

The background of the slide features a low-angle, upward-looking perspective of modern glass skyscrapers. The image is split into two main color fields: a solid blue area on the left and a light beige area on the right, which is shaped like a large triangle pointing towards the bottom left. The Cooper Fitch logo is positioned in the top left corner, within the blue field.

Cooper Fitch

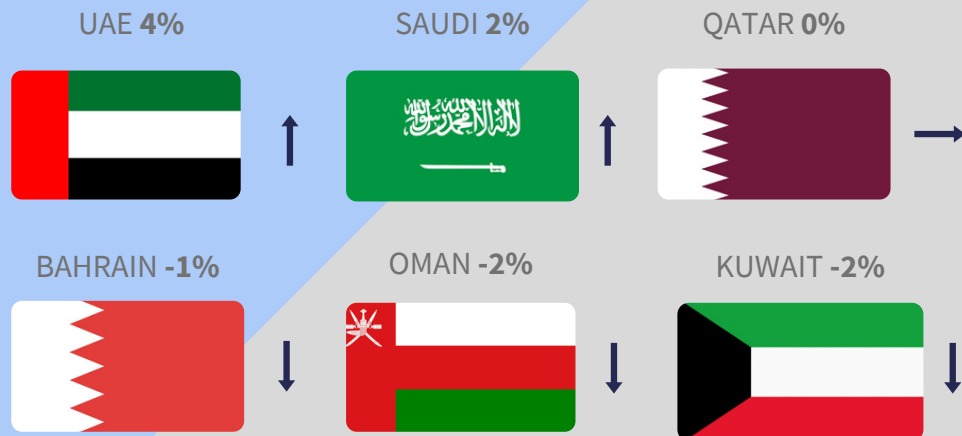
GULF EMPLOYMENT INDEX

EMPLOYMENT MARKET REVIEW

TALENT YOU CAN TRUST SINCE 1997

GULF EMPLOYMENT INDEX

Q1 2023 vs Q4 2022



There has been a slowdown in the number of new jobs in the first quarter across the Gulf which was partly affected by the earlier Ramadan this year. However, both the UAE and Saudi have shown positive growth in this quarter over quarter-four 2022 at 4% and 2% respectively. Within the global economy, we have seen China's economy expand by 4.5% in the first quarter of 2023, marking the highest growth since the first quarter of last year. The USA economy is projected a real GDP of 2.5% for 2023 which is better than expected and with an unemployment rate of 3.67%.

The real GDP growth in the GCC region is expected to decline to 3.2% in 2023 after the World Bank revised its October growth projection of 3.7%. According to the Central Bank of the UAE this is mainly due to lower oil production in accordance with the OPEC+ agreements and worsening global conditions, non-oil growth is expected to remain strong. The World Bank has stated that the fastest-growing economy within the GCC in 2023 is now projected to be Oman with growth seen at 4.3%

The UAE has announced 2023 as the Year of Sustainability with particular significance as the UAE prepares to host the 28th United Nations climate change summit, Conference of Parties (COP28) later in the year. ADQ and IHC have announced that they plan to create the largest independent multi-asset class investment manager to be headquartered in Abu Dhabi and DIFC has initiated discussions with over 50 hedge funds to establish branches in Dubai.

Qatar National Bank has seen a 7% rise in their profits in quarter one despite the turbulent global banking markets. Public contracts won by organisations in Kuwait have significantly risen by almost 23% in the first quarter of 2023. The Bahrain Grand Prix has signed a new deal to remain on the Formula One calendar until 2036. Organisations in the Gulf are still formulating plans for their Saudi regional headquarters, it will be interesting to see how companies develop strategies for this.

