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worldwide

STAFFING & RECRUITMENT STRATEGIES

Covid-19 Business Impacts One Year On

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Methodology

Findings in this report were compiled from a market survey conducted in the second quarter of 2021. We surveyed more than 1,000 employers and employees from various industries across the Gulf Cooperation Council (GCC) region.

COVID-19 BUSINESS IMPACTS ONE YEAR ON OVERVIEW

How has Covid-19 impacted businesses and jobs in the Gulf one year on, and what should we expect for the rest of 2021?

Following our market-wide survey of more than 1,000 employers and employees in the region, along with first-hand insights from the current job market, it is clear that post-pandemic recovery is well on the way in the Gulf.

Of those employers who took part in our survey, the majority (52%) said their organisation was in either a 'growth' or 'business as usual' phase following the pandemic outbreak. A further 28% expect to be within one of these phases in the next 12 months. The remaining 20% expect recovery to take longer than one year – unsurprisingly, these are the organisations hit the hardest, operating within the travel, tourism, energy and construction sectors. These industries have been notoriously negatively affected throughout the global economy.

Concerning the job market, the survey results indicate that 26% of all working professionals in the region have been made redundant since the beginning of the pandemic. Our experience with our clients and candidates confirms this trend as job numbers did decline from April to late summer of 2020. However, job opportunities have been increasing significantly since the end of last year, with much positivity ahead. This is evidenced by the 58% of employers who said their current headcount (as of Q2 2021) was either the same or greater than their pre-pandemic numbers and the 74% of organisations who expect their headcount to further increase this year. When asked which skillsets were of focus for recruitment, 'Sales' and 'Operations' were referenced as the two most in-demand job titles by a third of employers.

When it comes to salaries, 71% of professionals surveyed said their salary was either the same or higher than before the pandemic – a clear sign of market confidence and activity returning to pre-Covid-19 'norms' for the majority. There is also optimism ahead for 29% of professionals whose salaries are still lower than they were 12-18 months ago, as a promising 39% of employers expect salaries within their organisation to increase further this year. This statistic is reassuringly similar to the year-on-year trends we have seen in our annual salary survey over the past eight years, further evidence that the local job market is nearing and, in some sectors, surpassing pre-pandemic levels.

The digital shift further accelerated by the pandemic also had an impact on the hiring market. Employers have opened up to the global talent pool for sourcing and onboarding new talent, thanks to the increased utilisation of technology for remote hiring. Of those surveyed, 52% said they had onboarded new employees remotely from other geographical regions, and 41% said they would commit to this in future, regardless of the Covid-19 situation. In contrast, employers typically sought to relocate all employees to the region prior to the pandemic.

Working from home and remote work are here to stay. A significant 69% of organisations now offer remote work, compared to 43% at the start of 2020. In terms of remote work models, the largest proportion (38%) of employers allow employees to choose to work from home as and when they wish. Where a remote work allowance is predetermined, 2-3 days a week is the most common offering. Modalities aside, it is clear that remote work is key in attracting and retaining talent going forward. Of those working professionals who took part in our survey, 42% said remote work was an important factor when considering an employer.

Remote work, in turn, has also contributed to another discussion: office space. Organisations have been considering whether office premises will remain the same, downsize or be let go altogether. Findings from our survey suggest that preference remains with fully equipped office space, with only 11% of organisations having downsized and two per cent opting to close their offices in favour of remote work since the outbreak of the pandemic.

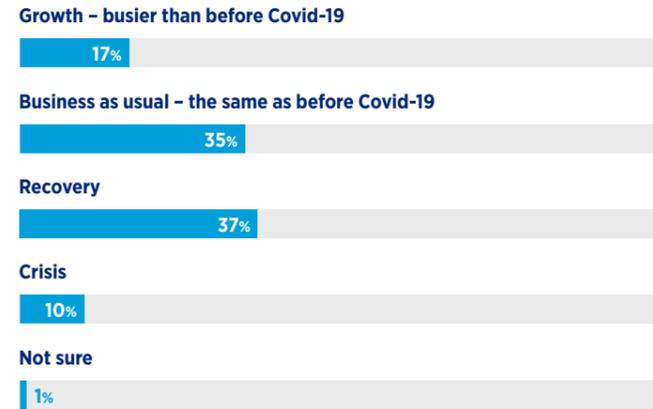
Moving away from technology, a new consideration for employers and employees is the uptake of Covid-19 vaccines. While the majority of employers (64%) said they had no preference on vaccine status when hiring new staff, 48% anticipate that being vaccinated will be a requirement going forward. Many working professionals appear open to this with 69% stating that it is reasonable for organisations to request they are vaccinated. From our experience, there is no obligation for employees to be vaccinated but we anticipate vaccine uptake to be increasingly encouraged throughout the region.

Read on for the full findings from the Hays survey on the business impacts of Covid-19 one year on.

