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Reluctance of the Emirati Higher Education Graduates to Work in the Private Sector and its Impact on Unemployment

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Abstract: Emirati higher education graduates prefer working in the public organizations to working in the private sector firms and multinational companies. Thus, this research examines the factors responsible for the reluctance of Emirati higher education graduates to work in the private sector firms. Therefore, this paper is aiming to investigate the relationship youth unemployment and U.A.E gross domestic growth (GDP). The paper has used 20 years' annual secondary data on youth unemployment, education, foreign direct investment, inflation and GDP obtained from Dubai Statistic Center and The World Bank. A statistical package, E-views-8, will be used to calculate the results for the factor analysis and descriptive statistic. Multiple regressions will be performed with the help of E-views software. The findings of this study indicate that there is a significant relationship between inflation (t-statistics: 2.1781), unemployment (t-statistics: 2.2238), youth education (t-statistics: 2.2944) and U.A.E gross domestic product and the R-square shows that about 30.11% variations in GDP is explained by INF, FDI, UNEMP, POPGROWTH and EDU. These findings have noted that U.A.E youth unemployment have direct effect on U.A.E growth and development. This scenario has brought about stiff competition in the labour market in UAE. In addition, securing government or private jobs by Emirati higher education graduates is fast becoming difficult, and factors such as educational qualification, experience, personality, technicality (specific skills), and supply and demand constraints are determinants of private sector job securement. This paper contributes to tackling the issues regarding unemployment in UAE, as the government is keen to decrease the rates of unemployment by placing the graduates in the private job market. The government accordingly planning to improve the education standard to match the required quality standard and technical skills demanded in the open market. U.A.E government clearly appears to have recognized the imbalance between the job offered by the government and private needed to be addressed.

Keywords: Higher Education Graduates; Reluctance; Unemployment

INTRODUCTION

Education was tremendously limited when United Arab Emirates (UAE) became well-known in 1971. Since then, an enormous transformation has taken place and considerable investments have been made to cater for the educational needs of the ever-expanding population. Today, UAE offers a comprehensive education system to every male and female student from kindergarten to university (Nicks-McCaleb, 2005). There is also an extensive private education sector, while several thousand students, of both sexes, pursue courses of higher education abroad on government sponsorship.

Given the posh workrooms as well as high-end life style offered by the government sector, people in UAE desire to secure government job (El-Temtamy, O'Neill, & Midraj, 2016). The kind of comfort, prestige, and job security attached to the government jobs have no match. In the present time, numerous graduates and post- graduates have been appointed in various public sector organizations, and people from all walks of life prefer to get hired in the sector.

It has been recognized that government jobs have the minimum work load and a lot of relaxations compared to private jobs. Not only this, there are no overtimes as well as extra works in weekends. A government employee knows precisely which days he is going to work and for how long, and thus providing a more relaxed and satisfactory life style.

DEMOGRAPHY

UAE, like most of the countries in the Arabian Gulf region, relies heavily on foreign workers. Nearly 90 per cent of the UAE's labour force are expatriates (Wilkins, 2001). In UAE, the workforce broadly reflects ethnic distribution of the population, which consists of approximately 19 percent Emirati nationals, 19 percent other Arabs and Iranians, 50 percent South Asians, and 8 percent expatriates from Western and other countries. Figure 1 below shows the population of the UAE's employees by nationality, group, and occupation category, based on 2011 estimations.

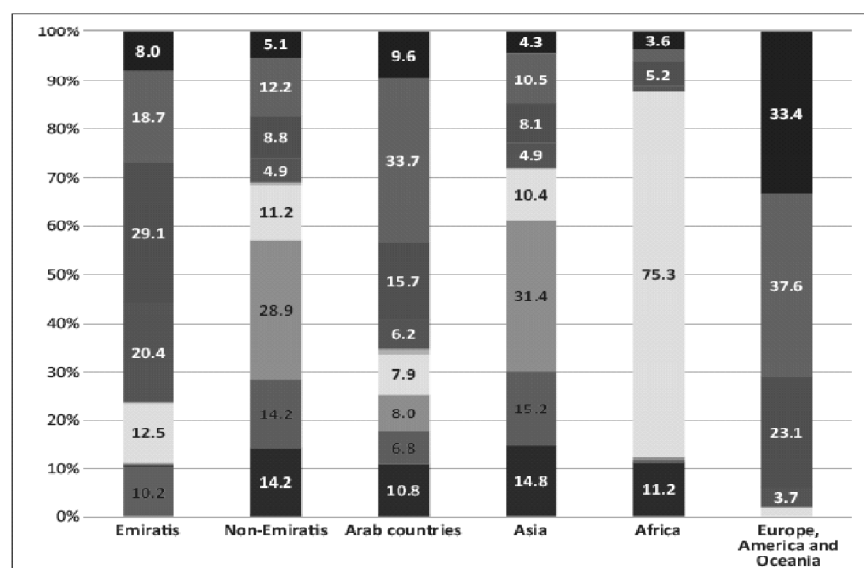


Figure 1: Employed population by nationality group and occupation category (Dubai, 2011)

Source: LFS 2011, DSC - Gulf Labour Market and Migration Report, (2015).