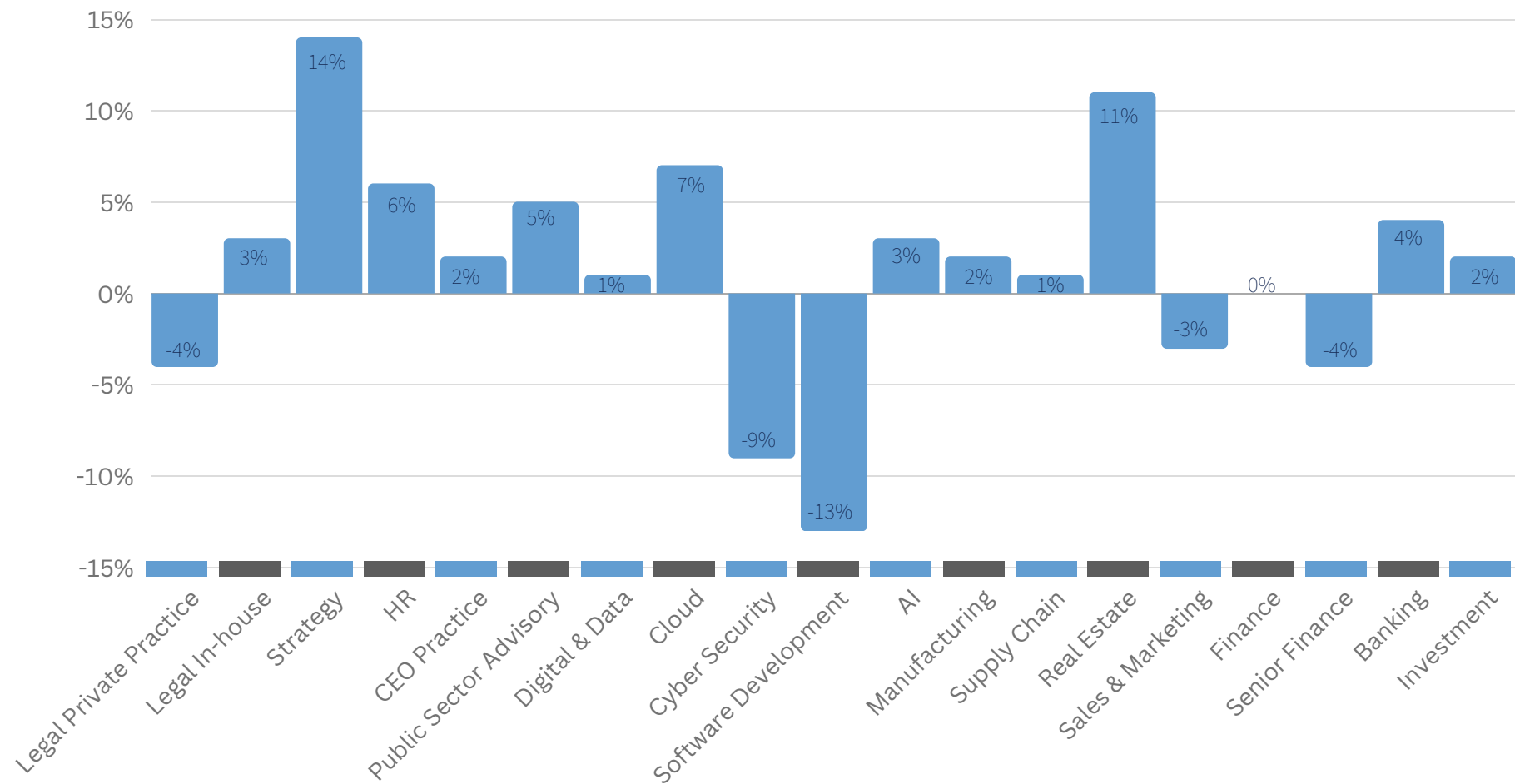
In the Gulf legal market, we have noticed a drop of 4% in new jobs in the private practice mainly due to a strong transition of lawyers to in-house roles, combined with the upcoming bonus season. Conversely, we have seen an increase of 3% in legal in-house positions with a demand for corporate M&A lawyers driven by entities in Saudi Arabia expanding across other jurisdictions. We have seen a 5% increase in public sector roles primarily in sports, music and heritage which continue to drive Vision 2023 in Saudi Arabia. CEO mandates have seen a slight increase in quarter one at 2% however, not industry-specific. New company establishments and expansions have been key drivers for this.

In investments, we have seen a slight increase of 2% in the number of new jobs in quarter one with both the UAE and KSA continuing their push in hiring local talent. The Gulf is seen as quite a stable market for the banking industry with regular expansion since 2022. Quarter one 2023 saw a healthy 4% increase in new jobs in the banking sector with the entry of multinational bulge banks to the Gulf.

There has been a decrease of 4% in senior finance roles in quarter one of 2023, with a steady influx of roles however the overall economic uncertainty in the global markets has had a partial effect on the number of new jobs in the first quarter of this year. There has been no change in the number of new mid-level finance positions this quarter but there has been a rise in requests for financial planning and analysis roles at management level and above. Manufacturing saw a 2% increase in quarter one with a demand for job opportunities in industrial manufacturing especially in Saudi. Sectors including chemicals, automotive and packaging have seen a rise with an expectation of this to continue in quarter two.

GULF EMPLOYMENT INDEX

Q1 2023 vs Q4 2022



GULF EMPLOYMENT INDEX

Q1 2023 vs Q4 2022

In quarter one we saw a slight dip of 3% in sales and marketing roles but an increase in interest in professionals within the construction sector in countries such as Saudi Arabia, and the UAE. We have also seen an increase in demand for digital professionals, particularly those with skills in SEO, SEM and digital advertisements.

