

Recruiting Top Graduates In Saudi Arabia

A Survey of Recent Graduates of
King Fahd University of Petroleum & Minerals (KFUPM)

Compiled by:



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Executive Summary

As the national drive for Saudization and employment of Saudi nationals gathers pace, companies across the Kingdom are competing ever more fiercely for top talent at all levels. Given the country's relatively young population, much of this competition is inevitably concentrated on the employers' ability to identify and attract talented young men and women early on in their careers.

GulfTalent.com has conducted a survey of some of the most qualified Saudi youth graduating from university this year, in order to examine their career preferences and the basis on which they make their employment choices. The survey was based on a sample of students graduating in 2005-2006 from King Fahd University of Petroleum & Minerals (KFUPM), the leading educational and academic establishment in Saudi Arabia. Key findings of the survey are as follows:

- *Preferred employers:* Aramco and SABIC topped the list of most popular employers by a huge margin, followed by Saudi Electricity Company and Saudi Telecom. The four were among a group of only 11 Saudi companies that made the list of top-30, compared to a total of 18 multi-nationals. Mobily, owned by UAE's Ettisalat, was the only non-Saudi GCC-based company to appear in the top-30 list.
- *Factors affecting career choices:* When choosing a job or employer, by far the most important factors considered by graduates were (1) opportunity to learn and grow, (2) opportunity to perform challenging and interesting work, and (3) attractive salary and benefits. Median salary expectation of graduates was 8,000 Rials per month.
- *Attitudes towards the outside world:* International exposure was valued by the vast majority of respondents, with 93% interested in travelling abroad on business, working outside the Kingdom for a few years, or in some cases permanently relocating. The most popular overseas destination was the UAE, although for the top-quartile students (GPA 3.0 and above) the United States was the number one choice.
- *Key recommendations:* The survey results suggest the need for graduate recruiters in the Kingdom to focus on the overall value proposition offered to graduates – including the nature of the job, career path and the working environment. Some specific measures recommended include (1) offering graduate hires greater international exposure, (2) involving senior management in presenting to and recruiting graduates, and (3) participating in university career events.

Preferred Employers

The survey conducted by GulfTalent.com asked graduating students to name three companies they would most like to work for. The results shown in the table opposite indicate the top 30 most frequently mentioned companies and the percentage of respondents who cited those companies among their preferred employers.

In pole position was Saudi Aramco, the national oil company favoured by over half of all graduates surveyed. This was followed by three giants of Saudi industry – Saudi Basic Industries Corporation (SABIC), Saudi Electricity Company (SEC) and the newly privatised Saudi Telecommunication Company (STC).

The highest-ranking multinational on the list was Procter & Gamble, the consumer goods company. Other companies making it to the top-10 included three multi-nationals – Schlumberger (oilfield services), Unilever (consumer goods) and Cisco (telecom equipment manufacturer) – as well as Samba (Saudi American Bank, formerly Citigroup), and Mobily, the second licensed mobile operator in the Kingdom, owned by the UAE’s national telecommunication company, Ettisalat.

When asked what ‘type’ of companies they would most like to work for, two-thirds of respondents chose ‘multinationals’ while one-third opted for Saudi companies. With the exception of Aramco and SABIC, two Saudi companies which attracted heavy concentration of votes, this seems to be broadly consistent with the trend observed in the league table of preferred companies. The list of top-30 preferred employers included 18 multi-nationals, 11 Saudi companies and 1 regional GCC-based company.

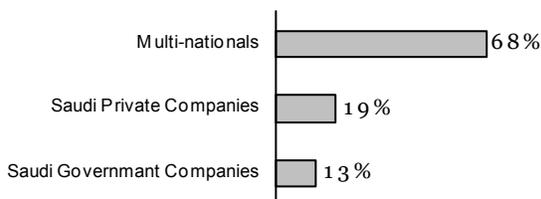
Most Popular Employers By Percentage of Graduates Interested

