

*Original Paper*

# The Emergent Gen Y Workforce: Implications for Labour Nationalization Policies in the UAE and Saudi Arabia

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## **Abstract**

*The United Arab Emirates (UAE) and Kingdom of Saudi Arabia (KSA) implement labour nationalization policies to regulate workforce localization. The sustainability of these policies is complicated by an emergent large Generation Y (Gen Y) demographic group and low participation by nationals in expatriate dominated labour markets. The countries' continued economic growth depends on companies' abilities to understand recruitment and retention issues specific to their young citizens. This study compared the life priorities and work motivators of Emirati and Saudi Gen Y. It adapted the Schwartz Value Inventory to measure the importance of four life dimensions and Twenge et al.'s (2010) model to measure the importance of work preferences on five motivational dimensions. The study sampled UAE and Saudi nationals born 1980-1990 (Gen Y). The findings showed a symmetrical prioritization of life priorities by Emiratis and Saudi respondents but with differences in work preferences as Emiratis were most motivated by extrinsic work motivators while Saudis placed greatest importance on intrinsic work motivators. The paper concluded with recommendations for effective recruitment and retention of young nationals that can help companies manage this generation and contribute to scarce existing human resource management research in the Arabian Gulf region.*

## **Keywords**

*emiratization, Generation Y, human resource management, motivation, recruitment, retention, Saudization*

## **1. Introduction**

The United Arab Emirates (UAE) and Kingdom of Saudi Arabia (KSA) implement labour nationalization policies to regulate workforce localization. The sustainability of these policies is complicated by an emergent large Generation Y (Gen Y) demographic group and low participation by nationals (citizens) in labour markets dominated by expatriate (foreign) workers. The two countries' continued economic growth depends on the abilities of companies and organizations to understand the recruitment and retention issues specific to their young citizens. Hence, this study compares the life

priorities and work motivators of Gen Y UAE (Emiratis) and Saudi nationals. It adapted the Schwartz Value Inventory to measure the importance of 10 life priorities on four dimensions and Twenge et al.'s (2010) model to measure the importance of work preferences on five motivational dimensions. The study gathered quantitative and qualitative survey and interview data from 91 respondents who comprised male and female UAE and Saudi nationals who were born between 1980 and 1990 (Gen Y cohort). The similarities and differences in importance placed on life priorities and work preferences by Emirati and Saudi respondents were identified and discussed. This paper concludes with strategies for the effective recruitment and retention of young nationals, suggested by respondents, which companies can adopt to understand and manage this new generation. Findings from this study can contribute to the formulation of better personnel management practices and add to existing management research in the Arabian Gulf region.

## 2. Background

### 2.1 Labour Nationalization Policies: Emiratization and Saudization

In 2011, the UAE population was estimated at 5.1 million with Emiratis comprising the minority (19%) and expatriates forming the rest (CIA-The World Factbook, 2011). In contrast, the KSA population was estimated at 26.1 million (2011) with Saudi citizens comprising the majority (79%) and expatriates making up the rest (Table 1). However, both countries' labour force statistics show similar patterns as nationals form the minority (UAE 15%; KSA 20%) and unemployment rates for nationals are relatively high at 12.9% (Emirati) and 10.5% (Saudi) (Forstenlechner et al., 2012; Qabbani & Shaheen, 2011).

**Table 1. Population, Labour Force, Unemployment by Nationality: UAE, KSA, 2010/2011**

<b>Population<sup>1</sup></b>	Emirati	978,246	5,148,664
	UAE Expatriates	4,170,418	
	Saudi	20,555,627	26,131,703
	KSA Expatriates	5,576,076	
<b>Labour force<sup>2</sup></b>	Emirati	555,750	3,705,000
	UAE Expatriates	3,149,250	
	Saudi	1,467,400	7,337,000
	KSA Expatriates	5,869,600	
<b>Unemployment<sup>3</sup></b>	Emirati	12.9% <sup>4</sup>	
	UAE	4.2%	
	Saudi	10.5% <sup>5</sup>	
	KSA	10.8%	

<sup>1</sup>July 2011 estimate; <sup>2</sup>in 2010; <sup>3</sup>definition: +15 years, able and actively seeking work; <sup>4</sup>January 2011;

<sup>5</sup>August 2009.