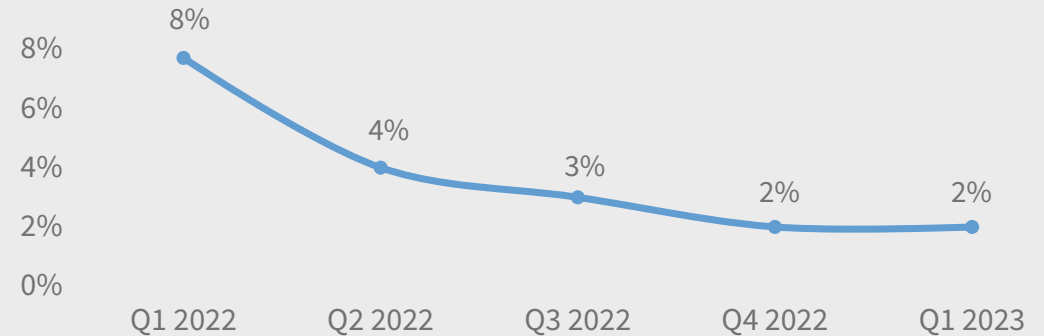
The UAE has seen a rise in real estate projects with quarter one being a busy period on this front which is reflected in our Gulf new job numbers at an impressive 11%. The movement in this market has had a knock-on effect on the demand for talent in the UAE with some candidates who have spent a number of years on projects in Saudi Arabia now willing to sacrifice a percentage decrease in compensation for a return to UAE. The most sought-after skill sets include candidates with expertise in design, master planning and project management.

The strategy consulting market has had a very busy start to the year with consulting firms prioritising diversity and inclusion as well as positive culture and work-life balance strategies to support attraction policies. We saw a 14% increase in new jobs this quarter and a demand in consulting roles across telecommunications, media and technology (TMT), energy and the public sector. This percentage increase comes after a softer-than-expected number reported in quarter four 2022.

As many organisations are looking to restructure and transform their businesses, we have noticed an increase of 6% in hiring HR roles, especially for more specialised HR positions such as compensation and benefits/total rewards and organisational development. International companies are centralising their HR functions and departments in other GCC countries, particularly in Bahrain which has led to an increase in recruiting in this region.

In technology, we saw a 7% improvement in cloud roles with new cloud service providers launching whilst others are partnering with telecommunications operators to set up data centers in the region to sell to their enterprise customers. We have seen a need for AI/ML engineers who can develop and deploy applications as well as a significant uptick in Saudi for National talent specialising in forensics & cyber security. Software development roles saw a dramatic drop in quarter one at 13% and even more worryingly a 9% dip in cyber posts, whilst digital and data only saw a 1% increase. In quarter four of 2022 we didn't see the effect of the global technology layoffs, however we have seen this in quarter one this year and it is reflected in our job numbers.

QUARTER-ON QUARTER REVIEW



For the quarter-on-quarter review, we take the total number of jobs from our data for each quarter and work out the cumulative increase or decrease. Cooper Fitch analysts reported an overall improvement in job creation of 2% for the GCC in the first quarter. This figure is the same as the increase we witnessed during quarter four 2022. It's a slight rise in the number of new jobs which was expected as organisations made a start on their hiring strategies for the new year, however, this number is lower than the 8% witnessed during the corresponding period last year.

As we enter the second quarter of 2023, the GCC looks set for a busy year ahead with most sectors continuing to register high levels of recruitment activity, especially across national hires. As each organisation starts working on its recruitment strategies for the year ahead we anticipate mid single-digit growth across the Gulf during the remainder of the year. This is prefaced on current economic conditions remaining stable.

ABOUT COOPER FITCH

Cooper Fitch is a professional services company with expertise in all people-related matters. We have been facilitating employee attraction and retention through market and data insights and consulting services since 1997, helping our clients build better talent density. With 37 offices across three continents, we are also a proud member of The Talent Club.

SERVICES

Recruitment
Executive Search
RPO
HR Advisory

RESEARCH METHODOLOGY

The Cooper Fitch Gulf Employment Index reviews new employment activity across the GCC, with a particular focus on changes in the number of new jobs in the region based on our proprietary data. Our team conducts extensive analysis for each quarter, calculating cumulative increases or decreases across multiple market segments. The primary aim of this index is to compare quarter four 2022 and quarter one 2023. We hope you find our latest Gulf Employment Index insightful. If you would like to learn more about the services we offer, or ask any questions about the contents of this report, please feel free to contact Emily Bates the Communications and Operations Executive by writing to ebates@cooperfitch.ae.

CONTACTS



Trefor Murphy

Founder and CEO
tmurphy@cooperfitch.ae



Emily Bates

Communications and Operations
Executive
ebates@cooperfitch.ae

Cooper Fitch



+971 4 352 2506



info@cooperfitch.ae



cooperfitch.ae



JBC 1, 15th floor, Jumeirah Lakes Towers, POBox
118468, Dubai, United Arab Emirates



22 Northumberland Road, Ballsbridge, Dublin 4