of these: it aims to encourage the participation of Emirati nationals in the national economy, particularly in the private sector, not by ‘getting rid of foreigners’, but by making Emiratis able, and willing, to compete on a ‘level playing field’ (Randeree, 2009).

4.4 Emiratisation

4.4.1 Characteristics of the policy/programme

Mashood et al. (2009, p. 2) describe the Emiratisation policy as an example of “the interventionist approach often taken by governments of the region”. It is a policy that aims to reduce the country’s reliance on expatriate labour and increase the participation of nationals in the labour market (Wilkins, 2001). Emiratisation attempts to ensure that the UAE nationals are given employment opportunities in the labour market (Suter, 2005, p. 33).

4.4.2 Why Nationalisation/ Emiratisation policies?

Taecker (2003) documents a number of benefits relating to the nationalisation of the labour market and the replacement of foreign labour. Thus nationalisation keeps money within the country itself. For instance, in 2000, about US \$14 billion was remitted outside Saudi Arabia; this is equivalent to 9 per cent of the country’s GDP at that time. By reducing such remittances, nationalisation can create job opportunities for nationals in the Gulf countries and reduce the reliance on foreign people (Looney, 2004). The UAE, Saudi Arabia, and Oman launched the implementation of the programme of nationalisation in public sector organisations. To a large extent, they succeeded. However, the public sector has not been able to absorb the increasing number of nationals applying for this kind of employment, with consequent higher unemployment rates (Al Kibsi et al., 2007; Al Lamki, 2000; Randeree, 2009).

In Africa, the governments in Zimbabwe, South Africa, and other countries Africanised national services. Each country developed its own policy of Africanisation. However, the main focus of all countries has been on Africanisation in the public sector. There were a number of reasons for such policies and strategies. These included the desire of the African governments to consolidate their political independence, to absorb nationals, and guarantee the stability of employment in both the public and private sector (Okeke, 2010). In general and to a large extent the Gulf countries have similar reasons for nationalisation, but the nationalisation policies differ between countries for various reasons. For example, demographic factors may explain the difference

between the UAE and Saudi Arabia, since Emiratis form less than 15 per cent of the UAE population, while the Saudis form more than 70 per cent of Saudi Arabia (Bertelsmann Stiftung's Transformation Index [BTI], 2012).

The Emiratisation policy can be regarded as a cornerstone of the restructuring of the education system in the UAE which is intended to help to create more jobs (Randeree, 2009). In short, the goals of Emiratisation are relatively simple, and are principally the reduction of unemployment among national Emiratis, and increasing the investment of nationals in active economic roles.

4.4.3 Women and Emiratisation

According to the Abu Dhabi Statistics Centre (2010), the participation of women in the national labour force has seen an incremental increase (19.3 per cent in 2006, 20.4 per cent in 2007 and 21.1 per cent in 2008). Nevertheless, according to Randeree (2009), it is very hard for Emirati women to find jobs (especially in the public sector) compared with males. In general, Randeree (2009) concludes that national women in Gulf countries in general and the UAE in particular are less likely to find jobs easily, are more likely to find jobs in the private sector and are less likely to earn more than men.

4.5 Problems of implementation

The implementation of Emiratisation started in the early 1990s when the first post-independence generation began to enter the labour market. In the 1990s, Emiratis started graduating from universities and colleges, and this prompted the UAE government to think about Emiratisation of the labour market. The Federal government began discussing unemployment problems among nationals and possible remedies. In 1999, the UAE established *The National Human Resource Development and Employment Authority* (Tanmia), which was expected to play an important role in the implementation of the Emiratisation programme. Tanmia was set the following objectives (Tanmia, 2006; the objectives are listed here in the order in which they appear in the foundational document), namely to:

1. create job opportunities for UAE nationals
2. work on the reduction of unemployment rates
3. enhance national skills and productivity in different areas of the labour market
4. suggest relevant policies to the UAE Federal Government

However, Tanmia's performance has been disappointing because it could not enforce the policy (Koji, 2011). Nor was it alone in this. Looney (2004) claims that the Gulf countries in general and Saudi Arabia in particular had not developed programmes for the transition from school to work. Again, amongst the obstacles to the implementation of the Emiratisation, a conference at Abu Dhabi University (2011) identified the problem of generating an increase in nationals to work in the private sector and managing national talent through the provision of career development, counselling and training. It also pointed to the issue of the difference in wages and benefits between the public and private sectors.

According to Quilao (2008), the UAE nationals do not have the experience that qualifies them to work in the healthcare sector because medical education in the UAE is still under-developed. However, this has not deterred hospitals in the health sector from developing nationals' skills. For example, one of the main hospitals (Burjeel Hospital) in the UAE, in an agreement with the Emirati government, helped to implement Emiratisation by assigning non-nationals to re-educate nationals.

According to Forstenlechner (2010), *Wasta* (an Arabic word that literally means 'mediations') is used in the process of employment. *Wasta* is the use of connections (e.g., friends, family members, or tribal affiliations) to help people to find jobs or obtain benefits by circumventing proper procedures. However, most of the jobs, *Wasta* may help people secure are in the public sector. Forstenlechner (2010) suggests that *Wasta* does much to reinforce people's preference for joining public sector organisations. Melly (2010) pointed out that socio-cultural values impose actions on top management to help their relatives and friends in obtaining jobs, particularly in the public sector. In other words, top management uses family or tribal affiliation to gain

favoured treatment for its protégés. The problem is that friendship or tribal relationships have increasingly entailed costs rather than benefits to the organisations in the public sector.

Harry (2007) suggested that many nationals in the Gulf countries prefer remaining unemployed rather than work for the private sector. A survey conducted by Silatech (2010) found that the overwhelming majority of participants in the study prefer to work in the public sector.

The lack of data on employment and unemployment hinders the progress of the implementation of Emiratisation in the short and long term. Furthermore, there is a lack of data on immigrant populations and this complicates the problem of replacing or absorbing nationals into the private sector (Winckler, 2009, p. 40). Gulf countries in general do not keep accurate statistical records for immigrant people from different parts of the world. Furthermore, the absence of any unemployment insurance system leads to a lack of data on unemployed people, because they are not registered as unemployed (Winckler 2009, p. 37).

4.6 UAE labour law, immigration issues, and Emiratisation Policy

4.6.1 UAE labour law

According to UAE labour law, nationals should be given priority over non-nationals in all public and private sector organisations. In theory, this means that the Ministry of Labour in the UAE does not allow organisations to recruit any foreign workers if the records show that there are some unemployed nationals who can fulfil the requirements of those organisations. However, these rules are for the most part not applied to the Free Zone areas (Latham & Watkins, 2009).

In general, labour matters in the UAE are covered by the *UAE Labour Law, Federal Law No. (8) Of 1980*. This law does not apply to certain categories of employees including domestic servants, the self-employed, workers employed by the federal government, and members of the armed forces and the police (United Arab Emirates

Government, 2001). The new version of the Labour Law (2001) to some extent focuses on the Emiratisation programme and demands that the UAE government should commit itself to the implementation of Emiratisation. The law also includes specific rules and guidelines for the Ministry of Labour when considering employment visa applications. These guidelines and considerations include the number of nationals already working for the organisation in which employment is sought. It is a breach of the labour law if an organisation replaces a UAE national with a non-national (Al Tamimi & Company, 2009).

4.6.2 Immigration issues

Expatriate or foreign workers must obtain a visa before they commence work in the UAE. In order to obtain a visa, they must be sponsored by an organisation (public, private or any other type of organisations). These organisations need to be registered with the Ministry of Labour, and when the employer obtains a visa for a foreign worker, a copy is sent to the employer and the original copy is lodged at the national airport in the UAE before the worker enters the country. Prior to commencing work, employees need to undergo a medical test for HIV and tuberculosis. In general, the residency visa is tied to the employment visa, which allows foreign workers to stay in the country and work for the duration of the visa regardless of the duration of the contract. The work permit and residency visa are renewable for up to three years. The UAE immigration office usually penalises both employee and employer if they break the rules and ignore the immigration procedures (Latham & Watkins, 2009).

The government of the UAE has designated a number of Free Zone areas that exempt some people or organisations from the application of the labour laws. These immunities were designed to attract and encourage foreign investments. However, there are certain laws applicable to Free Zones such as the Dubai International Financial Centre laws (DIFC) or Dubai Healthcare City laws (DHC) (Latham & Watkins, 2009). For example, there are three main differences between the labour law at the UAE level and the DIFC laws. Firstly, probation period and notice practice: the labour law does not provide a specific probationary period for foreign workers. However, the employer and employee are entitled to agree upon one week's notice if

the period of employment is continued for up to three months, one month's notice if the period of employment continues for more than three months but less than three years, and three months' notice period if the duration of employment is more than three years (Al Tamimi & Company, 2009).

Singapore's practice in regulating immigrant labour might serve as an example. In the 1980s and 1990s, the Singapore labour market relied on foreign labour but regulated it through the use of work permits. The government of Singapore worked on four different types of permits that controlled both the quantity and quality of the workforce that entered the country (Wong, 1997). The permits differentiated between the skill levels, permit duration and sector work. A permit was granted to specific firms at the request of the employers. The permit applications specified the prospective employee, country of origin, the job to be performed and the duration of the job. The number of permits was subject to the dependency ratio (dependency ceiling), which is defined as the maximum share of foreign workers in an organisations' total employment. The dependency ceilings were set for each economic sector, public or private (Aryee, Wyatt, & Stone, 1996). As regards the different types of permits, the first type focused on work permits for unskilled workers whose salaries were about US\$1,190 per month. The second type included work permits for skilled people whose salaries were more than US\$2,000 and who were eligible for work permits up to three years, which could be renewed for up to ten years. The third type of work permit was intended for skilled people with professional qualifications. These permits could be valid between five and ten years. The fourth type included entry/re-entry permits which allowed permanent residency for skilled people (Chia, 2011). Since the UAE will not be able to dispense with immigrant labour in the foreseeable future, something like Singapore's example might at least permit the regulation of such labour, until national labour is better educated and trained.

4.6.3 Suggested plans to the implementation of Emiratisation

The UAE government has attempted to develop human resources with particular focus on young people. These attempts have led to the establishment of some vocational and technological centres. The Emirati government originally proposed legislative

sanctions on private sector organisations for violating the provision requiring the appointment of eligible local candidates (Al Ali et al., 2008). However, these sanctions were avoided and have remained voluntary up to now; none of the sectors in the UAE achieved its quota (Tanmia, 2012).

According to a report published by the British University in Dubai (2010), the training and development of managers and directors would contribute to achieving the goals of Emiratisation. According to Dr Abdullah Al Shamsi, the Vice Chancellor of the British University in Dubai: “Effective human resources can benefit companies by increasing productivity and morale, as well as enabling people to achieve their full potential. The launch of dedicated educational resources helps provide the framework for further development in the UAE labour market”.

The skill-based Emiratisation strategy aims at optimal utilisation of *national* human resource. This can happen by way of the transfer of expatriate skills and knowledge in the public and private sector to Emirati nationals. This depends upon the match between the job supply and job demand as well as jobs created by quotas. However, the quota system is complex, particularly in the case of national Emirati skills (Randeree, 2009).

The University of Abu Dhabi has created a forum for Emiratisation, which aims to present events and conferences that tackle the issue. The forum has also identified the specific needs that would improve retention and harness motivation among nationals in the workplace (Abu Dhabi University, 2012). The Abu Dhabi Tawteen Council (ADTC) was founded in 2005 to develop a skilled and competent workforce and provide them with sustainable employment opportunities. According to ADTC, between 12,000 and 13,000 nationals look for jobs annually, of which 80 per cent are females and have graduate qualifications (Bardot, 2012).

The hospitality sector in the UAE has to some extent advanced Emiratisation. For example, in 2008, about 1000 Emiratis joined the hospitality sector. Dubai’s tourism industry, which has recorded double-digit growth, absorbs 600 UAE nationals every year (Quilao, 2008). This has been attributed to the cooperation between Tanmia and

the hospitality industry, whose training programmes were designed to help young people to find jobs (Al Samt et al., 2007). However, other studies (such as Greenwood, 2007) suggest that the implementation of Emiratisation policy failed to produce tangible results overall. So, for example, for health care nationals still form only 15 per cent of the total workforce (Baldwin-Edwards, 2011).

4.7 Critical issues in Emiratisation

The Emiratisation policy was first deliberated on by the UAE government in 1990, but it was not put in to effect until 2000. The question therefore arises why the debate over Emiratisation has continued, back and forth, over the last thirty years (Koji, 2011). Moreover, Emiratisation and the manner in which it has been promoted have harmed the whole Emirati economy, principally because the Emirati government did not invest sufficiently in initiatives and resources over the last few decades (Al Hashimi, 2012). According to Abdul Khaleq Abdullah (Professor of Political Science at the UAE University), even in 2012 Emiratisation has still not been translated into practical measures, as can be seen by the fact that there is only one Emirati national for every 50 expatriates working for the private sector. He claims that the private sector organisations dislike employing nationals because they are less experienced and lazy (Simpson, 2012).

The former secretary of the Ministry of Labour Dr Khalid Al Khazraji said that: “The definition of Emiratisation as the development of national resources is a reality. But if we mean replacing expatriate workers with Emirati nationals, this is impossible.” He also added: “Expatriates represent 90 per cent of the UAE workforce: how could they be replaced by Emiratis who represent 10 per cent?” (Bitar, 2009, p.1).

It can be concluded from these statements that Emiratisation in the sense of replacing and eliminating foreign workers altogether is entirely impractical, because it would mean the ruin of the private sector, and so of the entire economy. Emiratisation should focus on developing national Emiratis’ skills that will enable them to compete in the labour market. In sum, the problem with the Emiratisation policy is that it has not been

coupled with any substantial incentives for Emirati nationals to join private sector organisations (Randeree, 2009).

4.8 Conclusion

The main purpose of this chapter has been to consider the literature on ‘nationalisation’ policies relating to the labour market in general, and the ‘Emiratisation’ policy in particular. The conclusion from this survey must be that ‘Emiratisation’ is understood in different ways. In particular, ‘nationalisation’ of the labour market may mean simply a policy of excluding foreigners from certain kinds of employment for various reasons, but particularly in order to provide employment for national graduates, without regard to whether these have the skills relevant to the job or not. This is easier with public sector jobs, but there will clearly not be enough of these in future to absorb all Emirati graduates. The alternative, and this is broadly the policy of the UAE government and also some other Gulf states, is to advance the human resource development and skills of Emiratis sufficiently to enable them to be competitive in the labour market. Here it is striking that Emirati women have proved more flexible and adaptable than men. The chapter has also discussed various obstacles to the implementation of Emiratisation, such as the unwillingness of private sector organisations to employ Emirati nationals, non-cooperation between the public and private sectors, and the unwillingness of Emirati nationals to join the private sector. The chapter also explained the relevant labour laws relating to immigration and work permits, elucidating them with a comparison with the practice of Singapore.

Chapter Five

Theoretical framework

5.1 Introduction

This chapter presents the theoretical framework of the study. After an account and discussion of human capital theory and its relation to labour market outcomes, the second section presents the segmentation theory of the labour market. The third section presents the affirmative action model and its applicability to the UAE labour market. To assess the applicability of these theories and models, it is essential to review the literature related to employability and widening participation in the local labour market, and this is done in Section four. Section five presents an introduction to literature related to public–private sectors partnerships in general, and this is followed in Section six by an outline of the job competition model.

5.2 Human Capital Theory

5.2.1 Definition

There are various definitions of human capital, but Gary Becker, who is considered the most influential writer in this field, suggests that human capital is concerned with generic skills and knowledge, not specific tasks (Becker, 1964). However, he argues, skills and knowledge should be accompanied with working experience, which may be gained through individual transfer of skills in different industries. Becker (1993) does not define human capital directly, but explains it by focussing on the financial commitments of individuals in education, training, medical care, in sum the financial and physical capital that produces people with skills and knowledge. However, Husz (1998, p. 9) defines human capital in a straightforward way: “By human capital we mean the time, experience, knowledge and abilities of an individual, a household or a

generation, which can be used in the production process". According to Griskevicius et al. (2007), the income of individuals is mainly based on their level of human capital, and it in turn affects their expenditure and consumption. In other words, there is an association between human capital and consumption. All of these factors contribute to job-creation.

The idea of human capital is rooted in neoclassical economics, which argues that people are rewarded for their investment in skills and training. Therefore, people develop their skills and seek training because they anticipate positive returns from their investment in terms of money (financial return) (Becker, 1993). In general, education, skills and knowledge explain the difference between Emirati nationals and foreign workers. According to Randeree (2009), the problem faced by both public and private sector organisations is finding well-qualified and experienced Emirati nationals to occupy positions particularly in construction, manufacturing, health, and technology.

5.2.2 Human Capital and education

Education is regarded as an economic factor because of its importance in the labour market. From an economic point of view, education is both a consumer and capital good, since it is both something sought by consumers and also contributes to the production of goods and services (Olaniyan & Okemakinda, 2008). Education is a 'capital good', in that it develops human resources essential for socio-economic production and investment. The notion of education as a 'capital good' is thus related to the overall idea of human capital. According to Judd (2000), education is generally regarded as a good investment yielding high returns, though this is of course not true of all education or in all circumstances. The mean of returns on education is similar to, or greater than, returns from gold or bonds. This is because the risk to assets such as bonds or gold is high. Becker (1964) argues that the social return on expenditure on college (i.e. tertiary) education ranges from 8 per cent to 11 per cent, compared to between 8 per cent and 12 per cent returns from business. This of course is treating education as simply training, developing job-related skills which subsequently contribute to productive activity. In broader terms, education contributes to improving the overall quality of life of individuals and societies (Sakamota & Powers, 1995).

However, as Strober (1990, p. 214) puts it: “If you want a good job, get a good education”, In this sense, the idea of human capital is not just concerned with the level of education that is positively associated with income (e.g. tertiary level education), but also with how education increases skills and productivity that are rewarded through higher earnings (Mincer, 1974). According to human capital theory, on-the-job training makes people more productive and better paid, but also provides people with skills related to the labour market and the capacity to transfer knowledge to other people (Strober, 1990). Strober (1990) concluded that human capital theory provides an insight into the relationship between education and earnings.

The problem with the idea of human capital is not the connection between education and productivity, but the connection between productivity and experience, and between earnings and productivity (Strober, 1990). Dustman and Soest (1998) analysed the effect of educational attainment on the distribution of income. They found that people with higher educational attainment (universities) were more likely to earn more than people with lower educational achievements. The problem, however, is to establish that higher earnings are related to higher productivity, which is not something that can be taken for granted: they may for example be related merely to having better (e.g. family) contacts and opportunities.

Organisations may be active in trying to improve the job-related skills of their employees. Thus an organisation can have a human capital asset in its work-force which consists of a number of attributes such as inventiveness, knowledge, life experience, energy and enthusiasm (Weatherly, 2003). ‘Human capital’ refers to the abilities and skills of individuals rather than something owned by organisations: it focuses on their length of study and level of qualifications / educational attainment and (especially) experience and training. Achieving the organisational goals largely depends on the human capital invested in the individuals that compose the organisation, and therefore organisations should concentrate on enhancing individuals’ capability (Bassi & McMurrer, 2006). The concept of human capital focuses on the direct return to education represented in earnings and income, but there is also an *indirect* outcome, represented in health and social activity, in that people with higher

human capital are less likely to be exposed to diseases and other results of poorer lifestyles (Becker, 1993).

5.2.3 Problems with Human Capital Theory

The major problem with human capital theory is underemployment. There are many people who invested many years in advanced education, but are unable to find appropriate jobs. This is due to the gap between their formal educational qualifications and what the labour market is looking for (Livingstone, 2001). Moreover, human capital may be used as merely a screening or signalling device in recruitment decisions, where an organisation takes trainability, skills, knowledge, motivation, and other facilities into account, but recruitment of people is not in fact based on their educational attainment (De Grip, Hoevenberg, & Willems, 1997).

5.2.4 Social Capital Theory

The basic idea of the social capital is centred on family, friends, community and associates with the larger networks (Moser, 1996). According to Bourdieu (1986, p. 249) the social capital is based on two components: resources, such as trust (positive values), social norms and obligation, as well as social networks that focus on activities carried out within the community. Bourdieu (1980) suggests that social capital is the quality of social networks produced and generated by the totality of the relationship between parties/actors. However, social capital does not necessarily mean a common quality of the group or the network. In general, membership in a group is primarily developed through social networks. An individual may develop his/her membership and improve the social position within the family and/or community (Coleman, 1988). Unlike human capital, social capital is voluntary and may be established on the basis of commonality between actors.

Forms of social capital epitomised in family connections (which are important in UAE society) could play an important role in understanding the development of human capital. Human capital, in general, is created by changes in individuals' skills and knowledge that make them able to act in different ways. However, social capital

focuses on the changes in relationships between individuals and facilitates their actions.

This study is centred mainly on the role of human capital in the development of societies. For the UAE to develop, human capital should play and will play an important role in that development as explained above. However, given the tribal and patrimonial fabric of UAE society, the notion of social capital is also important in understanding this society. Tribal and family connections in the UAE play an important role in peoples' lives. When young people graduate from a college or university, they often begin by looking for a job in the local labour market. But at the same time they also start employing their social networks with friends, relatives and the wider community to help them find or secure employment. Graduates, according to Rutter and Maughan (2002), believe that obtaining gainful network increases their opportunity for obtaining high quality jobs.

In recent years, it has been recognised that social capital can have an important influence on a range of life aspects including relationships within the family, relationships among friends, and relationship with the wider community. According to Cote and Healy (2001, p. 4) and in the context of employment, social capital may be viewed as a positive asset particularly for those who are seeking a job or who want to change their current job in a busy labour market. On the other hand, the use of social capital to secure gainful employment (a process known as '*Wasta*' which translates as "mediation" in English) is also widely perceived in the Arab world to be a negative feature of their development. For instance, unqualified people may obtain highly ranked jobs at the expense of qualified people due to '*Wasta*' facilitated by relatives, friends or associates in highly ranked positions in public or private organisations. Having said that, the use of '*Wasta*' in other contexts such as obtaining a government official's signature for obtaining an import license or signing a contract can be perceived also to be an 'efficient' methodology in a system burdened by bureaucracy and red tape (a feature that characterises many Arab countries).

5.3 Dual or Segmented Labour Market Theory

Labour market segmentation theories split the labour market up into several segments. The most common of these theories (dual labour segmentation) divides the market into a primary and a secondary segment. The primary labour market is characterised by jobs with high wages, good working conditions, job security, and equity⁹; the rules and regulations are usually changed for the advancement of workers in organisations. The secondary labour market may have the same jobs as the primary market, but is characterised by less attractive terms and conditions such as low wages, poor working conditions, harsh and often arbitrary discipline, and fewer opportunities for employees' development and advancement (Doeringer & Piore, 1971). Some authors however divide the labour market into more segments. Sengenberger's segmentation theory (1987), for example, divides it into three parts:

1. *The Internal Labour Market*¹⁰: this is like the primary segment in the dual theory of the labour market. The recruitment to different types of jobs is at lower levels of the organisational hierarchy, though skilled workers can climb the professional ladder through knowledge gained in the company. Consequently, the connection between employees and the firm becomes strong; because the firm offers employees good career advancement chances, and employees acquire firm-specific skills, which cannot easily be transferred to other companies.
2. *The Occupation-Specific Labour Market*¹¹: access to this labour market is predicated on possession of appropriate educational levels or attainments.

⁹ *Equity* is the extent to which an individual perceives he/she is treated fairly compared to other individuals inside and outside the organisation (Adams, 1963; Miner, 1980).

¹⁰ *Internal labour markets* "refer to the institutional rules and procedures, such as recruitment, training, and the price of labour, which govern the employment relationship. This is in contrast to the external labour market, where such decisions are controlled directly by economic variables" (Royal, 2000, p. 1).

¹¹ *The occupation specific in the labour market* focuses on the skills required for specific occupation such as, for example, printing skills and ICT skills (Smits, 2001).

3. *The Peripheral Labour Market for Unskilled Labour*: this is the market for people who have no special skills in relation to the requirements of the labour market, and may not have a high educational level, or have a high educational level that is irrelevant to the demands of the labour market, but they are able to turn their hand to a variety of unspecialised or unskilled jobs.

As regards, women in particular, Buchmann (2002) argue that women's access to the internal labour market is limited, because employers usually stereotype women as having lower aspirations, and lower engagement in the labour force because of expected family responsibilities. Because of the high cost of replacement of employees, firms prefer to hire men for the internal market segment. Women who attempt to enter this market face 'statistical discrimination', a concept explained as follows by Moro (2009, p. 1): "Statistical discrimination is a theory of inequality between demographic groups based on stereotypes that do not arise from prejudice or racial and gender bias. When rational, information-seeking decision makers use aggregate group characteristics, such as group averages, to evaluate individual personal characteristics, individuals belonging to different groups may be treated differently even if they share identical observable characteristics in every other aspect".

According to Elliot (1991), statistical discrimination may derive from imperfections of information in the labour market. This sort of discrimination may include unequal pay for women and men doing the same jobs, because of prejudice on the part of co-workers, customers or firms. Statistical discrimination may also arise as a consequence of the procedures adopted by firms, particularly when it comes to evaluating the productivity of employees, which is notoriously difficult to demonstrate. In other words, statistical discrimination is revealed in two ways: the level of productivity attributed and the levels of pay.

If women manage to access the internal labour market, there is a suspicion that work interruptions or reduced hours of work will create difficulties, because firms expect personnel to meet all the conditions of employment. These are norms; there is a high expectation that women will tend to withdraw from the internal labour market, especially when they become mothers. Moreover, withdrawal can result in permanent

exclusion for women from this attractive segment of the labour market, which is accompanied by very high costs in terms of income loss, de-skilling, loss of attractiveness and occupational positions. Re-entry into the labour force by formerly employed women in the internal labour market can result in downward mobility, and in this case women will return to the second or third segments, the occupation-specific labour market and the peripheral labour market (Buchmann, 2002).

In terms of this analysis, and the objectives of Emiratisation, it is reasonable to conclude that migrant workers may face very difficult conditions in the labour market and very high levels of discrimination. Emirati nationals often consider themselves as superior to foreigners. This is, in fact, the results of discrimination against other nationalities. Emirati nationals often refer to 'race' instead of 'nationality' when referring to a migrant's country of origin. Moreover, 'race' may determine the social status of people (Mahdavi, 2010), and may therefore marginalise them in the internal labour market, the most 'professional' one. Women can also be deprived of these opportunities, and thus will be forced to enter the occupation-specific labour market or the peripheral labour market. If this happens, women with high levels of education will be denied jobs equal to their abilities, and this can be expected to generate a low rate of attachment to the labour force.

Segmentation labour market theory, according to Piore (1972), states that international migration stems from the underlying labour demands of industrial societies. In the case of Gulf countries, which are not industrialised societies, there are pull or attraction factors compared with the countries of origin, such as higher wages, more employment opportunities, and a better welfare system. But international migration also occurs because of push factors, such as low wages, high unemployment and underemployment, and poverty in the home countries; these push people to seek work in labour markets abroad (Appleyard, 1989, p. 135). According to Piore (1972), it is not push but pull factors that account for migration. This in reality applies to UAE where foreign workers are pushed to find jobs in the UAE labour market. There is a permanent demand for foreign workers due to the economic situation and investment in businesses. Segmentation labour market theory suggests that nationals usually refuse

low wage jobs, and therefore employers look for people who will accept them. The problem with Emirati nationals is not only their refusal to accept low wages, but also the way social status in their society is gained and maintained (Randeree, 2009).

The segmentation labour theory stresses that the demand side is the fundamental determinant of the allocation of labour in the market. The method of recruitment adopted by organisations sometimes does not give individuals the opportunity in the labour market to climb the labour ladder. On the demand side, wages are more or less rigid and largely determined by the rules of the internal labour market. However, wages within the internal labour market are mainly affected by higher education and on-the-job training, which seems to depend to a large extent on the particular industry in which workers are employed, the organisation size and wage differentiation and compensation (De Graaf-Zijl, Van den Berg, & Heyma, 2011).

5.4 The Affirmative Action Model

The term ‘affirmative action’ primarily emerged in the United States (U. S.). Originally the policy appeared in a programme announced in the form of an executive order by President John F. Kennedy. The main purpose of this programme was to ensure that applicants would get acceptance at universities and get jobs regardless of their race, colour or origin. This policy demanded neither preferences nor quotas. The main concern was to ensure that those people who had been discriminated against in the past would no longer be discriminated against in the future. Actions to this end were to be taken by all organisations (Sowell, 2004).

In the late 1960s, a policy of affirmative action was adopted. Gamson and Modigliani (1987, cited in Pincus, 2003, p. 78), suggested that there were three packages describe affirmative action in the 1980s. The first was ‘remedial action’. Here there was agreement on remedies needed to overcome the continuous impact of racial discrimination, but the impact on white people in general was ignored. The second was ‘delicate balance’, which argued the need to help victims who had formerly been discriminated against, and preferential treatment on account of race was to be an

important factor in decision-making. The third package was 'no preferential treatment', on the grounds that all policies that made race a criterion were wrong.

Affirmative action policies in the U. S. have been highly controversial. However, groups of preferences or quotas also exist in other countries that are historically and traditionally different from the U. S. (Sowell, 2004). For example, in the U. S. some groups of preferences were designed for ethnic minority groups, others to reflect the majority of the population, others for women and others for people with disabilities. The American affirmative action approach is particularly designed for black Americans and Hispanics, and is especially intended to address the problem of access to educational institutions and employment. On the other hand, 'positive action programmes' designed to make minorities more competitive without imposing quotas are also found in the UK, where affirmative action is illegal, and India. However, although affirmative action and positive action programmes are widespread, preferences and quotas cannot become a permanent feature of society. On the contrary, some political initiatives of this kind explicitly represent these policies as temporary (Sowell, 2004). The main difference between positive action and affirmative action is that positive action focuses on anti-discrimination laws and uses certain measures (provision of training and assistance in finding jobs) to put disadvantaged groups, whether minorities (e.g. ethnic) or majorities (e.g. women), in a position to be able to overcome the obstacles and discrimination they face in general, and in the labour market in particular. By contrast, affirmative action is centred on quota systems in which a number or proportion of places at universities and in labour market organisations are reserved for black and/or other ethnic minority people, irrespective of whether they are qualified or not.

According to the affirmative action approach in America, employers are required to provide the Office of Federal Contract Compliance Programme (OFCCP) with an annual report on employees from different ethnic groups, comparing the rates of non-white and white employees in the organisation. If organisations are to be required to have affirmative action programmes for employment purposes, these must lay down specific numbers or proportions, and/or timetables that organisations have to meet,

otherwise it will be impossible to enforce such programmes (Dhami, Squires, & Modood, 2006).