When faced with expatriate dominated labour markets, the Gulf Cooperation Council (GCC) states (KSA, UAE, Oman, Bahrain, Kuwait, and Qatar) adopted labour nationalization policies. Emiratization and Saudization were launched by the UAE and KSA governments, in 2000 and the mid-1990s respectively, to create jobs specifically for citizens and reduce dependence on expatriate workers (Mashood et al., 2009). From 1999 to 2008, there were consistent declines in the ratio of employed expatriates to nationals in both countries (Baldwin-Edwards, 2011) and the quota-driven policies were largely successful in attracting nationals mainly to government sector jobs (Al-Ali, 2008; Al-Dosary & Rahman, 2005). Since government jobs offer higher salaries, pension, tenure, and shorter working hours, most nationals prefer government jobs to private sector positions or even starting their own business (Forstenlechner et al., 2012; Forstenlechner & Rutledge, 2010).

A consequence of this preference for government jobs is the negative stereotyping of Emiratis by private sector employers as under-skilled, unmotivated and unproductive (Al-Waqfi & Forstenlechner, 2010; Mashood et al., 2009). Similarly, Saudi nationals were viewed as lacking in English language proficiency, work ethics, job skills, and being inflexible towards job relocation (Al-Dosary, 2004). Hence, in spite of the job priority schemes, workforce participation by nationals is still limited and the imminent entry of a significantly large Gen Y cohort into the labour markets present unique human resource management (HRM) challenges that go beyond job creation to understanding what these young citizens want from their jobs.

## 2.2 Emergent Population and Workforce Generations

A *generation* is a cohort of individuals grouped by its age, and shares the historical and social experiences, behaviour, values and beliefs common to that time (Kupperschmidt, 2001). Tables 2 and 3 list the typical five generations present in the UAE and KSA populations by their birth years: Traditionalist, Baby Boomer, Generation X, Generation Y, Generation Z (Rajan, 2007).

**Table 2. UAE Population Distributed by Generation, 2005-15 (US Census Bureau, 2012)**

Cohort	Birth Years	2005	2010	2015
Traditionalist	1925-1945	70,360	45,057	29,784
Baby Boomer	1946-1964	758,786	567,243	383,721
Generation X	1965-1979	1,682,728	1,752,082	1,513,689
Generation Y	1980-1999	1,190,636	1,811,635	2,588,396
Generation Z	from 2000	384,092	799,576	1,264,170
<b>Total</b>		4,086,602	4,975,593	5,779,760

**Table 3. KSA Population Distributed by Generation, 2006-15, Millions (US Census Bureau, 2010)**

Cohort	Birth Years	2006*	2011	2015
Traditionalist	1925-1945	649	466	541
Baby Boomer	1946-1964	3,193	2,833	2,172
Generation X	1965-1979	6,142	5,823	5,061
Generation Y	1980-1999	11,457	11,911	12,464
Generation Z	from 2000	2,631	5,098	4,512
<b>Total</b>		24,072	26,131	24,750

A comparison of the population growth rates, distributed by generation (Table 4), shows that from 2010/2011-2015, Gen Y remains the single largest group; with UAE seeing a higher growth rate (+9%) compared to KSA (+4%). Although Gen X remains the second largest group, UAE Gen X will shrink faster (-9%) than KSA Gen X (-2%). Finally, Gen Z remains the third largest and youngest generation, but the UAE Gen Z will expand rapidly (+6%) while KSA Gen Z will decline (-2%).

**Table 4. Generation Growth Rate, KSA, UAE, 2010/11-2015**

	UAE			KSA		
	2010	2015	% change	2011	2015	% change
Generation Y	36%	45%	+9%	46%	50%	+4%
Generation X	35%	26%	-9%	22%	20%	-2%
Generation Z	16%	22%	+6%	20%	18%	-2%
Traditionalist & Baby Boomer	12%	8%	-4%	13%	11%	-2%
<b>Total*</b>	4,975	5,779		26,131	24,750	

\*in millions; includes nationals and expatriates

The population patterns of both countries exhibit an expansive pyramid structure indicating the presence of the *youth bulge* (Fuller, 2003; 2004) which is a demographic phenomenon where “the proportion of persons aged 15-24 [Gen Y] in the population increases significantly compared to other groups” (Ortiz & Cummins, 2012, p. iv). Countries with such demographic changes experience simultaneously the *Big Crew Change* which is the departure of the oldest generation of employees in an industry and the influx of a younger next generation. Since official statistics on UAE and KSA labour force, sorted by both generation and nationality, are not available, an extrapolation of the population figures to the labour force suggest that companies will soon face worker replacement issues: the retirement of a large Gen X workforce and the entry of an even larger younger generation mean that companies will need to understand the life and work expectations of this Gen Y cohort in order to attract and retain them.

