

Key Workplace Trends in the Kingdom of Saudi Arabia

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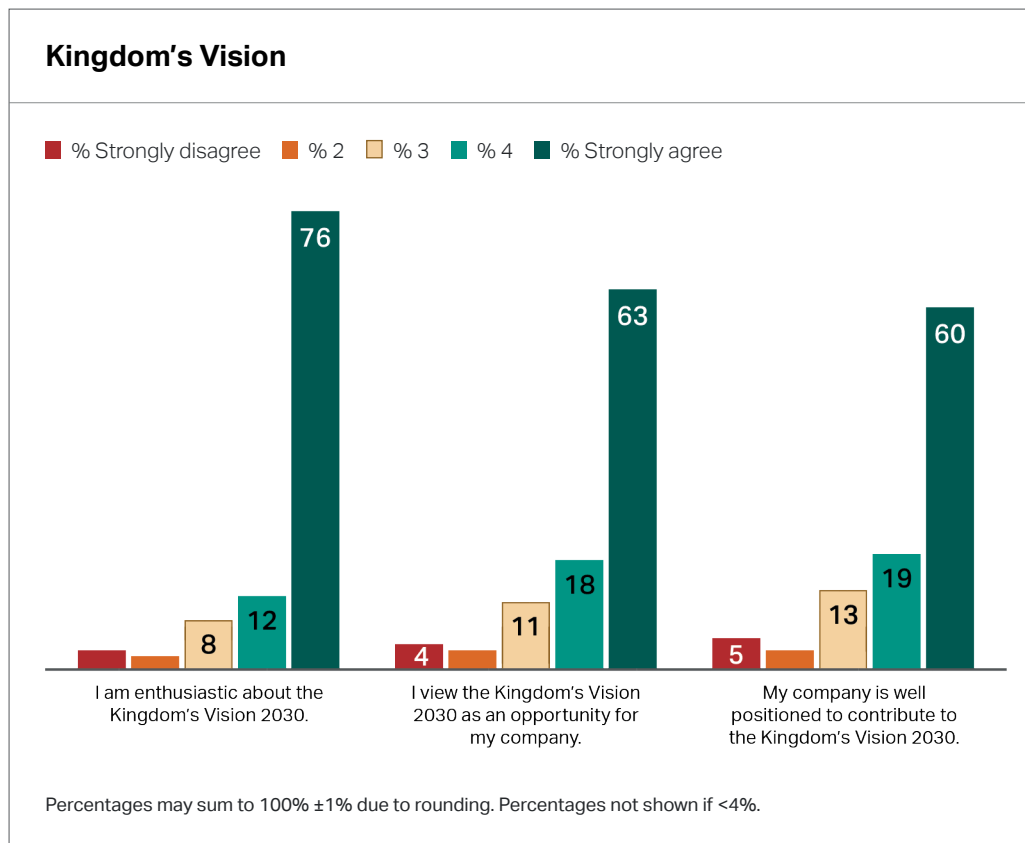
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1 **Employees in Saudi Arabia are enthusiastic about the Kingdom's Vision 2030, and companies should take advantage of this eagerness.**



The Kingdom of Saudi Arabia's Vision 2030 is a roadmap that includes a series of economic and social reform objectives. It aims to move away from the Kingdom's economic dependence on oil and bolster its leadership. For this reason, Vision 2030 covers topics from national identity ("Ambitious Nation") and social issues ("Vibrant Society") to economic change ("Thriving Economy").