According to Gupta (2006), reservation and quota systems may be used to promote affirmative action, but they are different from affirmative action programmes per se. Affirmative action is open-ended and there are no fixed numbers. All these devices are aimed at correcting past or current governmental 'mistakes', or social and individual bias on the basis of class, gender, creed, ethnicity etc. Affirmative action contains positive or reverse discrimination in favour of groups regarded as oppressed, whether working class, women, ethnic minorities, immigrants or people from lower socio-economic backgrounds or disadvantaged areas. According to Gupta (2006), however, affirmative action is no longer restricted to minorities. In a paradigm shift, 'minority' has extended to 'diversity' and goes well beyond the concerns and actions of particular interest groups based on class, creed, ethnicity, gender, and religion. The human rights movement has given a new meaning to the concept of affirmative action based on equity, justice, accessibility, neutrality with respect to gender and disability, fairness, and other liberal domestic ideals. If governments and organisations want to find alternatives for affirmative action, the issue will be complex and requires careful handling, because it is a 'zero-sum game' in which improvement in the well-being of one group comes only at the cost of another. There are always losers and winners (Gupta, 2006).

Pincus (2003) has highlighted so called 'reverse discrimination', where the implementation of affirmative action has a continuous negative impact on a particular group or category of people. He defines reverse discrimination as "discrimination against members of a dominant or majority group" (Pincus, 2003, p. 35). The most controversial issue in the U. S. has been the impact on white people, particularly males. Public polling in the U. S. indicated that between half and three quarters of Americans believe that they were discriminated against because of affirmative action. In 1999, a study found that white Americans believe that unqualified ethnic minority people get employed over qualified white people all the time or some of the time (Seattle Times, 1999, cited in Pincus, 2003, p. 35). Gamson and Modigliani (1987, cited in Pincus,

2003, p. 77) documented that both those in favour and those against affirmative action plans use loaded terms to define the issues: “Every policy issue is contested in a symbolic arena. Advocates of one or another persuasion attempt to give their own meaning to the issue and to events that may affect its outcomes. Their weapons are metaphors, catch phrases and other considering symbols that frame the issue in a particular fashion”.

In defence of affirmative action it is claimed that there are no other methods to increase the number of African Americans and other groups, such as Hispanic and Latino, in education and employment. However, many minorities (Asians, Arabs, Chinese, Japanese, Jews, Italians, Irish, and Eastern Europeans etc.) have in the past or recently succeeded without affirmative action.

Swain (2002), by contrast, suggests that there is a number of arguments that support affirmative action: 1) affirmative action programmes can help address the historical difficulties faced by black people in competition with Americans; 2) they help ensure diversity in employment fields; 3) there are some fears that the university ‘colour-blind’ policies about admissions lead to fewer black students in the universities, therefore, affirmative action programmes can overcome these difficulties; 4) affirmative action programmes can confront assessment tasks that have an anti-black bias; 5) the emergence of educated middle class black groups has been achieved through these programmes, and this in turn helps to provide role models for other young black groups. Nevertheless, as has been mentioned earlier, affirmative action arguments are rejected by a large majority of white people in the U. S. It has led to resentment by many white males who found themselves excluded from the universities and colleges and jobs, even if qualified. Moreover affirmative action policies also discourage black people from reaching their potential. One of the main criticisms of affirmative action is that it also helps black people who may not need that help, particularly those from comfortable middle class backgrounds, as against working class white people who may need it. Some researchers (Carter, 1992, p. 20) have described affirmative action as producing “the best black syndrome”, as the ethnic minority background of individuals from certain groups become more important than their

personal achievement, and they are judged not to be ‘the best’ but only ‘the best black’. Thomas and Chang (2005), however, suggest that the removal of affirmative action will reduce the acceptance rates of African Blacks and Hispanics in educational institutions, particularly universities, by between one half or two thirds. Thomas (2004) observes that those who oppose affirmative action are divided into three groups: those who believe that discontinuation of affirmative action programmes will be a mistake because they believe that the existence of racial differences creates tension; others that see discontinuation as long overdue; and a third group that believes that affirmative action is not a current necessity. Some opponents of affirmative action believe that these programmes are at best temporary means to reduce unequal opportunities in education and employment.

5.5 Employability and widening participation in the labour market

Metcalf and Gray (2006) distinguish between employability and employment: being employed means having a job, while being employable means having the qualities for gaining and maintaining employment, and managing the next career step, whether one in fact has a job or not. Employability skills and personal values are the critical tools and traits a person needs to succeed in the workplace. According to Hillage and Pollard (1998), employability is a difficult concept. It can be used in different contexts with a range of different meanings. Its meaning may, for example, depend on the person or beneficiary described as employable. According to Yorke (2005), employability is more than a set of skills. It is a set of achievements, skills, understandings, and personal attributes that makes individuals more likely to gain employment and be successful in their chosen occupation, and this in turn may benefit themselves, the workforce, and the economy.

According to Martin, Villeneuve-Smith, Marshall, and McKenzie (2008), the employability of graduates depends on several factors, such as nature and type of degree attained and industry placement. However, considering the demand for certain jobs, employability may have much less to do with the nature of degrees, and much

more with the graduates themselves, especially their personal characteristics and attitudes, generic skills, job seeking techniques, and performance at interviews. Higgins, Artess, and Johnstone (2010) contend that the employability of graduates is to a larger extent dependent upon the performance and the nature and type of degree programme of the individual student, and employer demand for people with certain skills and training. What perhaps matters most is job-searching methods adopted by graduates that are detrimental in enhancing employability. Many of the skills that employers want are the same skills that make good undergraduates, such as willingness to learn, self-motivation, problem solving ability, communication, team work, and motivation. Hansen & Hansen (2008) describe employability skills and personal values are the critical tools and traits a graduate needs to succeed in the workplace; this however is true by definition and unhelpful. Furthermore, today's graduates are faced with quite different employment challenges than graduates in the past (Fallows & Steven, 2000).

5.6 Public and private sectors partnership

Arellano, Felgueroso, Vazquez, & Gonzalez (2008, p. 3) define the public-private partnership as: "Any agreement between private entities and the public sector (both defined in a broad sense) to achieve an objective. The relationship between private and public agents goes beyond the classical public-private venture".

This definition, however, needs clarification: 'agreement' here means a formal, written agreement or contract. Partnership initiatives usually come from the public sector (government), with a view to resolving some problem. Private sector organisations usually seek the maximisation of profits, which for various reasons, not all economic, may not be in line with the purposes of public sector organisations. There are, however, various fields in which the public and private sector can build a professional relationship that results in a partnership. For example, the two sectors may collaborate in creating and allocating employment, restructuring public sector services, healthcare, infrastructure, etc. The nature of collaboration between the two sectors depends upon

the policies and strategies initiated by the public sector and the acceptability of those policies by other partners such as private sector organisations. For instance, the two sectors may focus on improving unemployed people's access to jobs in the local labour market, the provision of job-related skills, and the efficiency of the labour market (Osborne, 2007). The public-private sector partnership demands a willingness on *both* sides to innovate, to respond to the labour market, and the need for improved productivity, by (for example) addressing the lack of skills in the workforce, the shortage of job opportunities, and the specific needs of disadvantaged groups.

5.7 Job Competition Model

The job competition model proposes that the characteristics of a job may be the only factor that determines an individual's job opportunity in the labour market and his/her earnings. In other words, job opportunities may require specific skills that individuals acquired through education or experience. According to Thurow (1975), the labour market is theoretically the only place for job competition, whether in the public, private, and/or non-governmental sectors. However, ability to participate in this competition depends upon the relative cost of education and training of individuals, whether in colleges, universities or any other learning and teaching organisation. The competitive labour market model is also based on assumptions about the wages that individuals, with their different backgrounds and human capital, are looking for. The job competition model maintains that individual competition in the labour market depends upon the relative importance of the positions required in the job market and the qualifications as well as experience required to fill that position. The theory also stresses that when people see that their neighbours participate in higher educational institutions, they will be more likely to do the same, because it becomes a defensive necessity to protect their place in the queue for jobs. The incremental number of positions in the economy that require education increases the need for investment in education (Truss et al., 2006). Unfortunately for Emiratis, it also increases the need to acquire the relevant *kind* of education, and a willingness to accept terms and conditions of employment related to what will keep private sector organisations viable, and will

make public sector employment less of an obvious ‘default’ choice. Emirati nationals, in short, may become unemployable and unqualified, not because they lack skills and qualifications, but because of their expectations and prejudices about different types of employment. As mentioned in Chapter Four, Emirati nationals prefer to work in the public sector due the less hours of work, high wages, and better retirement system.

The job competition model is also linked to the so-called assignment model, according to which individual opportunity in labour market and earnings depends upon the work available. For example, some individuals may have higher educational qualifications than the jobs and tasks available demand, or they may lack relevant qualifications. In this case, these persons will be underemployed. In other words, education in this case is not utilised and accordingly, human capital resources may be wasted or contribute nothing to productivity. Individuals with over-education will not be motivated to utilise their skills and human capital (Linsley, 2005). So Emirati nationals are not found in the manufacturing and construction sectors because they believe that these jobs pay low wages and do not suit their position in society (Randeree, 2009). Therefore, the nature of the tasks that jobs require is an important factor in determining individuals’ preferences and the way they compete, or do not compete, in the labour market.

5.8 Conclusion

Framing these theories and models serves several purposes in this study. As mentioned earlier, the theoretical framework focuses on issues related to the obstacles confronting the implementation of Emiratisation from the public and private sector perspectives. It was therefore imperative to consider theories relevant to the lack of skilled Emirati labour in the UAE labour market, public–private sector partnerships and employability.

The following chapter (Chapter Six) will present the research design and methodology which consists of designing the research instruments, data collection, and data analysis.

Chapter Six

Research design and methodology

6.1 Introduction

In Chapters Four and Five, theoretical and empirical studies relevant to this thesis were presented and discussed. The current chapter sets out the research design and methodology that were employed to achieve the objectives of the study. This chapter encompasses sections on the philosophical frameworks or paradigms that guide research, research designs and methodology. It also contains sections on sampling strategy and sample size, recruiting participants and in particular, data collection, data analysis, trustworthiness of the data, and ethical issues related to the study.

6.2 Overview of the research questions

This study argues that the success of Emiratisation will depend on how this policy is implemented, the role of leaders in the implementation process, and the changes brought about at the national and organisational levels for absorbing nationals in the local labour market. This policy, to some extent, has increased the number of nationals working in the public sector in particular; it has also played a critical role in the development of human resources. However, some studies have criticised Emiratisation on the basis that it has not achieved its objectives and has in fact hampered productivity and development (Abdel Karim, 2001; Abdul Haleem, 2010), while other studies have praised the policy and considered it as a road map for development (Al Serhan et al., 2010; Godwin, 2006).

This study is aimed at addressing the following questions:

- What is the current state of Emiratisation?
- What has been the impact of Emiratisation on different categories of people (graduates, and skilled and unskilled labour)?
- What are the obstacles to effective implementation of this policy?

6.3 The philosophical framework of this research

Inquiry in social sciences depends upon a paradigm or a theoretical perspective. Different paradigms have emerged in the last two centuries. They each encompass a set of assumptions on which research questions are based, or a way of looking at the world. A theoretical perspective is important because it orients the researcher's attention and provides a framework for interpreting the results (Lincoln & Guba, 1985). The two most commonly used paradigms are positivism and interpretivism.

6.3.1 Positivism and Interpretivism

The method of investigation used depends upon the researcher's assumptions. Much research in the social sciences is oriented by research methods which either are, or are believed to be, modelled on methods proved successful in the natural sciences. This approach is called 'positivism'. Positivism aims at uncovering laws, i.e. invariant relations of cause and effect, using quantitative approaches wherever possible, and concentrating exclusively on what can be supported by reference to empirical facts. Positivism assumes that there is a single real, objective world which can be ascertained by the senses and that propositions about it can be tested if they are scientifically valid propositions (Johnson & Cassell, 2001). According to the positivist paradigm, natural scientists observe and (if possible) measure the behaviour of phenomena. Seeing the social world in the same way, positivism regards human behaviour as caused by external factors and that it can be observed and measured. Thus social scientists can use the principles of the natural sciences and deductive methods to establish reliable and valid conclusions about phenomena based on empiricism (Thursfield, 2000).

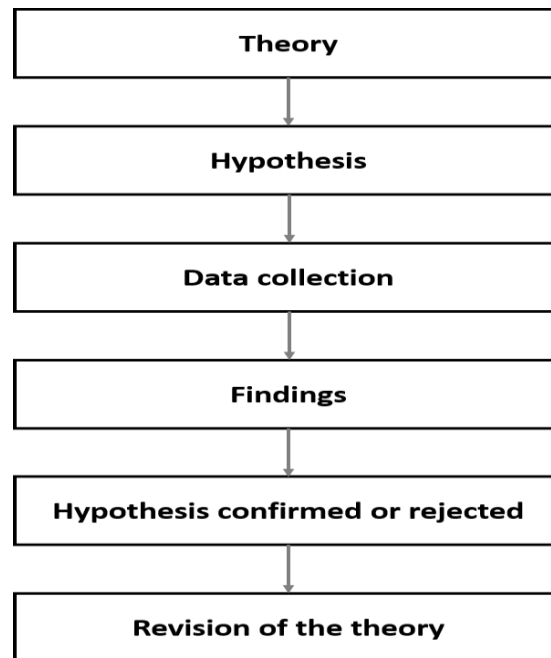
The paradigm or approach called ‘interpretivism’, by contrast, does not attempt to apply the methods or assumptions of the natural sciences to social phenomena (Bryman & Bell, 2004, p. 13). Von Wright (1971) explains the basis of the clash between these two paradigms by focusing on the distinction between the positivist emphasis on human behaviour as explicable in terms of laws of cause and effect, and the ‘understanding’ of human behaviour represented in interpretivism, which is concerned with human actions as having a meaning to those involved, and understanding action in terms of these meanings.

Although some argue that these approaches are ‘incommensurable’, i.e. mutually exclusive, it is arguable that different phenomena and purposes demand different methodologies (Kagan & Burton, 2000), and this thesis relied on both paradigms. The point is further elaborated below (see ‘Mixed Methods’).

6.3.2 The deductive approach

Research methodologists also contrast deductive and inductive approaches, associating the former with positivism and the latter with interpretivism, although the association is not universally valid. Deductive reasoning begins with general ideas, or universal principles or laws, and explains particular phenomena by making a hypothesis that links the general principle or law with some specific event that investigators want to explain, in such a way that this hypothesis allows them (at least ideally) to predict that phenomenon. The hypothesis is tested by collecting reliable and valid data and then seeing whether the data confirm or refute the theory, i.e. whether they are in fact what the theory predicts. Figure 4 presents the steps of the deductive approach.

Figure 2: The process used in the deductive approach

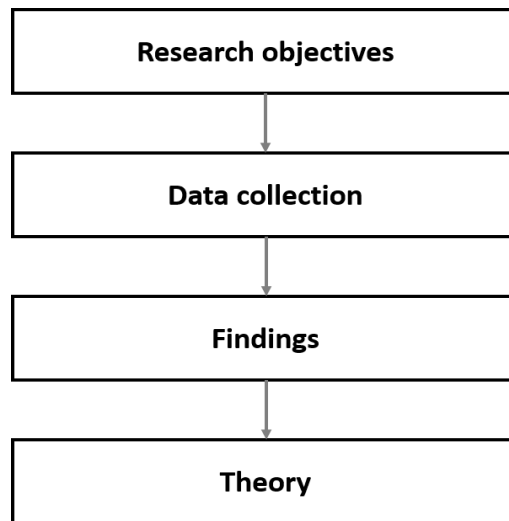


Note. From "Business Research Methods (2nd ed.)" Bryman, Alan and Bell, Emma, 2004, Oxford: Oxford University Press.

6.3.3 The inductive approach

By contrast, inductive reasoning begins with data collection about some phenomenon, building up ideas and statements that will explain the ‘theory’ (Hughes, 1990). The inductive approach does not depend upon a theory, although it of course presupposes *some* ideas about what the phenomena under investigation are like, and will not lead to theory in the positivist sense, but authors since John Locke (cited in Hughes, 1990) have argued that inductive methods can ultimately establish theories by what is now called probabilistic inductive logic, that is making plausible guesses about relationships which will explain things, but without proof of cause and effect. For my very limited purposes, all that is possible is an inductive approach, but obviously one to some extent guided by the general ideas I bring with me from the literature about how the objectives of Emiratisation, and the assumptions on which it is based. Figure 5 depicts the steps of the inductive approach.

Figure 3: Process of inductive approach



Note. From "Business Research Methods (2nd ed.)" Bryman, Alan and Bell, Emma, 2004, Oxford: Oxford University Press.

6.4 The research design

By definition, there is a distinction between quantitative and qualitative methods. Layder (1993) however states that the significance of this distinction remains ambiguous. Some authors consider it fundamental (Sprouse, 1992). Others, however, argue that it is not useful to focus on the contrast and it is more powerful to search for ways of combining the two methods (Okley, 1994). Bryman and Bell (2004, p. 15) suggest that the difference between quantitative and qualitative methods amounts to no more than that quantitative methods use measurement and numbers and qualitative methods do not. However, some researchers argue that the difference is deeper because the two methods differ in their epistemological foundation (Hochschild, 1983). For my purposes, the distinction would be treated as merely one about what kinds of summary statements about my findings are possible.

6.5 Mixed Methods

According to Creswell (2009), mixed methods design is commonly used by researchers. Mixed methods combine interpretative and positivist as well as quantitative and qualitative methods (Bryman & Buchanan, 2009, p. 714). The main purpose of mixed methods design is to obtain different types of data that allow us to address the research problem being investigated (Bryman, 2009). The logic of mixed methods includes induction (qualitative methods - discovering patterns emerging from the data), deduction (quantitative methods - testing a study hypothesis or theory) and 'abduction' (abduction process associates data from quantitative and qualitative methods) that focuses on discovering and utilising the best method of solving the research problem, whether quantitative or qualitative (Richardson & Kramer, 2006, p. 500). In other words, mixed methods design combines the strengths of quantitative and qualitative research methods. The strengths of quantitative research design include testing and validating already constructed hypotheses or theories and uses a large sample size in which results aim to generalise to a larger population. Quantitative methods can identify the main causal factors at work in the research problem, as well as eliminating the confounding influence of many variables, but as I have mentioned earlier, I will only be able to offer very limited causal analysis, and no causal analysis based on universal laws of cause and effect. Furthermore, the role of researcher subjectivity in quantitative methods is relatively low. Qualitative research methods, however, also have several strengths. In particular, the evidence is the participants' own data or categories rather than quantitative methods, where researcher choice of categories is imposed on participants. Qualitative methods are useful in studying a small number of cases, and describing complex phenomena in depth (Johnson & Onwuegbuzie, 2004).

According to Saunders et al. (2009) there are two major advantages to using mixed or multi-methods in the same study. First, different methods can be used for different purposes in the study being investigated. For example, using the survey research method can be enhanced and reinforced by using in-depth and semi-structured interviews; this would ensure that the research project is addressing the most important

issues. Secondly, using mixed methods enables researchers to use triangulation. Triangulation refers to the use of different data collection methods in one study in order to ensure that the data is telling us what we think it is telling us. Nevertheless, as Jones (2000, p. 149), points out, there are difficulties about integrating quantitative and qualitative results, because they are most closely associated with different paradigms and theoretical backgrounds. Jones (2000) adds that there are some philosophical problems and practical issues in the choice of research methods, which in turn affect the investigation. In general, however, the choice of research methods should depend on the kind of problem and phenomena under study. Kaplan and Duchon (1988) suggest that the use of mixed methods is more powerful and gives more robust insights than if one single method is used. Mixed methods provide an opportunity to create associations between research questions and multi-level analysis. They also encourage creativity and broadening perceptions about the problem being studied (Mingers, 2001).

Justifications for using Mixed Methods in this study

Designing the research methodology depends heavily on a literature review, because researchers can relate their results to other studies, especially empirical ones that used the same techniques. Creswell (2009) sees the literature review of a research project as helping to achieve the following purposes: it shares with the reader the results that are closely related to the study in hand; it relates a study to the layers of on-going dialogue in the literature about a topic, filling in gaps and extending prior studies and it provides a framework for establishing the importance of the study as well as a benchmark for comparing the results of the study with other research findings. Reviewing literature on Emiratisation indicates that the majority of studies employed qualitative approach (for instance: Al Ali, 2008; Al Ali et al., 2008; Bin Braik, 2004; Matar, 2009; Rees et al., 2007). While this study distinguished itself from other studies by using mixed methods to compare and evaluate different views of Emiratisation. In this sense, the study compared leaders' views (top management in public and private sectors) with young people who participated in the study.

My study applies a mixed methods design for two reasons. Firstly, having only one research methods approach in a study might decrease the reliability and validity of its results (Creswell, 2009). Second: this study aims to collect data from both beneficiaries of Emiratisation (graduates, and skilled and unskilled people) and decision makers from the public and private sectors that are charged with implementing the policy. In other words, the aim is to identify the factors related to obstacles facing the implementation of Emiratisation *both* from the beneficiaries' perspective *and* from that of the policy makers. The study addresses the question whether and to what extent programmes derived from Emiratisation have contributed to the creation of jobs for young people. Consequently, on the policy side, this study interviewed a number of policy makers in both the public and private sector. Usually, mixed methods are used to triangulate and complement results from quantitative methods. This study instead uses mixed methods to compare the views of young people with those of decision makers. Mixed methods research in this case helps to explain why Emiratisation has not been expanded and its objectives translated into action plans and programmes. The following sections present qualitative and the quantitative methods in more detail.

6.6 Qualitative research methods

The results of this study were compared and contrasted with the results of other related studies. Many studies have used qualitative methods and focused on managers' views from the public sector, but have not tackled the issue of Emiratisation from leaders' point of view in both public and private sectors (Al-Ali, 2008; Mashood et al., 2009). For this reason, it was imperative to use qualitative research methods represented in semi-structured interviews conducted with 20 leaders from both public and private sectors.

6.7 Quantitative research methods

In addition to qualitative methods, this study used quantitative methods to collect data from Emirati national young people (graduates, and skilled and unskilled workers) who are assumed to benefit from the vigorous implementation of Emiratisation. This study employed a survey questionnaire that enabled appropriate information to be collected directly from young Emiratis. The purpose was to examine to what extent this section of the population knew about Emiratisation and its objectives, and whether, and if so how, they saw themselves as having benefited from this policy. For this reason, the survey approach was used to complement qualitative interviews. The primary function of surveys is to provide data relating to a large number of cases at a particular time. This serves to provide a more general overview of the phenomenon under investigation. Surveys do not aim to provide detailed information about individuals, but to provide information about a particular population or problem (Verma & Mallick, 1999). As my research is interested in the views of young people, closed questions were employed because they are easier to answer. But unlike interpretative approaches, such questions limit the range of possible answers and do not allow respondents to introduce their own distinctive views

6.8 Sampling strategy

There are two types of sampling techniques: probability and non-probability. The selection of the study sample is very important for any research. According to Cohen, Manion, and Morrison (2007), the probability sampling method gives all members in the population the chance to be included in the sample. However, this type of sampling requires a sampling frame that includes all members of the population. The second type of sampling technique is the non-probability sample, which does not require any sort of sampling frame. The choice of sample type depends on the nature of the research problem, availability, cost, time, level of accuracy, and data collection methods (Cohen et al., 2007).

6.8.1 Qualitative sampling techniques

This study does not seek results that are generally or universally true, because the nature of the study is evaluative, depends upon key leaders from both public and private sectors, and draws much of its empirical material from the Emirates, and from a limited sample. This study used interviews to explore the issue of Emiratisation, and address the problems related to the implementation of the policy. Therefore, the sampling technique that was used was the purposive sampling method, also known as the expert sampling method that depends on the researcher's judgement, focuses on certain issues, and targets certain people. This type of sampling, which derives its questions from prior interviews or focus group discussions, enables researchers to answer research questions about what larger numbers or categories of persons think or say (Patton, 2002).

When implementing qualitative research methods, there is no exact sample size, and results depend only on the data collected from participants (Rubinstein, 1994). According to Baum (2008), there is no rule for sample size in qualitative methods, because sampling usually relies on a small number of participants and aims to elicit rich and detailed information about the subject being studied, not universally true generalisations (Miles & Huberman, 1994). In this study, the aim is to seek a richness of data about Emiratisation and how people in higher positions and decision making think about the policy and its success and/or failures. This study targeted 20 key informants/leaders (in high ranking positions) from both the public and private sectors. The sample, therefore, was purposefully selected from different public and private organisations, rather than randomly. The public and private sectors, which are the main employers in the UAE, whether Emirati nationals or expatriates, have the main responsibility for designing and/or implementing policies and strategies related to the labour market and employing people. For these reasons, this study targeted key people from these sectors.

6.8.2 Quantitative sampling techniques

Sample size:

This study used a questionnaire to explore the views of Emirati nationals about Emiratisation and its advantages and disadvantages. According to Baines and Chansarkar (2002), the sample size has a critical impact on the statistical significance of the study, as well as the confidence of the results. According to Cohen et al. (2007), there are no clear answers to the question what is correct sample size, but a questionnaire sample should reflect the views of a larger population; that is, it should be large enough to estimate the population mean (Kumar, 2005). About 700 questionnaires were distributed by hand to young Emiratis who visited the National Human Resources Development and Employment Authority (Tanmia) in a two month period. These people came to Tanmia for the purpose of finding jobs and/or enquiring about training courses and personal development. Furthermore, Tanmia conducts open days every Sunday for Emirati nationals. These focus on the training courses that offered by Tanmia. Additionally, Tanmia's employment advisors discuss various topics with young Emiratis, such as employment and unemployment and other issues. Those young nationals may already work for different types of organisations (public sector, private sector, and others), or they may be self-employed and unemployed. More than half of the distributed questionnaires were completed by those to whom they were offered.

Sampling technique:

Sampling does not require including the whole target population, and in this study the number of interviewees was in any case limited by time, resources and access constraints, and it was therefore essential to target a small portion of the population. As Leedy and Ormrod (2012) say, that is the point of sampling. According to Neuman (2009), to study an entire population, it is necessary to isolate a specific number of variables (causal factors) and generalise the findings in relation to the larger population. Sampling of this quantitative type, according to Gall, Gall, and Borg (2006), is a way of selecting a number of people or organisations from a population to

represent the entire population. As indicated above, there are two sorts of sampling techniques: probability sampling and non-probability sampling. In probability sampling, every member or element of the population has the chance to be selected in the sample. By contrast, in non-probability sampling the researcher makes a judgement in the selection of the sample.

The stratified random sampling technique, used in this study, is claimed to increase the precision of the results. Stratified sampling depends upon dividing the target population into a number of strata (for example age or gender). Stratification also depends on ‘randomisation’, which gives equal chance to all individuals to be included in the sample (Cochran, 1977, p. 90). In this study, the strata (sections) represent age, gender, and employment status. The sample design covers the method of selection and the sample structure. In this study, the design of the sample utilised the characteristics of graduate, skilled and unskilled workers. The Statistical Package for the Social Sciences (SPSS)¹², version 19, was used for selecting the sample, which covered three strata: age, gender, and education level.

6.9 Recruiting participants

Prior to conducting interviews, I began contacting public and private organisations. I obtained the contact details of both public and private sector organisations from the UAE Ministry of Labour, which is responsible for issuing work permits for foreign workers. I was provided with a list of all governmental institutions and some of large private organisations along with their contact details. Due to lack of a reliable registry of all private companies, it was impossible to access all the organisations. The strategy followed in this study was to contact high ranking employees in all ministries (including the council responsible for the implementation of Emiratisation), and general managers in the private sector.

¹² SPSS is used in this study as software package for data entry and data analysis of questionnaires collected from young people.

Although I was aware of the difficulties of recruiting key people from the public and private sectors, many of them refused to take part in the study. This was due to the fact that my research area focuses on the major barriers to the implementation of the Emiratisation policy (a very sensitive issue). However, I used different strategies such as approaching deputy ministers and general managers who provided insightful and useful information. On that basis, and despite problem of gaining access to key people, I believe that the information that I managed to obtain from the people who were prepared to talk to me provided, in my view, credible insight into this major and sensitive UAE labour nationalisation policy.

In order to conduct the interviews with these key people, the first step was to obtain an introductory letter from the University of Liverpool that explained the objectives of the study, the confidentiality of the collected data, and anonymity. The second step was to contact the selected leaders and determine specific time for the interviews; this was done about four weeks before conducting the interviews. I would like to mention here that leaders from both the public and the private sectors were very cooperative and provided very helpful information.

6.10 Data collection

6.10.1 Interview schedule

The interview schedule was designed with the research questions and literature review in mind, taking into account the particular experience of other relevant countries such as Saudi Arabia and Oman.

6.10.2 Semi-structured interviews

Seminal works such as Patton's (2002) consider interviews as an important instrument for data collection. Since one aspect of the research methodology used in this study is based on a qualitative approach, a number of interviews with leaders in the public and private sectors were conducted. Since interviews take the form of face-to-face communications, facial expressions, tone of voice, and body language are all available

to be observed (Bell, 2005), and they give respondents the opportunity to express their views, perceptions, priorities, and feelings. Moreover, such interviews allow the researcher to alter the order of the questions as appropriate and use a range of techniques to encourage respondents to speak and therefore obtain richer data (Fielding & Thomas, 2003). However, they are extremely time-consuming. More importantly, qualitative data produced by such interviews are exposed to researcher bias. However, in conducting the research I minimised the danger of bias by triangulation and computer analysis of data. This study used semi-structured interviews, which have a definite number of questions to serve the research objectives, but the researcher is able to alter the order of the questions as appropriate, and to use a range of questioning techniques, such as probing or open questions to encourage respondents to speak and therefore obtain richer data (Fielding & Thomas, 2003).

6.11 Data analysis strategy

6.11.1 For qualitative data analysis:

Phase one: Transcription of data and Reduction of data (Themes and sub-themes)

The first step in data analysis was to transcribe the collected data from the semi-structured interviews. The second step was to read the data several times in order to obtain clarity, and then classify the main themes and sub-themes in the data. Subsequently, the mass and bulk of collected data from interviews was reduced and organised by simplifying, abstracting, and transforming the data during the writing up stage. This process follows the initial selection of important information relating to the research questions and focusing on a targeted viewpoint related to the main themes such as the definition of Emiratisation, the obstacles to implementing the policy, involvement of public and private sectors key managements, human and financial resources, etc. All interviews were conducted in Arabic. For this reason, the interview schedule was prepared in English and then translated into Arabic. The Arabic version of the interview schedule gave me flexibility when asking questions and probing. To validate the translation of the survey questionnaire and interview schedule, they were

reviewed by an expert in English and interpretation. There were no concepts involved in the interviews and questionnaires which presented particular difficulties of translation.