1.	Aramco	64%
2.	SABIC	50%
3.	SEC	18%
4.	STC	15%
5.	Procter & Gamble	9%
6.	Schlumberger	8%
7.	Unilever	8%
8.	Cisco	7%
9.	Samba	7%
10.	Mobily	5%
11.	Halliburton	4%
12.	IBM	4%
13.	Motorola	3%
14.	NCB	3%
15.	Chevron	3%
16.	Royal Commission	3%
17.	Saudi British Bank	3%
18.	Siemens	3%
19.	ABB	2%
20.	AEC	2%
21.	GE	2%
22.	HP	2%
23.	Masterfood	2%
24.	Microsoft	2%
25.	NCCI	2%
26.	Nestle	2%
27.	Olayan	2%
28.	Rezayat	2%
29.	Riyadh bank	2%
30.	Atos Origin	2%

Source: GulfTalent.com Survey

Most Popular Employer Types

% of graduates interested



Source: GulfTalent.com Survey

Factors Affecting Career Choices

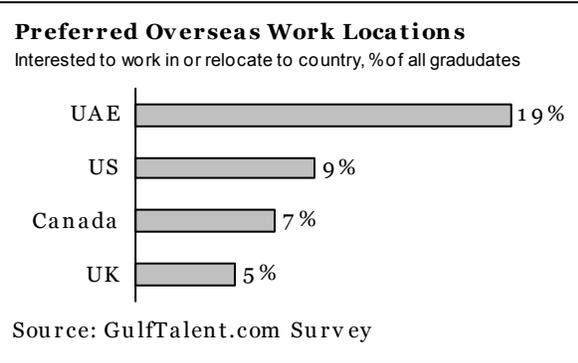
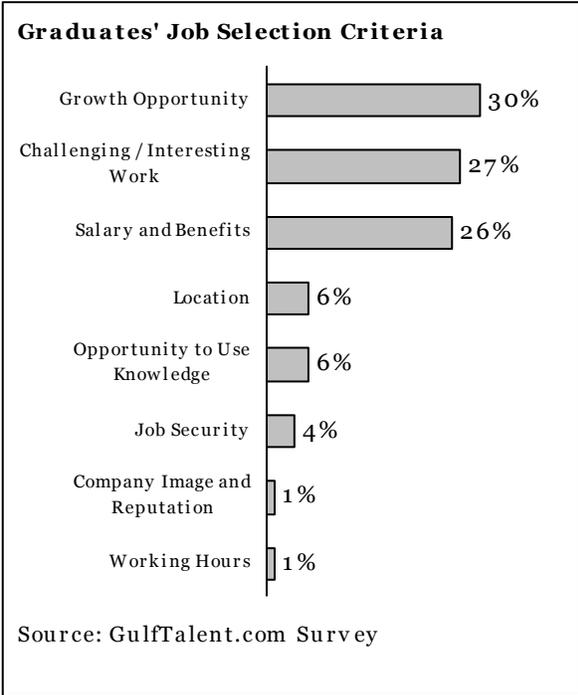
Participants in GulfTalent.com’s survey were asked what the most important factor was for them when deciding which job to take or which employer to join. The factors mentioned most frequently were (1) opportunity to learn and grow, (2) opportunity to perform challenging and interesting work, and (3) attractive salary and benefits.

Although a significant number of respondents preferred to work in or close to their home province, this was not a significant consideration for most, with only 6% citing it as the most important criterion. Other factors mentioned were opportunity to use existing knowledge as well as job security. Rather surprisingly, company image and reputation and working hours received virtually no votes.

On the question of salary, respondents were asked what would be the *minimum* salary they would expect to receive in their first full-time job after graduation. The median salary expectation was 8,000 Saudi Rials per month (\$26,000 per year). Responses ranged from 5,000 to 10,000 Rials.

Respondents were also asked about their level of interest in working outside the Kingdom. An overwhelming 93% of the respondents were interested in having some kind of job-related exposure to the outside world. 39% only wished to travel abroad on business trips, while 48% preferred to work overseas for at least a few years. 6% of respondents expressed interest in permanently relocating abroad.

Respondents who were interested in working or relocating abroad were asked about their choice of country. The most popular destination was the UAE, chosen by 19% of all graduates (35% of those interested to work abroad), followed by the United States, Canada, and Britain.