Hence, UAE and KSA face similar demographic and economic challenges: a growing young national population, high unemployment rates among nationals and an expatriate dominated workforce. High youth unemployment rates and rising cost of living were among the main impetus of the Arab Spring protests that started in 2010 (Schlumberger & Matzke, 2012). Since UAE and KSA provide generous state welfare and work benefits for their citizens, these countries were largely sheltered from the regional upheavals unlike Bahrain, Oman, Tunisia, Syria, and Egypt. However, given a strong correlation between countries prone to civil turmoil and a large unemployed young population (Beehner, 2007), governments and policymakers need to understand and manage the life and work expectations of the fast-growing young Gen Y to ensure continued economic and socio-political stability. Moreover, a better understanding of Gen Y life and work motivators from this study can help UAE and KSA companies to structure jobs, work conditions and personnel policies that are attractive to their young citizens.

### 2.3 Concepts in this Study: Life Values and Work Motivators

This section explains the main concepts of life values and work motivators used in this study. Schwartz's values theory defines 10 life values by their underlying motivation. The theory is based on three assumptions: (1) individuals differ in importance placed on values; (2) values are a basis for judging appropriate behaviour; and (3) values provide a sense of future goals individuals would like to achieve (Schwartz, 1994).

The *Schwartz Value Inventory* (SVI) is an instrument for measuring individual assessment of the importance of 10 life values grouped in four dimensions:

- Self enhancement (values: achievement, power, hedonism)
- Self-transcendence (values: universalism, benevolence)
- Conservation (values: security, tradition, conformity)
- Openness to change (values: stimulation, self-direction, hedonism)

Work motivators are the internal and external factors affecting employee productivity and overall effort spent on work (Gibson et al., 2006). Herzberg's *two-factor theory* explains that an employee's overall job satisfaction is affected by extrinsic and intrinsic factors or conditions (Herzberg, 1968). *Extrinsic* factors include salary, status, and physical work environment. The presence of these factors does not necessarily motivate a person in his job, but their absence would result in dissatisfaction. Hence, extrinsic factors are also *dissatisfiers* or *hygiene factors*. *Intrinsic* factors include feelings of achievement, responsibility, and recognition. Their absence may not result in dissatisfaction, but their presence increases motivation leading to better work performance. These intrinsic factors are also *satisfiers* or *motivators*. The theory assumes that hygiene factors must be present to ensure that employees are not dissatisfied before intrinsic motivators can be used to stimulate performance. Hence, managers must provide both extrinsic motivators to avoid job dissatisfaction and intrinsic motivators to create satisfaction among employees.

Herzberg's theory was critiqued for not accounting for individual differences in responding to motivators and for its lack of specificity on how the impact of motivating factors can be measured (Hackman & Oldham, 1976). In addition, Lindenberg (2001) argued that extrinsic-intrinsic divide promoted an over-simplified assumption that in application, intrinsic motivators should be privileged above all other factors for enhancing work performance. Instead, it is more important to view the work context through interpretive lens of the individual; understand the individual's framing of his goals in a work situation and the interplay of various frames in any one context. Adopting this approach can guide managers in structuring the most effective combination of factors for handling employee motivational issues.

Even though Herzberg's theory has its weaknesses, this study adopts its distinction between extrinsic and intrinsic factors to understand Twenge et al.'s (2010) model on work motivators. The model measures the importance of work motivators on five dimensions (pp.6-9):

- *Extrinsic* motivators are tangible rewards that motivate individuals to work (e.g. high pay, chances for promotion, high job rank).
- *Intrinsic* motivators are intangible rewards that reflect an inherent interest in the work or being motivated to work for its own sake.
- *Leisure* motivators are rewards that enable a work-life balance (e.g. flexible work hours, freedom from supervision).
- *Social/Affiliation* motivators are emotional rewards that satisfy the need to be connected to others (e.g. interpersonal relationships in work groups).
- *Altruistic* motivators are intangible rewards that satisfy the need to help others and contribute to the community.