Phase two: Constant Comparison Method for Qualitative data

This study used what is called the ‘constant comparison method’ (Farm, 2013, p. 2) to analyse qualitative data collected from interviews. This approach was originally developed to analyse grounded theory data; however, it has become a recognised method for analysing data collected by various methods such as interviews, focus groups, and participant observation. The essence of this approach is to move back and forth between the qualitative data and the concepts and categories used to describe and classify the data and revising the concepts and categories in the light of ‘fit’ between them and the data.

According to Patton (2002), there are two separate decisions to make when analysing qualitative data: whether to start with semi-structured interviews (cases) separately, or to do cross-case analysis, which in this study depends upon comparing a number of interviews with the key informants from both the public and private sectors. For the purposes of this study the constant comparison method helped to group the answers from all the interviews with the target population from different thematic points of view. The grouping largely depends upon themes and sub-themes that emerge from the data.

Braun and Clarke (2006) emphasise that thematic analysis does not need a strong theoretical framework. Thematic analysis can be used to investigate and report people’s experience in meaningful ways. It also can be described as the method for discovering in the material the main patterns important for addressing the research questions.

6.11.2 For quantitative data analysis:

This study used the Statistical Package for the Social Sciences (SPSS) to analyse the quantitative data collected from graduates, and skilled and unskilled workers (ages 18-30). Descriptive statistics describe and summarise the data collected from participants

using simple tables and cross-tabulation. It is the kind of statistics used here for the purposes of describing the data, which classified the study sample in terms of age, gender, education level and employment status. This information was reproduced as frequency tables, cross-tabulations and graphs.

The choice of statistical technique depends upon the type of quantitative data that are available to the researcher (Svensson, 2000, p. 47). This study used multiple regression analysis, which according to Nachmias and Nachmais (2007) attempts to determine the effect of specific independent variables on dependent variables. Another way of putting this is that what are treated in the study as independent variables are used as predictors of what are regarded as dependent variables. In this case what is involved is examining the relationship between the dependent variable (Emiratisation) and the independent variables, that is to say certain characteristics of the persons I dealt with, in particular age, gender, and educational level.

6.12 Drawing conclusions and verification

Here what was involved was impartially reflecting on what the analysed data revealed. It entailed revisiting the data as many times as necessary to cross-check or confirm the conclusions that seemed to emerge from the evidence. The data was tested for plausibility, conformability, and validity. Validity in qualitative research is different from that of quantitative research. In the latter, what is demanded is that the evidence or data should have been predictable from some general law or theory. In qualitative research, validity encompasses a much broader concern for whether or not the conclusions drawn from the data are credible, defensible, warranted, and able to withstand alternative explanations (Lincoln & Guba, 1985).

6.12.1 Trustworthiness of data

The trustworthiness of data generated by qualitative methods is questioned by positivists. To refute such objections, Lincoln and Guba (1985) have constructed four

criteria to validate qualitative data: credibility, transferability, dependability, and conformability.

1. *Credibility* or internal validity in qualitative methods seeks to ensure that the study identified what it was intended to identify. In other words, the qualitative researcher needs to instil confidence in the data. In order to do this, it is sensible to use triangulation, in other words, several ways of validating the evidence. In this study this is done by the use of interviews with key informants in both the public and private sectors as well as those of UAE young people.

2. *Transferability* is related to external validity or generalisation of the results of a particular enquiry to a larger population. Due to the small samples used in qualitative methods, it is not possible to generalise the results to other situations or populations. However, although this study does not claim to arrive at conclusions which are *directly* applicable elsewhere, it worked with a number of participants from public and private sectors organisations and many young Emiratis, and the results will be of more general relevance to the extent that other populations have the same characteristics.

3. *Dependability* is related to the reliability of the study. The researcher's task is to explain in detail all steps taken in the data collection, data analysis, and writing up. This will allow other researchers to examine whether their own work, or future studies should be conducted in the same way. However, they will not necessarily to come up with the same results.

4. *Conformability* is related to objectivity in science. Objectivity is concerned with the idea of an instrument which is not dependent on people's skill and perception. Patton (2002) however argues that it is difficult to ensure objectivity in that sense even in the case of questionnaires and statistical tests. The idea of research that does not demand interpretation is impossible (Patton, 2002). Qualitative research however *does* demand that the researcher takes steps to ensure the results of the study should as far as possible reflect the participants' experiences and ideas rather than the researcher's views.

6.12.2 Reflexivity and the positionality of the researcher

Reflexivity is one of the main factors affecting the trustworthiness of qualitative data. In order to enhance trustworthiness of the data, Finlay (2002) states that the researcher should understand his/her role in the study; in other words, reflexivity in research means that the researcher reflects on his/her views. For Hardy, Phillips, and Clegg (2001), reflexivity should operate at all stages of the study, which should always be self-conscious about how the process of research shapes the study findings. The research process is usually subject to a range of issues that affect the results of the phenomenon being investigated. These issues include interview schedule, interviewing, writing field notes, data analysis, and writing up the results. Therefore, reflexivity should be taken into account when understanding the problem and writing the results (Ballinger, 2006). As Alvesson and Skoldberg (2000, p. 9) put it: “Reflection can be defined as the interpretation of interpretation and the launching of critical self-exploration of one’s own interpretation of empirical material”.

Given the scope of this study, it was necessary to use a mixture of a qualitative and quantitative approach. While it was necessary to conduct interviews to obtain specific information (especially sensitive information given the sensitive nature of the study) it was also necessary to obtain important answers from a maximum number of people (especially the young and unemployed) in order to establish a consensus relating to issues on employment and the process of Emiratisation. Hence, this study employed an inductive approach as no prior hypotheses were made. In this study I played the role of an insider and outsider: an insider who was familiar with the problems and an outsider who also came with an open mind. My position was totally neutral in all stages of the study which was essential to gain reliable and valid results.

In order to obtain reliable and valid results, I followed different steps represented in the transcription of the interviews, reading and scrutinising the transcripts line by line which gave me the opportunity to understand different views of the participants from public and private sectors. I tried to be an independent observer and an analyst but in some cases I realised what was reported by participants was questionable. For example,

some participants from the public sector indicated that the government has allocated sufficient human and financial resources which transpired to be untrue. These issues were noted and highlighted where appropriate in this study.

6.13 Ethical issues

6.13.1 Literature review

I tried hard to prevent biases in interpreting the studies that I reviewed, to attribute finding scrupulously to authors, and to represent their views fairly (Baker, 1997).

6.13.2 Ethical data collection

Informed consent:

Participants in the study signed an informed consent form. The form explained the objective of the study, and gave further relevant background information. The idea of informed consent derives from both ethical norms and legal consideration. Thus participants were asked whether they wished to participate in the study, and were free to refuse, or to decline to participate any further at any point in the interview, without any negative consequences. This reflects the respect for the right of self-determination. From the researcher's perspective, informed consent also reduces legal liability, because participation in the study is voluntary (Nachmias & Nachmias, 2007).

Anonymity:

Participants' personal details were not revealed and they were separated from the information they gave in the interview. The interview schedule and questionnaire did not include any participant's name, address or telephone number. This information was only documented in the consent form.

Confidentiality:

Participants in the study were assured that the information they provided was to be treated as confidential and used only for the purpose of the research. The researcher is obliged to keep the promise of confidentiality, and also to set up procedures which as

far as possible ensure that this promise is kept. Participants were provided with a statement about the meaning and limits of confidentiality.

6.14 Pilot study

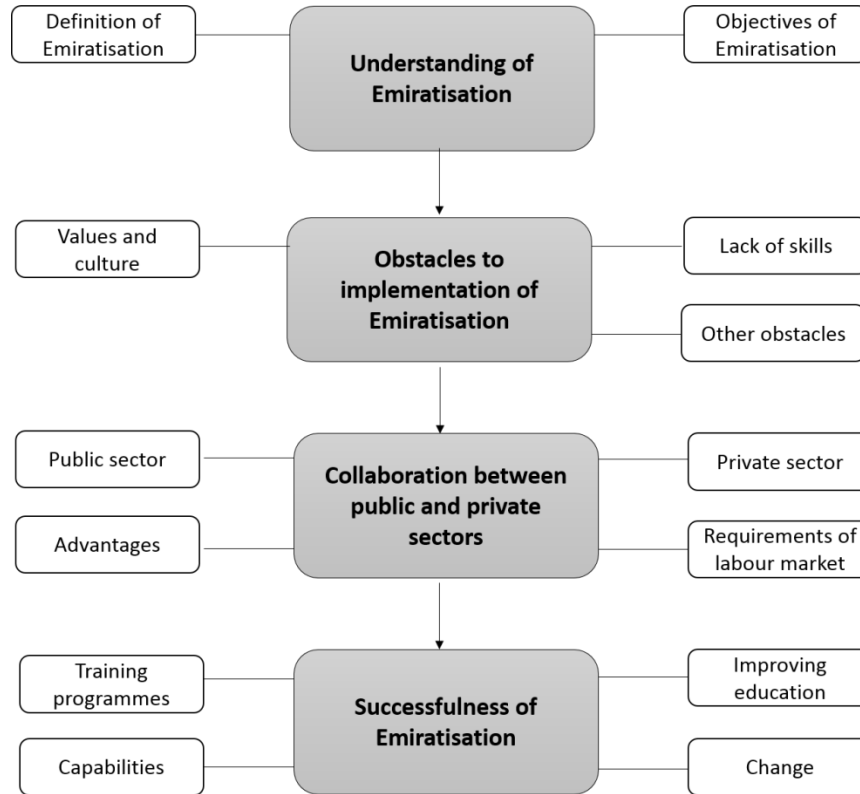
In order to design a reliable and internally valid schedule of questions for the interviews, a pilot study was conducted. Its primary purpose was to identify any problems or weaknesses in the wording of the questions. The pilot study was conducted with a number of managers of public and private sector organisations who were very familiar with the Emiratisation policy and its implementation, and I specifically selected a sample of eight managers (four from each sector) because they were directly and indirectly involved in the implementation of the policy. The interviews were included in the main data collection. The pilot study evaluated:

- The level of understanding of questions by the target population;
- The possibility of language or dialect problems;
- The simplicity of the interview schedule;
- Whether the participants regarded any of the questions as sensitive.

The analysis of the interviews required coding the text and developing themes. Data coding and categorising plays a critical role in data analysis (Dey, 1993). Miles and Huberman (1994) explain codes and categories as labels attached to the text in the transcript. A code could be a word, phrase, a sentence or a line. The purpose of coding is to alert the researcher and to organise the important material in the data.

Figure 6 presents the framework of themes and sub-themes used in the data analysis. The first step was to review the material that yielded some interesting insights, or confirmed some initial expectations I had formed.

Figure 4: Thematic analysis of themes and categories



The second step was to code the data line by line and paragraph by paragraph. On the basis of intensive reading of the transcripts, I came up with a list of 13 codes/categories (Figure 6). These codes were attached to each piece of text in the transcripts. The interviews conducted with the public and private sector managers indicated that the questions in the interview schedule were in fact clear and understandable to the participants. In other words, there were no problems in the interview schedule such as wording and understanding questions. The pilot study also showed that many key informants demonstrated their interest in the study. The participants who took part in the pilot study were excluded from the main study of data collection.

6.15 Conclusion

This chapter focused on the philosophy of research paradigms, my reasons for choosing one rather than another, as well as the details of the procedures I used. The purpose was to explain the variety of methods that were involved in the gathering and interpretation of the material for this study. It utilised a mixture of a qualitative approach (interviews with key people in the targeted organisations) and quantitative methods (questionnaire for data collection from graduates, and skilled and unskilled workers). The reasons for using both methods were that the research objectives demanded it.

Chapter Seven

Results of qualitative data of interviews with public sector personnel

7.1 Introduction

This chapter addresses the results of the interviews with ten prominent persons from a number of federal government ministries and local government organisations. The leaders interviewed in this study talked about their own views on what is happening in the organisations they worked for in relation to the implementation of Emiratisation. Each organisation participating in the study is represented by one interviewee. However, they were not official spokesmen/women for ‘their’ organisation, and this made what they said all the more valuable. The interviews are intended to utilise these persons’ knowledge and experience with regard to the implementation of the Emiratisation and the barriers to its progress. A range of themes emerged from these interviews. They covered the interpretation of what Emiratisation means, human and financial resources allocated for the policy, public-private sector partnerships, the role of the private sector and young people in the policy, the role of higher educational institutions in advising graduates about job opportunities in the labour market, as well as the collaboration (or lack of it) between higher educational institutions, and between them and policy-makers, deficits and shortages of skills among Emiratis, and the quota system.

7.2 The public sector leaders' general view of Emiratisation

In general, interviews with the participants from the public sector indicated that they have a positive view about the implementation of Emiratisation. Participants contended that, to a large extent, their organisations have implemented the policy of absorbing Emirati nationals in different areas of employment. One of the participants stated that:

“Emiratisation of the labour market and employment was implemented more than twenty years ago in the public sector. Our ministry has nationalised all administrative positions. But hospitals still require us to bring people from other countries to fill in technical positions such as physicians and nurses” (Deputy Minister).

This viewpoint was supported by another participant, according to whom:

“We have succeeded in absorbing about 75 per cent of nationals in different departments of our organisations and trying to create more jobs” (General Secretary, Governmental Council).

Participants had different views about whether the private sector was willing and/or able to absorb nationals. Some of them believed that Emirati nationals are unwilling to work for the private sector because of the long hours and hard work. Other participants, however, believed that the private sector is not ready to absorb nationals because they are not qualified to cover a range of positions, and in some cases they hire nationals from their own countries. A participant who worked for the private sector and joined the public sector just two years ago stated that:

“I worked more than thirteen years for the private and foreign companies in the country. From my experience, this sector welcomes nationals and wishes to appoint them, but the problem is the hard work in the private sector. My question is ...: is the Emirati ready to work for long hours?” (Human Resources Director, Local Department).

Many other participants shared this view and claimed that the private sector is totally different from the public sector particularly in relation to long hours, low wages and hard working. One of these participants said:

“I see the problem not only in terms of a difference in wages between the public and private sector, but between central and local governments. This

reason [difference in wages] has led Emiratis to abandon the private sector”
(Assistant Under Secretary, Independent Federal Department).

These statements demonstrate that there is a perception on the part of some Emirati leaders that the problem does not lie with the private sector but with Emirati nationals. In 2011, the Federal Government of the UAE issued about two million visas to expatriates: there are therefore clearly plenty of private sector job opportunities. If unemployed nationals are unwilling to take these jobs, it must be because they either find the private sector unattractive, or lack the required training, and need to be motivated to go on training courses. However these comments also suggest that the private sector, for its part, is not ready to appoint nationals because they are not sufficiently qualified to fill the vacancies. However, some interviewees claimed that some companies are run or owned by foreign people who prefer to hire people from their own original countries. Thus one interviewee stated that:

“Private sector organisations require certain jobs which require technical skills. Unfortunately, nationals have not gained sufficient qualifications to fill in such jobs” (Human Resource Strategic Planning Team Leader, National Petroleum Company).

But another participant said:

“I know some companies which appoint only people from their countries of origin because they [can] pay them low wages” (Deputy Minister).

It should be added that there are no regulations and laws that force the private sector to hire nationals. Therefore, the private sector is not obliged and committed to implement the Emiratisation policy. One possible reason for this is the fact that the private sector is not involved in the process of the strategic planning of the policy.

Although all the interviewees agreed about the importance of Emiratisation and the degree of implementation so far achieved in the public sector, they still had concerns about its implementation in the private sector. They cited two obstacles: (i) the unwillingness of the private sector to accept the policy, and (ii) the reluctance of some leaders in the public sector to enforce implementation of the policy, because they did not want to lose their high ranking positions to bright newcomers. The effective implementation of Emiratisation could bring qualified and experienced people to the

leadership of public sector organisations. This, in turn, might lead to inexperienced and unqualified leaders in the public sector being displaced or replaced. In relation to this, one of the participants stated that:

“The private sector has its own leaders and does not interfere in public policies and does not care about the implementation of the Emiratisation policy or any other governmental policy” (UAE Member of Parliament).

This statement emphasises that the Emirati Government is not serious in the implementation of the Emiratisation policy. This view was supported by another participant:

“I believe that there are some leaders in the public sector who do not wish to implement the policy because this may lead them to lose their positions. These leaders think that qualified people may take up their positions. For this reason, they do not encourage the implementation of the policy in their organisations” (Assistant Under Secretary, Independent Federal Department).

An interview with a participant who works for an Emiratisation Authority¹³ indicates a different perspective. According to this interviewee:

“Although there is huge number of jobs in the country, there are thousands of unemployed people. It is really a strange situation. I think there is a big hurdle of excluding Emirati nationals that prevents them from employment in the private sector” (Department Manager, Emiratisation Authority).

This interviewee added that:

“Private sector organisations claim that unemployed nationals do not hold higher educational levels and they are not qualified for the jobs required by the sector” (Department Manager, Emiratisation Authority).

This participant also provided some figures about educated and qualified people who were registered in his organisation as job seekers in 2011. According to these, the number of unemployed people who were educated to bachelor level amounted to 3,650, ninety two had finished their Master degree, and two had PhD degree. One problem in the UAE is that there is no specific central body responsible for statistics. Every

¹³ Emiratisation Authorities are governmental organisations (federal and local) which responsible for employing Emirati nationals in the UAE labour Market. In some researches, these authorities are called ‘organisations’ or ‘bodies’.

organisation has its database. Consequently, there are no exact figures for the number of employed and unemployed people.

It can be concluded from the above statements that there is no agreement about the part that has been played by the private sector in the implementation of Emiratisation. The next sections present in detail the major barriers to the implementation of Emiratisation.

7.3 The objectives of Emiratisation

Participants were asked about the vision, mission, and objectives of Emiratisation. In general, there was agreement about the vision and objectives of the policy. Almost all of them believed that Emiratisation aims to secure jobs for unemployed Emirati people and to decrease the number of foreign workers in the public and private sectors. The following conversation took place between me and a representative from the Emiratisation Authority:

S. M.: "What is the mission of the Emiratisation policy?"

Interviewee: "The mission of Emiratisation is to secure a job for each Emirati citizen and the labour market should be opened to all sections of the population".

S. M.: "Do you mean employment is open for both nationals and expatriates?"

Interviewee: "Yes, qualifications and experience are the most important issues. I would like to tell you one thing - that more than 60 per cent of expatriates have below secondary school qualifications and those people work in accounting, secretarial roles, etc. However, they gain the work experience after they work in the UAE labour market. When it comes to a national who is looking for a job, he or she is asked about his/her qualifications and experience while expatriates are not asked about such qualifications".

S. M.: "It seems that the problem lies in the labour laws, what do you think?"

Interviewee: "Certainly, the Ministry of Labour is currently studying new laws for immigration and the focus will be on certain occupations such as medicine and engineering".

This view was supported by another participant who said that:

“I see the mission in this way: every Emirati should be accommodated a place in the labour market. This is the vision of the country and the government. However, achieving this mission has not been effective” (UAE Member of Parliament).

Another participant believed there should be documented evidence about the vision and mission of the policy. As he put it:

“You know, maybe there are not a lot of documentations about this, but I would assume that the vision of the Emiratisation is that every Emirati national can get work” (Human Resource Strategic Planning Team Leader, National Petroleum Company).

In short, it has proved difficult to communicate the policy: it is not a policy, it is a profound disagreement between those who think Emiratisation should mean jobs for young Emiratis, whether they are motivated and competent or not, and those who think that young Emiratis should be brought up to a level where they can compete on equal terms with foreigners. This perhaps explains why it has been so difficult to communicate the policy.

7.4 Human and financial resources allocated to the policy

Apart from the Emiratisation Authority participant, almost all participants from the public sector emphasised that there is no budget allocated for the implementation of Emiratisation. Furthermore, interviews indicate that there are no qualified people responsible for the implementation of the policy. Participants suggested that graduates should be employed once they finish their university degrees or diplomas. One of the participants said that:

“I have never heard that the Emirati Government has allocated a budget for the Emiratisation policy” (Branch Manager, Federal Ministry).

Another participant supported this view by saying that:

“The government has not allocated sufficient financial resources for the policy. There are no programmes designed for graduates. For example, we

have many graduates in dentistry who are unemployed. There is no budget to rehabilitate these graduates. We end up absorbing these dentists in administration positions” (Deputy Minister).

A UAE Member of Parliament highlighted the problem facing the implementation of the policy because of the increasing differences between government employees’ wages:

“I think wages are the main obstacle to the implementation of the policy. I will give an example; young people are trained in a specific area and join the local government. Once they find a job in Abu Dhabi, they leave their jobs. In this case, the local government needs to develop other people to cover the shortage in employees” (UAE Member of Parliament).

This Member of Parliament acknowledged that the president of the UAE has ordered his government to allocate a budget for Emiratisation. But unfortunately, this fund or budget has not been put to effective use. In relation to the policy, he further stated that:

“The Emiratisation policy is not clear at all and all relevant decisions are vague. Nobody knows how to implement the policy” (UAE Member of Parliament).

One participant had a different view about financial and human resources. He claimed that the UAE government had allocated a specific budget for the implementation of Emiratisation, and the Ministry of Labour is responsible for that. This representative however was unwilling to give any figures for the size of this budget. He said that there are committees in local governments responsible for Emiratisation in the public and private sectors. This participant claimed that:

“The UAE government is keen to implement the policy and has allocated millions for that purpose. The local governments, for example, are responsible for developing and training young people in different fields and jobs required by the public and private sectors. I can confirm that there is a number of industrial sectors that started to cooperate with us in employing nationals” (Department Manager, Emiratisation Authority).

This interviewee added that the government has issued a decree requiring the absorption of nationals in a number of private sector organisations. For example, it has been agreed between the government and the banking sector that the latter should raise

the Emiratisation quota accumulated at a rate of 4 per cent annually, 2 per cent with the commercial sector and 5 per cent with insurance sector.

The material presented here suggest considerable doubts about whether the UAE government is entirely serious about the implementation of Emiratisation, since only the representatives of the Emiratisation Authority claimed that it had allocated sufficient budgets or employed qualified people to secure its implementation.

7.5 Programmes and action plans for Emirati youth unemployment

Interviews with the participants from the public sector found no consensus about the programmes and actions plans for the implementation of Emiratisation. Eight of the interviewees, including from the Emiratisation Authority, asserted that the government has invested money in specific programmes related to shortages in the industrial sectors. Two participants noted that no programmes were designed for unemployed people. One of them said:

“I have not noticed any plan or mechanism for employing nationals in the government sector. There should be an effective plan that takes into account following up [has provisions for prompting] young people in the market place using incentives as well as punishment” (Assistant Under Secretary, Independent Federal Department).

Another participant supported this view:

“There are no real programmes that cope with the problems of unemployment in the country. The programmes should be tailored to the requirements of the labour market rather than for the public sector. I know the programmes covered computing skills and English, but the needs are more [i.e. greater] than that” (Human Resources Director, Local Department).

The UAE Member of Parliament addressed an important issue regarding the role of the country’s universities and college. He advised that these institutions should steer students towards job opportunities in the labour market. As he put it:

“It is not clear yet what is the role of higher education institutions in the implementation of the Emiratisation policy. They should work on students’ awareness of the policy and prepare them for life after they finish their study.

Universities, for example, are required to conduct workshops on skills needed by the labour market” (UAE Member of Parliament).

On the other hand, six participants noted that the government has introduced a number of programmes for training and developing unemployed people. One of the participants commented that:

“There are several programmes run by Tanmia which is responsible for the implementation of the policy. However, I am not aware of these programmes”
(General Secretary, Governmental Council).

A foreign expert who works for a national petroleum company spoke of his experience in the UAE gas and national oil companies. He stressed that the companies’ income goes to the central government of UAE and Abu Dhabi and that some of it is used for investing in people:

“.....money is invested and it comes back to the bigger audience in case of schools, universities, hospitals and infrastructure. So the country itself is really dependent on that income. The country is still very dependent on whole oil price, [and] high production levels ... [for] investment for the future”
(Human Resource Strategic Planning Team Leader, National Petroleum Company).

It seems from this that this interviewee was more concerned with general investment than with Emiratization because he believed that investment in human capital would serve the purposes of that policy. However, while it is desirable for the government to increase the number of educational and health institutions, efforts in these directions do not seem to have directly contributed to tackling the country’s unemployment problems (World Economic Forum, 2007).

From the interviewee’s point of view, on the other hand, there are various types of programmes and projects introduced by the government to absorb new generations and graduates from universities. Nevertheless, this participant paid attention only on large projects, such as the country’s peaceful nuclear project¹⁴:

¹⁴ The UAE has embarked on a programme to build civilian nuclear power plants. This project aims to generate power and transmission capacity from the current level of 16 gigawatts to 40 gigawatts by 2020 in order to meet projected demand increases which, it is estimated, will continue growing at a 9 per cent annual rate (Blanchard & Kerr, 2010).

“There are different things that can be talked about. For example, the UAE’s nuclear project has attracted young people who just finished their secondary school. They were sent to Europe for training and higher education. Another example is Dubai local government which increased the number of universities specialising in technology [and] helped in decreasing the number of students in the social sciences” (Department Manager, Emiratisation Authority).

It seems from this statement that the government programmes (i.e. nuclear project) may not serve the purpose of Emiratisation because they focus on the public sector which has already been overwhelmed and overloaded with nationals. The major problem is in the private sector which has not yet absorbed large numbers of young people.

The Emiratisation Authority interviewee spoke only about the UAE government public sector programmes. But as both my earlier discussion and the comments of the other interviewees stressed, that sector has already been overwhelmed and overloaded with nationals. The major problem is in the *private* sector, which has not yet absorbed large numbers of Emirati youth

It can be concluded from what interviewees in this section said, that public sector leaders seem uncertain about which programmes and projects either do or would contribute to the implementation of Emiratisation.

7.6 Involvement of public and private sector leaders in programme design

It is clear from the interviews that participants disagreed about the role of leaders in the design and implementation of programmes. This disagreement may be due to their non-participation in the implementation of the process of Emiratisation. Half of the participants agreed that leaders should play a critical role in planning and designing any programmes in the organisations for which they work. As one of the interviewees put it:

“Generally, leaders in both sectors should take significant part in designing programmes related to Emiratisation because their role will be effective in the

implementation of these programmes. However, I think they have not participated in the planning of such programmes" (Assistant Under Secretary, Independent Federal Department).

The participant supported the hypothesis of engaging leaders in designing programmes and projects, and another participant who works for a national petroleum company stressed that the leaders in his company are aware of all programmes and projects in the company and significantly participate in the planning and designing of different types of programmes. He contended that:

"The leaders are very important in that they set the targets and our company has such strong leaders. From early 2000 we had a target that Emirati nationals will make up 75 per cent of our [work] force by 2014 and we still have this target and we are very close to achieving this percentage. So the role of the leaders is in setting the direction, identifying the vision and giving the support and resources to fulfil the plan" (Human Resource Strategic Planning Team Leader, National Petroleum Company).

This view was supported by another participant:

"Every ministry should be responsible for the implementation of the policy according to their needs. Therefore, leaders should be able to identify these needs in collaboration with their subordinates" (Deputy Minister).

On the other hand, a number of participants did not agree about the role of the public sector leaders in designing programmes for implementing Emiratisation. One of the interviewees stated that:

"I am not sure about their role, but their role should be supervisory only" (UAE Member of Parliament).

Another participant said that:

"I do not imagine that leaders have any role, but Tanmia should be responsible for designing programmes and projects" (Branch Manager, Federal Ministry).

It seems this statement accords with the perspective that leaders have no role in designing programmes and should be limited to identifying the training needs of employees. The Emiratisation Authority representative said that:

"I do not think leaders have roles in designing training programmes. They have to work on planning the needs of employees. We in our organisation hire

some companies in the private sectors of universities to design our programmes. Leaders have no vision about these programmes”.

The views recorded here demonstrate that at least among my interviewees, that there is no clear or agreed understanding of the role of leaders in designing programmes for Emiratisation.

7.7 Stakeholders in the implementation of Emiratisation and their roles

This section presents the role of public sector leaders, private sector organisations, higher education institutions and young people in the implementation for the policy

7.7.1 The role of public sector leaders

Nine participants had an agreement upon the crucial role that leaders can play in the implementation of the action plans and policies related to Emiratisation. It is clear from the interviews that leaders in different types of organisations should be involved in the designing, planning, implementing, and evaluating relevant programmes. One of the participants urged that:

“Leaders should be involved in all aspects related to programmes concerned with Emiratisation because they have to follow up what is happening in these programmes. However, this does not exist in our organisations and there should be plans for that. But unfortunately nobody takes that into consideration” (Deputy Minister).

This statement is supported by another participant who said that implementation requires developing a plan and a commitment from policy and business leaders:

“..., all leaders in an organisation need to be involved in giving the plan support, because it needs to be linked with the business plan. So you need resources because you are supposed to actually comply with a business plan which has been approved and the leader’s job is to ensure that you have a plan and follow up to the plan” (Human Resource Strategic Planning Team Leader, National Petroleum Company).

Participants believed that there are a number of leaders involved in following up Emiratisation decisions in governmental organisations. However, participants were not certain about leaders' involvement in the implementation of Emiratisation which may be attributed to the fact that they were not involved in the implementation process.

A participant who works for an independent federal department agrees that leaders should be involved in the implementation process, yet leaders delegate implementation tasks to executive managers without any sort of follow up. However, it seems that the Emiratisation Authority's interviewee did not agree with the interference of other public sector and private sector leaders in the implementation of Emiratisation programmes, because Tanmia itself is responsible for planning and implementing the policy. He claimed that:

“Tanmia is the only organisation authorised for designing and implementing the Emiratisation policy. They have their own plans and programmes. They are also responsible for following up the implementation of this policy”
(Department Manager, Emiratisation Authority).

It is clear from the above statements that participants from the Emiratisation Authority and other organisations were not aware of their roles in the implementation of Emiratisation. This might be attributed to a vague conception of the policy and its purposes.

7.7.2 The role of under-30 Emiratis in implementing Emiratisation

In general, all participants saw no role for young Emirati people in the implementation of Emiratisation. The participant from the Emiratisation Authority stated:

“How can young people have an opinion about a policy which, in reality, does not exist? We cannot say there is a policy or a strategy. In our organisation we work on some programmes and projects related to creating job opportunities for young people”.