EMPLOYER SURVEY RESULTS

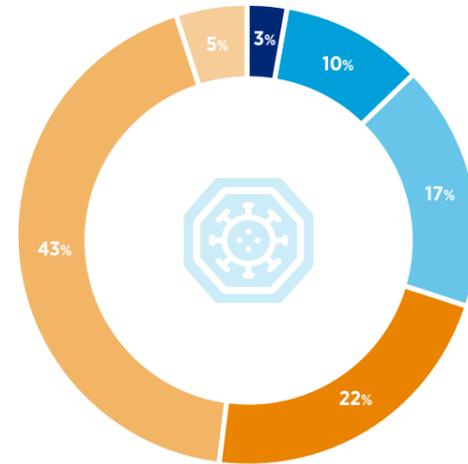
Business outlook & employee attrition

Which of these best describes the current phase of your organisation following the outbreak of Covid-19?



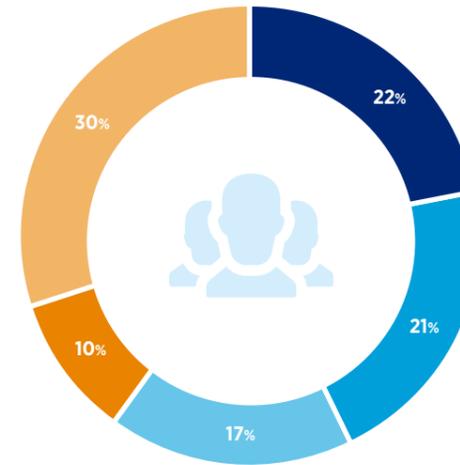
If your organisation is in a recovery or crises phase, how long do you think it will take for your organisation to get back to pre-Covid-19 workflow and revenue levels?

0-3 months 4-6 months 7-9 months 10-12 months
More than 12 months Not sure



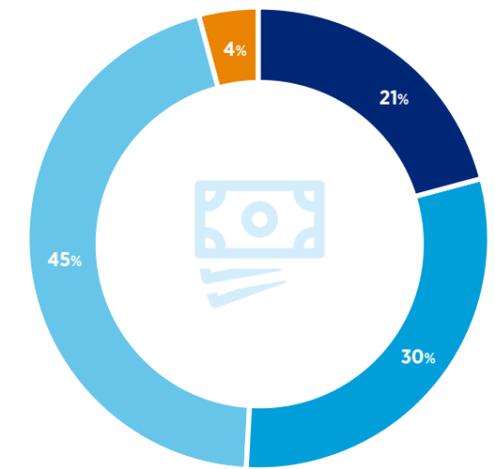
If you made redundancies, by how much did headcount in your organisation reduce?

0-5% 6-10% 11-15% 16-20% More than 20%



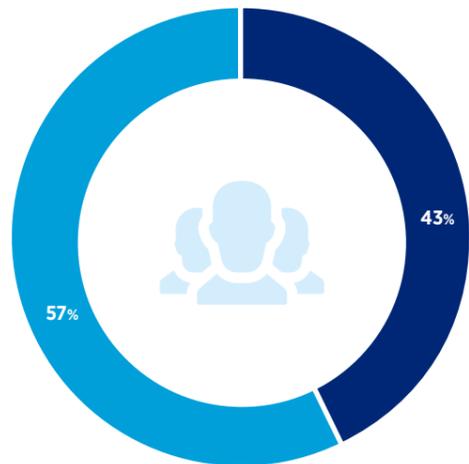
How does your staffing budget compare now to before the pandemic?

It has increased It is the same It has decreased Not sure



Did you have to make redundancies in your organisation in the last year due to the pandemic?

Yes No

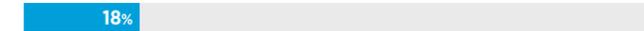


If you made redundancies, in which areas of the business were most of these made?

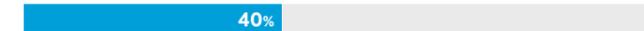
All areas of the business	55%
Operations (principal function of the business)	10%
Sales	9%
Administration	6%
Engineering	4%
Facilities	3%
Office support	3%
Technicians	3%
Finance	1%
IT/Digital Technology	1%
Managerial/Leadership	1%
Supply Chain & Logistics	1%
Other	3%

How does your organisation's current headcount compare to before the pandemic?