According to latest statistics issued by the Ministry of Labour (MoL), there are about 3.8 million workers in 285,000 firms in the private sector in the UAE. The number of government sector workers that make up the remainder of the UAE's 8.3 million population was not provided (MoL, 2013). Figure 1 showing employed population by nationality group and occupation category in Dubai as per 2011 estimation.

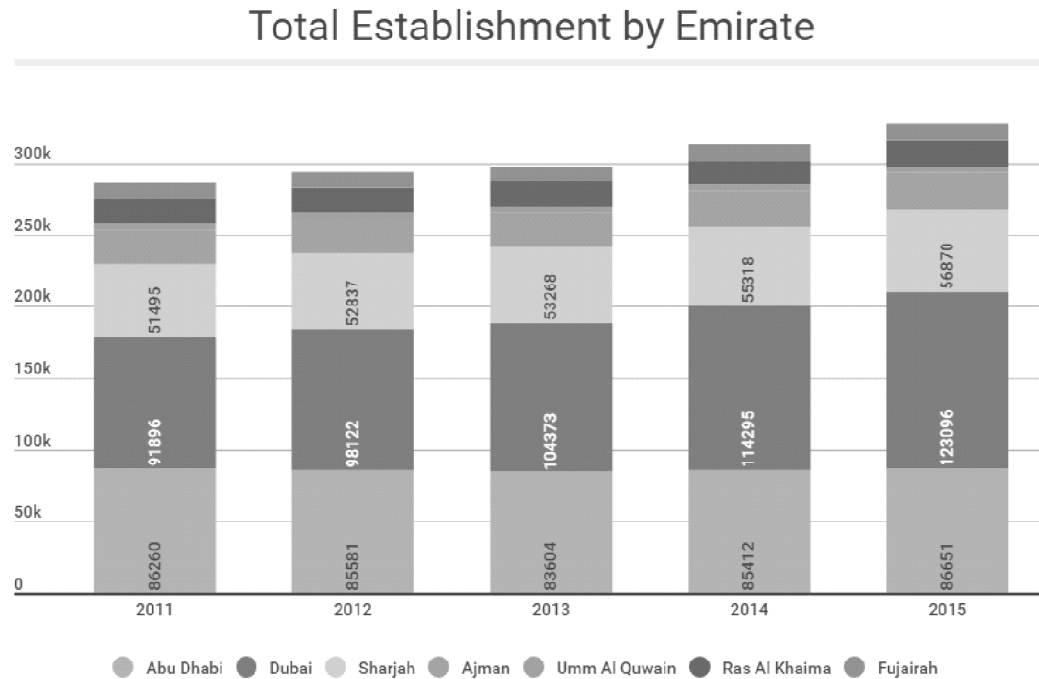


Figure 2: Total Establishments by Emirate

Source: U.A.E Ministry of Human Resources and Emiratisation (www.mohre.gov.ae) (2016)

Figure 2 shown below is indicating total labour force and establishments by emirate as per 2015 estimate (U.A.E Ministry of Human Resources and Emiratisation, 2016).

HUMAN RESOURCE MANAGEMENT PRACTICES

Human resource management principles and techniques for people's management in the competitive organizations are drawn from theories found in different disciplines. Indeed, it is impractical to present all the disciplines and relevant theoretical aspects that have shaped the understanding of human resource management today.

Indeed, the division of labor depends on the philosophies and expectations of members which are rooted in the wider society, tribe or religion. Managing people in an organizational setting is well documented throughout the history of mankind.

Organizational structures evolved, leadership emerged or was formed, roles and responsibilities were assigned to people, accountability systems were laid down, and rewards and punishments were also provided. In this regard, division of labor, specialization and accountability were systematically organized to achieve a specific purpose.

