GALLUP^{*}

Key Workplace Trends in the United Arab Emirates

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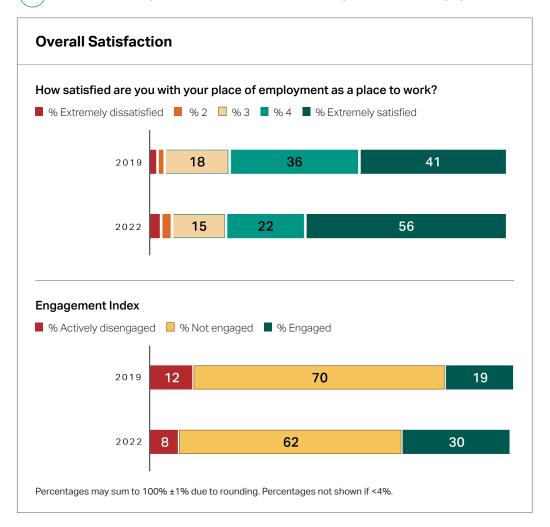
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1) UAE sets the regional pace when it comes to high workplace engagement.



Despite only having been established in 1971, the United Arab Emirates has quickly developed into a region defined by progress. Be it infrastructure, healthcare or economic growth, the UAE is striving for bigger and better in all areas of life.

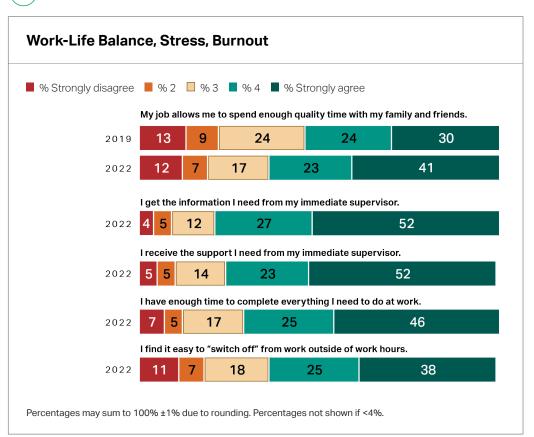
Even during the economic and social challenges of the last two years, the UAE was among the leading nations in establishing timely regulations and navigating the unprecedented challenges of the COVID-19 pandemic. Rather than floundering, companies in the UAE grasped this opportunity to redesign their workplaces — and it shows.

More than half of all employees (56%) in the UAE are extremely satisfied with their place of work, an increase of 15 percentage points since 2019. Similarly, overall engagement among employees has significantly increased, from 19% in 2019 to 30% today, a surprising increase during a time of such global turbulence.

Engaged workers are by far the most productive and valuable workers. <u>Gallup's most</u> <u>recent meta-analysis</u> 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. Employee engagement is primarily dependent on managers and their ability to create workplace environments that motivate employees. Managers in the UAE show an increased interest in their employees and the creation of a positive work experience.

Eight percent of employees in the UAE are actively disengaged today — a significant decrease from 2019, when 12% of all employees reported active disengagement. Despite this improvement, Gallup estimates this disengagement still causes a staggering loss of between \$8.6 and \$10.3 billion to the UAE economy due to lost productivity.

But if leaders in the UAE keep up their good work, the number of disengaged employees should continue to drop in the coming years. Given this potential, the data suggest now is the perfect time for business leaders to elevate their efforts to reach the full potential of talent in the UAE by focusing more on employee wellbeing, development, and diversity and inclusion.

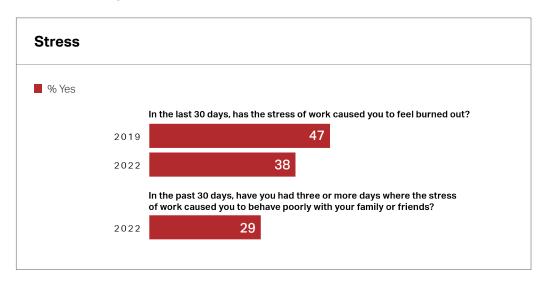


2) As employee engagement rises in the UAE, so does wellbeing.

Gallup research shows that when employees are engaged and thriving, they experience significantly less stress and anger and fewer health problems. In 2021, global stress in the workplace was at an all-time high, indicating the need for leaders to focus on wellbeing in the workplace.

Despite this global trend, the UAE has seen significant improvements in both perceived stress and work-life balance. In 2022, 41% of employees strongly agree that their job allows them to spend enough time with their family and friends, whereas only 30% strongly agreed with this statement in 2019.

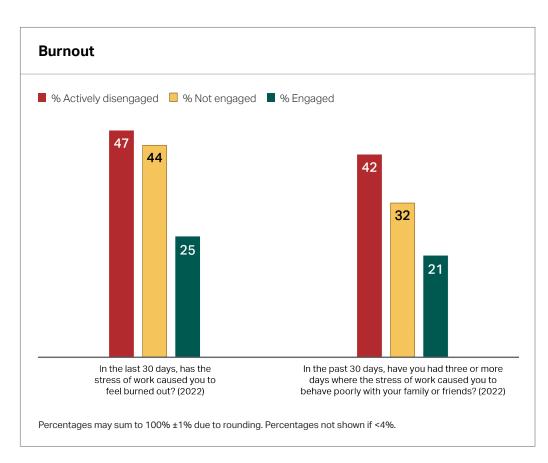
Gallup also asked a number of stress-related questions to employees in the UAE for the first time in 2022. The results show that managers in the UAE create the right conditions to relieve stress by communicating expectations and information clearly and giving their employees enough time and support to do their work effectively.