We have a bigger workforce than before the pandemic



Staff numbers are the same as they were before the pandemic



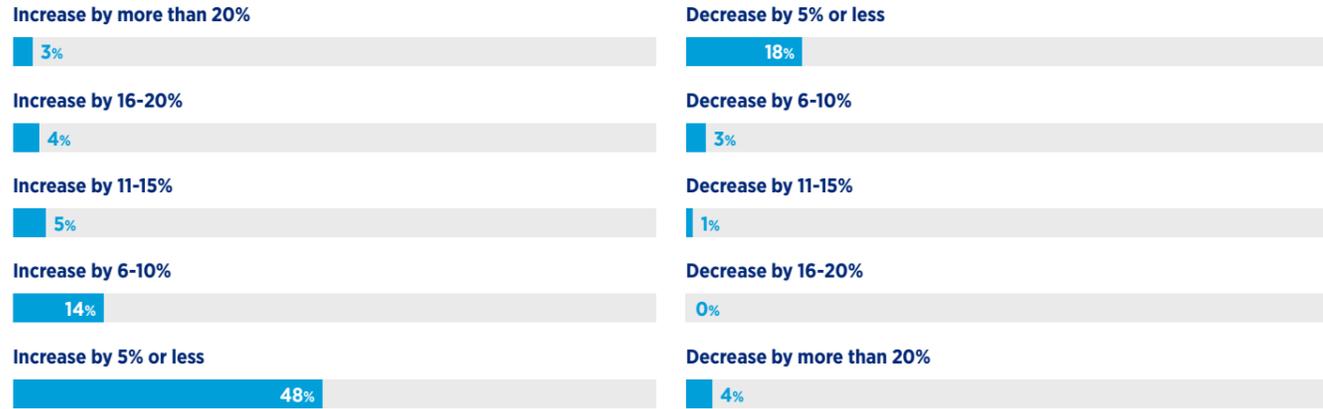
We have a smaller workforce than we did before the pandemic



EMPLOYER SURVEY RESULTS

Business outlook & employee attrition

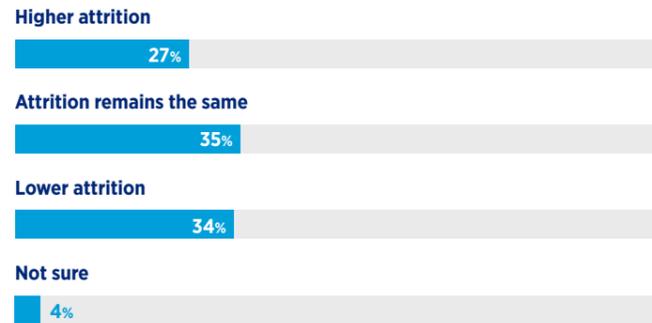
What do you expect to happen to headcount in your organisation for the rest of 2021?



If you expect headcount to increase, in which areas to you expect to hire additional staff?

Sales	36%
Operations (principal function of the business)	32%
Engineering	19%
IT/Digital Technology	19%
KSA nationals	17%
Technicians	17%
Marketing/Digital Marketing	17%
Administration	15%
Digital/e-Commerce	14%
Managerial/Leadership	12%
HR	9%
Research & Development	7%
Finance	7%
Legal	6%
Medical	6%
Supply Chain & Logistics	6%
Office support	4%
Facilities	3%
Other	9%

How do employee attrition rates compare now to before the pandemic?



Salaries

Did you reduce salaries (temporarily or permanently) in your organisation in the last year due to the pandemic?

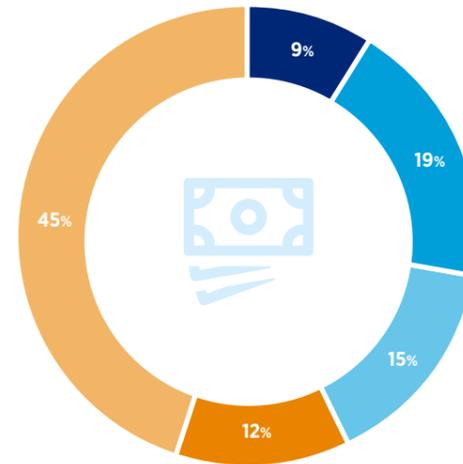
Yes **42%** No **58%**

If you did reduce salaries, have they been reinstated to pre-Covid-19 levels?

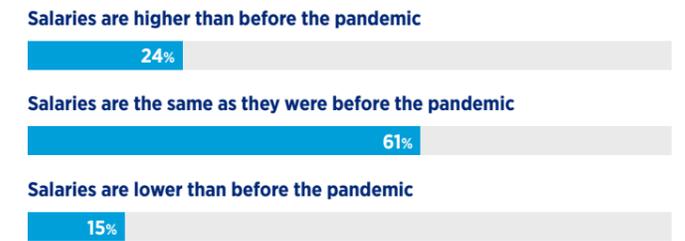
Yes **71%** No **29%**

If you did reduce salaries, by how much was this?