Another participant subscribed to the same view to some extent, but also contended that the government should take serious notice of young people's views:

“Young people have no role at all although, in reality, they should have a substantial role to play in the design and implementation of the policy. As young people are the target group, they participate in all relevant activities.

However, this section of the population is marginalised in all decisions made by the government” (Assistant Under Secretary, Independent Federal Department).

That is in line with the views of another interviewee who declared that:

“I do not think they have any role. We should take [i.e. should take some account of] their opinion. Remember the group, who are seeking jobs, they are totally different than me. I am 62 and the way we use the technology is different from the way these guys do. We are very limited. The way they socialise is totally different from us. We need to be aware of that and we should give them the chance” (Human Resource Strategic Planning Team Leader, National Petroleum Company).

Seemingly, therefore, young Emiratis are not consulted in any decisions related to Emiratisation or any programme designed by public sector organisations to implement it. Therefore, the policy should take into account young people’s views at least in the implementation phase. There was a debate whether to consider Emiratisation as a policy or a programme (Chapter Eleven). In either case, the policy need to implemented and translated into action plans.

7.7.3 The role of private sector organisations

All participants interviewed in this study agreed that private sector organisations currently played no part in the designing and implementation of Emiratisation, but that it should have an extremely important role. The interviewees recommended that the private sector role should be big and effective because one of the main objectives of Emiratisation is to absorb a substantial number of UAE nationals in that sector. One of the participants suggested that:

“The role of the private sector has to be a big one and it has to be participating, it has to be committed; ‘committed’ is the keyword to actually supporting Emiratisation. If we look at big banks, we look at health care, with a very low number of Emiratis. With more commitment and more plans, the private sector must be able to enhance the number of UAE nationals” (Human Resource Strategic Planning Team Leader, National Petroleum Company).

This participant addressed critical issues about the role of the private sector in tackling Emiratisation. He thought the participation of the private sector entailed training new graduates in new fields of study. He added:

“... of course that means that it needs to train people, it needs to develop people, but it is very important that it is committed. So you know I think dialogue with [i.e. between] the government and private business is really required in order for the latter to support the policy” (Human Resource Strategic Planning Team Leader, National Petroleum Company).

These statements suggest that the participants were mainly concerned with the private sector’s *commitment* to Emiratisation. Three participants addressed this issue, claiming that the private sector is not serious and does not care about this policy. This could be attributed to the fact that, as was mentioned earlier, there are no regulations or incentives that encourage or compel the sector to be engaged in Emiratisation. One of the participants stated:

“We have in the UAE many foreign companies which earn billions of dollars but they do not follow the rules and do not work for the benefit of nationals. They also do not pay taxes” (Deputy Minister).

This statement is supported by another interviewee:

“The private sector has never thought about nationals or Emiratisation. Basically, Emiratisation was suggested to absorb nationals in the private sector. The problem is that there are no regulations that oblige the sector to be committed to the policy” (UAE Member of Parliament).

The perspective of the Emiratisation Authority interviewee appears to be no different, and agrees that the private sector played no role in the Emiratisation process. According to this interviewee, the private sector is required to play a crucial role in the implementation process of this policy:

“Private sector organisations should effectively participate in designing policies and strategies as well as in developing and training nationals. The problem with the private sector is that it is a collection of people from different nations and they are not caring about what is happening in the country and it is not in their interest to be involved in the Emiratisation policy. To be honest with you, the problem is not in the private sector, but the problem is in the laws and regulations and we have to work on that” (Department Manager, Emiratisation Authority).

It is evident from the views of the participants here that the private sector currently had no role to play in the Emiratisation process. There are no rules and regulations that force companies to commit them to Emiratisation. This leaves open the question of

how they might best be engaged in the policy. The opinion that making laws and regulations to oblige them to do so does not seem to be very plausible or thoughtful.

7.7.4 The role of higher educational institutions

The literature review indicated that tertiary educational institutions could play an important role in making graduates employable, by developing specialised skills that might enable them find jobs (Smith, Adams, & Mount, 2007; HEFCE, 2009; Elias, McKnight, Pitcher, Purcell, & Simm, 1999). All the interviewees agreed on the critical role of higher educational institutions in the UAE. One of them put it:

“Universities should work on an initiative and work directly with employers on identifying the needs of the labour market. This requires universities to conduct workshops and seminars and establish committees to follow up the implementation of the plan” (Assistant Under Secretary, Independent Federal Department).

This statement is supported by another participant who stressed that universities should provide what businesses need from graduates. He commented:

“The role of education institutions is to translate the needs into training programmes and executed training programmes, so that they are part of the same wheel or the same cycle” (Human Resource Strategic Planning Team Leader, National Petroleum Company).

However, this participant believed that higher educational institutions cannot identify the needs of the labour market. In his view it is the task of employers to ask universities to conduct studies relevant to the needs of the market:

“Identifying the needs should be done by the top managements in public and private sector organisations”.

S. M.: *“Do you mean communication between institutions?”*

Interviewee: *“Yes, I see very much that they could contribute to the process, but the higher education institutions should not completely rely on statistics received from the top managements in both sectors. The business needs to work very closely with the education institution in order to identify the gaps and then see through the cycle of implementation that they do what they are supposed to do”* (Human Resource Strategic Planning Team Leader, National Petroleum Company).

This interviewee evidently regarded higher educational institutions as the main player in the labour market; they can assist businesses and employers in studying the needs of the labour market from specific areas of specialisation.

I also asked interviewees about how universities can take a key role in promoting the *employability* of graduates, in other words, providing them with the skills and knowledge that will allow them to find jobs in the labour market, which is what the literature understands by the term (e.g. Holden & Jameson, 2002). Employers, particularly in the private sector, look for graduates who are entrepreneurial and can use what they have learnt from the higher educational institutions. They also want graduates with communication, team-working, and analytical abilities (Harvey et al., 1997). My interviews of participants from the public sector however demonstrate no consensus about the role of higher educational institutions in advancing graduate employability. Only one participant asserted that universities are not responsible for preparing graduates for work and that their role is only that of teaching and learning, but he too in the end thought employability considerations relevant:

“I have never heard that universities in the world prepare students for work. However, universities are responsible for providing graduates with science and arts as well as with a degree that help them find a job in the labour market” (General Secretary, Governmental Council).

Another participant stressed that the main issue is that universities in the UAE focus only on how to make high profits and do not care about how students will fare in the labour market. This could be true in the case of private universities which charge high rates of tuition fees. In the UAE, for example, there are 75 private universities (United Arab Emirates. Ministry of Higher Education and Scientific Research, 2013).

Eight of the ten participants agreed that there is a major role that can be played by higher educational institutions in the employability of graduates. One of the participants talked about his experience in the western universities and their key role in graduates' employability:

“I think pretty high. I think they take the responsibility pretty sincerely. Mainly, because I think it is one of the success criteria of the universities in that they can also be ranked by the government, in percentages of the students

who get jobs afterwards. So, if it is a good university you stand a better chance of getting a job. And I think that is a good thing because if you want to get good education, you need good communication. It is all back to communication. Also, you need communication within the society where you prepare the youngest, and if you know what they need".

S. M.: *"Do they have a responsibility for the work placement for students?"*

Interviewee: *"Yes, exactly; I have a number of them who join us every year and I am always happy with the quality I get. They come on their own rather than by coordination with the universities"* (Human Resource Strategic Planning Team Leader, National Petroleum Company).

The Emiratization Authority's interviewee, who represents an organisation that is supposedly responsible for the implementation of the policy, had no specific comment on the role of universities in employability, but did mention one point:

"Universities can arrange open days for graduates and employers from both the public and private sector."

When asked about coordination between higher educational institutions (universities and colleges) and employers, the interviewees replied that there is some degree of coordination between the government universities and a number of employers. They strongly endorsed coordination between the universities and the public and private sectors aimed at promoting graduate employability. The interviewee from Emiratization Authority reported that some sort of coordination has recently begun with two of the government universities and other government higher educational organisations:

"There was no coordination in the past between us and universities. However, we started contacting relevant people in government universities and we have two members in our board of directors who work as chancellors for two government universities" (Department Manager, Emiratization Authority).

Another participant supported that claim, since there is some sort of coordination between his organisation and Zayed University. This participant commented:

"There is a good collaboration and coordination between our organisation and Zayed University. We coordinate with the university in relation to a number of graduates and how we can develop their skills in terms of communication and English language" (Human Resource Strategic Planning Team Leader, National Petroleum Company).

He said that coordination mostly occurs on an informal and individual level rather than at university level. The company receives informal letters from graduates. The participant told me that:

“Coordination is established formally, but there is lots of informal coordination. We just got 50 graduates a week ago and we need to send them to an eight week programme at the Higher Colleges of Technology (HCT). And since these people are from northern Emirates, we have been in contact with HCT in Fujairah¹⁵ in order to run a programme for these graduates in their places [i.e. home areas]. So they do not need to come to Abu Dhabi and live here. That is the kind of cooperation that I see and see more and more of”.

From what interviewees said, it appears that coordination between universities and employers is still weak, and recommended a higher level of coordination between employers and universities because this coordination may lead to resolve unemployment problems and create more jobs particularly in the private sector. Moreover, the participants did not see any role for the private universities.

7.8 Collaboration between public sector organisations in Emiratisation

The interviews did not provide any evidence of collaboration between various types of public sector organisations in the implementation of Emiratisation. However, some participants recommended such coordination and collaboration between all these organisations to achieve the aims of the policy. One of the participants urged that governmental organisations should have the same aim, and collaborate to achieve it:

“In the first instance, organisations should create a shared goal that can be achieved through collaboration between organisations. For example, there should be some sort of collaboration between the Ministry of Health and local health bodies in Abu Dhabi and Dubai. The problem is that these organisations provide the same services which are a waste of human and

¹⁵ *Fujairah* is a northern emirate. The northern emirates (which include Fujairah, Ajman, Ras Al Khaimah, and Umm Al Quwain) are the UAE's least developed emirates, due to their poor share of the country's oil resources (which are mainly located in Abu Dhabi and, to a less extent, Dubai).

financial resources” (Assistant Under Secretary, Independent Federal Department).

Another participant stressed that organisations should have one cadre and one salary scale:

“We are in one country where [i.e. but] we have different scales of salaries; therefore, we have to unify salary scales which may lead to job satisfaction and job settlement” (UAE Member of Parliament).

The employee of the Emiratisation Authority who took part in this study emphasised the establishment of the Federal Human Resources Body¹⁶ which is responsible for developing the skills of Emirati nationals that are required in different sections of the labour market. The role of this body (committee) is to conduct a study about the Emiratisation process in all governmental organisations. The committee stressed the percentage of nationals in the governmental organisations. The following conversation took place:

S. M.: *“What are the decisions taken by this committee?”*

Interviewee: *“The committee decided that the percentage of nationals should not be less than 60 per cent which should be achieved by 2013”.*

S. M.: *“Does this include local governments in Abu Dhabi, Dubai, etc.?”*

Interviewee: *“Unfortunately, no, but it does include the central ministries in the UAE”.*

S. M.: *“Well, this process may not achieve the objectives of Emiratisation and could disjoint all efforts that might result in a waste of time being consumed on the policy”.*

Interviewee: *“You are right; there will be local committees which will coordinate with the central ministries. The current policy states that each local development committee should create a link with all other local and central committees in the country. We are currently working on constructing a database at the national level which will provide local offices with information related to the Emiratisation policy”.*

S. M.: *“Have you commenced this process?”*

¹⁶ The Federal Human Resources Body is a national committee that is under the office of the Prime Minister. This body is different from Emiratisation authorities and bodies and is only responsible for human resources development rather than creating job opportunities (United Arab Emirates. The Cabinet, 2013).

Interviewee: *"We are working on that and hope to succeed in these efforts".*

It seems from this discussion that there is currently no coordination and collaboration between the governmental organisations. More importantly, the focus is still on Emiratisation of the public sector rather than the private sector.

7.9 Collaboration between the public and private sector organisations

The participants in this study wished to develop a closer relationship between the public and private sectors. However, a number of obstacles hinder this collaboration, in particular a lack of regulations to govern the collaboration, the unwillingness of the private sector to collaborate with the public sector, and the failure of the government to consult the private sector in its plans and programmes.

In general, all participants agreed upon the critical role of the private sector in the implementation of the Emiratisation policy. However, they had different views about this role and about the seriousness of the private sector in confronting the issues of absorbing nationals into private companies. One of the participants who had worked for the private sector for more than twenty years claimed:

"From my experience, the main aim of the private sector is profit and companies do not care about nationals and do not consider human beings as their goal. The UAE government can offer some incentives to encourage the private sector to contribute in absorbing nationals" (Assistant Under Secretary, Independent Federal Department).

Another participant agreed:

"I think both public and private sector organisations have never addressed the issue of the Emiratisation of nationals. The private sector only thinks about profit. Companies are interested in hard workers regardless of their nationalities" (Deputy Minister).

This deputy minister added that the only solution was to engage the private sector in the process of planning and designing labour market outcomes. The government should work on a quota system that would compel the private sector to employ nationals. When he was asked about what mechanism for collaboration with the private sector

there should be, this Deputy Minister did not in fact take collaboration seriously at all, and thought that only compulsion would work:

“The only solution is to impose a quota system on the companies; otherwise collaboration will never happen. I can say also that the government should impose a tax on private sector companies if they employ any foreign worker which may be invested in UAE nationals”.

The Emiratisation Authority representative indicated support for the deputy minister’s view on the quota system and compulsion:

“I can say that we need a quota system that forces the private sector to accept the collaboration with public organisations in implementing the Emiratisation policy. I want to add that, from previous experience, it is not effective to use a lenient system with the private sector” (Department Manager, Emiratisation Authority).

He also contended that even if there was zero unemployment, both public and private sectors would still need to bring experts from other countries. He explained:

“I am sure if all nationals are employed by all governmental organisations and private sector companies, we still need to bring people from outside the country” (Department Manager, Emiratisation Authority).

The UAE Member of Parliament, by contrast, thought that the easiest and shortest way to collaborate with private sector organisations was through training and developing the aptitudes of unemployed young people, who need further education or training in the skills and knowledge required by the companies. This entails designing, planning, and implementing training courses that may lead to strengthened relationship between the public and private sectors:

“Everything can be achieved through co-ordination and cooperation between leaders from both the public and private sectors. There should also be monitoring and evaluation plans on the performance of Emiratisation. I suggest establishing a neutral committee for this purpose which can evaluate the implementation of the policy” (UAE Member of Parliament).

There is therefore no evidence of coordination or collaboration between the public and private sector organisations, and no agreement on how collaboration might be achieved. The public sector interviewees seemed to favour compulsion instead. So,

although the Emiratisation policy was initiated in early 1990s, there seems to be no real intention between the sectors to work significantly on implementing the policy.

7.10 Communication strategies that leaders use to implement Emiratisation

The interviews with public sector participants strongly suggested that leaders had no specific or particular communication strategy for implementing the Emiratisation policy. Almost all of the participants, including the interviewee from the Emiratisation Authority had no idea about any strategies used. However, the participants recommended a number of ways that communication can be improved. The Emiratisation Authority representative stressed that there was no policy or plan for communication. The following dialogue took place:

S. M.: "What strategies do you use when communicating the Emiratisation policy to the society?"

Interviewee: "To be honest with you, there are no communication policies that we follow when explaining the aims of the Emiratisation policy. There should be an effective communication strategy to explain the policy not only to the private sector but to all sections of the population in the Emirati society".

S. M.: "Can we say that Emirati young people are not aware of the Emiratisation policy?"

Interviewee: 'Exactly, Emirati people have no idea about the policy. They do not even have an idea about the nature of work in the private sector. However, we have corrected all information about what private sector companies think about nationals and what nationals think about the private sector. We have to work on that".

S. M.: "Do you mean people are not aware of the Emiratisation policy?"

Interviewee: "Yes; there is no particular strategy for communicating the policy to the public".

The other participants knew nothing about any communication strategies for the Emiratisation policy either. As one of them put it:

“I have no idea at all about any communication strategy” (General Secretary, Governmental Council).

Another interviewee who works for a company in the public sector said the same:

“Well, I have never seen any documentation on it. But we know the key thing is that if people ask me or somebody here who is working to support Emiratisation I think we are clear about what we need to do and how we are going to do it. We have directions, but I have not seen any documentation about it” (Human Resource Strategic Planning Team Leader, National Petroleum Company).

In short, while all the participants in this study stressed that there should be an effective strategy for communicating the Emiratisation policy to public and private sector employees, there is none currently.

7.11 Skills deficit in the UAE labour market

Interviews revealed a substantial deficit in the UAE labour market in engineering and medicine. However, half of the interviewees said that there is no single study that addresses the needs of the labour market and recommended that studies should be conducted. From the Emiratisation Authority interviewee’s point of view, there is a shortage of engineering and medical skills:

“In the next ten years, the country’s labour market needs different types of engineering and medicine”.

Another participant concentrated on research and development as well as on knowledge technology:

“We need to create [university] departments for research and development that are able to study the needs of the country; otherwise we will never identify our needs” (General Secretary, Governmental Council).

This view was supported by another participant:

“I cannot answer your question because I have never heard about any study that addressed this issue. However, we need to study the needs of the labour market on a regular basis and then we can say that we need this or that” (Assistant Under Secretary, Independent Federal Department).

It seems unlikely that Emiratisation can be implemented without any knowledge of the needs of the labour market. The interviewees were therefore probably right to insist on the need for a detailed study of the labour market in collaboration with educational institutions (i.e., colleges, universities) and public and private sector organisations.

7.12 Direct responsibility for the implementation of Emiratisation

The interviews revealed a lack of consensus about which organisation should be directly responsible for the implementation of Emiratisation. Three suggested that the Ministry of Labour should take responsibility, while others suggested Emiratisation departments and bodies or local governments, and others again suggested the Federal Human Resources Body. The participant from the Emiratisation Authority suggested the Ministry of Labour:

S. M.: "Who is responsible for the direct implementation of the Emiratisation policy?"

Interviewee: "The Ministry of Labour and local human resources departments in local governments".

S. M.: "Would you suggest any particular body to be totally responsible for that?"

Interviewee: "At this time, there is no public organisation responsible for the implementation process. The problem is that there is no national strategy for Emiratisation. The government has formed a Council of Emiratisation, but unfortunately, this council was abolished which increased the burden on Tanmia".

S. M.: "Do you think Tanmia is an independent body?"

Interviewee: "Yes, in the past, it was part of the Ministry of Labour, but now it is an independent organisation with a Management Council, but the Minister of Labour is the Head of the Council. According to the organisational system of Tanmia, it should be able to take all decisions related to the Emiratisation policy, but unfortunately, this does not happen".

This view was supported by another participant:

"I suggest the Ministry of Labour, but the problem is that this ministry is responsible only for foreign labour. In other countries, the Ministry of

Labour's role is to create job opportunities for their nationals and citizens, but in our country the situation is unique” (UAE Member of Parliament).

Others suggested that the implementation of Emiratisation should be in the hands of federal and local human resources bodies in the ministries. One of the interviewees said:

“Human resource departments or units can be responsible for not only the implementation of the policy, but designing the policy. The policy should be monitored and evaluated by the same or another organisation” (Deputy Minister).

This view was repeated by another interviewee:

“Yes, the Federal Human Resources Body is the best organisation to directly implement the policy” (Assistant Under Secretary, Independent Federal Department).

Evidently, the participants could not agree about who should be responsible for the implementation of the Emiratisation policy, and there is no reason to think that others in senior positions agreed any better. The conclusion that this suggests is that Tanmia has lost its main role, and that some of the interviewees regarded the Ministry of Labour as the major obstacle to the implementation process.

7.13 Policies of the UAE government to meet private sector requirements

The participants in the study were asked about their views about the government policies for private sector organisations. The interviews indicated that half of the participants had no idea about any policies or actions taken by the government to meet private sector organisations' needs, particularly in relation to the implementation of Emiratisation. The other half did know something about some programmes introduced by the government. Three interviewees, moreover, did not consider these programmes as policies because they are designed on an *ad hoc* rather than a *strategic* basis. The Emiratisation Authority employee regarded the opening of a number of universities as a contribution by the government to meet the needs of the private sector:

“The UAE government has begun developing and training young people through increasing the number of universities in the country. The government has also introduced some facilities for private companies such as subsidies for training programmes. But unfortunately, many companies have exerted their efforts in absorbing nationals and always say nationals are not qualified and trained enough to join the private sector”.

He also said that his organisation managed to conduct a workshop advertised only on their website. About one thousand of people went to the workshop, although only 300 had been selected to attend. Although his organisation works hard to make Emiratisation a success, non-collaboration with the private sector and other public sector organisations hamper this success. Another interviewee, a deputy minister, claimed:

“The UAE government provided unemployed people and job seekers with the opportunity to join free courses in computing and management. The government has also introduced an incentive system that encourages the private sector to employ nationals”.

Another participant pointed to differences between the private and the public sector, particularly in terms of wages, experience and profit:

“The problem is that the private sector tries to bring in cheap labour [i.e. wage-levels] which UAE nationals do not accept. I think Emiratisation is probably one of the biggest challenges private sector organisations have. At the same time, they need competitive and experienced people and think nationals do not have such experience” (Human Resource Strategic Planning Team Leader, National Petroleum Company).

From these statements it appears that the UAE government, and specifically the Ministry of Labour, has either failed to meet the requirements of the private sector, or is unable to do so, or at least has either not made even high level public and private sector employees aware of what it is doing, or convinced them that it is doing anything.

7.14 Performance indicators designed to monitor the implementation of Emiratisation

From the interviews it emerged that only two participants were aware of the government's monitoring of the performance of private sector organisations in terms of Emiratisation. These interviewees did not mention a set of indicators, but centered on annual or mid annual reports sent by a number of private sector organisations. The following conversation took place with the one of the participants:

S. M.: "What indicators have been developed to monitor the performance of private sector organisations in relation to the implementation of the Emiratisation policy?"

Interviewee: "Tanmia monitors the performance of private sector organisations which implement the quota system and some of these organisations do not apply this system. They have not developed any system of performance indicators. They rely only on annual reports".

S. M.: "What are the types of indicators?"

Interviewee: "To be honest, I do not know".

S. M.: "You mentioned that some private organisations are not committed to fulfilling their promises. Why?"

Interviewee: "Yes, Tanmia's role is to monitor only, but they cannot impose any punishment or sanctions on non-committed companies. When the new minister of labour came to power, he changed the laws and these percentages decreased" (Department Manager, Emiratisation Authority).

Another participant suggested that the government should develop Key Performance Indicators (KPIs):

"The central/federal government and other governmental organisations should develop performance indicators for monitoring the implementation of the policy" (General Secretary, Governmental Council).

Given that the implementation of Emiratisation is no easy task, it seems strange that no set of performance indicators for the private sector has been established to help the government, Tanmia or any other organisations.

7.15 Effectiveness of Emiratisation

The interviews indicate no consensus among participants about the effectiveness of Emiratisation in decreasing unemployment rates among UAE nationals. Furthermore, interviews pointed to various strategies for monitoring the effectiveness of the policy. Almost all participants suggested conducting relevant studies and surveys as well as collecting accurate statistics. The Emiratisation Authority participant suggested:

“In collaboration with other public sector organisations, we can conduct a comprehensive study about the UAE labour market, using the survey method. This study may provide us with detailed information on employed and unemployed people. I suggest that the prime minister’s office should be responsible for conducting such a study”.

Another participant recommended the construction of a database of all graduates from universities and colleges as well as their fields of study:

“The only solution is to build a comprehensive database which may cover all areas in the UAE. Constructing such a database will help organisations to put employment plans in both the public and private sector” (Deputy Minister).

It seems from these views that there is as yet no database of the sort that would be needed for examining the effectiveness of Emiratisation.

7.16 The importance of human resource capabilities in designing and implementation of the Emiratisation Policy

This section emphasised the importance for Emiratisation of the allocation of specialised human resources. There was a consensus among participants that there was no lack of qualified people to work on the policy, including designing programmes and skills required in the labour market, but that there *was* a lack of necessary data. As one of the interviewee said:

“Basically, there is no policy that focuses on the Emiratisation of the labour market. There is no clear policy about the Emirates’ labour market. For this reason, we do not know what types of human resources we need to implement the policy” (Department Manager, Emiratisation Authority).

The participant added:

“Believe me, we have qualified people and can meet the needs of the Emirates for the labour market to absorb unemployed people”.

Another participant thought that local human resources bodies were able to cope with finding jobs for Emiratis:

“in terms of the numbers of specialised people who can work on developing programmes for the unemployed and finding jobs for them” (Deputy Minister).

One of the participants addressed the issue of the quality of human resources and their ability to translate strategies and policies into action plans for unemployed graduates:

“.... I think you need to look at processes, you need to look at policies, strategies and implementation and the quality of people as human resources” (Director of Human Resources Department).

It can be concluded from this section that my interviewees generally believed that human resources bodies were capable of developing programmes and action plans, but that there were no clear policies to guide and direct their work.

7.17 Types of training programmes designed for promoting the UAE nationals’ skills

The participants were also asked about different types of training programmes the Emirates government has developed so far for the Emiratisation policy. Only two participants said that their organisations had developed training programmes that supported graduates or unemployed people in finding jobs in the Emirates labour market. The interviewee who works for the Emiratisation Authority explained that his organisation has developed three such training courses. The first was a 3-months programme called ‘Training Leads to Employment’. This programme was conducted in response to requests from public and private sector organisations that had collaborated with the authority. 75 per cent of the costs of the programme were covered by the private sector organisations and 25 per cent by the authority. The second programme

focused on three types of special skills: human resources, management, and accounting. These programmes do not guarantee jobs. However, 70 per cent of trainees obtain jobs after finishing this training. The third programme is 3-months in-house training for jobseekers in public and private organisations. The authority pays the costs of training and three months' salary for the trainees. The trainees are mostly appointed by the sponsoring organisations after the training period.

The interviewee from a National Petroleum Company, another public sector organisation, also reported training programmes for graduates and the unemployed. The organisation centres its efforts on programmes related to organisational and leadership skills:

“There is a number of training programmes that I have seen and which the agencies put in place. Personal skills, interpersonal skills and leadership skills, which are social skills you need when you leave university or school and start working in a business environment. Trainees in such courses learn how to work effectively especially in teams”.

According to the interviewees, not all governmental and private sector organisations participated in preparing graduates and unemployed people for employment. Although the Emiratisation Authority exerts great efforts in providing some training to unemployed people, it does not have access to all graduates in the country because of a lack of a national database.

7.18 Strategies designed by the UAE government for identifying skills needed in the public and private sectors

Only two participants reported their views about strategies designed by the UAE government to identify skills needed by both the public and private sectors. Both of the interviewees agreed that there are no specific strategies designed for that purpose. The Emiratisation Authority representative stated:

“There is no strategy or study that addresses the needs of the private sector of employees. With relation to the public sector, the Federal Human Resources Body [Section 7.8] worked with local councils to develop a plan for

organisational needs for skills. They also worked on designing a programme called 'Direction' that aims to provide organisations with their needs for skilled people".

To some extent, this view was supported by the participant from the National Petroleum Company, who reported some programmes developed by some national organisations:

Interviewee: *"I think there are some programmes. The way some of the national organisations such as Tawteen and others are picking up, you know the requirements of the business through conferences, meetings and other means of getting input from the business. So I think they are going out to a business to ask what skills are needed and then try to do something about it".*

S. M: *"Both public and private organisations have problems with students; they study only arts, social sciences and Islamic studies. What do you think?"*

Interviewee: *"Yes, we have a very large number of this type. We have a big problem because too many people go for arts-related subjects. That means people with a science background are very rare".*

7.19 Actions plans of the UAE government to strengthen partnership with the private sector

Interviewees agreed about the weakness of the partnership between the public and private sectors organisations. In general, the UAE government has no clear plan for developing its relationship with private sector organisations. The interview with the Emiratisation Authority participant emphasised that there is no relationship between the public and private sectors:

"The relationship between the public and private sectors is based on economic benefits rather than on partnership. There is no partnership concerning Emiratisation. The UAE government provides the foreign private sector with all facilities, but without any returns to the government and people of the Emirates".

From this statement, it seems clear that the UAE government does try to ensure the implementation of Emiratisation, but has not secured any real partnership with the

private sector. Furthermore, the UAE has not taken restrictive measures against the private sector organisations, particularly foreign ones.

The statements in this section indicate that there is no collaboration, coordination, or partnership between the public and private sectors over Emiratisation. The reason seems to be that the UAE government itself, for the most part, does not work on this issue in an effective way. Moreover, the UAE government itself does not seem to have a clear policy, and there is a lack of effective partnership between the public and private sector.

7.20 Conclusion

The results of the interviews presented in this chapter, conducted with holders of significant positions in the public sector, have highlighted that the interviewees agreed on various obstacles to the implementation of the Emiratisation policy. The principal among these were: inadequate leadership and clarity of direction from the UAE government in the planning and implementation of the policy; a lack of cooperation and partnership between the public and private sector; a lack of coordination between higher educational institutions (universities) and private and public sector employers; a lack of participation of young people in the design and assessment of the policy; and the deficit among Emirati nationals in the skills required by the private sector organisations in the UAE labour market.

Chapter Eight

Results of qualitative data of interviews with private sector personnel

8.1 Introduction

Chapter Seven presented the perspective of leaders in the public sector on the implementation of Emiratisation. For comparative purposes, this chapter sets out the views of leaders in the private sector in terms of the same themes. 10 key people from the private sector were interviewed.

8.2 The private sector leaders' general view of Emiratisation

The private sector participants were asked about Emiratisation and its objectives. Interviews indicated that their views differed: some considered Emiratisation as a policy while others considered it as merely an objective. As one of the participants put it:

“Emiratisation is not a policy, but it is an idea suggested by the government and developed to a plan that aims to secure job opportunities for Emirati nationals” (General Manager, Hypermarkets Group).

Another participant supported the view that Emiratisation is an aim which should be achieved by all sectors in the country:

“I believe that Emiratisation is a plan which aims to help Emiratis find good jobs in the local labour market” (Director of Government Relations, Technology Services Corporation).

Other participants defined Emiratisation as a policy that was aimed at all organisations in the UAE, in order to create jobs for nationals in different fields. As one interviewee put it:

“I think Emiratisation concerns every organisation in the country because it is not a government or a private sector plan. It is for all Emiratis and we should work together to achieve its goals” (Executive Director, International Real Estate Developing Company).