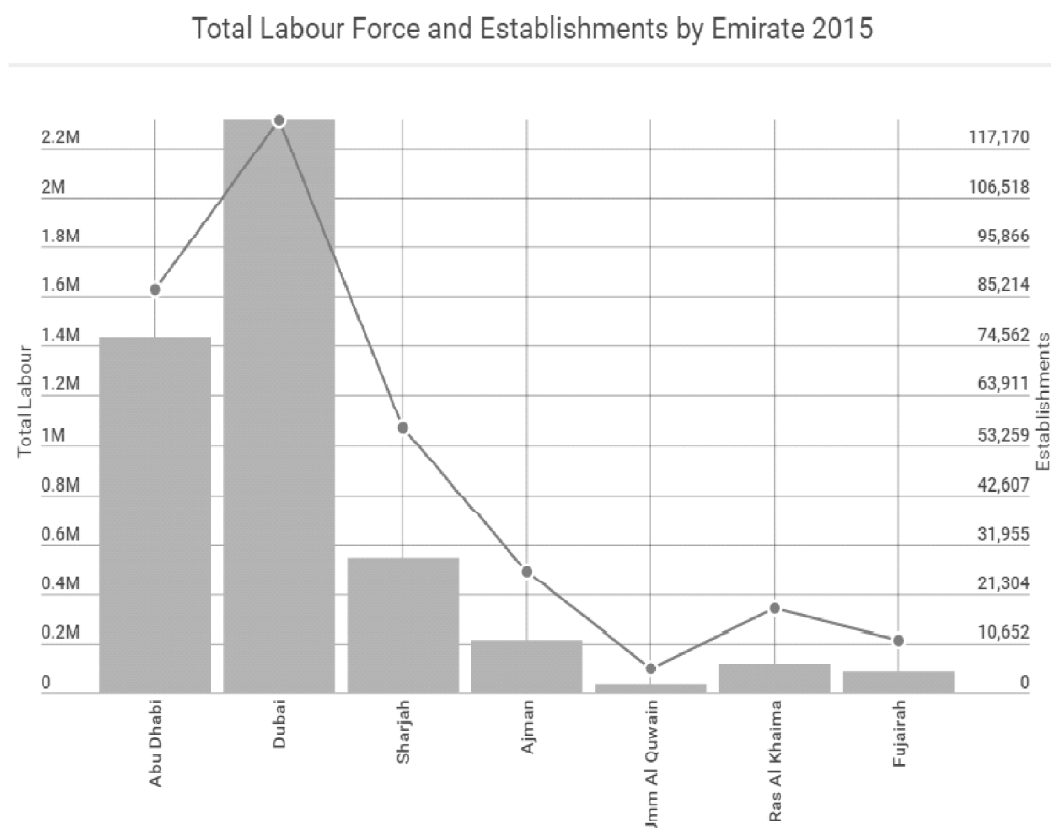


Figure 3: Total Labour Force and Establishments by Emirate 2015

Source: U.A.E Ministry of Human Resources and Emiratisation (www.mohre.gov.ae) (2016)

Resourcing is a concept that has emerged with the use of the term ‘human resource planning’ as it can be seen later. It involves a process of enabling the organization to have great people, doing the right jobs at the right time. This is in line with the challenges facing managers in staffing the organizations.

RESEARCH OBJECTIVE

Given below are research objectives of this paper:

1. This paper is aiming to examining the relationship youth unemployment and U.A.E gross domestic growth (GDP).

LITERATURE REVIEW

Unemployment is a worldwide phenomenon in which the educated, skilled and experienced workforce of a nation is disengaged in the service of the nation (Adesina, 2013). Unemployment is a global concern, because it is a critical economic situation, which has social, cultural, and political implications. In this chapter, three perspectives (i.e. under developed, developing, and developed nations) were adopted to explicate the relationship between higher education and unemployment.

Higher Education and Unemployment in the Under-Developed Countries

Ndyali (2016)'s research is on why a large numbers of university graduates in Tanzania go jobless for months and in some cases for years while the employers complain about lack of skilled workers. The author found that there is a huge difference between what universities is producing and what labour market is demanding in terms of skills. Therefore, there is need for universities to “rethink, repackage, reposition, and re-engineer their missions and methods in line with the changing requirements of the labor market and those of the local communities”.

Moreover, Adesina (2013) posited that unemployment is one of the most serious problems faced by Nigerian like many other developing countries in the world. The author pointed out that high rate of unemployment in the country is directly accountable for the increasing insecurity situation and challenges in the country. The author suggested that government should make serious note of unemployment crisis faced by Nigerians and come up with long term solutions.

Higher Education and Unemployment in the Developing Countries

Ismail (2011) conducted a study on Malaysian graduates found that good grades did not guarantee employment for Malaysian graduates. Graduates must have a good set of skills, good command on English language, good communication skills, leadership qualities, computer literacy, and relevant work experience. He/she must be intelligent, independent, and able to work in a team. These are some of the factors that can enhance their chances to compete in the labour pool of Malays, Chinese and Indians. In addition, Yusof and Jamaluddin (2015), in their research on 171 Universiti Malaysia Perlis (UniMAP) final year engineering undergraduates, found that there is a lack of planning and strategy essential for the fulfilment of the market needs, and could consequently make the graduates remain unemployed. Based on the researchers' suggestion, students need to involve in job hunt from the university level as this would enhance their employability at a later time.