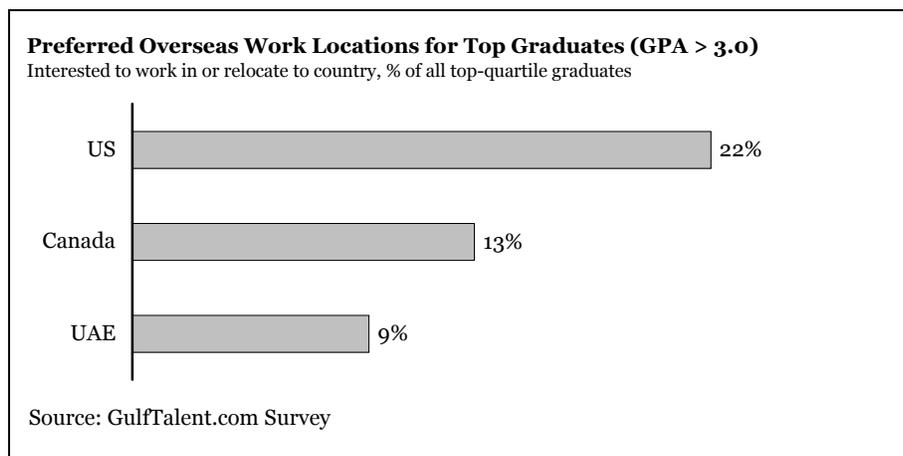


Preferences of Top Students

Given employers’ preference for hiring graduates with the best academic record, an attempt was made in GulfTalent.com’s survey to identify trends among the ‘top quartile’ of survey respondents – defined as those with Grade Point Average (GPA) of 3.0 or above, out of the possible maximum of 4.0.

By and large, the trends observed for the overall sample of respondents held true for the top quartile as well. The only differences were as follows:

- (a) *Interest in working abroad:* While for the respondents overall, the UAE was the number one overseas destination, for the top-quartile graduates the United States was by far the most popular choice. 22% of all top-quartile graduates indicated their interest in working in the US for a few years or permanently relocating there. Canada ranked second with 13% while the UAE stood in third place with 9%.



- (b) *Salary Expectations:* The minimum salary expected by top-quartile students was virtually the same as that for the average student population, although the range was considerably narrower, with fewer graduates willing to entertain salaries at the lower end of the scale.

Salary expectations

Saudi Rials per month

	Top-Quartile Graduates	All Graduates
Median	8,000	8,000
Lowest	7,000	5,000
Highest	10,000	10,000

Source: GulfTalent.com Survey

Conclusion & Recommendations

In order to attract and retain the best candidates, employers in the Kingdom need to formulate an attractive ‘Employee Value Proposition’ – a combination of provisions in the job and the working environment which fully address the employees’ career and professional aspirations.

The results of GulfTalent.com’s survey confirm that building such a value proposition demands far more than just an attractive salary. It is essential to provide an opportunity for growth and development, the chance to undertake interesting and challenging work, and to see the impact of one’s work.

Additionally, companies may wish to consider the following measures to boost their success in recruiting top graduates:

- *Providing international exposure:* As the survey results indicate, aspiring graduates value the opportunity for international work experience and the part it plays in their development. Therefore, recruiters who include an international element in their offered career path stand a better chance of attracting top candidates. Examples of such practices already being used include: offers of MBA scholarships after a graduate has completed certain number of years with the firm or, in the case of multi-nationals, the option for doing rotations or internships in the firm’s other offices outside the Kingdom.
- *Involving senior management in recruiting:* While the main recruiting process is typically handled by human resource professionals in each firm, companies who also involve their line managers and executives in the process, particularly at the early stage of presenting and canvassing interest on campus, stand a better chance of making an impression on the graduates. It is through this contact with line managers that an aspiring graduate can get the best insight into the business and where he could get to in a few years if he were to join the firm.
- *Participation in Careers Day:* KFUPM’s Careers Day, in which participating employers present their company to students and talk one-on-one about possible employment opportunities has been cited by students as their main source of information on graduate recruiters. Furthermore, nearly all of the companies that made the list of top-30 had a presence in this year’s Careers Day. It is therefore highly recommended that companies make the effort to participate in such career events and present their firm to the students. Presence of firm members who are alumni of the same university will add further impetus to the company’s recruiting campaign.