The participants from the private sector addressed several issues related not only to Emiratisation, but to the labour market as a whole. They blamed the Emirati government for not preventing large numbers of foreign workers coming to the country by controlling entry visas. For instance, Article 9 of the Labour Law¹⁷ has become ineffective because it is not implemented in both the public and private sectors. One of the participants said:

“The problem is not in the private or public sector, but the problem is in the implementation of laws by the Ministry of Labour which is responsible for issuing visas for foreign labour. The ministry does not inspect the qualifications of the foreign labour force and just issues the visas for companies” (CEO, Law Firm).

This view was supported by another company representative who claimed that the Emirati government does not provide for the employment of nationals in its plans, which forces the private sector to bring in foreign labour to make up the shortfall:.

“I think it is difficult to discuss the situation in one interview. The situation is difficult since the majority of foreign workers come to the UAE without high qualifications and skills. The Ministry of Labour does not check for workers’ qualifications although many of them come to the UAE with fake certificates. The problem is that foreign workers are offered the jobs while they are in their own countries. For this reason, the government does not check their qualifications” (Head of Human Resources, Horseracing Corporation).

Other participants recommended learning from other Gulf countries which have already succeeded in their nationalisation plans, such as Oman and Saudi Arabia. This was the view of an interviewee who worked as a chief executive officer:

¹⁷ ARTICLE (9) “Work is a right of the United Arab Emirates Nationals. Others may not be employed in the United Arab Emirates except as provided for in this Law and its executive orders”. The UAE Labour Law is the Federal Law No. (8) of 1980 and its amendments (United Arab Emirates Government, 2001).

“The government should learn from the Omani government, which has put restrictions on the entry of people from outside the country. The Omani government has succeeded in the Omanisation of the public sector and has created a quota system for the private sector which has committed to this quota” (CEO, Law Firm).

This participant supposed that Emiratisation is just a slogan that has been utilised by the government but which has not been translated into reality. In fact, Emiratisation is not an easy process, rather it requires the government to enact and actually to enforce relevant laws and regulations, and otherwise it will never succeed. The participant stated:

“Emiratisation requires very strict written regulations to be implemented in organisations. For example, in Morocco, foreign companies cannot be run without employing [some] national employees in all positions [i.e. at every level]” (CEO, Law Firm).

The interviewees were asked about the importance of Emiratisation for the UAE. There was agreement that employment of nationals in the seven Emirates was a real problem. One participant said:

“Emiratisation is a term that we have heard about. However, there are no regulations and action plans that contribute to solve the problem of unemployment. We cannot work on Emiratisation without vision and mission about what to do” (Head of Human Resources, Horseracing Corporation).

Another participant emphasised the importance of Emiratisation in helping young people to find good jobs in the labour market:

“Emiratisation is very important for this country, but the problem is that we have not seen strategies that help the private sector in attracting nationals. We cannot work randomly because there are no statistics; we do not know the unemployed people, where they are, etc. Therefore, we need some help from the government in this regard” (CEO, Traffic Systems Company).

It can be concluded, therefore, that senior personnel in the private sector were aware of Emiratisation as a slogan, but that in their view there were no action plans or programmes to implement the process of Emiratisation. Furthermore, the participants emphasised that the private sector is ready to cooperate with the government in Emiratisation, if the government can translate it from a mere declared aim into a real policy into training programmes and action plans.

8.3 The objectives of Emiratisation

In relation to the vision and mission of Emiratisation, there was a consensus among the participants that there is no vision or mission because the Emiratisation policy does not exist and if there is one, it is not clear to the participants. One of the participants stated:

“I think there is no policy, there is no vision and mission. The policy could be an idea addressed by the government” (Head of Human Resources, Horseracing Corporation).

Another participant said that:

“There is no national policy; in our company, we need to achieve the aim of employing 35 per cent of nationals in higher positions in the next five years” (General Manager, Hypermarkets Group).

The participants were asked about the government strategies to meet the requirements of the private sector in implementing Emiratisation. One of the interviewees said:

“There are no strategies or plans for analysing or identifying the needs of the private sector. Emiratisation is not a priority for the public and private sectors. The government tries to show that they are working on Emiratising the labour market” (CEO, Law Firm).

Another participant said that the government had not developed any strategy to identify the needs of the private sector:

“I am sure that there are no such strategies that help the private sector to identify the needs in the labour market” (Head of Human Resources, Horseracing Corporation).

Supporting the same view, another interviewee, who works for a national company, said that there are no government strategies for meeting what his company needs from the labour force. He added that his company cannot open other branches in the country, whereas other foreign companies are allowed to extend their business in the country. He stated that:

“We have not worked on any strategies although our company is the largest organisation that absorbed a large number of nationals in the country [i.e. our company has absorbed the largest number of nationals of any organisation in the country]” (General Manager, Hypermarkets Group).

The participants were asked about the role of private sector organisations in the implementation of Emiratisation. Interviews indicate that the participants regarded the private sector as critical in achieving the objectives of Emiratisation in the medium and long terms. One of the participants stated that:

“The role of the private sector is embedded in its communication with the Emirati government [i.e. it should open communication channels with the public sector organisations] and discusses their employment plans in the long run. I suggest that Emiratisation should be included in the social activities of private sector organisations” (General Manager, Media Organisation).

Another participant thought the private sector may not absorb more than the public sector:

“From my point of view, employment depends upon supply and demand and we should realise that the private sector cannot absorb more nationals than the public sector. Yes, we should contribute to solve the unemployment problem in the country but this is the responsibility of the government” (CEO, Traffic Systems Company).

It seems, therefore, that as far as private sector leaders are concerned, there are no government strategies that encourage private sector organisations to contribute to the implementation of Emiratisation.

8.4 Human and financial resources allocated to the policy

The participants were asked about the role of human and financial resources in the implementation of Emiratisation. There was a consensus among the participants that such resources are available. However, the problem lies with the decision makers and executives in the governmental organisations, who still have no confidence in capabilities of their own citizens. As one interviewee explained:

“The government has afforded both human and technical resources but the problem is the effective implementation of Emiratisation. The problem is with people being directly responsible for designing training programmes” (CEO, Law Firm).

Other participants supported this opinion by focusing on the way Emiratisation is designed and implemented. These participants emphasised that government leaders need to be responsible for ensuring the implementation of Emiratisation. They also stressed that the implementation of the policy requires determination from high level management. One of the participants stated:

“Yes, the government intends to nationalise the labour market in both the public and private sectors, but the top management in government organisations have not put that vision into effect” (General Manager, Hypermarkets Group).

Another participant gave an example of how Emiratisation is implemented:

“I will tell you one thing; the president has approved Emiratisation, but the problem is with people needing to be responsible for its implementation. For example, Emiratisation has suggested establishing programmes for developing young people’s skills in Abu Dhabi, Dubai and Ras Al Khaimah. These programmes aim to develop people’s skills. Although the government has allocated a good budget for these programmes, unfortunately, they have not been implemented” (General Manager, Media Organisation).

I was anxious to find out why these programmes have not been implemented. The participant added:

“To be honest with you, we are not against foreign workers, but these programmes were hindered by people, many of them are not Emiratis, responsible for the implementation of these programmes. Decisions and support are there, but the problem is in the implementation which will never lead to achieving Emiratisation” (General Manager, Media Organisation).

Only one participant said that he had heard about Tanmia, the organisation responsible for appointing qualified people to implement Emiratisation at regional and national levels:

“I think the government has established Tanmia to be responsible for Emiratisation. For instance, in our company we have to employ a number of nationals and we should follow all relevant regulations. We have specific aims in this regard and we have to achieve these goals by employing about 30 per cent nationals. We have allocated US\$ 6 million for employing Emiratis and developing their skills” (General Manager, Hypermarkets Group).

This participant criticised the government for not appointing skilled and qualified people to coordinate and help the private sector in the implementation of Emiratisation:

“The public sector is not qualified to implement Emiratisation. I believe people in the private sector are more qualified to implement it” (General Manager, Hypermarkets Group).

It is evident therefore that as far as private sector leaders were concerned, there is a lack of technical and human resources support for programmes that contribute to implement Emiratisation.

8.5 Programmes and action plans for Emirati youth unemployment

Only three participants answered the question about the programmes and action plans designed by the government for implementing Emiratisation. They had different views about programmes necessary to make young nationals employable. Suggested programmes focussed on training courses in English language, computing, management, and administration. It was clear that my interviewees did not think these programmes focused on the technical skills that are required by the private sector. One participant stated:

“There are no specific programmes designed for the implementation of Emiratisation. The majority of training programmes are in the fields of administration and computers. These programmes cannot meet the labour market requirements” (CEO, Traffic Systems Company).

Another participant emphasised that there are no practical action or employment plans that would make young Emiratis more employable:

“I have not seen any action for tackling the issues of unemployment and programmes for employability. These programmes have not replaced the foreign workers and experts” (Director of Government Relations, Technology Services Corporation).

One of the participants said that there are qualified and skilled people in the UAE, but they are invisible and do not find opportunities in the labour market. However, there are no national labour laws that protect nationals and give them access to jobs in the local market if they are qualified for them, particularly in private sector organisations. Young people in the UAE compete with 200 nationalities that come to the UAE for work.

In general, the private sector interviewees believed that the private sector may afford training programmes and action plans to promote Emiratisation. They thought the Emirati government is not making serious attempts to absorb nationals in both public and private sectors.

8.6 Involvement of public and private sector leaders in programme design

The participants were asked about the role of leaders in designing action plans for Emiratisation. This question seemed strange to some of the participants, who responded with a question in their turn: do leaders have the intention and desire to employ nationals? There was a consensus among the participants about the absence of any role for leaders in designing action plans and programmes. This is an exchange with one of the interviewees:

S. M.: "What programmes and action plans have been suggested by leaders in your company?"

Interviewee: "I do not think any have, because the leaders do not have any intention to do that. There are no criteria for employment in the company. You cannot imagine foreign workers join our company without any experience and we teach and train them here. When an Emirati applies for a job, the leaders ask for [equally or comparably] high qualifications and experience. Even the government organisations ask for experience".

S. M.: "Why do you think that happens?"

Interviewee: "I think companies look for cheap labour regardless of qualifications and experience. The problem is that we prefer foreign workers to nationals: even ministers or leaders [i.e. even ministers or leaders prefer foreign workers – S. M.]".

S. M.: "Why does that happen?"

Interviewee: "I think it is some sort of competition. National Emirati employees may compete with foreign workers in the labour market but the problem is that, the foreign workers accept any type [i.e. level] of salary" (Head of Human Resources, Horseracing Corporation).

Another participant said that leaders in both private and public sectors have no role in designing programmes, because they have no idea about Emiratisation and its requirements. Some national companies in the private sector such as his have initiated programmes to improve the employability of nationals. He stated:

“I think leaders are not involved in designing programmes because there is no coordination between leaders in the private sector and leaders in the public sector. As Emirati business men, we have initiated an employment programme for nationals”.

S. M.: "Some people claim that it is better for the private sector to employ foreign workers rather than nationals".

Interviewee: "Yes, that is correct, but in our company we prefer to employ nationals. I think it is better for the company to train nationals because they stay in the country. However, when we invest in a foreign worker, he/she leaves the country after a few years" (CEO, Law Firm).

Another participant had a different view: he thought leaders have an imperative role in designing programmes for employment and that these programmes had been implemented and translated into employment opportunities. However, this is not the reality, because it assumes leaders play an important role in designing programmes.

Since very few of my interviewees offered any comments on the matter, no generalisations are possible, but I found no evidence that private sector leaders had any role in formulating or implementing Emiratisation.

8.7 Stakeholders in the implementation of Emiratisation and their roles

This section considers the role of public sector leaders, private sector organisations, higher education institutions and young people in the implementation of Emiratisation.

8.7.1 The role of public sector leaders

The interviewees agreed that leaders of public sector organisations have played no part in implementing the Emiratisation action plans. As mentioned above, the leaders, to a

large extent, are not only not involved in designing Emiratisation programmes, but are not even aware of the policy. One of the participants was angry and pessimistic about the role of the leaders:

“From my point of view, public sector leaders have no role at all, and if they have a role, they will hinder the implementation of any programme. Leaders in the public sector are also not concerned about young nationals because they feel threatened of losing their positions” (Director of Government Relations, Technology Services Corporation).

Another participant emphasised that there are no Emiratisation programmes or action plans, and so it is difficult to talk about the role of leaders in the Emiratisation process:

“Before we ask about the role of the leaders, are there any programmes related to Emiratisation? I think there are no programmes and have not heard about them” (Head of Human Resources, Horseracing Corporation).

This statement was supported by another participant:

“I am sure public sector leaders have no role in designing and implementing Emiratisation because they are busy in developing their own businesses, which distracted them from fulfilling the jobs assigned to them in the public sector organisations” (CEO, Law Firm).

On the basis of these comments it seems unlikely that national leaders have any role in designing programmes, or any intention in playing such a role; they are more likely to be preoccupied with other issues related to their companies.

8.7.2 The role of private sector organisations

The results of interviews demonstrated different views about the role of the private sector organisations in the implementation of Emiratisation. For instance, one of the participants tackled the issue of the private sector from a supply and demand perspective. He said:

“There is no equality between the public and private sectors regarding Emiratisation. We should not ask private sector to employ high percentage of nationals” (CEO, Traffic Systems Company).

A participant from a private sector organisation had a different view since he emphasised that the private sector has no role in Emiratisation:

“Honestly speaking, the private sector has no role at all in the Emiratisation process and will never have any potential role in the future. The thing is that, private sector organisations have no interest in employing nationals. Therefore, I suggest that the UAE government should enact laws and regulations that force both public and private organisations to employ UAE nationals” (Head of Human Resources, Horseracing Corporation).

This view was reinforced by another participant who said that:

“From my point of view, the private sector has never done anything in relation to Emiratisation because it has no role. Thus, the private sector organisations must follow all laws related to employing nationals” (General Manager, Hypermarkets Group).

Another participant stressed that there should be cooperation and coordination between public and private sectors. He suggested:

“Private sector organisations can may cooperate and coordinate to design plans and programmes for the implementation of the Emiratisation policy. This is because the implementation of the policy is the responsibility of all organisations in the country” (CEO, Law Firm).

8.7.3 The role of under-30 Emiratis in implementing Emiratisation

The interviews showed agreement among participants about the absence of any role of young people in implementing Emiratisation. As has already been said, the participants were convinced that there is no policy of Emiratisation, but merely some suggestions about employing nationals in the private sector. This raises the question whether there is any role that can be played by young people. One of the participants stated:

“Basically, there is no designed policy for Emiratisation. These are just proposals from policy makers who want to show off what they are doing for people. There are no decision makers from the public and private sector who are ready to listen to young people’s problems” (Director of Government Relations, Technology Services Corporation).

Another participant concurred:

“Yes, what is called Emiratisation and a role for young people is not really a policy. If we want to Emiratisate [nationalise] the Emirati labour market, we need a clear policy that focuses on specific aims and objectives. The policy should be comprehensive for all positions and occupations in the labour market” (General Manager, Media Organisation).

Two participants recommended that young people are the main group that should be given priority in the labour market because they form about a quarter of the UAE population. Therefore, participation in designing any policy or strategy related to employment may be beneficial. One of the participants asserted:

“We should be able to give young people the opportunity to participate in the decision making process related to the labour market through eliciting information about their views. In this case, they can inform policy makers on how to achieve their goals” (Executive Director, International Real Estate Developing Company).

Another participant had the same view, but focused on the participation of young people in designing programmes and assessing the requirements of the labour market. They can assess what skills they need:

“I think both private and public sector organisations should work on assessing young people’s needs in accordance with the organisation’s need of skills” (CEO, Traffic Systems Company).

The evidence here indicates that young people do not participate in assessing their needs and designing programmes. Some of the interviewees recommended a more active role for the young in providing the evidence that successful Emiratisation needs.

8.7.4 The role of higher educational institutions

The participants were asked about the role of higher educational institutions in supporting Emiratisation and dealing with the lack of skills among graduates. There was no consensus among participants about the importance of universities in developing graduate skills. Some participants believed that the role of universities should focus on academic matters and learning, while others focused on the role of universities in developing students’ skills. One of the participants stated:

“I see the role of universities as purely academic and they should not participate in identifying the needs of the labour market” (Executive Director, International Real Estate Developing Company).

This statement was supported by another participant:

“The lack of skills is the responsibility of graduates (individuals) rather than universities. Students should develop their skills and endeavour for the best

way that serves their future. Some skills are learned through experience rather than from universities".

S. M.: "Do you think developing skills and gaining new knowledge depend upon one's personal welling?"

Interviewee: "Definitely, individuals may work on developing their skills and seek jobs that suit their skills. However, students can learn the basic things from the universities" (CEO, Traffic Systems Company).

Another participant said that the role of universities should focus on conducting research and studies related to labour market needs, which would help the UAE government design labour market policies.

The participants were asked about competencies and skills that national graduates need to obtain jobs in the labour market. The participants regarded several types of skills as important, including competence in the English language, computing and programming, and project management, but also stressed the importance of experience. According to one of the participants:

"I think the problem is not qualifications but skills related to the requirements of the labour market in general and the private sector in particular" (General Manager, Hypermarkets Group).

This was supported by another interviewee:

"Yes, graduates leave universities with no skills. They leave universities with academic learning which does not immediately qualify them for jobs in the labour market. For this reason, universities should play a role in preparing graduates partially for the labour market" (General Manager, Media Organisation).

From a different perspective, three participants wondered how graduates could gain work experience if they were not already part of the labour market. They could work on developing their skills in computing, English, and administration skills, but this is not the same as experience. The participants also thought that both public and private sectors should employ graduates without experience and invest in them. One of the participants explained:

"We should accept national graduates whatever their experience because if they do not join national organisations, where can they go, where can they get

experience? We should take care of them in terms of training them and developing their skills".

S. M.: "Reports reveal that the private sector does not employ people without experience".

Interviewee: "No, that is not correct, we have employed many nationals who were recruited with no experience and we developed their skills in computers and management as well as in engineering" (Director of Government Relations, Technology Services Corporation).

The participants were asked about their awareness of any coordination and collaboration between their companies and higher educational institutions. All participants said that there is no coordination due to a lack of communication and interest. One of the participants revealed:

"To my knowledge, there is no coordination or any type of communication related to the labour market or graduates. I think the universities in the Arab world are the weakest organisations in the world. For this reason, they have no role in the labour market" (CEO, Law Firm).

Despite the lack of coordination between universities and the private sector, the participants recommended that private sector organisations should initiate contact with universities regarding developing graduates' skills related to the labour market. One of the participants said that:

"As a company, we should open channels with universities and coordinate with them on how to develop graduates' skills" (General Manager, Hypermarkets Group).

It can be concluded from this section that universities currently have no role in the labour market and there is no type of coordination with the private sector in relation to the needs of the labour market.

8.8 Collaboration between the private and public sectors organisations in Emiratization

Collaboration between the private and public sectors is very important in the labour market because it may lead to solving labour market issues such as unemployment.

This study has focused on both private and public sectors which are the main generator of employment opportunities in the country.

The participants were asked to what extent the public and private sectors collaborate in the implementation of Emiratisation. There was an agreement among the participants about the lack of collaboration between the two sectors. The participants emphasised that there is no clear policy about Emiratisation, and if there is, there are aims for that policy that can be achieved in the short and long terms. One of the participants said that both the private and public sectors work differently and independently and there is no coordination and collaboration between them. This participant stated:

“From my experience in both sectors, they work independently and there is no relationship between them. I will give you an example: Abu Dhabi City Council has initiated a training programme for young engineers. At the same time, one of the companies has worked on a similar programme. There has been no coordination and collaboration between the two organisations. There is a council for Emiratisation in Abu Dhabi, but unfortunately, it has not been informed or involved in that project” (Executive Director, International Real Estate Developing Company).

Another participant explained that before one focuses on coordination and collaboration between the two sectors, one should first have a clear policy and aims. There is no clear policy on how foreign workers come to the UAE and on what basis. He stated:

“We do not know how people come to the UAE and on what basis. It is clear that there are some leaders in both private and public sectors who benefit from this problem. There is no accountability and transparency in our organisations which make leaders change the laws and rules and break them. For example, I am the head of human resources and responsible for employing both nationals and foreigners. I can exclude any nationals and nobody will ask me why you do that because there is no system. I want to say that there is no coordination at individual company level. How can the private and public sector cooperate?” (CEO, Law Firm).

This statement is supported by another participant who highlighted a lack of collaboration between the two sectors because both of them do not care about the implementation of Emiratisation:

“There is no difference between the private and public sector and they do not think about what is happening to nationals, whether they are employed or unemployed. They care about themselves and their relatives” (Head of Human Resources, Horseracing Corporation).

These statements reveal that collaboration between the private and public sectors does not exist apart from fragmented efforts. The interviews do not indicate any sign of collaboration between the two sectors which may lead to a belief that Emiratisation is not taken into account by the two sectors.

8.9 The possibility of collaboration between the Public and Private sectors

The participants were asked about the possibility of collaboration and coordination between the private and public sectors in relation to the implementation of Emiratisation. In other words, what can be done to make the policy happen and effective? There was a consensus among the participants about the urgent need for collaboration but with different views about the mechanisms of collaboration. For instance, one of the participants mentioned that although there is no collaboration, there should be some regulation and laws that govern the process of implementation. This participant stated:

“I know the process is not easy, but it can be done if both sectors have the intention to do that. However, the government should enact laws and regulations that oblige the private sector to implement the Emiratisation. These regulations should be documented and followed up. There should be some sort of punishment for companies that do not commit themselves to this process. As an employee working for the private sector, I call for a specific quota for nationals in this company. There should be an effective tax system that should be imposed on the companies if they do not employ nationals”.

S. M.: *“Will these companies leave the country?”*

Interviewee: *“They will not, you cannot imagine how much these companies will pay in Britain, Canada or the United States. Companies pay more than 50 per cent of their profits for tax. Why do they pay here half of this tax? They came to our country because we have provided them with all facilities which do not exist in their own countries” (CEO, Law Firm).*

Another participant was not so optimistic about any potential collaboration between the two sectors because he was directly involved in issues related to Emiratisation:

“I want to tell you one thing, our company agreed to employ about 15 per cent of nationals three years ago and I was involved in this process. We have to send annual reports about the number of nationals we employed. However, we have employed a very small number who came through the top managers in the company and we do not write reports to the government. At the same time, the government itself has not asked us about these reports. For these reasons, it is difficult to create an effective collaboration between the two sectors. I think the government does not care about the implementation of Emiratisation” (General Manager, Hypermarkets Group).

Two participants addressed the issue of potential collaboration between the private and public sectors in relation to the implementation of Emiratisation. This can be achieved through effective engagement of the private sector organisations in decision making processes and enacting laws. One of the participants stated:

“Yes, the private sector is far from making decisions. Therefore, managers of companies should become members of the committees responsible for not only Emiratisation, but designing action plans and programmes” (Director of Government Relations, Technology Services Corporation).

This statement was supported by another participant:

“I think the role of the private sector is very important and forms about 90 per cent of the capital in the country. For this reason, it should work with the government on designing relevant policies” (CEO, Traffic Systems Company).

Only one participant talked about positive collaboration between a government organisation and a company from the private sector:

Interviewee: *“I am currently working and living in Abu Dhabi. When a governmental organisation advertised a bid in the newspaper and gave that bid to a company, there was a condition imposed by the government to employ nationals”.*

S. M.: *“Do they follow the quota system or a specific percentage?”*

Interviewee: *“No, there is nothing like that”.*

S. M.: *“Are these decisions documented?”*

Interviewee: *"No, there was an agreement between the two organisations but it was not optional"* (General Manager, Media Organisation).

It can be concluded from this section to a large extent that private and public sectors can cooperate to design policies and enact laws but there may need to be a tightening up of agreements on quotas for employing nationals and how those agreements are both implemented and monitored.

8.10 Communication strategies that leaders use to implement Emiratisation

The interviews indicate that almost all participants said that there are no communication strategies to implement Emiratisation. As mentioned in previous sections, some of them indicated that there is no such policy or strategy for employment in the UAE. The participants emphasised that if their organisations do not communicate with the government sector, they will not be able to communicate with unemployed people. One of the participants stated:

"As a company, we always contact governmental organisations regarding the implementation of Emiratisation".

S. M.: *"What types of communication do you use with these governmental organisations?"*

Interviewee: *"We use different types of correspondence such as letters, meetings, and emails".*

S. M.: *"I have read about Emiratisation in the newspapers. What do you think about the role of the media?"*

Interviewee: *"What has been written in the newspapers does not reflect the importance of Emiratisation. I assume that the newspapers should write about it every week. I think the government and Tanmia should be responsible for writing about Emiratisation in the local media".*

S. M.: *"There was a conference held very recently on Emiratisation. Have you heard about it?"*

Interviewee: *"Yes, there was no sufficient information about Emiratisation and few people attended the conference. Unfortunately, I was not invited to*

such a conference and heard about it from friends” (General Manager, Hypermarkets Group).

Another participant emphasised that there is no communication strategy followed by the leaders of companies in favour of Emiratisation. He stated that:

“Our leaders do not use any communication strategy because they are not aware of Emiratisation. There are no regulations or laws that encourage the leaders to care about it” (Director of Government Relations, Technology Services Corporation).

One of the participants raised the issue of incentives that would encourage the private sector to accept the idea of Emiratisation and employ nationals:

“The government may address the issue of shortages of skills in different fields such as engineering, unskilled labour, etc. The private sector may propose training courses in the fields they work in and collaborate with public sector organisations on how to implement these courses (programmes) and how the private sector will commit to employ trainees after the courses. I think, in this way, our leaders can communicate their needs to the public sector which will cover the costs of training programmes” (CEO, Traffic Systems Company).

In general, the interviews indicate that the lack of regulation and relevant laws hinder business leaders from using specific communication strategies that can be used in the implementation of Emiratisation.

8.11 Skills deficit in the UAE labour market

There was an agreement among the participants about shortages in several fields in the UAE labour market which are mainly covered by foreign workers who enter the UAE from different parts of the world. However, despite the fact that organisations can bring workers from outside the country, the deficit still exists (as already explained above) For instance; there is a shortage in all types of engineering and medical skills and knowledge. One of the participants said:

“In the next ten years, we will need more engineers to work on various types of projects. There is a shortage in medical doctors, accountants, etc. The problem is not only in the shortage of a workforce, but in the difference in

wages between the federal cadre (on the level of the UAE) and the state cadre. For instance, the salary of an employee holding secondary education qualification working for the Abu Dhabi region is higher than an employee with a degree in medicine".

S. M.: *"Why do you think this happens?"*

Interviewee: *"I think it is some sort of management and there is an agreement among the regions on a unified scale of wages"* (Director of Government Relations, Technology Services Corporation).

It can be said that salaries and wages in Abu Dhabi and Dubai are higher than other emirates such as Sharjah and Ras Al Khaima. This because every 'Emirate' is responsible for its cadre and ladder system and there is no national cadre system for the whole country (Tong, 2010).

One of the participants tackled the issue of deficit from a higher education point of view since the Ministry of Higher Education and Scientific research does not encourage young people to join scientific fields. The participant stated:

"We see that the majority of students focus on social sciences, humanities, and education and religious studies. This creates a shortage in other areas so companies bring in people from other countries. Additionally, the majority of graduates hold only secondary education certificates or even lower qualifications. How can these contribute to the development of organisations?"

S. M.: *"I heard that the private sector prefers people with secondary certificates because of the opportunity to pay lower wages?"*

Interviewee: *"I respect what you say, but this is not correct at all. In our company, we look for qualified and skilled people with secondary school certificates. In relation to wages, we compare our wage scale with other companies, but we cannot compare them with Abu Dhabi because they are very high and our company cannot afford that".*

S. M.: *"What do you think about the high rates of unemployment among Emirati young people?"*

Interviewee: *"I think unemployment is higher among females and among unqualified and unskilled people"* (CEO, Traffic Systems Company).

The participants were in consensus about the necessity of conducting a comprehensive study about the labour market to examine the needs of both the public and private

sectors. This study would explore the shortages in the labour market from different fields. One of the participants stated:

“The government represented in the Bureau of Statistics should carry out a comprehensive study on the needs of organisations from graduates of educational institutions [e.g., universities, colleges, vocational training providers]” (Head of Human Resources, Horseracing Corporation).

It can be concluded from this section that the participants are aware of their organisations’ deficit of skills, but they need to coordinate with the government in order to identify skills deficiencies in the labour market. The Participants recommended conducting a study on exploring the needs of the UAE labour market.

8.12 Direct responsibility for the implementation of Emiratisation

The participants in this study were asked about organisations that should be directly responsible for the implementation of Emiratisation. The participants agreed that the Ministry of Labour should be the main body responsible for designing and implementing Emiratisation. One of the participants stated:

“Absolutely, the Ministry of Labour is totally responsible for the implementation of Emiratisation. The ministry was established to help people find jobs in the labour market. Yes, there is a role for other public and private sector organisations but the ministry should coordinate and collaborate with these sectors. Unfortunately, this does not happen because I do not see any role for the Ministry and it falls to the responsibility of the unemployed people to find jobs” (CEO, Law Firm).

Another participant agreed:

“The Council of Ministries has assigned this role to the Ministry of Labour and the Population Structure Committee. They should be aware of the aims of Emiratisation and action plans designed for the implementation of the Emiratisation” (Executive Director, International Real Estate Developing Company).

8.13 Conclusion

The purpose of this chapter was to provide detailed results of the interviews conducted with private sector management personnel. The interviewees pointed to various obstacles to the implementation of Emiratisation, such as a lack of cooperation and partnership between the public and private sector organisations; a lack of coordination with higher educational institutions, (i.e. universities and polytechnics); a lack of participation of young people in the design and assessment of Emiratisation; the deficit in relevant labour market skills among Emirati nationals; and the lack of participation of public and private sector leaders in the planning and implementation of Emiratisation. One important gap in my evidence is that the leaders from the private sector did not answer all the questions in the interview schedule, with the result that not all the themes were covered. This was fairly clearly because the interviewees had no information that would have allowed them to answer some of the questions.

Chapter Nine

Results of quantitative data (Young people survey)

9.1 Introduction

Chapters Seven and Eight presented the results of semi-structured interviews conducted with key leaders and informants from the public and private sectors. For the purpose of taking into account young people (ages 18-30) views, it was useful to collect data from different sections of young people including university and college graduates, and skilled and unskilled workers, employed and unemployed. This chapter aims to present the results of the questionnaire completed by Emirati young people.

9.2 Response rate

The main purpose of the questionnaire was to gather data from young Emirati nationals that answer the following research question: What has been the impact of the Emiratisation policy on different categories of people (graduates, and skilled and unskilled labour)? The questionnaire also aimed to explore Emirati nationals' views about Emiratisation, its advantages and disadvantages, and their awareness of Emiratisation (Appendix 5).