The SVI and Twenge et al.'s model are used here with the assumption that work preferences are the means by which life priorities or goals could be achieved. In other words, individuals who hold *Self-enhancement* (focus on self) as the most important life priority are likely to also value highly *Achievement*, *Power* and *Hedonism*. Hence, they would be most motivated by *extrinsic* work motivators thus preferring jobs that offer generous salaries, high rank, and many promotion opportunities. These concepts and measures are the basis for analyzing the data in this study.

#### 2.4 Findings from Literature: Gen Y Life and Work Values

Since there are limited formal studies on Emirati and Saudi Gen Y, this section reviews findings on Gen Y life values and employment expectations from a range of countries. Studies on life priorities included Munusamy et al. (2010) in Malaysia; Mujtaba et al. (2010) in Thailand; and Greenwood et al. (2008) in US. These studies used different instruments (Rokeach Value Scale, Schwartz Value Inventory) and sampled different nationalities but the most common important life priorities were found to be: *Family security*, *Health*, and values associated with caring for others (*True friendship*, *Benevolence*). In particular, Mujtaba et al. (2010) used the SVI instrument and found the most important life priorities to be *Conservation*, *Self-transcendence*, *Openness to change*, *Self-enhancement* (in descending order).

Available research on Gen Y employment expectations is more extensive. Treuren and Anderson (2010) surveyed the employment expectations of Australian university students measured as factors including *high salary, travel opportunities, work-life balance*. Montana and Lenaghan (1999) examined inter-generational differences in importance of work motivators in the US. In the UAE, Shatat et al. (2010) focused on the employment expectations of Gen Y engineers while Abdulla et al. (2011) examined the demographic and environmental factors affecting job satisfaction among Gen Y police force employees. The studies found that important factors affecting employee satisfaction were mainly *extrinsic* and *intrinsic* motivators (Table 5).

In summary, the Gen Y studies reviewed showed that *Conservation* is the most important life priority together with *intrinsic* and *extrinsic* work motivators. Hence, Gen Y employees expect both material rewards and career development opportunities at work. However, some of the findings may have limited generalizability to Arabian Gulf countries. It is argued that while a generation is a group of individuals in the same age range, bound by shared experiences of that time (Crumpacker & Crumpacker, 2007), the life-influencing social, economic and historical events can differ over time and by geography. The Emirati and Saudi Gen Y are domiciled in a culturally and religiously distinct region. Hence, they may have different experiences that uniquely shape their life and work motivations compared to Gen Y from other regions. Therefore, there is a need for this study to further our understanding of Emirati and Saudi Gen Y life priorities and work preferences. The next section describes the methodology of this study.

**Table 5. Work Motivators from the Literature (Ranked by Importance)**

<b>Employee expectations</b>	<b>Work motivators</b>	<b>Employee satisfaction</b>	<b>Employee expectations</b>
Treuren & Anderson	Montana & Lenaghan	Abdulla et al.	Shatat et al.
(1) Job satisfaction/interest	(1) Steady employment	(1) High salary	(1) Clarity of objectives/goals
(2) Ongoing training/development	(2) Respect for me as a person	(2) Nature of the work	(2) Opportunities for development
(3) High salary	(3) Good pay	(3) Organizational policy	(3) Work-life balance
(4) Work-life balance	(4) Chance for promotion	(4) Supervision	(4) Flexibility & freedom
	(5) Opportunity for self-development	(5) Relationship with co-workers	(5) Rewards & compensation
	(6) Freedom on the job	(6) Promotion opportunity	

### 3. Methodological Design

#### 3.1 Methods, Sample and Ethics

Three survey methods were used in data collection: self-administered surveys, individual and focus group interviews. Criterion sampling (Patton, 2002) was used to select participants with specific characteristics: UAE and Saudi nationals; born 1980-1990 (20 to 30 years in 2010); both genders; adults and university students who are working or studying in engineering and business administration fields. These criteria were set due to several considerations:

- (a) although Gen Y includes individuals born 1980 to 1999, those born after 1991 are younger than 20 years (in 2010) and their conceptions of work expectations are likely to be less mature than those who are about to enter the workforce;
- (b) individuals involved in engineering and business fields were selected since the services/industry sectors in both countries have the highest concentration of workforce (CIA-The World Factbook, 2011); and
- (c) females were included as more career opportunities for women meant that they would soon play a larger role in the UAE and KSA labour force.