Besides, a research, which was done by Soo (2015), on the policy over urban graduate unemployment in China signified a declining level of labour participation in China since many years ago, particularly women. This can be attributable to labour market discrimination and policy makers' discrimination against women which is on-going in China, and this signifies a source of inefficiency in the economy.

Wilkins (2001) conducted a study on Dubai Polytechnic, seeking to examine “the role of vocational education in supporting the national human resource development strategy” and “the economic, social, cultural, and political factors that impact the implementation of vocational education in the UAE”. The author found that “vocational education has plays an important role in supporting the government's policy of emiratisation whose objectives is to increase the proportion of nationals participating in the labour force by replacing expatriate workers with the locals. The author found that all educational institutions have been influenced by a unique set of social and cultural factors. Furthermore, private sector institutions have been considerably hindered by a number of political and economic constraints.”

On the other hand, Hadi (2015) conducted a study on 241 UAE university graduates and found that 90 % of the graduates of the universities under study lacked the required entrepreneurial skills while 4% of the graduates were actively involved in entrepreneurship. Thus, lack of preparation is a major difficulty for individuals attempting to start their own business. This shows that Emirati graduates lack required skills that will enable them become entrepreneurs who could start their own business. In addition, Nicks-McCaleb

(2005) investigated the issues surrounding the strategies employed by institutions to prepare UAE tertiary institutions students for careers in the global market. The researcher found that higher education and its widespread provision have impacted UAE students. UAE students are making headway in education, learning of new technologies and methods, and invitation of other international private universities to meet the demand in the labour market. Yet, the unemployment in UAE prompt the government to develop the guidance through involvement of overseas' experts who capture the growing trend and the evident mismatch between the skills of prospective employees or the fresh graduate education and the skills that the current job market demand.

Higher Education and Unemployment in the Developed Countries

Higher education and unemployment even in develop countries remained the topic to debate. As countries like U.S.A, U.K, Canada are facing critical employment issues for their own locals. This might be due higher rate of immigrants from Asia, Asylum cases and Refugees. However, Stiwné and Alves (2010) conducted a research on Portugal and Sweden, aiming to investigate the relationship between higher education, employability of graduates and students' satisfaction with their studies. The authors found that both Sweden and Portugal's big challenges seem to be how to meet the expectations and demands of young adults who have 'invested' in the tertiary education and how to manage the emerging gaps among the young adults of high and low levels of education. Bologna Education system may bring about different challenges to the Europe and these are not exclusively a matter for both the individual students' career and upcoming opportunities and the society at large.

HUMAN RESOURCE MANAGEMENT PRACTICES IN UAE

HRM in UAE involves an assessment of how Islamic values have affected work experiences and how Islam in general has shaped HRM policies. The human resource sector in UAE is rich with management opportunities, and there is a sequence of professional and qualifications to demonstrate knowledge and skills in all areas. As part of HRM practices in UAE, visit visa are given to people who come to UAE to get better employment opportunities, as this will consequently boost and improve the individual employee economic well-being and UAE economy. Also, HRM involves planning for the number and quality of employees, who are searching online, required under different job categories. It also involves placement of ads and many other activities that will ensure that staffing process such as recruitment, selection, placement, promotions, transfers, and downsizing are effective.

Moreover, human resource management practices in UAE include many different aspects involving 3rd party contract companies working with many giant public and private sectors which are managing large quantity of manpower and handling all relevant queries about job hunting, selection process, job placement in the companies, and resolution of issues regarding visit visa, resident visa, medical issues, securement of emirate's ID queries solution.

The following sections (i.e. 5.1 & 5.2) explicate the public and private sector labour pool.

U.A. E Public Sector Labor Pool

UAE nationals would rather work in the public sector where salaries are generally higher and working hours are shorter. The proportion of nationals working in the private sector was estimated to be as low as

one per cent in 1995 (Al Roumi, 1999). The greatest challenge in UAE is the lack of encouragement on the part of nationals to take up manual and technical jobs and jobs in the private sector. When nationals are willing to take employment in the private sector, they are usually only willing to consider managerial positions, but they lack the experience, skills, and qualifications prerequisite for the posts. The expatriate workers have more experience, they are better qualified and are willing to work longer hours for lower salaries.

U.A. E Private Sector Labor Pool

The private sector in the Emirate plays a vital role in the job market, and this makes it a stakeholder in the job market. Private sector should involve in devising policies and plans that will impact job market. Equally, it is imperative to engage the young adults in the development process, adopt the best management practices which focus on improving employees and leadership skills, build the knowledge economy, and pay attention to excellent programs that lay foundations for a major change in the traditional concepts and practices related to work.