Due to lack of databases on young people in the UAE, it was imperative to consult Tanmia which was the only organisation that accumulated detailed information about young people. Tanmia has built its database on the basis of young people who visited its premises in the last few years. The organisation has never worked on surveying unemployed people in the UAE because they believe that this is the responsibility of

the Ministry of Labour. The databases consisted of information on young people who have been looking for job and/or looking to develop their skills. Therefore, the limitation of the sample may be represented in its inability to be generalised to a much larger population.

As mentioned in the methodology chapter (Section 6.8), 700 questionnaires were distributed by hand to young Emiratis who visited the National Human Resources Development and Employment Authority (Tanmia) during a two month period (March-May 2012), for the purpose of finding jobs and/or enquiring about training courses and personal development, or for weekly open days (Chapter Six, section 6.8). 398 questionnaires were returned; moreover, they came from different sections of the national population. Some of those young people work for different types of organisations (public sector, private sector and others) and some are self-employed. 398 questionnaires returned means an overall response rate of almost 57 per cent. According to Biemer and Lyberg (2003), there is no response rate to surveys and questionnaires that is generally considered to be satisfactory in social sciences. Babbie (1998) suggests that 50 per cent is an acceptable response rate, and in terms of that, the response rate for this study is very respectable.

9.3 The sample profile

This section presents the background characteristics of young people participated in the survey which includes age, gender, education level, employment states and place of work. The main purpose of this section is to give an outline of what the study sample reveals.

9.3.1 The sample by age

The results in table 6 indicate that about half of those who completed the questionnaires (49 per cent) were aged between 22-25 years, followed by the age group 26-30 which accounted for about one third of participants (32.7 per cent). About one fifth of the participants are aged between 18 and 21 years. Furthermore, the majority of participants belong to the youngest age-group.

Table 6: Distribution of young people participating in the study by age

Age group	Number	Percentage
18-21	72	18.3
22-25	192	49.0
26-30	128	32.7
Total	392	100.0

9.3.2 The sample by gender

It is clear from table 7 that the vast majority of participants are male: 71.6 per cent compared to only about a third females (28.4 per cent). These results are in part explained by the fact that the majority of visitors to Tanmia are males. From a cultural point of view, women are less likely to seek jobs than their male counterparts because of expected family responsibilities (Buchmann & DiPrete, 2006). According to Riel (2011), from UAE cultural context point of view, men are expected to be the main breadwinners, get an education, and a career while many women are expected to marry and raise children. On the other hand, a study conducted by the International Council on Security and Development showed that Emirati young women are more likely (than young men) to find jobs in the local labour market (ICOS, 2010). This trend could be attributed to the high number of female graduates with college and university degrees. For example, 74 per cent of those admitted at universities in the UAE in 2010 were females and 79 per cent of graduates were also females (Zakharia, 2010). According to the UAE University (2013), 13,540 students registered in 2012/2013 of which 10,254 were females (76 per cent). These statistics reflect the huge number of females who graduate from higher education institutions. The ability of women to gain employment could also be indicative of a level of cultural change in UAE society. While women might be reluctant to go to Tanmia and mix with other male job seekers to seek employment opportunities they, nevertheless, might be willing to apply directly to organisations to seek employment.

Table 7: Distribution of participants in the study by sex

Sex	Number	Percentage
Male	285	71.6
Female	113	28.4
Total	398	100.0

9.3.3 Young people by educational level

Table 8 shows that more than three quarters of participants in this study were secondary and bachelor degree holders (39.9 per cent and 39.7 per cent respectively). Only 11.1 per cent who finished their intermediate diploma while 3.8 per cent were engaged in vocational training, while 5.5 per cent from Masters and PhD holders. These results reveal that more than half of the participants are not degree holders. This may explain the problems they face in trying to compete with the expatriates (foreign workers) in the local labour market.

Table 8: Distribution of young people participating in the study by educational level

Educational level	Number	Percentage
Secondary	159	39.9
Intermediate diploma	44	11.1
Vocational training	15	3.8
Bachelor degree	158	39.7
MA+	22	5.5
Total	398	100.0

9.3.4 Relationship between employment status and qualification (Educational level)

The main purpose of examining the relationship between employment status and qualification was to have insight about the difference between educated young people to higher levels and low levels. This also gives an indication about how higher education levels affect employment status. It is clear from table 9 that about two third of participants are employed (64.6 per cent) compared to 35.4 per cent who are unemployed.

Table 9: Distribution of young people participating in the study by employment status

Employment status	Number	Percentage
Employed	257	64.6
Unemployed	141	35.4
Total	398	100.0

Table 10 makes clear that the majority of the unemployed is people with only secondary level education (42.1 per cent), followed by young people who hold bachelor degree (31.6 per cent). Although the results of this data cannot be generalised to larger population, they reveal (Table 10) that there are high unemployment rates among the holders of bachelor degrees.

Table 10: Relationship between employment status and educational level

Educational level	Employed	Unemployed	Total
Secondary	57.9% (92)	42.1% (67)	100.0 (159)
Intermediate	70.5% (31)	29.5% (13)	100.0 (44)
Vocational	73.3% (11)	26.7% (4)	100.0 (15)
Bachelor	68.4% (108)	31.6% (50)	100.0 (158)
MA+	68.2% (15)	31.8% (7)	100.0 (22)
Total	64.6% (257)	35.4% (141)	100.0 (398)

9.3.5 Young people by place of work

Table 11 below shows that the overwhelming majority (86.4 per cent) of participants in this survey worked for the public sector, compared to only 8.1 per cent who worked for the private sector. These figures suggest that Emirati young people find public sector work more appealing, which as we noted before is (as Godwin, 2006, argues) is probably because of higher wages, good working conditions, permanent jobs, considerations of status etc. The tiny proportion of self-employed persons (5.5 per cent) may indicate lack of entrepreneurship among young Emiratis, or may simply be because self-employed people would be unlikely to feature in the sample I have chosen.

Table 11: Distribution of young people participating in the study by place of work

Place of work	Number	Percentage
Public sector	234	86.4
Private sector	22	8.1
Self-employed	15	5.5
Total	271	100.0

9.3.6 Suitability of young people's current jobs to their qualifications

More than two third of employed participants in the study (71.5 per cent) reported that their current job was suitable for and matched their qualifications (educational level). It seems, by inference, that about one third of them (28.5 per cent) were not satisfied with their jobs, and regarded them as not suitable for their educational levels.

Table 12: Distribution of participants in the study by perceived suitability of current job to their qualifications

Suitability of current Job	Number	Percentage
Suitable	191	71.5
Unsuitable	76	28.5
Total	267	100.0

9.3.7 Participation in training programmes

The results in table 13 indicate that 61.1 per cent of the respondents had never done any training courses related to their area of specialisation or any other courses.

Table 13: Distribution of questionnaire respondents by past participation in training programmes

Participation in training programmes	Number	Percentage
Participated	150	38.9
Never participated	236	61.1
Total	386	100.0

9.4 Participants' knowledge of Emiratisation

This section presents the inferential analysis of a number of dependent variables (young people's awareness of Emiratisation, participation in training programmes, how they obtained current jobs) and independent variables (characteristics of young people's background). The table below indicates that about half of the participants had never heard about the Emiratisation policy (48.5 per cent).

Table 14: Distribution of young people participating in the study by their knowledge about the Emiratisation Policy

Knowledge about Emiratisation policy	Number	Percentage
Heard about the policy	205	51.5
Never heard about the policy	193	48.5
Total	398	100.0

Logistic regression is used to model the relationship between a dependent variable and the independent variables. In this study, there are several dependent variables and independent variables. The results in table 15 indicate that the odds ratio demonstrate a significant relationship between the characteristics of young people's backgrounds and their awareness of the Emiratisation policy. For instance, young people aged 22-25 are more aware than young people aged 18-21 years. In relation to sex, men are more likely to have knowledge about the Emiratisation policy than women. The results also show that young people educated to bachelor degree and above have more knowledge and awareness about the policy than young people who are educated to secondary and intermediate studies.

Table 15: Logistic Regression Results

	B	S.E.	Wald	df	Sig.	Exp(B) Odds ratio	95% CI for OR	
							Lower	Upper
Age group			14.548	2	.001			
Age (21-25)	1.336	.462	8.375	1	.004	3.806	1.539	9.409
Age (26-30)	.183	.487	.141	1	.707	1.201	.463	3.117
Sex(1)	-1.286	.532	5.832	1	.016	.276	.097	.785
Place of work			.006	2	.997			
Place of work (private)	-.053	.672	.006	1	.937	.948	.254	3.538
Place of work(NGO)	2.430	92.969	.000	1	1.000		.000	.
education			18.954	5	.002			
education(intermediate)	-1.611	.563	8.191	1	.064	.200	.066	.602
education(vocational training)	-1.576	.932	2.856	1	.091	.207	.033	1.286
education(bachelor)	-1.156	.346	11.163	1	.001	.315	.160	.620
education(master)	.752	.752	1.001	1	.017	2.121	.486	9.254
education(PhD)	2.821	47.021	.000	1	.009	.000	.000	.
Constant	-.124	.363	.118	1	.732	.883		

a. Variable(s) entered on step 1: age group, sex, place of work, education.

9.4.1 How young people heard about Emiratisation?

Participants in the questionnaire were asked about how they heard about Emiratisation. Table 16 below shows that only 12 participants (5.9 per cent) heard about Emiratisation from Tanmia (Tanmia is responsible for the implementation of Emiratisation) compared to 62.9 per cent who heard about it from different sources such as media (newspapers, TV, radio, etc.). About one third of the participants heard about the policy from their friends (31.9 per cent). These figures imply that the UAE government (represented by Tanmia) has not exerted sufficient efforts in publicising the Emiratisation process to member of the public in general and young people in particular.

Table 16: Distribution of young people participating in the study according to how they heard about the Emiratisation policy

Knowledge about Emiratisation policy	Number	Percentage
Tanmia	12	5.9
Media (newspaper, TV, radio)	129	62.9
Friends	64	31.2
Total	205	100.0

9.4.2 Young people's awareness of Emiratisation

This section presents the results of young people's awareness of Emiratisation in relation to the characteristics of their backgrounds such as age, gender and educational level.

The results in table 17 demonstrate a significant relationship between young people's age and their awareness of the Emiratisation policy ($\chi^2=4.518$, $P=0.034<0.05$)¹⁸, where young people aged 18-21 are less likely to know something about the policy (31.4 per cent) than their counterparts from other age groups (22-25, 50.6 per cent and 26-30, 52.4 per cent). These results point out those young ages have not gained good experience in the labour market and are currently not looking for job. For this reason, they are not aware of Emiratisation.

¹⁸ The P-value here is less than 0.05 which states that there is a relationship between age and awareness of Emiratisation.

Table 17: Young people awareness of Emiratisation policy by age (%)

Age group	Aware of the policy %	Not aware of the policy %	Total %
18-21	31.4	68.6	100.0
22-25	50.6	49.4	100.0
26-30	52.4	47.6	100.0
Total	47.7	52.3	100.0

Chi square = 4.518, P=0.034<0.05

As regards sex, table 18 shows no differences between males and females concerning their awareness of the Emiratisation policy ($\chi^2 = 0.320$, $P=0.197>0.05$)¹⁹. About half of young people were aware of the policy, regardless of their sex.

Table 18: Young people's awareness of Emiratisation policy by sex (%)

Sex	Aware of the policy %	Not aware of the policy %	Total %
Male	47.1	52.9	100.0
Female	54.2	45.8	100.0
Total	49.3	50.7	100.0

Chi square = 0.320, P=0.197>0.05

The results in table 19 disclose no relationship between educational level and awareness of the Emiratisation policy among the respondents ($\chi^2 = 7.772$, $P=0.100>0.05$)²⁰. 45.7 per cent of young people with secondary level education were

¹⁹ The P-value in this result is greater than 0.05 which means that there is no relationship between sex and awareness of Emiratisation.

²⁰ This result indicates that no statistical significant differences between different levels of education.

aware of the policy, compared to 55.8 per cent of those with bachelor degrees. These figures indicate that all participants regardless of their educational level have approximately the same level of awareness of the Emiratisation policy.

Table 19: Young people’s awareness of Emiratisation policy by educational level (%)

Educational level	Aware of the policy %	Not aware of the policy %	Total %
Secondary	45.7	54.3	100.0
Intermediate	40.6	59.4	100.0
Vocational	18.2	81.8	100.0
Bachelor	55.8	44.2	100.0
MA+	60.0	40.0	100.0
Total	48.9	51.1	100.0

Chi square = 7.772, P=0.100>0.05

9.5 Young Emiratis’ participation in training programmes

This section presents the results that related to the young people’s participation in training programmes that may have helped them in getting jobs.

Table 20 indicates that there is a significant relationship between age and participation in training programmes ($\chi^2 = 12.162$, $P=0.002<0.05$)²¹. The table shows that about half (48.4 per cent) of those aged 22-25 years had participated in training courses that they regarded as having helped them in finding jobs, compared to 31.1 per cent of those aged 26-30 years and 30.4 per cent of those aged 18-21 years.

²¹ The P-value here is less than 0.05 which states that there is a relationship between age and joining different training programmes.

Table 20: Young people participation in training programmes by age (%)

Age group	Had participated in training programmes %	Had not participated in training programmes %	Total %
18-21	30.4	69.6	100.0
22-25	48.4	51.6	100.0
26-30	31.1	68.9	100.0
Total	39.6	60.4	100.0

Chi square = 12.162, P=0.002<0.05

Table 21 indicates that young females are less likely than their male counterparts (Chi square = 64.611, P=0.000<0.05)²² to participate in training programmes that could have helped them in securing job opportunities in the local labour market.

Table 21: Young people's participation in training programmes by sex (%)

Sex	Had participated in training programmes %	Had not participated in training programmes %	Total
Male	52.0	48.0	100.0
Female	6.7	93.3	100.0
Total	39.5	60.5	100.0

Chi square = 64.611, P=0.000<0.05

Table 22 indicates that young people whose educational level is secondary are more likely to participate in training programmes than those of other educational levels. Significant differences between different educational levels, (Chi square = 15.740,

²² The P-value here is less than 0.05 and equal zero which states that there is a significance relationship between sex and the participation in the training programmes.

$P=0.003<0.05$)²³ may be attributed to the fact that young people with no more than a secondary education qualification are likely to attempt to compensate with some sort of training which might make them more employable.

Table 22: Young people's participation in training programmes by educational level (%)

Educational level	Had participated in training programmes %	Had not participated in training programmes %	Total
Secondary	45.2	54.8	100.0
Intermediate	14.3	85.7	100.0
Vocational	40.0	60.0	100.0
Bachelor	41.3	58.7	100.0
MA+	22.2	77.8	100.0
Total	39.0	61.0	100.0

Chi square = 15.740, $P=0.003<0.05$

9.6 How young Emiratis obtained their current jobs?

Table 23 indicates that only 12.9 per cent of young people participated in this study obtained their current job through advertisement compared to 34.7 per cent who found their jobs via friends and relatives. This figure indicates that obtaining and finding jobs depend upon word of mouth and mediation (*Wasta*). *Wasta* (which literally means 'mediation' in English) is an informal process of using the social connections of one's family, friends or tribe to obtain favours (e.g., securing a job or contract). About half of the participants reported that they obtained their jobs through their direct contact with the organisations (public and private).

²³ The P-value here is less than 0.05 which means that there is a relationship between the education level and the participation in the training programmes.

Table 23: How did you get the job?

How did you get the job?	Number	Percentage
Advertisement	35	12.9
Friends/relatives	94	34.7
Directly applied	142	52.4
Total	271	100.0

Table 24 indicates no significant differences between the educational levels of those who applied directly to organisations (58.3 per cent for secondary, 53.3 per cent for intermediate, and 53.3 per cent bachelor degree). About one third of the participants obtained their current jobs through the help of their relatives and friends compared to only 9.2 per cent who obtained the jobs through advertisement.

Table 24: How young people obtained their job by educational level? (%)

Educational level	Advertisement %	Friends/relative %	Directly applied to organisations %	Total %
Secondary	6.5	35.2	58.3	100.0
Intermediate	13.3	33.4	53.3	100.0
Vocational	22.2	61.7	16.1	100.0
Bachelor	5.7	41.0	53.3	100.0
MA+	32.8	31.9	35.3	100.0
Total	9.2	38.0	52.8	100.0

It is clear from table 25 below that young males were more likely to rely on friends and relatives in obtaining their jobs compared to their female counterparts (46.6 per cent and 20.6 per cent respectively).

Table 25: Young people participation in training Programmes by sex (%)

Educational level	Advertisement %	Friends/relative %	Directly applied for organisations %	Total %
Male	2.9	46.6	50.5	100.0
Female	6.1	20.6	73.3	100.0
Total	3.4	41.9	54.7	100.0

9.7 Young people’s comments from open ended questions

The open-ended questions provided and generated data for analysis. The majority of the questionnaires were returned without answers to the open-ended questions, but many respondents did provide short answers to the open-ended questions.

They were asked about the meaning of the term ‘Emiratisation’. About half of the participants had never heard about Emiratisation. As for the meaning of the policy, few of the respondents gave answers. For instance, one of the participants claimed that Emiratisation means *“the restructuring of the local market that aims to establish a balance between nationals and expatriates (foreign employment)”*. Another participant said that *“Emiratisation focuses on employing nationals in all administrative and technical fields in order to solve the unemployment problems among Emirati nationals”*. Furthermore, some participants thought that the policy was designed by the Emirati government to secure jobs for Emirati national graduates from colleges and universities as well as unskilled people.

The participants were also asked about the purpose of Emiratisation. One of the participants stated that the purpose of the policy was to reduce the reliance on foreign employees and replace them by Emirati nationals. Other participants agreed that the policy aims to develop Emirati national skills required in the labour market.

The open-ended questions suggested several benefits and advantages of Emiratisation. For instance, the participants agreed upon the need to provide solutions to

unemployment among nationals, in order to overcome social problems. They also indicated that Emiratisation will have economic benefits, since people will be able to meet their basic needs and those of their families and will reduce criminal behaviour in the Emirati society as there is a relationship between unemployment rates and crime rates (Melick, 2003). They have also agreed that the policy will be beneficial to Emiratis in terms of investing in the country's unemployed young people and university graduates.

The main perceived disadvantage of Emiratisation is that the people and organisations responsible for its implementation are not qualified in nationalisation policies, and have no experience in human resources development. This meant that the policy has not been implemented in a proper way. Some participants focused on these disadvantages. One of these was represented as replacing foreign workers with unqualified and inexperienced Emirati nationals, which will ultimately affect the productivity of people and organisations in both the public and the private sectors.

9.8 Conclusion

One of the main purposes of this study was to explore the impact of Emiratisation on different categories of people. Therefore, it was essential to collect data from such people (graduates, and skilled and unskilled labour) in order to find out what they thought about the policy and what benefits they saw themselves as deriving from it. The results of the survey questionnaire completed by young Emirati people provides a significant amount of such data. They show that more than half of the participants had not heard about the Emiratisation policy and were not aware of it. The results also showed that participants with only secondary education qualifications were more likely to participate in training courses than participants who already had bachelor and higher qualifications. Furthermore female participants were less likely to find jobs through relatives and friends, and would be more likely to find jobs through advertisement. The significance of '*Wasta*' and the very high level of jobs achieved in this way suggests a further subject for research, and also casts doubt on the possibility that Emiratisation

can be achieved through training: there is little point in going through an expensive programme of education and training if in the end jobs are allocated on the basis of 'not what you know, but who you know'. But it was not possible, given limitations of time and resources, to explore this topic.

Chapter Ten

Discussion of the results of the study

10.1 Introduction

This study was conducted on the Emiratisation policy/programme and investigated the obstacles to the implementation of the Emiratisation from public and private sector leaders' perspectives. The study also investigated the impact of Emiratisation on young people (graduates, and skilled and unskilled workers) (ages 18-30).

This study is based on my three research questions. The first question focuses on the literature review about Emiratisation and its current status in the country. The second question tackles the issue of Emiratisation and its impact on nationals (graduates, and skilled and unskilled workers). The third question addresses the obstacles facing the effective implementation of the policy.

To answer the research questions, it was appropriate to use both quantitative and qualitative research methods. For qualitative data, an interview schedule was designed to collect data from public and private sector representatives, while a questionnaire was designed to collect quantitative data from both skilled and unskilled young Emirati nationals.

Chapters Seven, Eight, and Nine respectively presented the semi-structured interviews conducted with the key informants (leaders) from both public and private sector organisations, and the results of the completed survey questionnaire. What now follows is a discussion of what the quantitative and qualitative results contribute to answering the research questions. I also attempt to examine whether the results of this study are consistent with the theories that were reviewed earlier and other work previously done on the subject.

10.2 Implications of the study sample

Recruiting participants from the public and private sectors with different backgrounds, characteristics, and views increased the likelihood of eliciting a wide range of views drawn from the key informants about their experience of Emiratisation. Key informants were deliberately chosen as participants in this study, because they can be assumed to be knowledgeable about the national and organisational policies of the UAE. This study, I would contend, brings new insights about the barriers to the implementation of Emiratisation from three different perspectives: public sector, private sector and beneficiaries (young people). A purposive sampling technique was used, because it was imperative to elicit as much information and as many views as possible about the role of the private and public employment sectors, the communication strategies, and the role of leaders in both sectors and young people in the planning and implementation of Emiratisation.

10.3 Discussion of Research Question One: What is the current state of Emiratisation?

This study surveyed the literature related specifically to Emiratisation, but also reviewed literature dealing with similar policies of nationalisation in other Gulf countries, Singapore, and Malaysia. In general, all Arab Gulf countries have been working towards implementing ‘Gulfisation’ policies as one of the main national human development plans in the region (Al Lamki, 2000). One of the main objectives of these policies is to broaden employment of nationals in the private sector, and not merely (as hitherto) in the public sector.

The literature review concluded that Emiratisation has not achieved its objectives. The study documents the obstacles and challenges to nationalisation policies in the Gulf countries, such as lack of skills required in the labour market particularly in private sector organisations, the weakness of the education system which has affected the implementation of nationalisation policies, and various failures of leadership. The

conclusion from the literature is that Emirati nationals do not meet the requirements of private sector organisations. The UAE government suggested developing national human resources with a particular focus on young people. This included the establishment of vocational and technological centres that would fill the gap in the disciplines that the UAE labour market requires. However, young Emiratis persistently favour education that does not contribute to employability, especially in the private sector. And unlike other countries such as Singapore and Malaysia, there have been no policies or measures specifically designed to limit the inflow of foreign labour, both unskilled and skilled.

10.4 Discussion of Research Question Two: What has been the impact of Emiratisation on different categories of people (graduates, and skilled and unskilled workers)?

This section discusses the results of the questionnaire. The impact of Emiratisation on young Emirati people was measured by means of a number of questions, such as their knowledge of the policy, its main purpose, and its actual or intended benefits.

The finding was that about half of the participants in the survey had never heard of Emiratisation. The majority of participants consequently could not define Emiratisation either, and even those who had heard of it tended to define it incorrectly or ambiguously. The study found that young people educated to bachelor and master degree level were more aware of Emiratisation than those educated only to diploma and secondary education. The fact that the majority of young people could not define Emiratisation is what might be expected from the views expressed by the participants from the public and private sectors about the lack of information on Emiratisation. The results also showed that those aged 22-25 were more aware than young people aged 18-21 years. As regards gender, men are more likely to have knowledge about Emiratisation than women. These results suggest that young people's lack of awareness of the policy limited their ability to benefit from the training and skills development programmes designed to help them.

As explained in Chapter Four, Tanmia is responsible for the implementation of Emiratisation. Tanmia's role was supposed to be to establish communication channels with national Emiratis and communicate with private sector organisations about the employability of people. The study found that only 5.9 per cent of my participants had heard about Emiratisation through Tanmia. This Emiratisation body has therefore clearly not created an effective communication with people, or promoted Emiratisation as a policy for solving skills deficiencies and unemployment issues. This in turn may well have affected the extent to which young Emiratis benefitted from the training courses run by Tanmia.

10.5 Discussion of Research Question Three: What are the obstacles to effective implementation of this policy?

This question is the core of this study, since it brings into a single focus different issues related to the implementation of Emiratisation from the perspective of leaders in the public and private sectors, as well as the perspective of those the policy is designed to benefit.

10.5.1 Discussion of leaders' views

This section discusses the similarities and differences in views about Emiratisation between leaders in the public and private sectors, human and financial resources allocated for the implementation of the policy, programmes and action plans designed to meet what the labour market demands from young people, the involvement of leaders in designing different types of programmes, collaboration between public sector organisations in the implementation of Emiratisation, collaboration between the public and private sector, collaboration and communication between public/private sector organisations and higher educational institutions, and the skills deficit in the labour market and direct responsibility for the implementation of Emiratisation.

10.5.2 Participants' general view of Emiratisation

Findings from Chapters Seven and Eight indicated that participants from the public and private sectors have different views about Emiratisation. Some interviewees from the public sector referred to it as a policy that focuses on absorbing Emirati nationals into the national labour market, particularly in private sector organisations. However, the Emiratisation Authority participant had a different view. He considered Emiratisation to be a programme or a plan that focuses on creating jobs for Emirati nationals (Chapter Eleven). Apparently, this view is consistent with the private sector interviewees' view, since they claimed that Emiratisation is an idea suggested by the government to develop Emirati skills in different sectors of the industry. In general, the participants did not describe the policy in its entirety, but focused only on the aspect of it that dealt with creating jobs for nationals. There was no substantial difference between the participants' interpretation of what Emiratisation means. Randeree (2009) suggests that the concept of Emiratisation should not only focus on unskilled people, but should focus also on skilled people's performance and productivity. The reasoning here is clear: if Emiratisation concentrates on productivity and performance, it will benefit *both* public *and* private sectors by supplying them with the kind of labour they need.

The views of the participants in the survey about Emiratisation differed to a considerable extent from those expressed by the interviewees from the public and private sectors, presumably because they were not in positions that enabled them to understand what it is. About half of the participants in the survey had never heard of Emiratisation. The majority of participants could not correctly define the policy. This strongly suggests that the UAE government had not made sufficient effort to publicise the policy, especially in the local media. A study conducted by Al Qubaisi (2012) found that participants in his study had different views about the proper definition of Emiratisation. However, he indicated that participants had *positive* views about the policy and were optimistic about its vision and mission. The contradiction between the results of my study and those of Al Qubaisi may be attributed to the difference in the samples. Al Qubaisi (2012) addressed the issue from a public sector perspective,

whereas this study has placed an emphasis on both public and private sectors as well as on young people. In general, my finding was that the three groups had the same view about the definition of Emiratisation and had a negative image about Emiratisation.

Wilkins (2001, p. 8) suggests that Emiratisation aims to reduce the UAE's reliance on foreign labour by increasing Emirati representation in both public and private sector organisations. In order to achieve the objectives of Emiratisation, the Emirati government selected a number of sectors (banking, trade, and insurance) suitable for Emirati men and women, and set quotas in those sectors (Morris, 2005, p. 6). However, there is evidence that suggests that sectors have not committed to the quotas, for whatever reason (United Arab Emirates. Federal National Council, 2012). In any case Emirati nationals do not like jobs in the private sector. According to Al Ali (2008), Emiratisation, to some extent, has concentrated on Emirati nationals, but has not taken account of the private sector organisations' views.

10.5.3 Human and financial resources allocated for the implementation of Emiratisation

In the UAE, like other Gulf countries, the implementation of any policy requires both human and financial resources. According to Forstenlechner (2010), effective human resource practices are needed to help in the adoption and implementation of localisation and nationalisation policies. Human resource implications are considered key factors in the implementation of nationalisation strategies. Nonetheless, the political nature of the nationalisation policy and the political attention to detail of the policy make a considerable difference to how human resource practices work (Harry, 2007). Participants in this study were asked about human and financial resources allocated for the implementation of Emiratisation. The findings from the interviews demonstrated some differences between participants' views from the public and private sectors. It would appear from the public sector participants that, to some extent, the UAE government had managed to allocate some funding for the implementation of the policy and assigned an independent body to oversee the implementation of the policy. By contrast, participants from the private sector argued that the Emirati government had not provided qualified human resources to seriously work on the policy and had

not allocated a defined budget specifically for Emiratisation. However, the interviewee from the Emiratisation Authority contended that there are committees responsible for the implementation of the policy at the national (Emirati) level, but none at the local (states) level. Participants from the private sector took a different view; they thought that human and financial resources were available, but that there were problems with government decision makers and executives, who were still not confident in Emirati capabilities to implement the policy. The Saudi experience in relation to young people entering the labour market was that the Saudi government has created an independent body called the *Human Resource Development Fund* to implement the Saudisation policy, supported by a budget of U. S. \$1 billion allocated to developing and qualifying young people who intend to work for private sector organisations (Achoui, 2009). According to Achoui (2009), the function of human resources in organisations is to support the development of the skills required by people to meet the demands of the local labour market. Human resources development thus plays an important role in increasing employability. But as far as the UAE are concerned, there is a lack of attention to the needs of young people.

Another important issue that emerged from the interviews was that the majority of participants, particularly from the private sector, said that not only had they never heard of Emiratisation, but they had never heard about Tanmia either. This suggests that a lack of collaboration between Tanmia and other sectors has been one of the main problems with the implementation of the policy. Tanmia is the official organisation responsible for the implementation of Emiratisation. For this reason, if this organisation is not known to private sector, there is a problem for Tanmia and the public sector whose responsibility for effective communication with private sector organisations.

10.5.4 Programmes and action plans designed to meet young people's requirements for employability

Interviews with participants from the public sector showed that they are not aware of any plans and projects designed for the purpose of the implementation of Emiratisation, or even of the policy/programme or its content. The participant from the Emiratisation

Authority said that the plans and projects focused on English language programmes and on developing people's communication skills, etc. However, the interviews with participants from the private sector indicated that action plans should have focused on a different set of skills that would make unemployed people more suited to the labour market.

The study showed that participants from the private sector held varying views about programmes and action plans designed for the implementation of the policy. Firstly, half of them (five) had never heard of Emiratisation; they argued that there was no such policy. The other five participants thought that the programmes designed for the policy implementation did not meet their requirements. These programmes included communication skills, computing, secretarial, and managerial skills. Participants declared that both public and private sector organisations in general made no serious effort to develop action plans and programmes to absorb Emirati nationals. The literature review, however, indicates that the UAE government *had* initiated a number of programmes. For instance, the Abu Dhabi Education Council (ADEC) developed a 10 year strategic plan to improve the education system, and to develop UAE national skills to compete in the labour market (Abu Dhabi Education Council [ADEC], 2009). Abu Dhabi Tawteen Council (ADTC) was also working with ADEC on linking the output of higher education and vocational training programmes with Emiratisation. The experience of neighbouring countries such as that of the Omani government, which has worked hard on developing programmes for the sake of the implementation of the Omanisation policy, is instructive here. For example, the Ministry of Manpower in Oman has developed sustainable national training programmes that aim to prepare and qualify unskilled workers to develop their skills to match the requirements of companies, industries and other occupations in the service sector. From these programmes, trainees receive theoretical knowledge, training on practical workshops and on-the-job training (UNDP, 2003).