The final sample was 91 respondents (Emirati n=65; Saudis n=26). Due to limited access to KSA and since the research team was based in UAE (Abu Dhabi), only one large company in Saudi Arabia was selected as the source for the Saudi sample. The company was considered a suitable source as it employed a large number of engineering and administrative staff. Furthermore, a collaborator (insider) from the company was available to the research team who helped negotiate for access and recruit participants for the project.

Saudi respondents formed a smaller proportion of the total sample and focus group interviews were not held with them due to limitations of access to them. Individual phone interviews were held with the Saudi respondents and the self-administered printed survey questionnaires were couriered to the collaborator for distribution to selected respondents who met the criteria. It should be noted that the same predefined survey and interview protocols were followed in data collection from both sites. The final survey and interview datasets are shown in Table 6.

**Table 6. Emirati and Saudi Datasets: Surveys and Interviews**

Dataset	Emirati	Saudi
Self-administered survey returns	30	16
Individual interviews	30	10
Focus group interview	5	-

Ethical issues of informed consent, confidentiality and participant protection (Pickard, 2007) were handled by deleting compromising details and replacing actual names with codes in data processing



and publication; explaining to participants the issue being researched and what was expected of them before taking part in the project; and assuring participants that they could withdraw from the study at any time. All participants who agreed to take part in the project signed a consent form.

### 3.2 Survey Instruments and Analytical Approaches

A *survey questionnaire* (Questionnaire A) and an *interview questionnaire* (Questionnaire B-1, B-2) were used. While the Questionnaires A and B-1 were self-administered paper-based surveys (i.e. participants completed the printed questionnaires on their own), B-2 was administered via interviews. The closed and open-ended questions respectively provided quantitative and qualitative data that were statistically and interpretively analyzed. Given the small sample, the results are presented here as descriptive statistics. Semi-structured interviews were used to follow up and elicit elaborations on responses provided in B-1 that had been completed earlier by participants. Both individual and focus group interviews were conducted as each mode has its strengths and weaknesses. In particular, focus groups provided access to a wider range of perspectives generated from the group interactions even though they required more attention from the moderator and time for participant recruitment and logistics (Morgan, 1997). Moreover, by linking surveys with interviews, the mixed-methods design enabled method triangulation (Patton, 2002). When the same questions were asked in both surveys and interviews, it compensated for the weaknesses inherent in the use of any single method, thereby enhancing the validity of the results.

### 3.3 Life Priorities and Work Motivators Measures

This study adapted the *Schwartz Value Inventory* (SVI) instrument to measure an individual's assessment of the importance of 10 life priorities on four dimensions (section 2.3). Twenge et al.'s model was used to measure the importance of work motivators on five dimensions. Tables 7 and 8 show the constructs and questions that are the operationalized measures of the constructs.

**Table 7. Survey Questions for Life Priorities**

Dimensions	Values*	Questions**
Self enhancement ( <i>focus on self</i> )	Power, Achievement, Hedonism	a) Being successful in a high-paying career or profession e) Having lots of free time to relax or do things you want to do f) Being famous
Self-transcendence ( <i>focus on non-self</i> )	Universalism, Benevolence	c) Living a very religious life d) Being a good parent g) Helping other people who are in need
Conservation ( <i>seeking stability</i> )	Security, Tradition, Conformity	b) Having a successful marriage c) Living a very religious life d) Being a good parent

h) Owning your own home		
Openness to change ( <i>seeking change</i> )	Stimulation, Self-direction, Hedonism	e) Having lots of free time to relax or do things you want to do

\*Some options overlap values and dimensions. For example, choice of option *c. living a very religious life*, may imply valuing *Benevolence* or *Tradition*. \*\*Q.12 To what extent are the following goals in life important to you personally on a scale of 5 (One of the Most Important) -1 (Don't Know)?

**Table 8. Survey Questions for Work Motivators**

Dimensions	Questions*
Extrinsic	a) Having a job with high salary, status and chances for promotion
Intrinsic	b) Having a job where I can learn new skills and be creative
Leisure	c) Having a job that leaves a lot of time for other things in my life
Social/Affiliation	d) Having a job where I can meet a lot of people
Altruistic	e) Having a job where I can help society directly

\*Q.17 To what extent are the following aspects about your job important to you personally on a scale of 5-1 (One of the Most Important) -1 (Don't Know)?