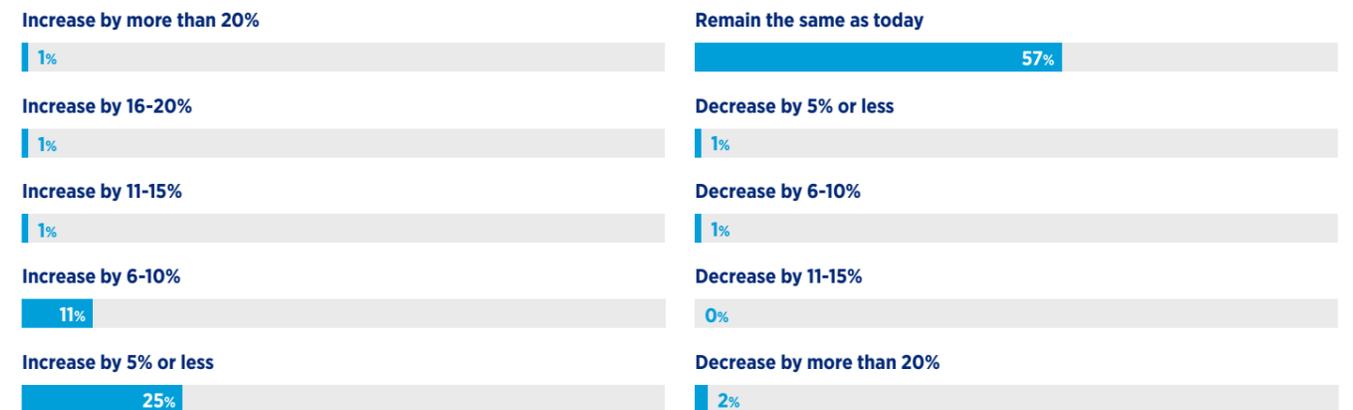
0-5% 6-10% 11-15% 16-20% More than 20%



How do current salaries in your organisation compare to before the pandemic?



What do you expect to happen to salaries in your organisation for the rest of 2021?



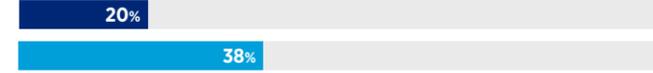
EMPLOYER SURVEY RESULTS

Flexible working & hiring

What working from home options did your organisation offer before the pandemic and what options does it offer now?

■ Before the pandemic ■ Now

Employees work completely flexibly, from home or the office



2-3 days working from home per week



1 day working from home per week



1-2 days working from home per month



No working from home options

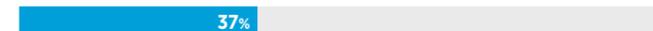


How productive do you think your employees are working from home compared to working in the office?

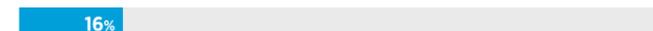
Employees productivity does not change



Employees are more productive working in the office



Employees are more productive working from home



Has remote working resulted in any changes to the building(s)/office space your employees were located in pre-pandemic?

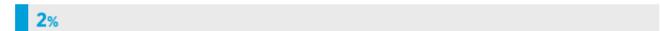
No, remote working has not impacted the office space that we operate from



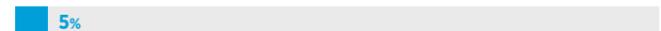
Yes, we have downsized our office space



Yes, we no longer have an office



Other

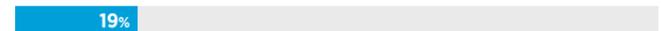


Do you intend on changing your office building/space due to remote working this year?

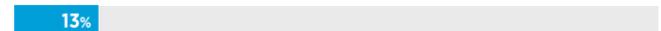
No, remote working will not impact the office building(s)/space we operate from



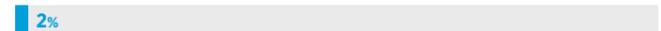
Office space may change but not due to remote working



Yes, we will downsize our office space



Yes, we will let go of our office

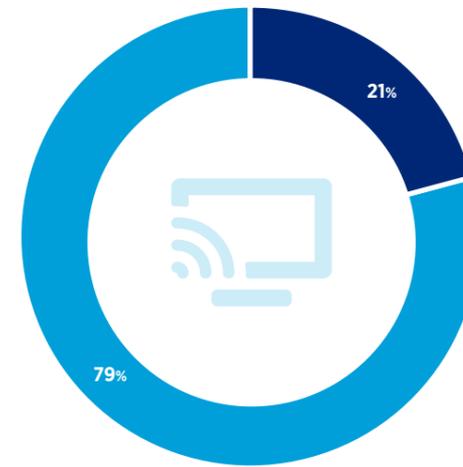


Other



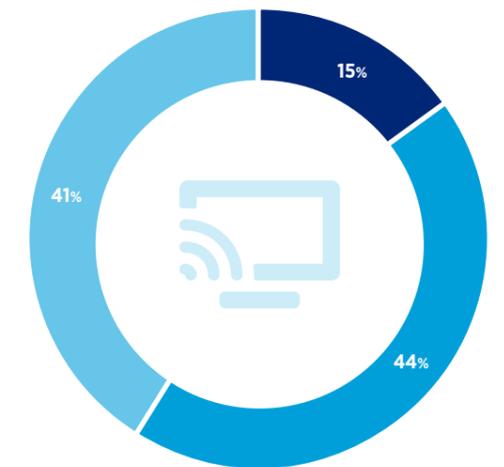
Are 'workcations' part of your organisation's current leave system?