It seems that the results of this study are not consistent with the main contention of human capital theory, which is that some people have not developed different types of skills and have not gained good knowledge about the needs of labour market, therefore,

they do not accept the job opportunities in the labour market (Weatherly, 2003). For this reason, it is the government's responsibility to work on developing people's skills in relation to the needs of the labour market. According to Barker (1993), human capital focuses on developing individuals' skills and education which qualify them to compete in the labour market. This depends upon individuals' length of study, the level of educational attainment, and the skills acquired.

In relation to this study, it found that the private sector organisations require skilled labour such as technicians, engineers, etc. which Emiratis have not developed on skills. As mentioned in Chapter Three, Emirati young people are mostly specialised in social sciences and business which are overwhelmed in the labour market.

10.5.5 Involvement of leaders in the planning and implementation of Emiratisation

Interviews from public sector organisations identified no agreement about the role of leaders in designing programmes and policies for the implementation of Emiratisation. The participants agreed that the leaders should play a critical role in suggesting and designing programmes, but thought that in reality they do not perform that role. Even the interviewee who was employed by the Emiratisation Authority, which is responsible for the implementation of the policy, claimed that leaders (top management) in the government sector are not involved in designing programmes.

Participants from the private sector claimed that leaders in the public sector have no intention to employ Emirati nationals. There was a consensus among the participants about the lack of any serious activity of leaders and top management in designing programmes and action plans for the implementation of Emiratisation. It was clear from my results that participants from the public and private sectors believed that the leaders in both sectors have no role in designing programmes and action plans for the implementation of Emiratisation. These participants worked at a higher level in the public and private sector and therefore they are leaders. It was apparent from the results that leaders in both sectors are not aware of their role in the planning and implementation of Emiratisation. The participants were not even clear about who is

responsible for the implementation of the policy. Interviews highlighted that participants are not aware of Emiratisation and therefore they will not be able to be involved in designing different programmes related to the implementation of the policy. These results reveal that the leaders are not willing to engage seriously with the implementation of the policy. The findings of my study seem to accord with the results of the survey on labour nationalisation conducted in the Gulf countries by Lootah (2010). The survey found that Gulf business leaders had been reluctant to replace expatriate workers with nationals because they believe that the quality, productivity, and efficiency of foreign workers were higher than Emirati nationals. In other words, the leaders in the private sector try to avoid replacing efficient foreign workers with less productive and efficient nationals. The problem with these leaders is their perceptions of nationals, which may not easily change over time. The leaders in the interviews emphasised that the issue of developing national skills has not been adequately addressed and the existing education system has not produced suitably skilled people.

It can be concluded that the role of leaders in the national transformation of the labour force should be to aim to achieve national workers' competitiveness in the labour market. Therefore, leaders in both the public and private sector should do what they can to harness the forces for change in the nationalisation of the labour market.

10.5.6 Public – private sector partnership

This section describes the degree to which public sector organisations coordinate their efforts and collaborate with private sector companies to effectively implement Emiratisation. According to Martin (2000), the public and private sector partnership needs innovative approaches if it is to meet the requirements of the labour market and create productive workplaces. Public and private sectors can address the issue of developing nationals' skills to enable them to compete in the labour market. However, this requires studies to find what national job opportunities there are in the market, and what skills disadvantaged groups can offer. It was apparent from the interviews that there was no coordination or collaboration between the public sector and private sector organisations, because these organisations have no clear ideas about their respective

roles in the implementation process of the policy. Furthermore, it was clear that public sector organisations have not created shared goals that can be achieved through collaboration. More importantly, the focus of public sector organisations is still on employing nationals. The role of leadership in the national transformation of the labour force, however, requires the achievement of national competitiveness in the labour market. The interviews showed that building collaboration between the public and private sectors is essential, but there are some obstacles to such collaboration, such as (in the view of most of the participants) a lack of laws and regulations that govern this relationship, as well as the laws that limit the number of work permits. At the same time, from the public sector participants' point of view, the majority of private sector organisations are unwilling to build collaboration with the public sector not just at the level of Emiratisation implementation, but at all levels.

From the private sector perspective, all participants encouraged the collaboration between the public and private sector. However, the majority of private sector participants claimed a lack of awareness of Emiratisation, with no notion of its objectives or how it would be implemented. In general, the interviews pointed to a lack of collaboration and coordination between the two sectors. Participants also emphasised the lack of initiatives from the public sector to build good relationships with the private sector. In general, the UAE government did not design any action plan for developing its relationship with the private sector organisations because the UAE government itself does not appear to be working on this issue seriously; the interviews indicated that there was no serious government effort to establish any partnership and collaboration with the private sector. According to Martin (2000), the collaboration between the public and private sector depends upon policies and strategies developed by governments. For example, the two sectors may centre their efforts on improving young or unemployed people's access to training and jobs in the local job market. Moustafa (2007, cited in OECD, 2010, p. 193) argues that the government (public sector) cannot manage the labour market on its own. In the UAE, the task is harder because the resistance to change is embedded in the Ministry of Labour and the local governments of the seven Emirates (states). Since the labour market dictates the supply and demand of labour, it becomes essential to engage relevant bodies in the process of

labour market management, particularly the private sector organisations from which there is the best prospect of economic development. On the labour supply side, the labour market has to be regulated, in order to keep the demographic balance between the Emirates nationals and foreign workers (immigrants). In general, the Emirati labour market is characterised by high reliance on foreign workforce, a strong free market economy that attracts labour from different areas of the world, a range of requirements and needs among Emirati nationals, and a lack of standards and classifications such as regulations of the labour market, the specific types of occupations, etc. It can be concluded that the UAE should work on developing relevant laws and regulations, as well as efficient administrative arrangements such as those of Singapore (referred to above), that will regulate the flow of foreign workers.

10.5.7 Communication strategies used by leaders to implement Emiratisation

Interviews with both participants from the public and private sector showed that the UAE government had not designed any communication strategy that would aid policy implementation. Communication strategies include correspondence by mail, electronic mail, media, face-to-face, or any other type of contact. It seems that the lack of any such strategy explains why participants from the private sector claimed that they had not been aware of the issue of skills shortages among Emirati nationals. Participants from the private sector emphasised the lack of communication between their companies/firms and the public sector organisations or the UAE government. This affected the process of coordination and collaboration between the sectors, and consequently the implementation of the policy.

10.5.8 The role of the private sector

Implementation of any policy or programme by the public sector in this part of the world requires coordination and collaboration with the private sector. Labour market policies are not different from other types of policies, since the government is required to exert efforts in coordinating the labour market outcomes (employment, unemployment and underemployment), particularly by collaborating with the private sector. The private sector in the UAE forms more than two thirds of employees, with

more than three million employees from all over the world. Thus, the role of the private sector is critical for creating jobs and implementing the labour market policies such as Emiratisation. As regards implementation of this policy, interviews with the public sector participants indicated that there was no role for the private sector. Participants attributed this to the fact that private sector organisations were not ready to train Emirati nationals or to cover the costs of training courses in different specialisations. Participants from the public sector claimed that the private sector was not serious about Emiratisation. They blamed the UAE for the lack of implementation and enforcement of existing laws and regulations to compel the private sector to cooperate with the government. Nevertheless, all participants agreed that the private sector is very important and can play a crucial role in developing people's skills and creating job opportunities for Emirati nationals.

Participants from the private sector organisations offered different perspectives from the public sector participants, and blamed the government for the lack of coordination and collaboration in issues related to the labour market. Participants emphasised that the government required a clear vision about Emiratisation and its role in the private sector.

The theory of the dual labour market (Doeringer & Piore, 1971, referred to above) is relevant here. The primary labour market in the UAE is the public sector and the secondary labour market is the private sector. For reasons explained earlier, Emirati nationals prefer to work in the public sector, which is almost completely emiratised, while foreign workers are concentrated entirely in the private sector.

Foreign workers' in the UAE are a human resource that cannot be neglected; about 90 per cent of the human capital consists of foreign employment. A study conducted by Richardson and McKenna (2006) suggested that foreign workers had totally different relationships with the UAE and their countries. According to Williams (1979), individuals' preferences are very important in choosing the sector or organisation to work with. At the same time, organisations in the public and private sectors prefer specific skills that meet their requirements. The private sector in the UAE employs more than three million foreign workers, and so should be able to absorb unemployed

Emirati nationals. However, this segment of the labour market suffers from many problems. A study conducted by Randree (2009) found that foreign workers were not satisfied due to the absence of job security and hazardous working conditions without appropriate safety cautions. Most of their work was undertaken in extreme weather conditions. Moreover, the study found that there was no organisational commitment towards workers, thus affecting loyalty towards employers.

According to Al Dosary and Rahman (2005), the economy of the private sector plays a crucial role in supporting the public sector. In the Western countries, the wages in the private sector and benefits are often considerably higher than those in the public sector, although this has been changing in some countries in recent years. However, in developing countries in general and the Gulf countries in particular, wages in the public sector are much better than the private sector. However, in the long term, it is difficult for the public sector to assimilate more employees. According to Yamada and Matsuda (2007), even if the private sector cannot create jobs, it can at least be involved in the skills development of young people. In this case, the private sector can complement the role of the public sector.

10.5.9 The role of young people in implementing Emiratisation

All participants from both public and private sectors agreed that young people had no role in designing and implementing Emiratisation, and also emphasised that due to the lack of publicity in the local media, young people would not even be aware of the policy.

The questionnaire results showed that about half of those that participated in the survey had never heard about the policy. The multiple regression showed that employed young people were more likely to hear about Emiratisation. Although young Emiratis are the main beneficiaries of the Emiratisation programme, they do not participate in the design, implementation, and assessment of the policy. The participants in my study felt, rightly or wrongly, that the policy and related programmes would benefit from greater input by young people.

A study conducted by Forstenlechner (2010) found that students' and graduates' opinions about jobs in the private sector were partly influenced by their lack of continuous contact with private sector organisations, because very few Emiratis work for the private sector. My results showed that only 8.1 per cent of young Emiratis participating in the study worked for private sector compared to 86.4 per cent working for the public sector. This may be attributed to the fact that these young people are not aware of job opportunities in the private sector organisations. Al Lamki (1998) contends that young people should have some background information about the jobs in the private sector. She found that a lack of information and awareness of labour market opportunities was one of the main obstacles to increasing the number of Omani nationals in private sector organisations.

10.5.10 The role of higher educational institutions in the implementation of Emiratisation

Employability skills, insofar as they are not entirely in-house, are usually gained by graduates from higher educational institutions such as universities (Yorke, 2005). As was observed in the literature review (Higgins et al., 2010), the employability of graduates, to a larger extent, is dependent upon the individual student's performance, nature and type of degree programme, job-searching methods adopted by graduates, and employer demand for people with certain skills and training. The literature review suggested that universities do, or could, play an important part in the employability process of graduates through developing their skills such as communication, project management, team work, and how to find jobs related to their specialisation (Winter, Smith, Morris, & Cicmil, 2006; Elias et al., 1999).

By and large, participants from the public and private sectors in this study felt that higher educational institutions (i.e. universities) were not playing a key role in the labour market. Universities in the UAE regard themselves as responsible for teaching, and do not provide any sort of help to graduates in building any connections with the labour market. In relation to employability, the interview participants showed different views about the role of universities. Some participants from the public and private sectors thought that universities were not directly responsible for finding jobs for

graduates, but could train them in skills relevant to the labour market such as communication skills, computing, and project management. As regards improving employability, the interviews indicated no consensus among participants about the role of universities. However, Duderstadt (2011, p. 1) makes a highly relevant comment here: “The daunting complexity of the challenges that confront us would be overwhelming if we were to depend only on existing knowledge, traditional resources, and conventional approaches. But universities have the capacity to remove that dependence by the innovations they create. Universities exist to liberate the unlimited creativity of the human species and to celebrate the unbounded resilience of the human spirit. In a world of foreboding problems and looming threats, it is the high privilege of universities to nurture that creativity, to rekindle that resilience, and so provide hope for all of Earth’s peoples”.

However, the capacity of higher education institutions to respond to regional needs depends on conditions that result from the interrelations between several geographic areas from the global to the local, as well as from the historical legacy of each specific higher education institution and its region. Policy makers need to be aware of the demands exerted upon higher education institutions by, among other things: restructuring in the global economy; changing national contexts for higher education; the particular characteristics of the region in terms of its economic base; regional policy; the regional educational system and the particularities of each institution (Chatterton & Goddard, 2000).

When participants were asked about cooperation and coordination between universities and other sectors in the labour market (public and private sectors), they claimed that there was no collaboration at all. They attributed this to a belief that universities are responsible only for equipping students with academic information. The interviews with the participants in this study showed that many Emiratis regard the universities as responsible not only for developing academic programmes and transferring knowledge to students, but also for fostering a culture that promotes a new generation of young people who can think critically. The participants’ evaluation of the UAE University internship programme indicated that the programme has not led to any sort of job

placement in the private sector. It can be said that there is no collaboration and coordination between universities and private sector organisations in relation to training and labour market requirements.

10.5.11 Skills deficits in the UAE labour market

Participants from the public and private sectors agreed that there were shortages in several fields such as engineering, medicine, communication, and higher levels of computing. The majority of Emirati students study social sciences, humanities and religious studies. It is difficult to implement Emiratisation given the shortages and lack of the skills required in private sector organisations; this in turn seems to be a main reason for private sector organisations employing foreign worker and not employing Emiratis. Participants attributed it to educational policies, higher education policies, and a lack of relevant labour and higher education policies. There are not even any reliable official statistics about the number of graduates from universities and colleges and their areas of specialisation. The survey conducted in this study showed that 39.7 per cent of young people who participated in the survey were bachelor degree holders, while more than a third finished only their secondary certificates. In relation to training courses, the survey showed that about one third of the participants in the survey participated in training courses, but 67 per cent had never done so.

Companies in the labour market differ in the level and type of skills they require. Organisations in both the public and private sectors determine what types of skills they require from new recruits. Whether students have these depends upon what they have done in universities, colleges or schools. For instance, the banking sector is different from the health service sector, since the former requires skills in business and accounting while the latter requires medical education and skills. Labour markets with skilled people enjoy a wage differential over other labour markets. It is difficult to balance the needs of education and those of the labour market, and indeed it is not clear *who* could do this. Nevertheless, education is supposed to meet the needs of all organisations. The problem with the education system in the UAE is that it does not take the requirement of the labour market into consideration.

A study conducted by Schwartz, Helmus, Kaye, & Oweidat (2009) found that educated people in the Arab world are often ill-prepared to work in the global economy. Al Shaiba (2007) found the same to be true in the UAE. There has been a mismatch between the jobs available in the labour market, people's skills and the quality of education provided to Arab students, especially in higher educational institutions. In the Gulf countries, Gonzalez et al. (2008) indicated that primary and secondary education in Qatar and the UAE are not up to international standards. Secondary school students cannot directly join the labour market because they lack the kind of expertise that is needed by the private sector, which in turn mostly drives the Emirati economy. Many Emirati nationals are unemployed because private sector organisations aim to minimise their costs, and are therefore unwilling to train Emiratis when they can hire already fully-trained foreign workers. Although the Arab countries have made substantial reforms in the education system, there is still mismatch between graduates' skills and knowledge and the needs of the labour market (Bunglawala, 2011). The majority of students do not acquire non-academic skills such as problem solving, communication skills, learning methods and creative thinking skills (Bunglawala, 2011). A study conducted by Lootah (2010) found that the quality and productivity of foreign workers is far superior to the national workforce at all management levels.

10.5.12 A quota system

Interviews conducted with participants from the public sector indicated that the majority of them agreed that the solution to unemployment among young people is the application of a quota system in the private sector. However, only one participant from the private sector agreed with this suggestion. The literature review showed that the UAE government suggested a quota system about ten years ago, but it was not applied because there were no penalties for non-compliance. In order to implement the policy, the Ministry of Labour in the UAE chose a number of sectors in private sector organisations and set quotas for the Emiratisation of jobs. For example, it suggested that the banking sector should have a 4 per cent annual increment in the number of Emirati employees, insurance companies 5 per cent, and 2 per cent for organisations that employ more than 50 employees (Tanmia, 2005). However, these quotas have not

been met in several sectors such as consultation and manufacturing sectors, information and communications technology (ICT), and higher educational organisations. For example, the total workforce of the banking sector in 2012 was 36,608, of which 12,688 were nationals (United Arab Emirates. Federal National Council, 2012). But as we noted earlier, according to Randeree (2009) many private sector organisations have no trust in skills and knowledge of Emiratis to do the jobs properly. Equally, many Emirati nationals were not willing to work in the private sector.

The UAE government *could* control the implementation of the quota system through annual progress reports and monitoring rates applied in each industrial sector. Whether it should attempt to *force* private sector organisations to employ Emiratis is a much more contentious issue.

10.6 Conclusion

We have now discussed the key informants' and young people's views of Emiratisation both as a concept and in practice, with special reference to young people's requirements, the involvement of leaders in the design and implementation of the policy, public-private sector partnerships, communication strategies to assist in the implementation of the policy, the role of the private sector and young people in the policy, the role of higher education institutions in the labour market, and the skills deficit among Emiratis. This now brings us to the tasks of drawing conclusions and making recommendations, as well as proposing some matters for possible future research. All this will be discussed in the next chapter.

Chapter Eleven

Conclusion

11.1 Introduction

The main objective of this study has been to explore the obstacles to the effective implementation of the policy of Emiratisation, particularly in respect of absorbing skilled and unskilled Emirati youths in the Emirates workforce. This objective, so it is argued, can be attained by addressing three related questions, which form the substance of my research. After a review of the relevant literature, my research involved the use of both quantitative and qualitative research methods, which served to triangulate my results, as well as being demanded by my philosophy of ‘mixed methods’ (Chapter Six). For the collection of qualitative data, leaders from public and private sectors were interviewed, following a schedule which asked each interviewee the same questions, but allowed for departures from any too rigid schedule, so as to elicit more information (‘semi-structured’). The quantitative data collection was a survey questionnaire of both skilled and unskilled Emirati young people, which achieved a very respectable rate of returns.

There now follows a summary of the study’s main findings. Although the limitations of the study are noted, it supports what I would argue are some significant recommendations about how the policy of Emiratisation can be implemented more effectively. I will also highlight some future research that is suggested by my work.

11.2 Conclusions

The results of this study are primarily based on qualitative data elicited from key personnel in both the public and the private sector. All of these persons, mostly

managers, were interviewed according to the same interview schedule that aimed to compare the perspectives of the two sectors. The interviews concentrated on the role of leaders, public-private sectors partnerships, and the role of higher educational institutions (universities and colleges) in the implementation of Emiratisation. On the basis of the study, several conclusions can be drawn, which are summarised below, with reference to each research question.

11.2.1 Research Question One: What is the current state of Emiratisation?

In order to answer this research question, a literature review (Chapter Three) was conducted on the governance of the labour market, with particular emphasis on the role of the private sector in the UAE labour market. Essential background here was information about the educational systems in the UAE, including higher education.

From 1980, the UAE government switched its policy from one of a command economy and ‘Arab socialism’ towards an open economy, and succeeded in attracting international investment and encouraging domestic investment. According to Lubna Al Qasimi (the Minister for Foreign Trade in the UAE), the diversification of the economy has created new industries such as advanced technologies, nuclear power, and renewable energy. The diversification also contributed to the economic development and strengthened the existing industrial sectors such as construction (Abdul Kader, 2011). However, these types of investment were not sufficient to solve the problem of Emirati youth unemployment. Chapter Three also reviewed the literature relating to labour market segregation which in the UAE means a division into nationals and foreign labour. The concept of labour market segregation was also useful to tackle the issue of the governance model of the labour market in the UAE and the role of the private sector in creating jobs for Emirati nationals. The interview schedule and survey questionnaire of this study were largely based on this chapter.

Since this study is about Emiratisation, it was imperative to review the literature about ‘nationalisation’ policies in general, and Emiratisation policy at the UAE level in particular. What the literature review found (Chapter Four) was that these policies had, in common, the desire to exclude foreigners from employment, in favour of ‘national’

personnel. 'Nationalisation' has various objectives, but particularly to reduce domestic unemployment, and also to improve the skills level and employability of the 'national' population, and especially young nationals. Nationalisation policies in Malaysia, Singapore, and the Arab Gulf countries such as Oman and Saudi Arabia have to some extent succeeded. The chapter also covered the definition of labour nationalisation from the World Bank perspective and Emiratisation from the studies conducted by researchers. Obstacles to the implementation of the Emiratisation focused mainly on the lack of skills, current UAE labour law and immigration issues.

The conclusion from the literature survey (Chapters Three, Four and Five) was that Emiratisation has not progressed for a number of reasons. Firstly, the UAE government has not exerted serious efforts in attracting private sector organisations to work on developing programmes that will improve the employment of Emiratis in the 18-30 age group. The division of the labour market into Emirati nationals and foreign labour ensures that the role of the UAE government has not been critical in developing relevant policies, because more than 80 per cent of employees work for private sector organisations. Furthermore, the government has focused on absorbing nationals into the public sector whilst the role of the private sector has been overlooked.

11.2.2 Research Question Two: What has been the impact of the Emiratisation on different categories of people (graduates, and skilled and unskilled workers)?

The literature review and the results of this study both indicate that Emiratisation has not been an effective policy for creating jobs and solving the unemployment problems of the UAE, especially youth unemployment. My survey of young Emiratis found that more than half of them had never heard about Emiratisation. It seems unlikely, therefore, that they benefited from the policy. The results of multiple regression indicated that employed people were more likely to have heard about the policy. Moreover, although Tanmia has overall responsibility for Emiratisation, the survey found that only 5.9 per cent of the participants had heard about the policy from Tanmia, while the rest had learnt of it from the media and friends or not at all. This strongly suggests that any attempts the UAE government has made to publicise the policy to the relevant population were either not serious, or not successful, or both.

11.2.3 Research Question Three: What are the obstacles to effective implementation of Emiratisation?

This research question reflects the main objective of the study: eliciting information about barriers to the implementation of the Emiratisation. The study reached the following conclusions:

1. As far as the Emirati population is concerned, there appears to be no agreed understanding of Emiratisation. Some of the participants in this study considered it a policy²⁴ while others declared it as a programme²⁵. Tanmia is responsible for the implementation of the Emiratisation as a process to help Emirati nationals obtain jobs in the local labour market, particularly in the private sector (Tanmia, 2013). The section of the population which Emiratisation is designed to benefit has various ideas of what the policy might be or should be, but does not seem to appreciate that it might require changes in attitude, skills and conduct on their part, and not merely government action.

2. From the literature review, it emerges that there are several potential benefits from implementing Emiratisation: particularly benefits in terms of solving unemployment problems, and also social problems, since if people can meet their basic needs and security, a reduction of crime may result. However this is by no means certain, since crimes may be committed for reasons other than basic needs or the desire for security. The focus of investment has been on Emirati nationals, particularly young people who are unemployed or studying in colleges and universities. The participants in this study thought that the UAE government had not allocated sufficient human and financial resources to allow the policy to be implemented. The problem may however be, as the Schwartz et al. study indicated, that the UAE government's lack of

²⁴ A *policy* is "a statement of intent to achieve certain goals by a government, an organisation or a local authority. A policy could be documented in legislation or other official statements. A policy can be translated into action plans" (United Nations Framework Convention on Climate Change [UNFCCC], 2010, p. 1).

²⁵ A *programme* means a number of activities which are approved by an organisation. A programme may include several project activities (UNFCCC, 2010).

administrative infrastructure led to limited ability to control the immigration process (Schwartz et al., 2009).

3. The study concluded that leaders from the public and private sectors were not involved in the process of planning and implementation of the policy. Participants emphasised that, in their view, it was very important that this role should be given to organisations able to implement the policy.

4. The results show that participants from the public and private sectors agreed on translating the Emiratisation policy into programmes and action plans that contribute to developing young people's skills in accordance with the requirements of the labour market.

5. The results of this study suggest that both public and private sectors have not created strong channels for collaboration between them in implementing Emiratisation. It can be concluded that the leaders in both sectors are not aware of any collaboration or coordination related to developing young people's skills required by the labour market, particularly in the private sectors.

6. The study show that in the view of both the public and private sector leaders and my sample of young Emiratis, higher educational institutions currently make no contribution to the implementation of Emiratisation. The participants in this study agreed that the role of universities was limited to imparting academic knowledge to students.

7. It was shown in the study that Emirati young people have no role in the planning and implementation processes of the policy.

8. The results indicate that there are no accurate figures about employed and unemployed people in the labour market and all current figures are just estimates that may not reflect the real numbers.

9. The study found that the main disadvantage of Emiratisation is that the people and organisations responsible for its implementation are not qualified to cope with the nationalisation policies, especially in view of their lack of experience in human

resources development; thus the policy has not been implemented in an effective way. Another disadvantage of the policy is that it would involve replacing qualified foreign workers with unqualified and inexperienced Emirati nationals, which would affect the productivity of people and organisations either in the public or the private sector.

10. It appears from the literature and from the interviews that there is no UAE database detailing which Emirati nationals have completed their secondary education and/or graduated from colleges and universities, and which subjects and skills they have acquired or lack. It is hard to see how Emiratisation can be successful without such a database.

11. Since all Arab Gulf countries have the same social and economic circumstances and seek to nationalise their labour market, the findings of this study could be relevant and of use to other members of the GCC countries. Several studies were conducted on the nationalisation policies of the labour market in some of the Gulf countries. However, these studies have not addressed the evaluation of those policies (as does this study) from the three angles of public sector, private sector and beneficiaries (e.g., young people). This approach could be useful to apply to future studies that seek to investigate labour nationalisation policies in other member states of the GCC and could reveal more findings that will make further contribution to knowledge in this area.

Respondents were asked about the main characteristics of Emiratisation and the degree to which it was successful. Semi-structured interviews, which allowed me to elicit the views even of those who had not heard of the policy, indicated that the policy was effective in attracting Emiratis to the public sector, but the public sector consists of government organisations providing employment and job opportunities that young Emiratis find attractive anyway. However, the literature review documents that the public sector will not be able to absorb or create more job opportunities for Emiratis in the longer term (Godwin, 2006). The problem for the government is therefore to find ways of ensuring employment among nationals in the *private* sector.

Respondents from both public and private sectors stressed that Emiratisation has not been translated into programmes and action plans that would help in creating not only

job opportunities but training programmes for the unemployed and people who have not attended higher education institutions. For this reason, the semi-structured interviews showed that the Emiratisation has not had an impact on the labour market and in turn on the country's economy.

Although the UAE government has made some progress allocating human and financial resources to the implementation of Emiratisation, it is difficult to evaluate their tangible and (even more difficult) their intangible consequences. The literature does not document any financial resources allocated for managing and implementing the policy.

11.3 Recommendations

One of the main concerns of this study is what difficulties and obstacles participants perceived about the implementation of the Emiratisation, and what recommendations may be inferred for improving its implementation. Such recommendations include the following:

1. Restructuring the local labour market to balance national and foreign workers, particularly in the private sector, *either* by preferential treatment of Emirati nationals in the allocation of employment in the private sector by means of quotas, *or* by improving the ability of Emiratis to compete. The public sector is already more than fully supplied and is generally not open to non-Emiratis, except in technical and high skill jobs, where quotas would be meaningless, because there are no qualified Emiratis (e.g. surgery, ICT, accounting).
2. All governmental organisations should be required to play a role in the implementation of the policy, for example by providing training courses and programmes suited to the requirements of the local labour market, particularly in private sector organisations. This however presupposes that governmental organisations and personnel are competent to perform these functions, and in the longer term the recruitment, training, and evaluation of public service personnel is bound to become an issue.

3. According to the results of interviews with participants from both public and private sectors, the UAE government needs to design action plans that focus on absorbing Emirati nationals into the local labour market particularly in the private sector organisations.
4. Public sector organisations should be required to coordinate and cooperate with governmental higher educational institutions (colleges and universities) to promote employability.
5. The UAE government should conduct surveys in order to estimate the number of unemployed people who are graduates from universities and colleges, and should commission independent (university or external consultant) research to explain why there are so many unemployed graduates.
6. It might be a wise policy to provide private sector organisations with incentives to develop programmes that would enable Emirati nationals to learn from foreign employers.
7. The UAE government should consider subsidising employment programmes in private sector organisations through Tanmia or other public sector departments. These programmes may help young graduates to access the labour market.
8. Since my findings suggest widespread ignorance among young people about Emiratisation, it seems obvious that the Emirati government, which is responsible for publicising Emiratisation, must make a serious effort to reach a wider public, and use different media such as TV, newspapers, the internet etc. The public sector organisations could, for example, organise events, fairs, workshops, and conferences for the purpose of promoting the policy. These might be held in universities and colleges as well as at private sector venues and events.
9. The participants in the study recommended that the Ministry of Labour in the UAE should implement a system that give fairness to Emiratis (e.g. controlling entry visas) and could help to solve the unemployment problem among Emirati nationals. Such a quota system would have to be administered very carefully (see Recommendation One above).

10. The study found that even some leaders are not aware of the Emiratisation project. This suggests that they might need training in human resource management, supervising, leadership, and communication skills. Additionally, they might need training in strategic management, learning organisations, and leading change (Yusoff, 2012). However, whether additional training would prove successful may depend on whether there are prejudices, conflicts of interest and even a fundamental lack of ability and commitment that cannot be changed by ‘training’. Only further research could decide this issue.

11.4 Contribution to knowledge

Whether a piece of research contributes to knowledge is for the academic community and the relevant public and private sector audiences to judge. But there are several areas where this study arguably makes a contribution:

1. First in the area of the ‘nationalisation’ of the labour market, not only at the Emirati national level but at the international level. This is because the study has addressed the issue of policy implementation from leaders’ point of view, but also complemented by an investigation of the perspectives of young people, as actual or potential participants in the UAE labour market.
2. The study has emphasised the desirability of a shift in employment policies from public-sector-centeredness to partnership-centeredness, taking account of the importance of the private sector in planning and designing the nationalisation policy. Furthermore, this study has commented on the effectiveness and efficiency of leaders in the planning and implementation process of the policy.
3. By identifying the weaknesses and strengths of Emiratisation, the study highlights the major obstacles in both the public and private sector to the effective implementation of this policy.
4. The study contributes to bridging the gap in the existing literature on Emiratisation. Previous studies (see for example Al Ali, 2008; Al Ali et al., 2008; Bin

Braik, 2004; Matar, 2009; Randeree, 2009; Rees et al., 2007) have not tackled Emiratisation from the perspectives of the private sector, graduates and skilled/unskilled workers; their views and attitudes are however critical to the success of the policy.