#### 4. Results and Discussion

Findings on Emirati and Saudi work preferences were recently reported in Lim (2013). This paper presents the full results from the study that included findings on both life priorities and work motivators dimensions.

##### 4.1 Comparison of Respondent Profiles

As shown in Table 9, most of the 91 respondents (Emiratis 71%; Saudis 29%) were male, single and employed. There were some differences in age range, qualifications, income and housing. More Emirati respondents were younger (71%, 20-24 years) that is due to the inclusion of university students in the sample. In contrast, the Saudis were mostly in their late 20s (25-30 years) and higher qualified (77% bachelor's degree). Most Emiratis received a higher average monthly income (78% above USD 5,172) and were more likely to live with family (80%) compared to Saudis.

**Table 9. Demographics of Emirati and Saudi Respondents**

<b>Demographics*</b>		<b>Emirati</b>	<b>Saudi</b>
Age range (yrs)	25-30	29% (19)	69% (18)
Gender	Male	58% (38)	81% (21)
Marital status	Single	75% (49)	65% (17)
Nationality**		71% (65)	29% (26)
Occupation	University student	48% (31)	-
	Employed	45% (29)	100% (26)
Highest qualifications	Bachelor's degree	31% (20)	77% (20)
	Master's degree	9% (6)	19% (5)
Profession <sup>@</sup>	Engineer	60% (18)	58% (15)
<b>Income &amp; Housing</b>			
Monthly income (AV) <sup>#</sup>	Below 19,000 AED / 20,000 SAR	22% (14)	96% (25)
Housing	Living with parents / relatives / family	80% (52)	62% (16)
	Living alone	8% (5)	38% (10)

\*Saudi (n=26) Emirati (n=65); \*\*Based on n=91; @Based on employed respondents; #1 USD = 3.67AED (21 June 2012) = 5,172 USD / 3.75SAR (3 Aug 2011) = 5,333 USD.

#### 4.2 Findings and Discussion

The results showed a symmetrical ranking of life dimensions by Emirati and Saudi respondents (Table 10). The common most important life dimension was *Conservation*. Although it was initially argued that life value findings from other studies may have limited generalizability since the research was not contextualized in the Arabian Gulf region, the ranking of the top two dimensions from this study was consistent with the literature (Mujtaba et al., 2010) with differences only in the order of *Self-enhancement* and *Openness to change* (Table 11). This difference may be an effect of the instrument since there was only one measure for *Openness to change* (e. Having lots of free time to relax or do things you want to do) while other life dimensions were operationalized as three or four measures (Table 7). Hence, the findings suggest that the life dimensions in Schwartz's (1994) theory are reflective of the core values recognized in all cultures.

**Table 10. Most Important Life Priorities and Work Motivators: Emiratis, Saudis\***

<b>Life Priorities</b>	<b>Emirati</b>		<b>Saudi</b>
Conservation	56.5%	Conservation	52.8%
Self-transcendence	47.7%	Self-transcendence	36.7%
Self enhancement	31.8%	Self enhancement	21.0%
Openness to change	29.2%	Openness to change	18.5%
<b>Work Motivators</b>	<b>Emirati</b>		<b>Saudi</b>
Extrinsic	63.1%	Intrinsic	73.1%
Intrinsic	46.2%	Extrinsic	38.5%
Leisure	30.8%	Social/Affiliation	26.9%
Social/Affiliation	21.5%	Leisure	23.1%
Altruistic	18.5%	Altruistic	23.1%

\*Based on choices for point 5 (One of the Most Important) of scale

**Table 11. Comparison of Life Priorities Findings with Literature**

<b>Emirati &amp; Saudi</b>	<b>Mujtaba et al.</b>
Conservation	Conservation
Self-transcendence	Self-transcendence
Self enhancement	Openness to change
Openness to change	Self enhancement

Findings from this study showed that intrinsic and extrinsic work motivators were the main factors influencing vocational decisions which are consistent with the literature (Table 12). Between the Emirati and Saudi respondents, greater differences were present in the assessment of the importance of work motivators than the life dimensions (Table 10). *Conservation* was the most important life dimension to both Emirati and Saudi respondents hence they value highly *security*, *tradition*, and *conformity*. However, the two groups chose distinctly different means for achieving their life goals. The Emiratis were most motivated by *extrinsic* work motivators but Saudis valued *intrinsic* motivators most. The common least important work motivator was *altruistic*.