Most of the recent data from 2014 on the labour force's stocks in the private sector show that UAE economy has progressively overcome the effects of the 2008 financial crisis. Decreasing in size until 2011 to reach 3,886,165 active persons. In 2014, the overall size of the labor force reached 4.417 million, a 10 per cent growth from 2013 and "the strongest growth rate in 44 years". According to the Ministry of Labor, the construction industry, which belongs to the private sector, topped the list of the three major employers, where the number of workers reached over 1.50 million or 34 percent of the total workforce; service sector followed it with 1.050 million workers or 24 percent of the total workforce; and the industry sector has 500,000 workers or 12 percent, accounting for about 70 percent of total jobs in the country (Gulf Labour Market and Migration Report, 2015, p. 13).

According to the recent media reports, UAE government is studying a number of measures to make the private sector more attractive for Emiratis by ensuring its benefits is at par with those in the public sector. These reportedly include subsidizing the salaries of citizens employed in the private sector, adjusting private sector working hours and days, and boosting job security for Emiratis in the private sector.

ADVANTAGES AND DISADVANTAGES OF PUBLIC AND PRIVATE JOBS IN UAE

Greater Job Security

A job with high level of job security is such a job in which the person that takes up the job would have a small chance of losing the job or being laid off. Public and private sectors are both motivated in UAE to achieve higher levels of job security. Government did this by passing laws that outlaw laying off of employees for certain reasons. However, private sector can influence the degree of job security by increasing their skills through education and experience, or by moving to a more favorable location.

Also, unions/third party do strongly influence job security in both public and private sectors. Jobs in healthcare and law enforcement terrain are considered very secure, but the disadvantage is that they belong to the kind of public sectors where salaries are somewhat lower than private sectors.

Better Working Conditions

Positive work environment is essential for mental and physical fitness of the employees, and it is of consequential benefit to both public and private sectors. Nevertheless, good work environment cannot come up by accident, it is determined by organizational values that makes employees feel good about coming to work, and this provides the motivation to sustain them throughout the day.

Pay, Compensation, Incentives, and Bonuses

Employee incentives, pay, compensation, and bonuses can generate healthy competition. Employee compensation is an important factor, because either in public or private sectors, what employee care is what they receive in term of benefits and competitiveness in the short and long run. If UAE only gives certain number of employee's incentives based on individual or group performance, it will be disadvantage in both sectors. In a scenario where meritocracy exists, employees who work the hardest always reap the most rewards, and this poses little problem.

Recognition, Promotion, and Growth

It is recommended that a manager should spend about an hour on designing performance appraisals for each employee, and this depends on the number of employees being evaluated. The exercise can take several hours before it can be done. Part of this process is the meeting with the employees to review employees' promotion, career growth, and recognition. If the process is not a pleasant experience, it has the potential to discourage employees. The process needs to be of encouragement, positive reinforcement in both public and private sectors.

In terms of Retirement

This depends on the nature of the organization in UAE. Private companies do not pay pensions, but they offer good salaries and provide gratuities. On the other hand, public sector pays pension to the employees upon their retirement.

RESEARCH FRAMEWORK

Given below conceptual framework of this paper based on the literature reviewed:

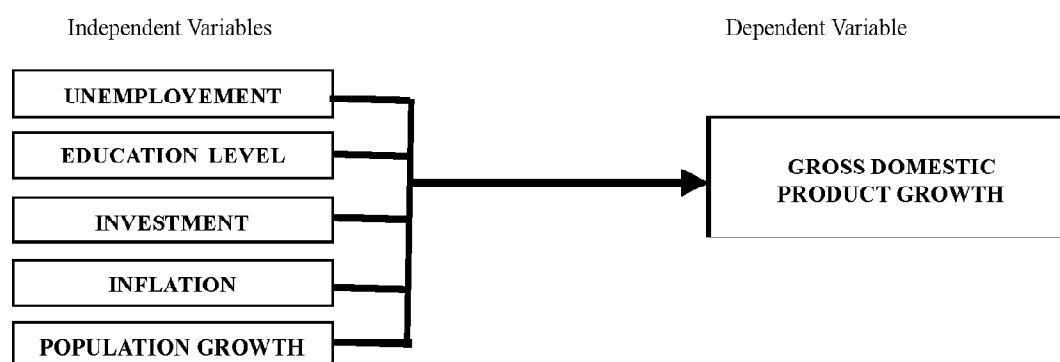


Figure 1: Research Framework

MATERIAL AND METHODS

The study used secondary data from the U.A.E (Dubai) Statistic Center, Economic Research Federal Bank, The World Bank (Refer to Table 1.) for the period 1980-2015 for youth unemployment, GDP, inflation, education and investments. The data generated for the study from these sources were analyzed using ordinary least square (multiple regression). Excel software helped us to transform the variables into a format suitable for analysis, after which the Econometric View (E-view) 8 was utilized for data analysis.