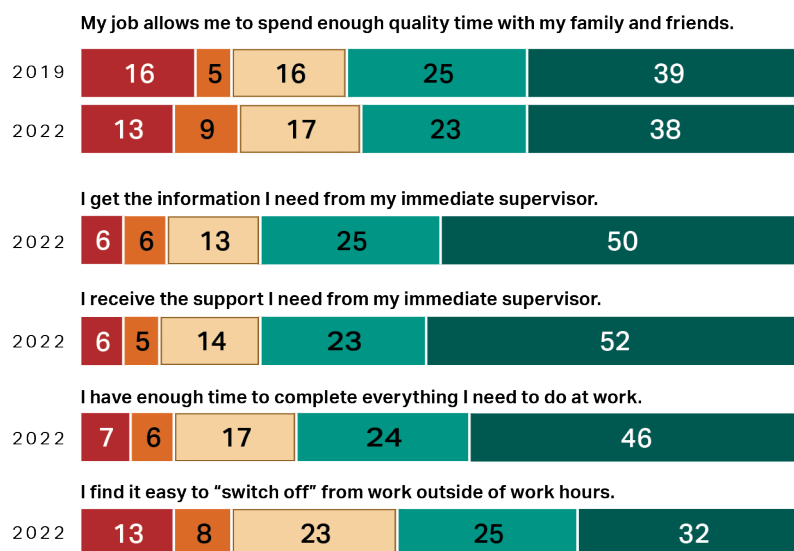
Vision 2030 was first introduced in 2016. In that year, the [Gallup poll](#) reflected a sense of growing optimism and more positive life evaluation, especially among Saudi nationals. Six years later, the Kingdom's Vision 2030 has become central to the Saudi life experience today.

Accordingly, three in four employees (76%) strongly agree that they feel enthusiastic about the KSA's Vision 2030.

However, significantly fewer employees (60%) strongly agree that their company is well positioned to contribute to the vision, and nearly every other employee experiences inconsistency regarding their company's mission and the impact it has on how significant they feel their role is.

Work-Life Balance, Stress, Burnout

■ % Strongly disagree ■ % 2 ■ % 3 ■ % 4 ■ % Strongly agree



Percentages may sum to 100% ±1% due to rounding. Percentages not shown if <4%.

One example of how workplaces are not yet meeting the goals of Vision 2030 revolves around achieving higher levels of wellbeing among the population.

Currently, fewer than two in five employees (38%) strongly agree that their job allows them to spend enough quality time with their family and friends. Even fewer (32%) find it easy to switch off from work outside work hours, making a work-life balance difficult to achieve.

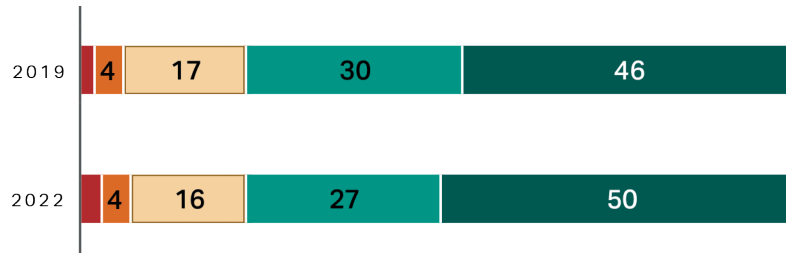
Because a significant number of employees regularly experience work-related stress, there is room for business leaders to improve the employee experience in accordance with Vision 2030. Organizations have considerable potential to enhance their cultures and show employees how they can contribute to the vision by increasing wellbeing and engagement.

2 Despite global turbulence, employee engagement and satisfaction in Saudi Arabia see a slight rise.

Overall Satisfaction

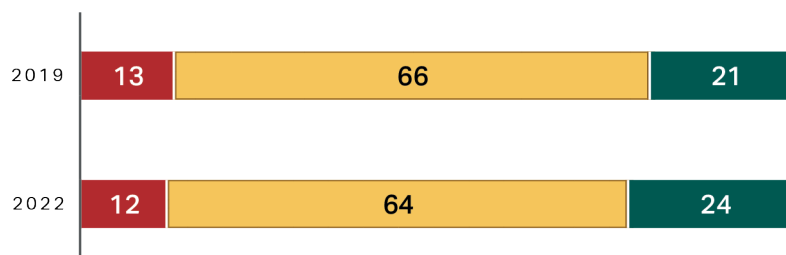
How satisfied are you with your place of employment as a place to work?

■ % Extremely dissatisfied ■ % 2 ■ % 3 ■ % 4 ■ % Extremely satisfied



Engagement Index

■ % Actively disengaged ■ % Not engaged ■ % Engaged



Percentages may sum to 100% ±1% due to rounding. Percentages not shown if <4%.

Gallup first measured workplace engagement in Saudi Arabia in 2019, before the COVID-19 pandemic radically changed workplace conditions globally. As a result, Gallup's data demonstrate how the pandemic influenced the KSA's workplaces and the satisfaction of its employees across the nation.