**Table 12. Important Work Motivators Ranked: Comparison of Results with Literature**

<b>Emirati respondents</b>		<b>Saudi respondents</b>	
Extrinsic		Intrinsic	
Intrinsic		Extrinsic	
Leisure		Social-Affiliation	
Social-Affiliation		Leisure	
Altruistic		Altruistic	
<b>Treuren &amp; Anderson 2010</b>		<b>Montana &amp; Lenaghan 1999</b>	
Intrinsic	(1) Job satisfaction/interest	Extrinsic	(1) Steady employment
Extrinsic	(2) Ongoing training/development	Social-Affiliation	(2) Respect for me as a person
Leisure	(3) High salary	Intrinsic	(3) Good pay
	(4) Work-life balance		(4) Chance for promotion
			(5) Opportunity for self-development
			(6) Freedom on the job
<b>Abdulla et al. 2011</b>		<b>Shatat et al. 2010</b>	
Extrinsic	(1) High salary	Intrinsic	(1) Clarity of objectives/goals
Intrinsic	(2) Nature of the work	Leisure	(2) Opportunities for development
Social-Affiliation	(3) Organizational policy	Extrinsic	(3) Work-life balance
	(4) Supervision		(4) Flexibility & freedom
	(5) Relationship with co-workers		(5) Rewards & compensation
	(6) Promotion opportunity		

Since the Emirati respondents regarded *extrinsic* work motivators as most important, they prefer jobs that offer high salary, status and promotion opportunities. As they seek stability in life domains such as family (marriage, home ownership, parenting) and spirituality (religious life), the extrinsic motivator was most desired as it enables the material means to attain such stability. Although *Conservation* was also most important to the Saudi respondents, they chose a different means to reach that life goal. The Saudis valued *intrinsic* motivators most and preferred jobs that are interesting and challenging, offer variety and career development to help them reach their full potential.

This difference in response to work motivators that impact job selection could be due to demographic and socio-economic factors: most of the Saudis sampled were older (late 20s), with more work experience and higher qualifications (Table 9). At this stage, their vocational concerns would have

extended beyond simply gaining monetary remuneration to professional growth opportunities. Although extrinsic motivators were also important (2<sup>nd</sup> in ranking), Saudi respondents explained that the tangible rewards associated with having a job with high salary, status and promotion were not desired for their own sake or to meet egocentric needs but as a means to achieve some form of greater good: "A job with high salary will help me in other aspects of my life like helping others and continuing my education" (Saudi respondent #3).

The *leisure* work motivator (jobs that leave a lot of time for other things in life) was also more important to Emiratis than the Saudis. The Emirati Gen Y grew up in times of social and economic stability, with the oil-based economy funding UAE's generous welfare and work programmes. Hence, the desire for rewards that enable a work-life balance could have resulted from Emiratization as the nationals are privileged by shorter flexible work hours, higher pay and other benefits. It could also be due to the Emiratis' higher average monthly income supporting a more conspicuous consumption-oriented lifestyle, and greater availability of recreation opportunities in the UAE compared to KSA.

In conclusion, although there was a symmetrical prioritization of life dimensions by the two groups, distinct differences were present in work preferences as Emiratis were most motivated by extrinsic work motivators while Saudis placed greatest importance on intrinsic motivators that could be due to demographic and environmental factors. This study had provided a better understanding of Emirati and Saudi Gen Y priorities in life and work that can help companies to structure work conditions and personnel management policies that appeal to the young citizens of UAE and KSA. The next section presents recommendations for the effective recruitment and retention of Gen Y, explains the limitations of this study and offers future research directions.

## 5. Recommendations

### 5.1 Strategies for Gen Y Recruitment and Retention

The semi-structured interviews included open-ended questions that asked respondents to suggest strategies for recruitment and retention of Gen Y. Content analysis of the qualitative interview data revealed main themes that were largely consistent with the findings that extrinsic and intrinsic work motivators were most important and have a crucial place in Gen Y expectations of organizations. To the Emiratis, the extrinsic motivator is a factor in both recruitment and retention contexts, with the intrinsic motivator gaining importance in retention (Table 13). To an extent, this finding supported Lindenberg's (2001) thesis that while intrinsic motivators are largely assumed to be more sustainable than extrinsic motivators and more effective in enhancing job performance, managers should also consider that different contexts require different motivators or combinations of motivators.