■ Yes ■ No



Will 'workcations' be part of your organisation's leave system going forward?

■ Yes ■ No ■ Unsure

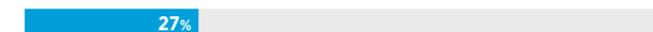


Does the vaccination against Covid-19 have any influence on your hiring processes?

No, it makes no difference to our hiring if a candidate has been vaccinated or not



Yes, we have a preference for candidates who have been vaccinated

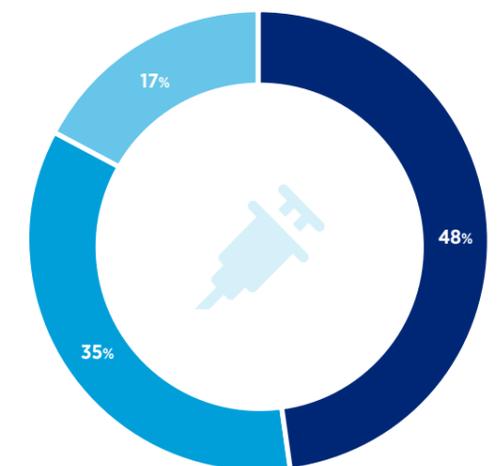


Yes, we will only hire new employees who have been vaccinated



In the future, do you envisage that being vaccinated will be a requirement for all employees in your organisation?

■ Yes ■ No ■ Unsure



*Workcations: when employees are approved annual leave on the provision that they work remotely during their trip/leave

EMPLOYER SURVEY RESULTS

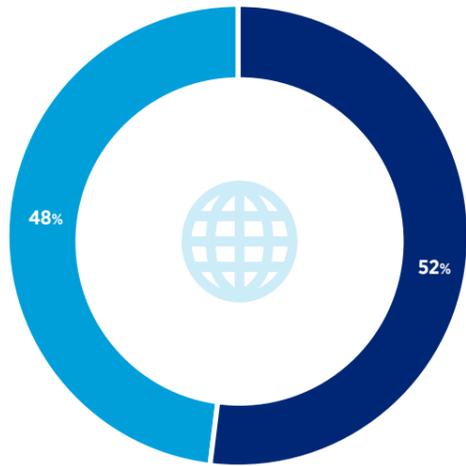
Flexible working & hiring

Has the onboarding of new employees changed in the last 12 months in your company?

No - we still combine in person and online	25%	Yes - we now do online only	14%
No - we still do all in person	23%	Yes - we combine both with more emphasis on in-person	5%
No - we still do all online	4%	Yes - we now do in person only	4%
Yes - we combine both with more emphasis on online	25%		

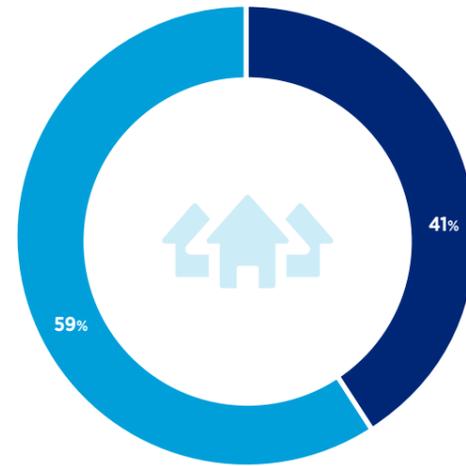
Have you onboarded new employees working remotely from other geographical regions in the last 18 months?

■ Yes ■ No



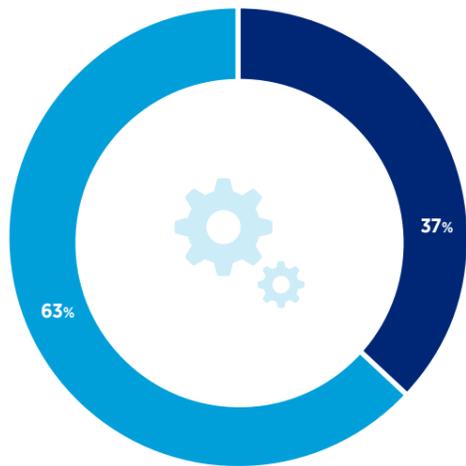
Will you hire permanent staff on a remote-only basis from other geographical regions in future?

■ Yes ■ No



Has the pandemic changed the requirements and skills you look for in new employees?

■ Yes ■ No



If your hiring requirements have changed, what skills are you putting more emphasis on now?