The analysis was guided by the following linear model:

$$GDP = c + \beta_t YUNEMP + \beta_t EDU + \beta_t INF + \beta_t FDI$$

Where, GDP is gross domestic product growth, YUNEMP is the young unemployment, EDU is the education, INF is the inflation and FDI is the foreign direct investment. \hat{A} is the intercept of the regression and \hat{a}_t is the coefficients of the regression, while \hat{a} is the error term capturing other explanatory variables not explicitly included in the model.

Table 1
Secondary data Source

<i>Variables</i>	<i>Sources</i>	<i>Time Series</i>
Youth Unemployment Rate for the United Arab Emirates, Percent, Annual, Not Seasonally Adjusted (1991 -2014)	Economic Research Federal Bank Reserve Bank of St. Louis https://fred.stlouisfed.org/series/SLUEM1524ZSARE	(1980 -2014)
School enrollment, primary and secondary (gross), gender parity index (GPI)	The World Bank (IBDR – IDA) http://data.worldbank.org/country/united-arab-emirates	(1980 -2014)
GDP (current US\$)		
GDP growth (annual %)		
Inflation, GDP deflator (annual %)		
Foreign direct investment, net inflows (BoP, current US\$)		

RESULTS

Table 2
Descriptive statistics

	<i>GDP</i>	<i>INF</i>	<i>FDI</i>	<i>UNEMP</i>	<i>POPGROWTH</i>	<i>EDU</i>
Mean	4.020000	3.757143	3.01E+09	7.712571	6.520643	1.049888
Median	3.400000	2.400000	2.32E+08	7.800000	5.463996	1.057310
Maximum	23.90000	18.50000	1.42E+10	11.00000	15.03260	1.119048
Minimum	-15.00000	-15.20000	-9.85E+08	5.650000	0.509332	0.957790
Std. Dev.	6.944393	6.940897	4.63E+09	1.644512	3.293531	0.045165
Skewness	0.164862	0.001499	1.136182	0.212369	1.063557	-0.404692
Kurtosis	4.825235	3.434969	2.702143	1.656414	4.051656	2.201344
Jarque-Bera	5.016960	0.275927	7.659688	2.895706	8.211288	1.885555
Probability	0.081392	0.871130	0.021713	0.235075	0.016479	0.389544
Sum	140.7000	131.5000	1.05E+11	269.9400	228.2225	36.74608
Sum Sq. Dev.	1639.636	1637.986	7.28E+20	91.95027	368.8098	0.069356
Observations	35	35	35	35	35	35

The table 2 above shows the descriptive statistics for gross domestic product (GDP), inflation (INF), foreign direct investment (FDI), your unemployment (UNEMP), population growth (POPGROWTH) and education (EDU) for the period 1980-2014. The above table 2 also indicating the means for GDP (mean: 4.02); INF (mean: 3.757143); FDI (mean: 3.01); UNEMP (mean: 7.712); POPGROWTH (mean: 6.520) and EDU (mean: 1.04988) accordingly. Furthermore, the standard deviation for GDP (6.944); INF (6.940); FDI (4.63); UNEMP (1.644); POPGROWTH (3.293) and EDU (0.045) is reported. The Skewness for GDP (0.164); INF (0.00149); FDI (1.136); UNEMP (0.212); POPGROWTH (1.063) and EDU (-0.404) is reported and Kurtosis of GDP (4.825); INF (3.434); FDI (2.702); UNEMP (1.656); POPGROWTH (4.051) and EDU 2.201 is reported via descriptive analysis. The descriptive statistics shows that the maximum youth unemployment was 11 %, this amount does not interpret that either this unemployment is due to U.A.E people who are awaited to have job in government positions.

Table 3
Regression result

Dependent Variable: GDP

Method: Least Squares

Date: 04/22/17 Time: 17:28

Sample: 1980 2014

Included observations: 35

<i>Variable</i>	<i>Coefficient</i>	<i>Std. Error</i>	<i>t-Statistic</i>	<i>Prob.</i>
C	-96.55764	46.10243	-2.094415	0.0451
INF	0.409786	0.188137	2.178125	0.0377
FDI	-3.31E-10	3.53E-10	-0.937149	0.3564
UNEMP	-2.640146	1.187195	-2.223851	0.0341
POPGROWTH	-0.136851	0.384541	-0.355882	0.7245
EDU	115.5267	50.34976	2.294483	0.0292
R-squared	0.301124	Mean dependent var		4.020000
Adjusted R-squared	0.180628	S.D. dependent var		6.944393
S.E. of regression	6.286007	Akaike info criterion		6.669334
Sum squared resid	1145.903	Schwarz criterion		6.935965
Log likelihood	-110.7133	Hannan-Quinn criter.		6.761375
F-statistic	2.499037	Durbin-Watson stat		1.469834
Prob (F-statistic)	0.053373			

The table 3 above show that there is a significant relationship between inflation (t-statistics: 2.1781), unemployment (t-statistics: 2.2238), youth education (t-statistics: 2.2944) and U.A.E gross domestic product and the R-square shows that about 30.11% variations in GDP is explained by INF, FDI, UNEMP, POPGROWTH and EDU.