The interview findings also showed variations in the strategies suggested by Emirati and Saudi respondents. For example, before joining an organization, the Saudi respondents look for *transparency* and *participation in decision-making* processes from employers whereas this was not a concern to the

Emiratis. However, the provision of *flexible work hours* is a major concern to Emiratis in both initial employment and retention contexts. These findings added to our understanding of possible variations in recruitment and retention strategies that can guide the development of personnel policies that are customized to the needs of Gen Y from different nationalities.

**Table 13. Recruitment and Retention Suggestions**

<b>Emirati</b>	<b>Recruitment</b>	<b>Retention</b>
<i>Extrinsic</i>	Higher salary, promotion, organizational stability	Salary increment, bonus, promotion Good work facilities, latest equipment, systems & technologies
<i>Intrinsic</i>	Supportive socio-emotional work environment Opportunities for professional development Creative space & independence	Supportive socio-emotional work environment Training for professional development Recognition for work Challenging work
<i>Leisure</i>	Flexible work hours	Flexible work hours
<b>Saudi</b>	Recognition for work	Recognition for work
<i>Intrinsic</i>	Career development opportunities Involvement in decision-making Transparency Clear directions	Career development opportunities Overseas job postings Challenging work
<i>Extrinsic</i>	Higher salaries, better incentives	Higher salaries, long term benefits
<i>Social/Affiliation</i>	None provided	Building social ties in organizational departments & with larger community

This study offers the following strategies for the effective recruitment and retention of Gen Y in UAE and KSA based on the results. Where appropriate, verbatim quotes were included to more accurately reflect the voices of the respondents and support the suggestions:

- *offer competitive salaries and benefits* so that future/current employees would feel financially secure and meet their need for extrinsic work motivators.

"...giving bonuses because due to inflation and the living standard is becoming expensive." (Emirati respondent #3)

- *provide supportive work environments* and conditions so that Gen Y employees would feel that they are part of work teams that offer socio-emotional support and professional recognition. Also, their work efficiency and productivity could be improved with better physical work facilities and equipment.

"Reward me when accomplishing something, not necessarily money..." (Saudi respondent #17)

"...working in a department that appreciates my skills..." (Saudi respondent #19)

"If it's a good environment and if my managers are treating us well... I'll probably stay if they have flexible hours..." (Emirati respondent #4)

"...improve the facilities and getting the latest equipment whether computers and software or security systems." (Emirati respondent #8)

- *offer professional training programmes* locally or overseas so that employees would feel that they are benefiting from working in the company, increasing their employability through learning new skills and there is organizational investment in their career development.

"When you [are] abroad you will see different aspects from what you are used to it in your country, meet new people, expanding your vision and having the opportunity to transfer something you have from your country." (Saudi respondent #3)

"Ongoing training and development so that I will gain experience..." (Emirati respondent #6)

- *allow less direct supervision* so that Gen Y employees would have opportunities to bear greater responsibilities and prove themselves. This would fulfill their need for challenging work that provides intrinsic satisfaction.

"Autonomy: less restrictions on my work, let me be my own boss and less monitoring." (Saudi respondent #7)

### 5.2 Limitation of Study and Future Research

In order to further understand the emergent Gen Y cohort in UAE and KSA, this study compared the life priorities and work preferences of Emirati and Saudi Gen Y. The main limitation lies in the methodological design of this qualitative study. The findings indicated possible areas where the life dimensions measures could be refined and expanded to capture more accurately respondent perceptions on the importance of the dimensions. Also, while both the UAE and KSA samples were within the Gen Y age range, there were differences in their demographic characteristics (qualifications, income) and a more homogenous sample could be obtained through further screening. It is acknowledged that the small sample (n=91) does not reflect the typical or entire Gen Y cohort in both countries and the findings are not meant for generalization to whole populations. However, the results and recommendations provided may be extrapolated for application by organizations in the Arabian Gulf region that implement labour nationalization programmes and face challenges in raising workforce participation by nationals.

These limitations do not detract from the value of the findings from this study as they indicate several avenues for future research. Future researchers could expand on this study to include other GCC states that practice labour nationalization policies and face similar national workforce issues. Finally, a comparative study could be done on work motivators of male and female Gen Y. As more females enter the UAE and KSA workforce, results from such a study could reveal different patterns in work



motivators between genders that could inform better HRM practices and contribute to the sustainability of labour nationalization policies.

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