Ability to work independently with limited supervision	20%
Technological skills	20%
Communication skills	18%
Resistance to changes or pressure	10%
Sales/Business Development skills	10%
Leadership	8%
Independent thinking and decision making	6%
Language skills	3%
Personality of the candidate, team fit	2%
Previous experience from the same job role	2%
Other	1%

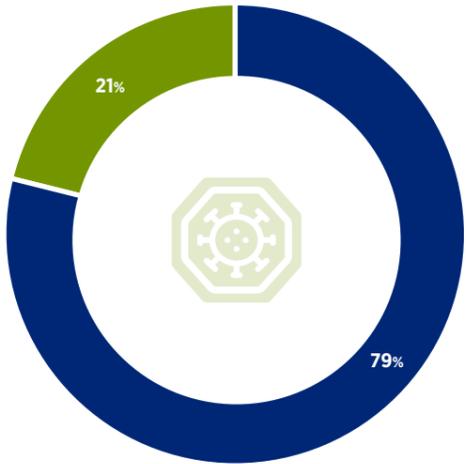


EMPLOYEE SURVEY RESULTS

Attrition

Is your current job the same as the one that you had before the outbreak of Covid-19?

■ Yes ■ No



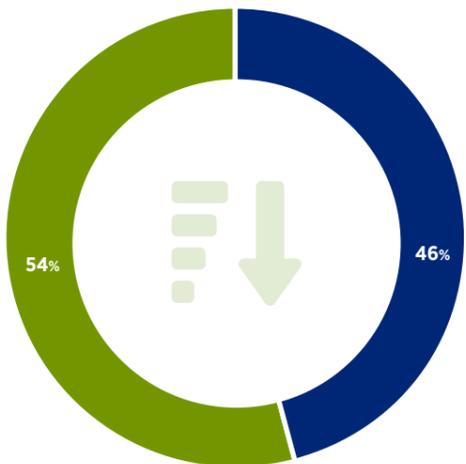
If no, what is the reason you moved jobs?



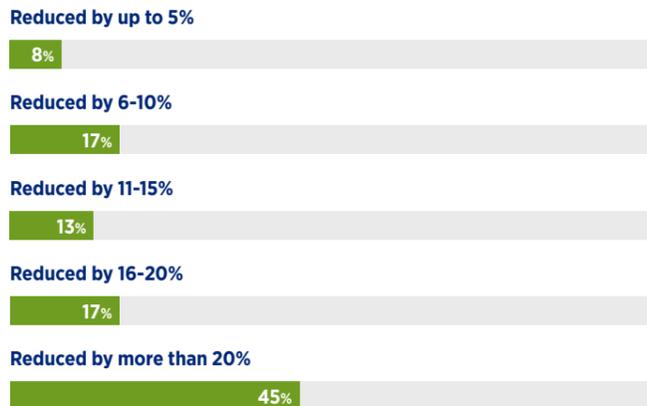
Salaries

Have you experienced any form of pay cut (temporary or permanent) since the outbreak of Covid-19?

■ Yes ■ No

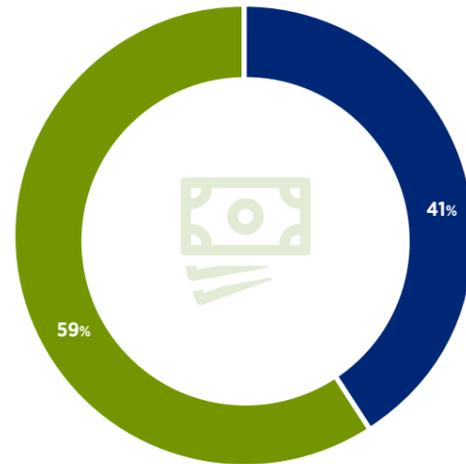


If yes, by how much was your salary reduced?



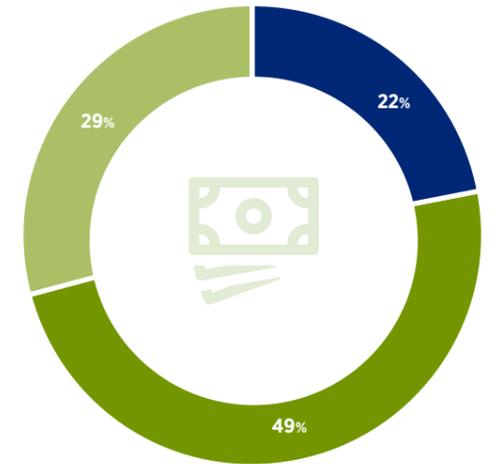
If your salary was reduced, has it been reinstated to the rate you were paid pre-pandemic?

■ Yes ■ No



How does your current salary compare to before the pandemic?