ISSUES

Demand is increasing day by day as the numbers of the qualified people who are working in UAE are increasing in a much diversified market condition. Every company wants to hire best employee with better skills and UAE graduates are having problems with some sort of reservations.

Emirati graduates prefer working in the government organizations to working in private sector firms and multinational companies. The study, conducted by an online recruitment firm, GulfTalent.com in 2013, investigates top preferences of Emirati graduates. The survey found that an estimate of 86% of Emirati male graduates and 66% of female graduates prefer working in the public sector after graduation. Working in multinational firms is the second choice of UAE graduates while working in the private sector firms is their last choice, as just 4% of male graduates and 10% of female graduates prefer working in the private sector (GulfTalent.com's survey, 2013). Based on statistics from the UAE Labour Ministry, over 90% of the Emirati working population of 225,000 are employed in the public sector, with the rest working in the government or affiliated entities. The UAE private sector, despite employing over 4 million expatriates, is only home to 22,000 citizens.

Additionally, Dr. Ali Mohamed Al Khouri, Director General of the Emirate Identity Authority revealed that there are 55 million job seekers in the Arab World who want to work in Arab public sector (Wam, 2013). But, the concern is about the fact that the sector cannot accommodate all of them, and it cannot fulfill their expectations. Furthermore, in UAE, 90 per cent of current college graduates gets their educational skills from the traditional government institutions, directed by government policy (Tanmia, 2004), but they will need to update their skills in line with the labour market, since it continues to develop and expand. Continued development of the workforce and consistent refinement of graduates' fields of expertise are vital to the economic development of UAE.

Given a situation whereby college graduates cannot easily or readily be absorbed in to the workforce, Brown and Lauder (2003) highlight the implications for education and labour market policy. Availability of limited numbers of suitable job vacancies for college graduates is an issue that must be addressed. In a rapidly growing economy, employers cannot wait patiently for new graduates to mature and develop. So, employers become pro-active and prescriptive, and supportive of practical training initiatives to complement their employees' academic education.

Besides, there are some other concerns highlighted by De Bel-Air, (2015). In Dubai, since 2008 financial crisis, the economy has been improving and absorbing foreign workers, although the immigration policies have been undertaken by the security concerns and pressures from human rights' protection bodies. There are issues relating to expatriates' settlement involving expatriate children, mixed marriages, and Emirati mothers are under consideration of immigration and legislation authorities.

Employment

The term employment is described as "a person who is hired and given compensation or has not yet begun work for some reasons, who is employed full or part time during stated payroll period" (Hussmanns, 2007).

Moreover, the nature of job can be classified into two categories: public and private jobs. Public jobs include civil service, public service, police, and firefighting service. In public sector, there are many semi-government or public jobs meant for rendering services to the public and betterment of private job holders (Grimshaw, Marino, & Rubery, 2012). Conversely, private jobs are much riskier with no job security. In the private sector, employees may not know when their employers can forcefully lay them off or fired them (Farber, 2008).

Unemployment

Unemployment is a phenomenon with which countries economic situation is identified. It is defined as “a person who is vigorously searching for employment, but unable to find one. Unemployment is habitually used as a measure of economy health” (Husmanns, 2007). There are many factors that determine securement of job in government organizations because government job is not for everybody. One must meet the requirement regarding educational qualification eligibility and specific years of working experience to be able to secure government job. Some Emirati higher education graduates remained unemployed because they do not have the necessary educational qualifications, and they are demanding for high wage (Forstenlechner, Madi, Selim, & Rutledge, 2012). Besides, numerous companies rely and reach out to recruiters to provide them with the required personnel whenever there is job vacancy. There are multiple benefits attached to this, but one of the major disadvantages of this process is competition which is much tougher for the locals than the foreigners, because foreign workers have different kinds of experiences and expertise, and they are employed by the private and multinational companies at the expense of locals. Thus, UAE graduates are having problem securing jobs in the sector.

Reasons behind Graduates' Preferences for Working in Public Sector

The respondents, who were surveyed, cited higher salary and benefits, better working conditions, and greater job security as the main reasons for preferring government jobs (GulfTalent.com's survey, 2013).

GOVERNMENT INITIATIVES

Nationalization Programs

The private sector is increasingly being 'obliged' to more actively support nationalization programs (Forstenlechner *et al.*, 2012). Increasing the share of nationals in the private sector jobs continues to be a top priority of GCC governments. Saudi Arabia and Kuwait recently expanded the range of job categories reserved for their nationals. Kuwait has also taken measures to make expatriates less employable, by limiting professions for which expatriates can be issued with a driving license. Meanwhile, the diminishing number of new government jobs may be creating a window of opportunity for the private sector, with some employers reporting greater success in attracting Gulf nationals.