As workplaces in the UAE improve, a smaller percentage of employees (38%) report feeling stressed and burned out in the last 30 days than in 2019, when almost half (47%) felt the effects of stress and burnout.

This positive trend might tie into the <u>National Programme for Happiness and Wellbeing</u> launched by the UAE in 2016, which focuses mainly on government bodies but also covers happiness and wellbeing in the workplace within the private sphere.

The program identifies the significance of purpose at work in ensuring employee wellbeing. Employees in the UAE show high satisfaction with the sense of purpose they experience at work, with more than three in four employees agreeing or strongly agreeing that the mission or purpose of their company makes them feel their job is important.

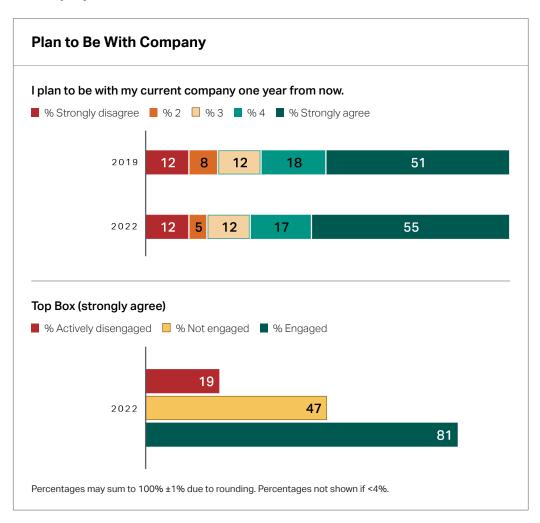


Although some might assume wellbeing happens outside of work, the positive figures in engagement and wellbeing in the UAE suggest that work and wellbeing go hand in hand.

Whereas almost half of not engaged (44%) and actively disengaged (47%) employees recently felt stressed and burned out at work, this figure shrinks to only a quarter (25%) of engaged employees. This further supports the UAE's own research on how wellbeing correlates with engagement and productivity.

Similarly, 42% of actively disengaged employees state that stress at work has had a negative influence on their social interactions, whereas only 21% of engaged employees say stress at work has caused them to behave poorly with friends and family.

Consequently, when leaders take responsibility for the wellbeing of their employees, it's not just beneficial for their organization, but allows individuals and their families and communities to flourish. Managers in the UAE have understood this significance of wellbeing, mirroring a trend of greater national awareness and genuine drive to take care of people's happiness. 3 Although employees are just as likely to look for new jobs, their overall job loyalty has increased.

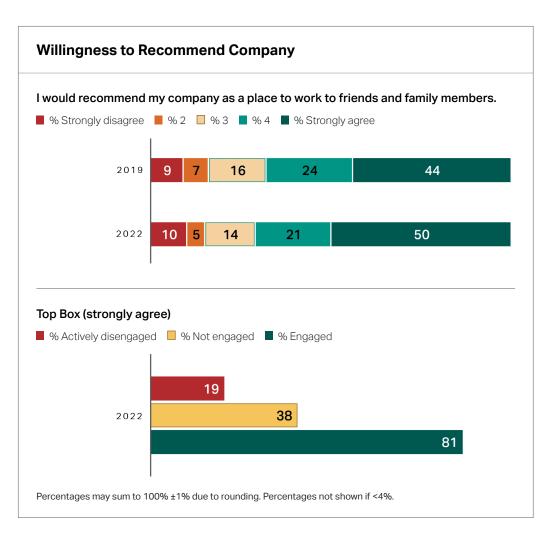


Another current phenomenon the UAE has seemed to avert is the increase of <u>quiet</u> <u>quitters</u>. While more and more people are looking to move on to new organizations across the globe, employees in the UAE are no more likely to actively look for a new job now than they were in 2019 (19% in both years).

In fact, loyalty overall has increased, as six in 10 employees (60%) say that they are not currently looking for a new job at all (compared to 45% in 2019).

Similarly, more employees (55%) plan to be with their current company one year from now than did in 2019 (51%). And more workers strongly agree that they would recommend their company as a place to work to their friends and family members (50% in 2022 compared to 44% in 2019).

These numbers may be surprising to some, considering that the UAE is predominantly an ex-pat workforce from which one might expect a more significant job fluctuation. These numbers, therefore, show that a shift is occurring in the willingness of employees to stay with their companies. In fact, there have been recent trends in the UAE toward an increase of tenure from three years to eight to 10 years.



Although the rate of employees looking to change jobs has been stable, there is still room for growth in encouraging more employees to remain with their companies.

Nearly half of actively disengaged employees (46%) show a strong willingness to change their employer, whereas this number decreases to 13% for engaged employees.

Similarly, four in five engaged employees (81%) plan on being at their current company one year from now, while fewer than one in five actively disengaged employees say the same.

As leaders increase their focus on culture and invest more in their employees, these figures reinforce employee engagement as a central concern for retaining talent and decreasing the number of employees looking to change companies.

For this, it is vital that leaders in the UAE define clear visions for the future on purpose and value for their employees. With an increased focus on engagement and a mission that creates enthusiasm, leaders can help ensure their talent will want to be part of their organization's vision moving forward.



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