Gallup's research shows that the series of lockdowns in 2020 and 2021 slowed or stalled employee engagement worldwide. However, companies in the KSA have kept the vast majority of their employees (77%) satisfied with their place of work, even increasing the number of those who are "extremely satisfied" from 46% in 2019 to 50% in 2022.

Though this may surprise some leaders in the KSA, COVID-19 has not had a significantly negative impact on the employee experience throughout the Kingdom. Conversely, the slight increase in engaged employees (21% in 2019 to 24% in 2022) despite the challenges of the pandemic could be the beginning of a changing workplace culture. In the Kingdom, leaders have undergone a positive general mindset shift, now focusing more on engagement, culture and employee experience as vital parts of successful leadership.

And rightfully so: Engaged workers are by far the most significant and productive workers for organizations. Gallup's most recent meta-analysis compared employee engagement levels and found differences in business outcomes when comparing top- and bottom-quartile teams. Positive business outcomes include a 23% difference in profit and an 18% difference in productivity related to sales. Alternately, negative business outcomes include a 41% difference in quality (defects) and a 64% difference in safety incidents (accidents), among other key performance indicators.

In many organizations across the KSA, culture is still treated as a mere human resources (HR) issue and not a top imperative in leaders' minds. Consequently, about one in 10 employees (12%) is actively disengaged. Workers who are actively disengaged aren't just "unhappy" at work — they undermine what their engaged coworkers accomplish every day. Thus, Gallup estimates that in 2022 actively disengaged employees have cost the KSA economy an eye-watering \$16.6 billion due to lost productivity.

Nonetheless, an overall mindset shift when it comes to employee development is evident. While one in five employees stated that their development was not encouraged in 2019, only one in eight feels this way in 2022.

This improvement means the conditions in the KSA are right to capitalize on the potential for transformation and growth in the coming years. Managers are the driving force of employee experience and workplace culture. Therefore, leaders in the KSA play a key role and should take a holistic approach toward the development of both to fulfill the Kingdom's great potential for positive change.

3 Quiet quitters also exist in Saudi Arabia.

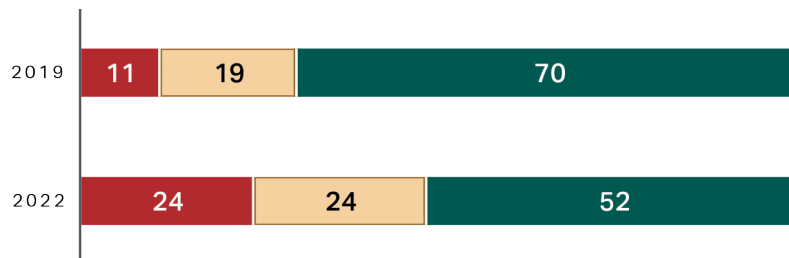
Willingness to Switch Company

To what extent are you currently looking for a new job?

■ % I am actively looking for a new job.

■ % I look around, but I am not actively looking for a new job.

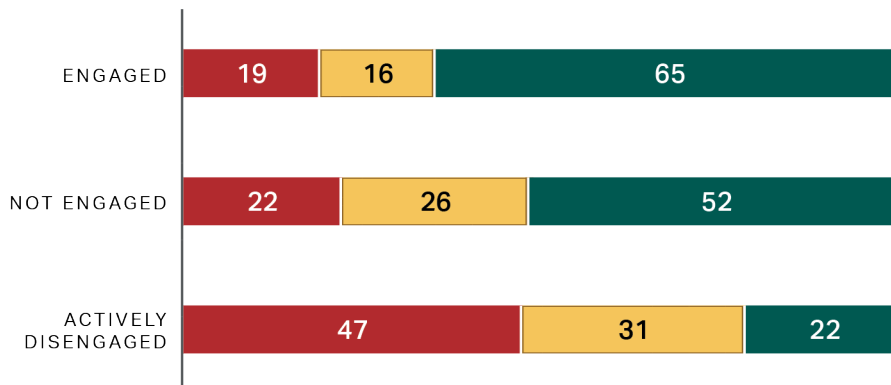
■ % I am not looking for a new job.



■ % I am actively looking for a new job.