THEORIES OF HUMAN DEVELOPMENT

Developmental theories provide a set of guiding principles and concepts that describe and explain human development. Theories provide a framework for understanding human behavior, thought, and development. By having a broad base of understanding about the 'how' and 'why' of human behavior, we can better understand ourselves and others.

RAPID GROWTH, EDUCATIONAL NEEDS, AND JOB MARKET

At the start of 2004, the total population of UAE, including expatriates, reached approximately four million (UAE-The official website, 2004), with Emiratis comprising nine per cent of the total UAE workforce, while two per cent of them were unemployed, according to the three-part Employment and Human Resource Report 2004, released by the National Human Resource Development and Employment Authority (Tanmia,

2004). The report focuses on strategies for increasing the employment amongst UAE nationals, particularly in the private sector, career development, improved work skills, and higher education reformation. These goals are echoed and supported by Al-Suwaidi (1999) who asserts that it is imperative that UAE pursues more aggressive and diverse human resource development policies.

More so, Tanmia's (2004) report stresses the need for a job market-oriented curriculum. This is consistent with the argument raised by Coffman (2003) which advocates for international private higher education better suitable for the needs of private sector employers. Similarly, Bahgat (1999) and Al-Sulayti (1999) highlight the mismatch between the needs of the labor force and the educational system in the Arabian Gulf region. A total of 13,361 UAE nationals are expected to enter the job market in 2004 according to Tanmia (2004), and the projected figures for 2006 and 2010 are 16,187 and 19,610 respectively. Since 57 per cent of the UAE population is currently below the age of 20, those charged with leadership roles in education are examining ways of addressing the needs of this rapidly growing nation in the twenty-first century.

The UAE state higher education budget has been frozen for five years in spite of significant increase in population, and this is alarming, given the statistics which indicates rising numbers of high school and college-aged students. The focus of the government on Emiratization and the development of a workforce for the knowledge society in the twenty-first century make it becomes imperative for the parents and educators to review their traditional strategies and approaches to the provision of quality teaching and learning. In UAE higher education is under-funded and this has adversely affected the liberal admissions policy (Sharè, 1999). This forms part of the gradual and surreptitious global trend of the withdrawal of support and government funding for schools worldwide. Many schools worldwide are in a poor state, teachers are dissatisfied with their salaries and working conditions while there is a perception that state schools are falling short of their responsibilities being nurtured by governments. Such a strategy may be in an effort to abdicate responsibility for a vital, expensive, and politically sensitive service which affects a country's entire population, and it is an easy target in political campaigns. The effects of this reduced level of government support are already being felt in the labour market. Tanmia (2004) highlights a number of critical issues that need to be addressed by the community as a whole and the educators in particular to ensure continued economic success and growth of UAE.

Al-Rostamani' (2004) report shows the statistics of unemployed who registered with Tanmia as follows:

1. 76.6 per cent are females
2. 50.8 per cent have completed their higher education
3. 70 per cent are aged between 20-29 years

In a survey involving the graduates of higher colleges of technology (1996-2001), it is discovered that 40.8 percent of the graduates are unemployed. the UAE university graduates who registered with Tanmia did so as unemployed, but not as job-seekers. Males were able to find jobs more easily than their female counterparts; although both had the same educational qualifications; and Tanmia were able to place only 12.6 percent of 6,563 job-seekers in 2003.

A possible reason for freezing the funds meant for higher education system may be a subtle move by the government to increase the pace of Emiratization. Emiratis lacking higher education would be forced

into the situation where they would have to accept blue collar or low-level clerical positions, which are currently held by workers from the sub-continent who would subsequently be returned to their homelands. The workforces of Oman and Bahrain, for example, comprise citizens employed at all levels, unlike UAE where citizens currently expect to be employed at management level.

CONCLUSION

UAE is managing to keep abreast of the trends, issues, threats and opportunities in the education sector and the job market through introduction and implementation of innovative changes to the education sector. For example, virtual learning, advance technological methods, and emergence of private universities of international standard.

The emergence of unemployment in UAE has prompted the government to rapidly constitute a body composing experts from overseas in order to curb the growing trend and the evident mismatch between the prospective skilled employees and the current job market situation.

Likewise, the government is keen to decrease the rates of unemployment by placing the graduates in the private job market. Based on this, the government is looking forward to tailor and improve the education standard to match the required quality standard and technical skills demanded in the private job market. The U.A.E government clearly appears to have recognized that the imbalance between the job offered by the government and private must be redressed.

RECOMMENDATIONS

Job placement in the public sector, private sector, and multinational companies should be proportionate, otherwise, the graduates would continue to prefer working in the public sector to working in the private sector and multinational firms. Also, to reduce the rate of unemployment, there is need for inauguration of programs that will enhance nationalization and Emiratization.

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