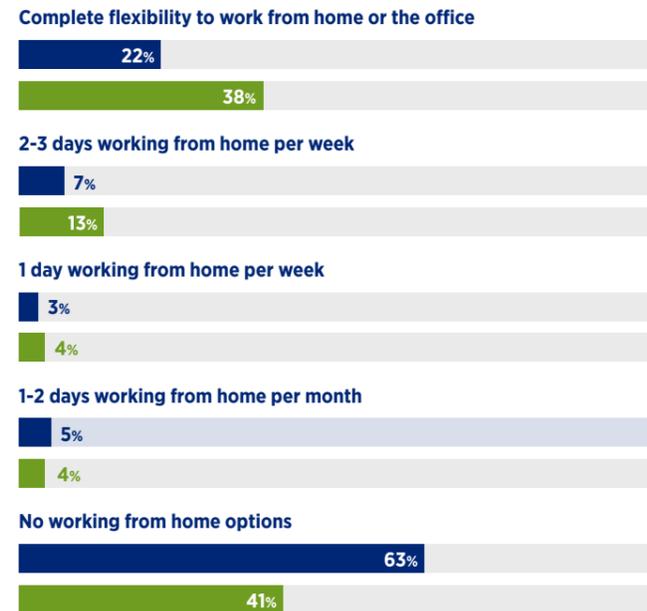
■ My salary is higher than it was before the pandemic
 ■ My salary is the same as it was before the pandemic
 ■ My salary is lower than it was before the pandemic



Flexible working & hiring

What working from home options did your organisation offer before the pandemic and what options does it offer now?

■ Before the pandemic ■ Now

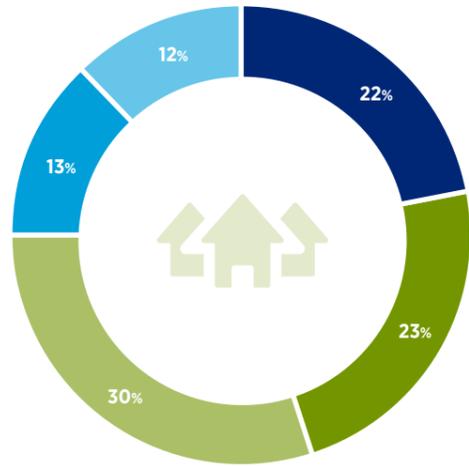


EMPLOYEE SURVEY RESULTS

Flexible working & hiring

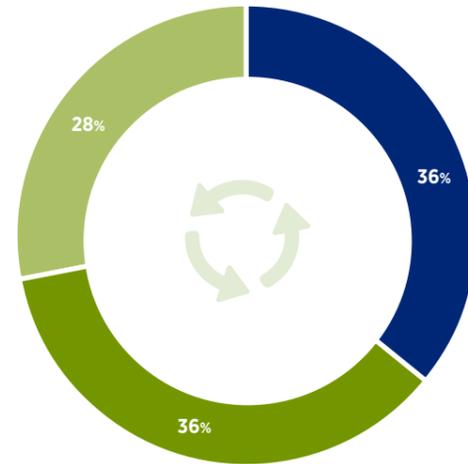
How important is it for you to be able to work from home?

Very important Quite important I am indifferent
 Not too important Not at all important



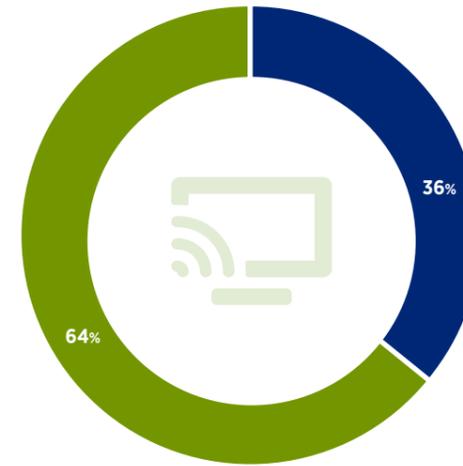
How productive do you find working from home compared to working in the office?

My productivity does not change
 I am more productive working in the office
 I am more productive working from home



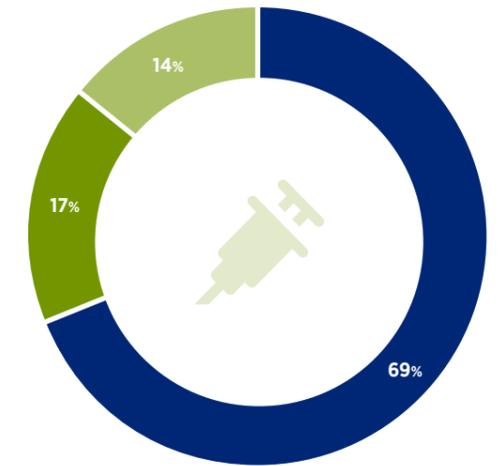
Would you consider taking a 'workcation'?