5. The study utilised a qualitative research method to elicit detailed information from key people (leaders) working for various types of organisations in the public and private sectors (e.g. ministry consultants, members of parliament, deputy ministers, general managers, middle managers, and others), and a quantitative method to collect *general* information from graduates, and skilled and unskilled workers. The study is unusual in the literature because of its particular focus on 18-30 year olds, the section of the population that has most to gain from the effective implementation of Emiratisation, and furthermore has the highest rate of unemployment. Yet their views and perceptions have been little studied. The combination of qualitative and quantitative approaches has produced evidence that can support robust recommendations that may lead to improvements in the making and/or implementation of the policy.

11.5 Further Research

The findings in this study include detailed information relevant to understanding some of the technical and logistical barriers to the implementation of Emiratisation, as seen from the perspective of leaders in both the public and the private sector. However, the study did not consider *all* the organisations in the public and private sectors. This was partly because of lack of resources and time, but also because the study mainly used interpretive and qualitative research methods, which yield detailed and specific information about how people understand the world, and not material that will allow sweeping generalisations. Other studies may use the results of this study as part of a more general investigation, particularly in developing a survey aimed at a much more general and more representative sample that may lead to wider perspectives about the barriers to the implementation of the policy.

This study was limited to a consideration of 18-30 year olds. But other age groups also need to be studied, if the issues of unemployment and lack of skills, or skills inappropriate from the point of view of employability in the UAE are to be addressed comprehensively.

I concentrated on the public and private sectors *in general*. But it would be valuable to have studies that explore the *differences* between the Emirates (states), particularly those between Dubai and Abu Dhabi. This in turn would open up the possibility of considering what policies could be designed at the local level of each Emirate.

My access to public and private sector leaders was limited, due to time constraints and, in some occasions, difficulty with finding interviewees willing to be interviewed on a sensitive subject such as 'Emiratisation'.

Given its methodology, this study was obviously restricted in the recommendations for policy which it was able to offer. Further research, perhaps better funded and employing a larger body of researchers, could cover the same ground but in much greater depth and with more quantitative evidence. The point of research is not to cover an area once and for all, but to provide claims and propositions for others to investigate.

Finally, this study has employed the theory of human capital and its relation to labour market and employment in its analysis of the UAE's Emiratisation policy. Although social capital was indirectly and briefly mentioned in this study, it should be noted that its implications for human capital must not be discounted and should be worth further investigation.

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Appendices

Appendix 1: Interview participation request letter



Dear Sir or Madam,

This letter is an invitation to participate in a research study. My name is Saeed Mohammad and I am a full-time PhD student in the Management School at the University of Liverpool. I am currently conducting a research aims to analyse the obstacles facing the implementation of the 'Nationalisation' (Emiratisation) in the UAE labour market, under the supervision of Dr. Nabil Sultan and Professor David Weir. I am also an employee of the Dubai Police.

Overview of the study

The growth of the oil industry in the United Arab Emirates (UAE) since its establishment has led to a big and sudden leap in the overall development process. As a result of that boom, the number of organisations and institutions has increased significantly in both public and private sectors. Therefore, there was an urgent need for immigrant labour in the absence of sufficient manpower and the required skills within the country. This influx of labour has created an imbalance in the structure of labour market as well as economic, social and political problems.

This research examines the issue of labour structure and the employment of local population in the UAE. It looks at roots of the issue, how it developed and how it impacts the government policies. Furthermore, the study explores the efforts of the government and the different factors which influence the issue of national employment such as the shortcoming of the educational system. The study explores what the management of the institutions in the public sector and private sector feels about the Emiratisation programme and the obstacles and barriers which it encounters. At the end it identifies some of the obstacles and utilises the study to give recommendations about how to overcome some of the indicated challenges and barriers to Emiratisation of the workforce.

Your Involvement

The interview includes questions about the Emiratization Policy, current Emiratization programme and its goals and objectives. All interviews will be conducted in person. The interview would last about one hour and would be arranged at a time convenient to your schedule. To ensure the accuracy of your input, I would ask your permission to audio record the interview.

Participation in the interview is entirely voluntary and there are no known or anticipated risks to participation in this study. You may decline to answer any of the questions you do not wish to answer. Further, you may decide to withdraw from this study at any time, without any negative consequences, simply by letting me know your decision.

Your name and the name of your organisation will not appear in any thesis or publications resulting from this study unless you provide express consent to be identified and have reviewed the thesis text and approved the use of the quote. After the data have been analysed, you will receive a copy of the executive summary. If you would be interested in greater detail, an electronic copy (e.g., PDF) of the entire thesis can be made available to you.

Contact Information

If you have any questions regarding this study, or would like additional information about participation, please contact me:

Tel: +97150 5159898 (UAE)

+447882311464 (UK)

Email: saeed.mohd@liv.ac.uk

If you have any comments or concerns resulting from your participation in this study, please contact the Management School at:

Tel: 00441517945927

Email: pgrecruitment@liv.ac.uk

Thank you in advance for your interest and assistance with this research.

Yours very truly,

SAEED MOHAMMAD

PhD Candidate

Management School

University of Liverpool

Appendix 2: Survey participation request letter



Dear Sir or Madam,

This letter is an invitation to participate in a research study. My name is Saeed Mohammad and I am a full-time PhD student in the Management School at the University of Liverpool. I am currently conducting a research aims to analyse the obstacles facing the implementation of the 'Nationalisation' (Emiratisation) in the UAE labour market, under the supervision of Dr. Nabil Sultan and Professor David Weir. I am also an employee of the Dubai Police.

Overview of the study

This research examines the issue of labour structure and the employment of local population in the UAE. It looks at roots of the issue, how it developed and how it impacts the government policies. Furthermore, the study explores the efforts of the government and the different factors which influence the issue of national employment such as the shortcoming of the educational system. The study explores what the management of the institutions in the public sector and private sector feels about the Emiratisation programme and the obstacles and barriers which it encounters .At the end it identifies some of the obstacles and utilises the study to give recommendations about how to overcome some of the indicated challenges and barriers to Emiratisation of the workforce.

Your Involvement

The survey includes questions about the Emiratisation Policy, current Emiratisation programmes and its goals and objectives. The purpose of collecting data from graduate, skilled and unskilled people is to examine how this section of population benefits from the Emiratisation policy. This survey would last about 10 minutes.

Participation in the survey is entirely voluntary and there are no known or anticipated risks to participation in this study. You may decide to withdraw from this study at any time, without any negative consequences, simply by letting me know your decision.

Your name and the name of your organisation will not appear in any thesis or publications resulting from this study unless you provide express consent to be identified and have reviewed the thesis text and approved the use of the quote. After the data have been analysed, you will receive a copy of the executive summary. If you would be interested in greater detail, an electronic copy (e.g., PDF) of the entire thesis can be made available to you.

Contact Information

If you have any questions regarding this study, or would like additional information about participation, please contact me:

Tel: +97150 5159898 (UAE)

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Thank you in advance for your interest and assistance with this research.

Yours very truly,

SAEED MOHD

PhD Candidate

Management School

University of Liverpool

Appendix 3: Consent form

CONSENT FORM

By signing this consent form, you are not waiving your legal rights or releasing the investigator(s) or involved institution(s) from their legal and professional responsibilities.

I have read the information presented in the information letter about a study being conducted by Mr. Saeed Mohammad at the University of Liverpool, under the supervision of Dr. Nabil Sultan and Professor David Weir. I have had an opportunity to ask any questions related to this study, to receive satisfactory answers to my questions, and any additional details I wanted.

I am aware that I have the option of allowing my interview to be audio recorded to ensure an accurate recording of my responses.

I am also aware that excerpts from the survey and/or interview may be included in the thesis and/or publications to come from the research, with the understanding that quotations will be either anonymous or attributed to me only with my review and approval.

I was informed that I may withdraw my consent at any time without penalty by advising the researcher.

With full knowledge of all foregoing, I agree, of my own free will, to participate in this study.

☐ Yes ☐ No

I agree to have the in-person interview and any follow-up telephone conversations audio-recorded.

☐ Yes ☐ No

I agree to the use of anonymous quotations in any thesis or publication that comes of this research.

☐ Yes ☐ No

I agree to the use of direct quotations attributed to me only with my review and approval.

☐ Yes ☐ No

Participant Name: _____

Participant Signature: _____

Date: _____

Appendix 4: Interview questions

Interview Schedule

1. Leadership

1. Could you tell me about the technical, financial and human resources allocated by the UAE government to implement the Emiratisation Policy?
2. What programmes and action plans have been designed to meet the requirements of young people to find jobs in the UAE labour market?
3. What was the role of leaders in organisations in designing different types of programmes?
4. What was the role of leaders in implementation the action plans related to the Emiratisation Policy?
5. How governmental organisations (ministries, etc.) collaborated together to work towards achieving the objective of Emiratisation policy?
6. How do public and private sector organisations cooperate and coordinate to implement the Emiratisation Policy?
7. What communication strategies did the leaders responsible for the Implementation of Emiratisation policy use to explain the Emiratisation policy?
8. What was the role of young people on designing and implementation of the Emiratisation Policy?
9. What skills deficit do you think in the UAE labour market?
10. Who is responsible for the direct implementation of the Emiratisation Policy?
11. What does employability mean to you?

2. Policy and strategy

12. From your point of view, what is the vision and mission of the Emiratisation policy?
13. What strategic policies the government has taken to meet the requirements of the private sector?
14. What are the performance indicators designed by the government to monitor the implementation of the Emiratisation Policy?
15. How does the government examine the effectiveness of the policy?
16. What is the role of the private sector in the implementation of the policy?

3. People

17. Do you think that the allocated human resources have met the need of implementation of the policy? How?
18. Does the UAE government design an equal opportunity policy? Give me an idea about this policy.
19. What type of training programmes has the government designed/conducted to promote people's skills?

4. Partnership and resources

20. What strategies the government design to identify the needs of the public and private sector from skills?
21. What action plans has the government taken to strengthen the partnership with the private sector?
22. Did the government develop a database/information bank about graduates, skilled, unskilled, employed and unemployed people? Could you tell me about this?
23. What management systems did the UAE government developed to manage the Emiratisation Policy?
24. What are your expectations of the public and private sectors to create job opportunities for young people?

5. Society results

25. To what level the community organisations (non-governmental institutions such as the public benefit organisations) contribute in the implementation of the policy?

7. The role of higher education institutions

26. What is the role of higher education institutions in identification the lack of graduates skills and knowledge?
27. How do universities see their responsibility for the employability of graduates?
28. From your point of view, what competences Emirati graduates need to obtain a job in the labour market?
29. Is there any coordination between the higher educational institutions and the employment in the labour market?

Appendix 5: Survey questionnaire

Survey Questionnaire

Dear Sir or Madam,

I would like to ensure that the information collected in this questionnaire is confidential and will not be used for other purposes, other than the objective of this research.

1) Age:

☐ 16-18

☐ 19-21

☐ 22-25

2) Gender:

☐ Male

☐ Female

3) Educational Level:

☐ Secondary

☐ Diploma

☐ Vocational training

☐ BA/BSc

☐ MA/MSc

☐ PhD

☐ Other (Please specify)

4) Are you employed?

☐ Yes

☐ No (*Please go to question 8*)

5) For whom you are currently working?

☐ Public sector

☐ Private sector

☐ Non-governmental organisation (i.e. charities)

☐ Own Business

☐ Other (Please specify)

6) How did you find your job?

☐ Through advertisements

☐ Through relatives (family members)

☐ I have applied directly to the organisation

☐ I have applied through TANMIA

☐ Other (Please specify)

7) Does the work you are currently doing suit your qualifications? (*If no, please give details*).

☐ Yes

☐ No

8) Are you currently on training programme?

☐ Yes

☐ No (*Please go to question 11*)

9) Who pays for the training course?

- ☐ TANMIA
- ☐ Public sector organisation
- ☐ Private sector organisation
- ☐ I pay for the training course
- ☐ Other (Please specify)

10) Do you think these training courses would help you in finding a job?

- ☐ Yes
- ☐ No

11) Have you ever heard about what is called Emiratisation policy?

- ☐ Yes
- ☐ No (*Please go to question 17*)

12) How did you hear about the Emiratisation Policy?

- ☐ TANMIA
- ☐ TV, newspapers and other media
- ☐ Friends
- ☐ Other (Please specify)

13) What does this term mean to you? Please write down in the given space below:

13) Are you aware of the objectives of the Emiratisation policy?

- ☐ Yes
- ☐ No (*Please go to question 15*)

14) What are the objectives of the Emiratisation Policy?

15) From your point of view, what are the benefits of the Emiratisation policy? Please write below these benefits

16) From your point of view, what are the disadvantages of the Emiratisation Policy?

17) From your point of view, how can the UAE government help unemployed people to find jobs?

Thank you for taking the time to participate in this study

Appendix 6: Representative interview transcript (Example)

Interview (1)

Name of participant:

Name of organisation:

Position:

Date of interview:

Leadership:

1. Could you tell me about the technical, financial and the human resources allocated by the UAE government to implement the Emiratisation policy?

You mean from the government? **S. M. Yes.** Well I don't think there is any issues about the financial polices at all, because this is not a financial thing this is political stuff. The policy and the decree from Sheikh Mohammed bin Zayed (Crown Prince and Chairman of the Abu Dhabi Executive Council) lately about increasing the number of UAE nationals in the business, is being taken very seriously. It is very clear what he wants and you have Tawteen who are actually implements this by nominating candidates to NRC (National Recruitments Counseling) in our organisation and we receive the candidates. **S. M.: So you are speaking just about Abu Dhabi?** Yes. **S. M.: What about other Emirates?** I have no idea. **S. M.: Ok go on.** So when it comes to Emiratisation policy I don't think there is any argument about it. The country need it and it is very clear on the objectives and it is also very clear on the timeline. The government wants to do this. Of course it has been an acceleration I would think based on the Arabic spring, the revolutions and the experiences from the rest of other

countries. But if you been in the UAE for the last 10 years you have seen steady impact on the other UAE nationalisation year on year.

2. What programmes and action plans have been designed to meet the requirements of young people to find jobs in the UAE labour market?

I can only speak about in the Gas sector and also from National Oil Companies (NOC). From the NOC, the key thing is to have the resources available to do the business part. The business plan is to put in place in order to provide income to the country. We provide income to the UAE and Abu Dhabi. That money is invested and it comes back to the bigger audience in case of you know schools, universities, hospitals and infrastructure. So the country itself is really dependent on that income. The non oil income is increasing as we know, but still it is very very dependent on whole oil price, high production levels and investment for the future. One of the other things we need to be aware when we come to in Oil and GAS sectors that it is a long term business. What we decided today will demonstrate itself in twenty years of time, when it feels it developed and put in steam and that producing oil or gas. Also, the need for Gas in the UAE is increasing tremendously and that is why you also have to look alternative energies like nuclear power and solar. So you know the need for our business is very clear, also luckily in many ways a lot of the oil fields are found in the regions. For instance Abu Dhabi Oil Company has a lot of oil fields in the western region which means that they can create work and opportunities for people in the Western region. We have a lot of fields off shore and we know that people from Northern Emirates are very keen to work off shore because they will have a work cycle where they can work and go home and they don't need to be based in Abu Dhabi. So they can look after their family, they can have job, so it is very important that we look at those things.

Our company is organised in the way that none of the operating companies recruit UAE nationals themselves. It is all co-ordinates through the National Recruitment Council (NRC), and our HR manager meets every Sunday with NRC and the candidates are nominated to him and the candidates come to us and we recruit them. That's means that we make a plan every year. We have two plans. The first one is a recruitment plan which is for experience expatriates and then you have an intake plan, which is for young UAE nationals. It is the intake plan we sent to our head office and

they actually have this plan online so they can see at whatever time there is a vacancy, they have candidates they can nominate the candidates we can fill. So it is a very very dynamic process. **S. M.: So you have your own policy, your own nationalisation policy, you don't follow the nationalisation policy from UAE cabinet or Tawteen... etc.?** We have the policy from our head office itself, because it is the mother company and all the operating companies like actually are coordinated through the head office. **S. M.: So are you working in the same line with government policy?** Yes, same line because all of these companies in the Supreme Petroleum Council which is owned by the Abu Dhabi government. The chairman and The CEO of our company is also the secretary of the Supreme Petroleum Council. So there is a very strong link between the government and the policies from our organisation which we follow.

3. What was the role of leaders in organisations in designing different types of programmes?

A leader is somebody who has a vision, somebody who actually knows how to implement. So we need a strategy and plan, and we need resources and place to implement the plan. So the leaders are very important that they set the targets and our company has such strong leaders. From early 2000 we had a target that the emirati nationals will make up 75 per cent of our force by 2014 and we still have this target and we are very close to achieve this percentage. So the whole of the leaders are really in setting the directions and identifying the vision and giving the support and resources to fulfill the plan.

4. What was the role of leaders in implementation the action plans related to the Emiratisation Policy?

One of the key things, that it is very easy to develop a vision and a target without having a plan behind it. But without having a plan nothing happens. So, to get a commitment from people involved you need a very detailed plan and you detailed involvement from all the management levels, team leaders and section leaders. So, all leader levels in the organisations need to be involved in giving the plan the needed support. Because it needs to be linked with the business plan. So, you need resources because you are supposed to actually comply with a business plan which has been approved and the leader's job is to ensure that you have plan and follow up the plan. I

have seen a number of beautiful plans which are plans but not being implemented. S. M.: This is the problem? Yes. So implementation is the key word not making the plan.

5. How governmental organisations (ministries, etc.) collaborated together to work towards achieving the objective of Emiratisation Policy?

From my point of view, I think they seem to be collaborating very well. I do not see policies have been issued which are against each other and pulling in different directions. Maybe they should work more in the quality of education and the number of students going to the universities. And most of the students are going for Arts than Science. But, now it seems that there are redirections within the society trying to influence the young students at the secondary schools to get them to go to subjects that are we need in the country. What about having different policies and strategies in Dubai and Abu Dhabi and other emirates, also we have few different organization that responsible on the Emiratisation? Do you think it is a good idea? You have this kind of competition between Dubai and Abu Dhabi. I would always think that even though you have different governments you are the UAE and it should be rules and laws at the government level cross the whole country. Especially since it is a different work environment in Abu Dhabi compared to Ras Al Khaima, Sharjah, etc. They are very different. You know everybody in the country should have the same opportunity and the same guideline and this would help us to implement policies if those are one unity. Simplicity is the keyword.

6. How do public and private sector organisations cooperate and coordinate to implement the Emiratisation Policy?

We are a public sector company and we are coordinating very very well within the group companies and also with the head company and when anything should be coordinated outside our company, it is their job.

7. What communication strategies did the leaders responsible for the implementation of Emiratisation Policy use to explain the Emiratisation Policy?

Well, I never have seen any documentation on it. But you know the key thing is that if people ask me or somebody here who is working with Emiratisation I think we are clear about what we need to do and how we are going to do it. We got directions but I

have not seen any documentation about it. I noticed a very talk about the Emiratisation but nothing written.

8. What was the role of young people on designing and implementation of the Emiratisation Policy?

I do not think they have any role. We should take their opinion. Remember the group, who are seeking jobs, they are totally different than me. I am 62 and the way we use the technology is different than these guys. We are very limited. The way they are socialised is totally different than us. We need to be ware about that and we should give them the chance.

It very important to get there opinion about how we manage people and the contribution of leadership and things like that. I think we have a long way to go to that point.

9. What skills deficit do you think in the UAE labour market?

To answer this question, I think we need a study to be done from the government. I have not seen anything like that.

10. Who is responsible for the direct implementation of Emiratisation Policy?

Do you mean on the company level? *S. M.: No, I mean the country level.* It must be the government and the ruler at the end. You said it must be but I need to know who is in particular. Well, it is the government because the Crown Prince of Abu Dhabi is very strong on this and I read what he said regarding Emiratisation in the newspaper. I do not get a lot of brochure or documentations but you can see this through newspaper and from his speeches.

11. What does employability mean to you?

It means that you have the right skills and the right experience in place to be able to take the job that you like. That means that you need to look at what you are interested on, what are your capabilities, what are your capacities, how can you get the skills developed and how do you attitude to take the responsibility. Do not blame anybody else. I think is very much about the attitude side.

Policy and Strategy:

12. From your point of view, what is the vision and mission of the Emiratisation Policy?

The vision I would assume, again you know maybe there are not a lot of documentations about this, but I would assume that the vision of the Emiratisation is that everybody who wants work out of UAE nationals can get work. And that means that they able to get reasonable work based on competences, based on their experiences and not just filling in where we cannot use for anything else. So it has to be meaningful. I think that is important and the policy of course then directed by to take or meeting that objective, what are polices and strategies in order to? So that probably linked with the drive of higher education, more education, more quality in education which I see it as a key part of it.

13. What are the strategic polices the government has taken to meet the requirements of the private sector?

Well as I'm not in a private sector, you know I'm maybe not the right person to speak about this, because I think the private sector is in a bit of have other difficulties more than on us, because there are a lot of small and medium size companies. They need to be competitive, so they need to be sure that they have the man power in order to support their business activities either this is a running a shopping mall or it is a shop or it is producing manufacturing or whatever. So their cost base has to be equal and not higher to comparative businesses in other countries. So the global and local challenge on being competitive and at the same time support Emiratisation is probably one of the biggest challenges they have, and also linked to that of courses the salaries, because the UAE nationals are not cheap.

14. What are the performance indicators designed by the government to monitor the implementation of the Emiratisation policy?

I don't know what the performance indicators are, but you know I can imagine what they should be and that is of course when you have a plan you have review meetings to see that the plan have been fulfilled. And you see the reasons if they have been fulfilled, that is a good job success. If they have not been filled you look at why they have not been filled. Is there anything with the polices and strategies that need to be

reviewed then learnt from, then you implement in the next year in order to enhance the policy and they make it easier or better for the company to actually achieve the Emiratisation. So the key thing is to have a plan in a place, implement that plan, monitor the plan and review and learn from what you have done. And I will guess that the case is the same for the government within a number of people different categories of people in different region in different businesses.

15. How does the government examine the effectiveness of the policy?

Yes, that very linked to my answer for the previous question.

16. What is the role of the private sector in the implementation of the policy?

The role of the private sector has to be a big role and they have to be participating, they have to be committed, committed is the keyword to actually support Emiratisation. If we look at big banks, we look at insurance companies; we look at health care, with a very low number of Emiratisation. With more commitment and more plans, they must be able to enhance the number of UAE nationals they have there. Of course that's mean that they need to train people, they need to develop people and they need to pay what are their values in the market. But it is very important that they are committed. So you know I think closer dialogue with the government and private business is really required in order for them to support the policy.

People

17. Do you think that the allocated human resources have met the need of implementation of the policy? How?

There are always ways for improvement and I think everything can be improved. I think you need to look at processes, you need to look at polices, strategies and implementation and the quality of people in HR. We have a rich history in the UAE from old Egyptian administration that was put in place hundreds years ago and which we are still very much devoted to compared to e-mails, using electronic media, etc. So I think everybody could benefit from a more effective and efficient system if they are started using more electronic means.

18. Does the UAE government design an equal opportunity policy? Give me an idea about this policy?

I don't know but I would guess there is one. Because we just need to take the people we need either they are females or males. And we have an equal opportunity policy within a company. So I guess that our government relationship officer has had some inputs either to the government in order to get that in a place. But in practical term they only issues about it is working of show.

19. What type of training programmes has the government designed/ conducted to promote people's skills?

There is a number of training programs I have seen and which the agencies put in place. But both personal skills, interpersonal skills, leadership skills which are a kind of social skills you need when you leave university or school and start working in business environment. I mean how you work effectively in a business. Personally, it is about being effective, communicating effectively and then it is to participate in working in teams, because all the work we do is teamwork. And from there on it is then leadership, etc. And then it is also probably some also training programmes, for instance IT skills. I can't do anything without IT skills. We just have to, you have to. So, you know there are a lot of programmes supporting that and also I would assume that all companies do the same as us, have basic programs in place from what you call on boarding. You know how you welcome new people coming to the company and all boarding process and then you give them basic skills and then build on that form for further development.

Partnership and Resources

20. What strategies the government design to identify the needs of the public and private sector from skills?

Yes I think there are some strategies. Defiantly, the way some of the nationalisation organisations like TAWTEEN and others are picking up you know what the requirement on the business through conferences, though meetings, through other means of getting input from the business. So I think they are much going out for a business to ask for what are the skills that need it and then try to do something about it.

Universities are very much similar. You know there are a lot of programmes at universities what has been put in place because the business needs it. So there must be pretty good in dialogue I feel and feedback from what the business needs and what the universities and another institution offer in a kind of dialogue form. **S. M.: We used to have a problem with students when they finish their secondary school; they just study Art, Islamic Studies, etc.** Yes we have very large number, we have a big problem because too many people who go for Art. That means that people with science background are very rare, also more women go to universities so the challenges are not to take a women or male or female. If you want a resource you take what you get. How did you feel when you heard that there are universities in the UAE for the nuclear power energy and MASDAR institutions for green cities? To look at it as a supplement to the universities and of course the universities has been through commanded changes through last years. Because I remember that there is Abu Dhabi University have a big campus in Al Ain for geo-sciences. They used to teach in Arabic, I mean we couldn't hire anybody from there because they can't work in English. And everything we do is in English. You know software programs are in English, all researches in English, you work with people who talk in English as a common language because you have 25 different nationalities. So, only 5 years ago, they swap to English. We have a petroleum institute in addition to what was created in 2002 which educate about 240-260 engineers for the all in GAS sector every year. They have their own classes for females.

So they are most rising in addition to that the nuclear. There will be branches like this, but you know the key thing is that whatever they do, that they have international accreditation and that what is missing a bit. Because if I go to MASDAR University, I should have a same accreditation as I went to another university. Because if not you have different standards, and of course there is students who don't know about this before later. When they are suddenly they want to study somewhere and I say I want to build on this and it's not the other universities. So that is not fair, I think for the local students.

21. What action plans has the government taken to strengthen the partnership with the private sector?

Again without having seen any of this, just from my impression, is that they would not manage to get it in the agenda. So strongly, if there was no action plans follow them and requirements for the government to actually do these things. What I see is Emiratisation has to be done and done to the best of our abilities. So, you know what do you need, for me is very clear.

22. Did the government develop a database/ information bank about graduates, skilled, unskilled, employed and unemployed people? Could you tell me about this?

Yes, there are a number of data bases on this. And you can get all information you want. It is used to be pretty secretive, but the last couple of years they opened up to use it for different purposes. Also, universities have after some time started to develop good data bases so you can actually get from them you know what students, where they come from, how long do they studied, where do they go afterword etc. ***S. M.: But is this in the local level or the federal level?*** No, I think it is the federal level it must be. I mean, because it must come from the ministry of Higher Education. ***S. M.: Have you seen one of these databases?*** No.

23. What are your expectations of the public and private sectors to create job opportunities for young people?

For me it is pretty clear. I think you know in our company, it is our job and definitely the job of us as expatriates is to help and develop the UAE nationals and hopefully they are able to take our jobs in the next couple of years. You know we should not be here to dig ourselves here and try to be here for the next twenty or thirty years, if we are occupying jobs which the UAE nationals can take. I mean I have two or three UAE nationals who I'm sure in two year time would be able to take over for me. And I'm more than happy to handle it to them.

Society Results

24. To what level the community organisations (non-governmental institutions such as public benefit organisations) contribute in the implementation of the policy?

There is a lot of co-operation between numbers of institutions like that, but it is all done through public relations. So, we as an HR function I'm not really involved on it. But through the public relations departments which also have governmental relationship officers, they do a lot of this work. It is you know working with different parts of society; it is putting on theater presentations. It is about visiting schools with the special needs. It is all these kinds of things which are involve in that part of it.

The role of Higher Education institutions

25. What is the role of higher education institutions in identification the lack of graduates skills and knowledge?

I think we need to be a bit careful, because I don't think it is the education institution job to identify what is a business need of skills and knowledge. I think the business people or organisations should do that by themselves. The role of the education institutions is to translate the needs into training programmes and executed training programmes and assist training programmes that people actually is needed in a business. So, the part of the same wheel or the same cycle, but identifying the needs should be done by the businesses. Maybe you need to take businesses to be linked up to say that a huge need in financial authorities. We don't know how to handle financial authorities. **S. M.: Do you mean like a communication between them and the institution?** Yes, I see very much that they could contribute in process, but they should not tell you that you all needs this and this because they don't know. But the business needs to work very closely with the education institutions in order to identify what the gaps are and then see through the cycle of implementation that they do what they supposed to do.

26. How do the universities see their responsibility for the employability of graduates?

I think pretty high. I think they take the responsibility pretty sincere. Mainly because I think it is one of the success criteria of the universities because they also ranked by the government, in how high percentage of the students get jobs afterwards. So, it is a good university you will insure that you will get a job. And I think that is a good thing because you if you want to get a good education system, you need good

communication. It is all back to communication. Also you need communication within the society where you prepare youngest, and if you know what they need; I am sure you will give it to them and they can go and be perfectly good job when they finish. **S. M.: Do they have a responsibility for the work placement for the students for example in the in the summer vacation?** Yes I have a number of them who join us every year and I'm always very happy with a quality that I get.

27. From your point of view, what competences Emirati graduates need to obtain a job in the labour market?

The first thing is that you need to have a discipline, either you are in HR, IT, finance, geologist or engineer. So you need to have a good basic solid foundation in the discipline you have been educated. Besides that, you need personal skills. Personal skills which we need are team working, social skills, presentation skills and all the things that necessary to work effectively in an organisation. So those things should go together. I should emphasis on the team work skills. I could not do anything without my team. It is the team who support me.

28. Is there any coordination between the higher educational institutions and the employment in the labour market?

Yes defiantly, it is probably established coordination formally. But there lots informal. We just got now 50 graduates a week ago and we need to send them to an eight week programme at Higher Colleges of Technology (HCT). And since these people from northern emirates we already have been contacted with HCT in Fujairah and Ras Al Khaima in order to run a programme for those graduates in their places. So they do not need to come to Abu Dhabi and live here. That is a kind of cooperation that I see and I see more and more.

S. M.: Thank you for taking the time to participate in this study