Selected Quotes

The following is a selection of quotes from interviews with graduates who participated in GulfTalent.com's survey. Names of specific companies mentioned by graduates have been removed.

Comments on Saudi companies

- *The salary there is good, but it is very hard to grow and get a high position. My friends who work there are doing the same job for the last 5 years!*
- *Job security is very important for me. These days it is difficult to get a job. If you are employed in a government company, you have more security.*
- *[Saudi company X] is very famous. Everyone knows them. And they pay excellent salaries. Of course I would like to work there!*
- *[Saudi company X] has more employees than they need, so they are not stretched or challenged enough. It is almost like a government company. There is a lot of 'Wasta'. You should know your boss and he should like you in order for you to get a raise.*
- *The Saudis in Saudi companies don't work as much as they should and their time is wasted, because they know they cannot be fired. I am looking for a job where I can prove my skills and abilities.*

Comments on multinationals

- *Multinationals give you a lot of training and personal development. When you leave them you have many more options than when you first joined*
- *[Multinational X] is my number one choice, because they invest in their employees and train them very well. They look to them for the future. They give more than they take.*
- *My friends who work at [multinational X] get a huge amount of work and responsibility, so their time is used effectively and not wasted. They are very busy and always working on something important. Their work is appreciated. They get a good salary.*
- *'Wasta' is a big issue here in the Gulf (getting something because you know someone). In [multinational X] you don't have that. You work professionally and you get what you deserve.*
- *Most Saudi companies recruit Saudis just to fulfil the government requirements, but if you work in multi-national companies, you get the job on merit, they give you serious work, you feel that you are really needed, and your work is appreciated.*

- *During my internship with [multinational X] I saw how different nationalities can cooperate and work together... It was a great learning experience. You could talk openly to people from other parts of the world, even to the directors and senior management and this helped you learn things that you could not have learnt on your own.*

Interest in working abroad

- *I would like to work outside Saudi Arabia for a few years, for the cultural experience. To meet and work with other nationalities, and learn from them. They can also learn from me about me and my culture.*
- *I would like to work in the UAE, especially Dubai which is 'a city of the world'. There are so many nationalities there, you feel you live in a city that has no special identity, you feel that you are working all around the world.*
- *My first choice abroad is the UAE, because it is an Arab and Islamic country and close to Saudi Arabia. I can visit my family over the weekends. They have a well-developed base for different industries. I am also interested in the US, but because of problems at the moment that seems a less attractive option.*
- *I would like to work in the UAE for some years. It is quite an open market and most of the multinational companies have their regional headquarters there in Dubai, including those in my field of interest.*
- *Living and working in the US is like a dream for me. My aim is to improve myself, to grow and be successful... I think the US offers a good environment for achieving my goals, professionally and financially.*
- *Although the US is not a very friendly place for a Saudi Arabian at the moment, it is still a very successful business environment. The largest companies are based there. It offers a great opportunity to meet important and interesting people and learn from them.*
- *After getting some experience abroad, I will return to KSA. This is my home; my family and relatives are here, and I will want my future children to be brought up in this environment. Also professionally I will be better off here as Saudi companies value expertise from outside Saudi Arabia.*
- *After working outside for 3-4 years, I wish to come back to KSA. By that time hopefully Saudi Arabia will have joined the WTO so there will be even more opportunities and many more multinational companies with international standards operating here.*

Methodology

This survey gathered data from around 120 recent graduates or final year students in King Fahd University of Petroleum and Minerals (KFUPM). Respondents were all male, Saudi nationals, aged between 21 to 27 (average 24). The survey was conducted during June 2005. The data collected has been screened and statistically analysed to arrive at the preceding results.

KFUPM is the leading university and higher education establishment in Saudi Arabia, located in the city of Dammam in the East of the Kingdom. With the exception of religious subjects, all courses at KFUPM are taught and examined in English.

About GulfTalent.com

GulfTalent.com is a leading online recruitment service for professionals, managers and senior executives across the Middle East. Headquartered in Dubai Knowledge Village and serving an active client base across Saudi Arabia, Kuwait and the UAE, GulfTalent.com specialises in matching top candidates with attractive career opportunities through its internet site.

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