Yes No



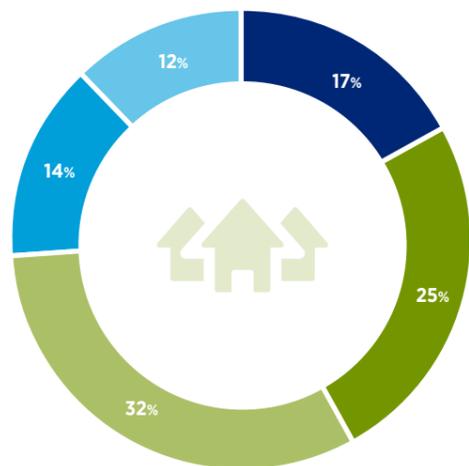
Do you think it is reasonable of employers to request employees to be vaccinated against Covid-19?

Yes No Rather not say



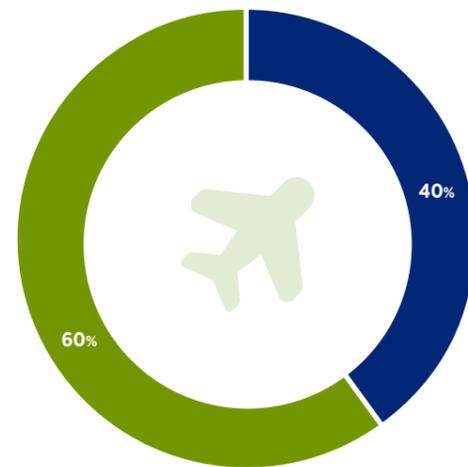
When considering a new employer, how important is it that they offer working from home?

Very important Quite important I am indifferent
 Not too important Not at all important



Does your employer expect you to work while you are on annual leave?

Yes No

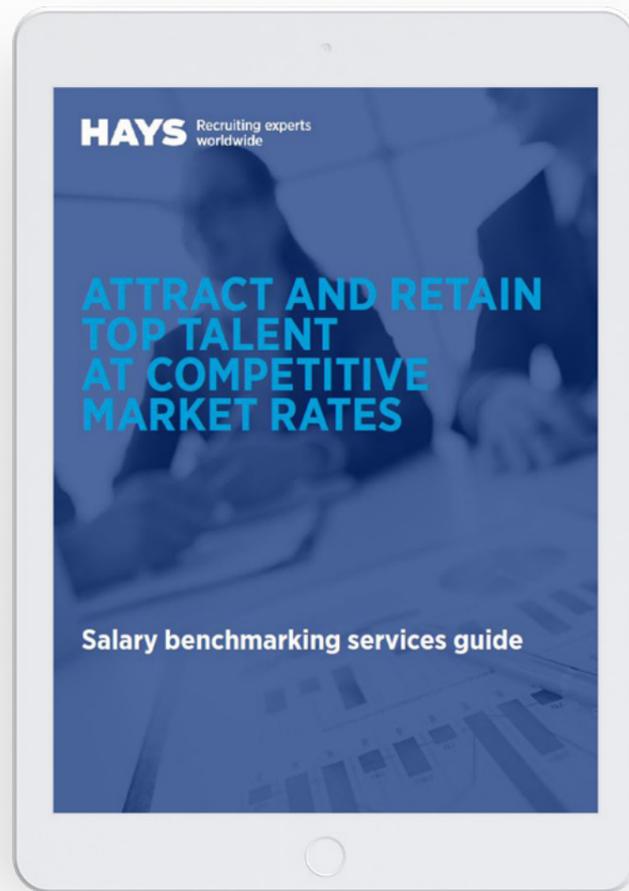


*Workcations: when employees are approved annual leave on the provision that they work remotely during their trip/leave

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Our salary benchmarking team focuses on delivering bespoke salary and reward reports to help you make the best workforce management decisions.



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ABOUT US

Hays has been operating for over 15 years in the GCC region and is one of the leading recruitment agencies in the Middle East. Hays Middle East is part of Hays plc, a global leader in recruiting qualified, professional and skilled people across a wide range of specialised industries and professions. Specialist recruitment is all about people. Over 12,000 people make up our worldwide team, working in 33 countries covering 20 specialisms. Our regional offices are located in Dubai and Abu Dhabi.

As market leader, if the best people aren't already talking to us, we know how to find them, engage with them and match them better than any other recruiter. In the complicated world of recruitment, Hays makes finding the best talent easier and quicker, and reduces the risks involved in hiring.

Areas of expertise

- Accountancy & Finance
- Banking & Financial Services
- Construction & Property
- Contracting
- Emiratisation
- Engineering
- Executive Search
- Facilities Management
- Healthcare
- HR
- Legal
- Life Sciences
- Logistics
- Marketing & Digital Marketing
- Office Support
- Oil & Gas
- Procurement & Supply Chain
- Sales
- Saudization
- Technology



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T: +971 (0) 4 559 5800

E: marketing.uae@hays.com

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