■ % I look around, but I am not actively looking for a new job.

■ % I am not looking for a new job.



Percentages may sum to 100% ±1% due to rounding. Percentages not shown if <4%.

Gallup data show that the number of quiet quitters across the U.S. is increasing, and this trend seems to also be prevalent in the KSA.

Despite overall stability in engagement and satisfaction, the share of employees in the KSA currently looking for a new job has increased significantly (from 11% in 2019 to 24% today). When including employees who are not actively looking for a job but are still open to new job opportunities, there's an even more significant increase, from 30% in 2019 to 48% in 2022.

In fact, the speed of change in investments and new projects in the KSA is creating a scarcity of resources that encourages the movement of employees from the private to the public sector. On top of that, movement within the public sector is extensive, with workers recruited by the government ecosystem at a rapid pace.

This movement is evident in Gallup's research, which shows that nearly three in 10 employees (27%) have been offered a new job by a headhunter in the last 12 months. Although there is an increased awareness of the importance of employee experience, HR leaders in the KSA struggle to retain talent. Reasons for this may be related to a decrease in employees who strongly agree they are paid appropriately (43% in 2019 to 38% in 2022) and decreasing satisfaction with growth opportunities at work (52% in 2019 to 44% in 2022).

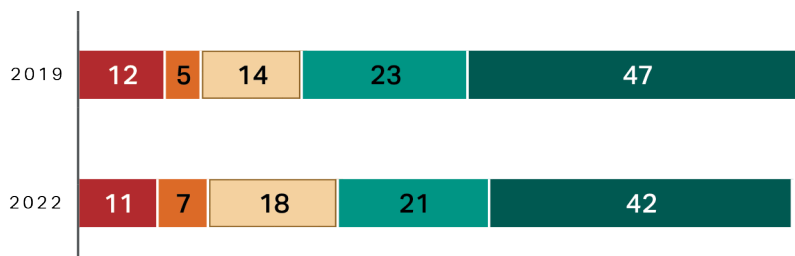
Many quiet quitters fit Gallup's definition of being not engaged at work — employees who do the minimum required and are psychologically detached from their job. Indeed, Gallup research shows that engagement also plays a significant role in retention, as companies suffer from lower employee loyalty and retention when their workers aren't engaged.

Consequently, nearly half (47%) of actively disengaged workers and 22% of not engaged workers are actively looking for a new job, while just 19% of engaged workers are doing so.

Willingness to Recommend Company

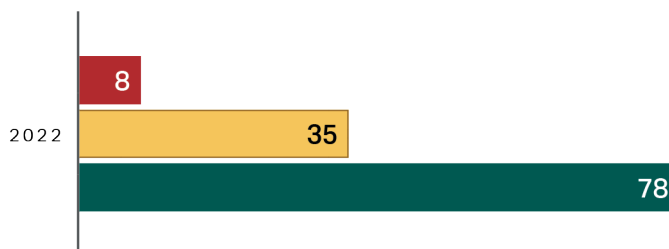
I would recommend my company as a place to work to friends and family members.

■ % Strongly disagree ■ % 2 ■ % 3 ■ % 4 ■ % Strongly agree



Top Box (strongly agree)

■ % Actively disengaged ■ % Not engaged ■ % Engaged



Percentages may sum to 100% ±1% due to rounding. Percentages not shown if <4%.

An essential element in recruiting and retaining talent is the willingness to recommend one's company to others. Positive word-of-mouth from employees is crucial to companies because people considering a job change often trust friends' recommendations more than job advertisements on the internet. Digital technologies, such as social media, also play an increasingly influential role in job-search behaviors.

Significantly, employees in the KSA are less likely to recommend their company as a place to work to friends and family today than they were in 2019, with a decrease of seven percentage points (from 70% to 63% who agree or strongly agree they would make the recommendation).

Here, too, is a difference between engaged and actively disengaged employees. While only 8% of actively disengaged employees would recommend their company, more than three in four engaged employees (78%) would do so.

Seeing the significant influence of engagement on employee retention and positive word-of-mouth, organizations are already on the right track in their new focus on employee experience and culture. Now is the time for leaders in the KSA to delve deeper into improving employee engagement, wellbeing and individualized growth opportunities to attract and retain valuable talent.

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