



ABOUT CRF

Founded in 1994, **Corporate Research Forum (CRF)** is a membership organisation whose purpose is to increase the effectiveness of the HR function, in order to drive sustained organisational performance, through developing the capability of HR professionals. Through more than 25 years of research and the expertise of our team, we have developed a deep understanding of the ways HR can contribute to business outcomes – what works, what doesn't, and in what circumstances. With a network of over 250+ leading organisations, we continue to grow as the respected focal point and knowledge source for improving corporate and individual performance.

We support our members in enhancing their personal capabilities and building organisational effectiveness, guiding them through topics relevant to success, identifying actionable insights and practical recommendations and facilitating networking opportunities. Our work helps organisations and the HR function make sense of the environment in which they operate, and develop capacity to deal with continuous uncertainty.

For more details on how your organisation can benefit from CRF membership please contact Richard Hargreaves, Managing Director, at <u>richard@crforum.co.uk</u>. Alternatively, please visit our website at <u>www.crforum.co.uk</u>.

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HULT / EF COMMENTARY

HULT / EF corporate education

LOOKING TO THE FUTURE WITH BOLD AMBITION

The Middle East is a diverse and dynamic region, undergoing exciting transformation on multiple fronts. Bold, ambitious new ideas and initiatives are constantly emerging and leadership in the Gulf states has become of great interest for international observers, as these countries navigate the challenges and opportunities of the current context and future visions.

Leadership in the Middle East, particularly in the Gulf, is a testament to the region's resilience, adaptability, and vision. As the Gulf states continue to redefine their roles on the global stage, their leaders emerge as architects of change, steering their nations through the challenges of the present towards a promising and sustainable future.

The global shift towards renewable energy sources and the need for economic diversification have prompted visionary leadership moves. Major economies in the Gulf are leaning towards sustainability and innovation, with initiatives such as Saudi Arabia's Vision 2030, NEOM city and the UAE's Mars Mission making headlines.

EMBRACING TECHNOLOGICAL ADVANCES

Technology is a significant driver of change in the Gulf, with leaders keen on transforming their nations into smart hubs of the future. Leadership strategies are making adoption of Al, blockchain, and smart city initiatives central to their plans. Political leaders are harnessing technology not just for economic growth, but also healthcare and education, improving the quality of life of their citizens while business leaders are harnessing technological innovation to reach young consumers and create sustainable business models.

The region's business community is also creating vibrant tech startups ecosystems, supported by venture capital and Government-led incubators and accelerators. This focus on digital transformation is not only propelling their businesses to the forefront of the global digital economy but also establishing the Gulf as a leading centre for technology and innovation.

NAVIGATING CULTURAL AND DEMOGRAPHIC SHIFTS

Leadership in the Gulf looks to the future, yet has to tread the delicate balance of tradition and modernity. Social reforms are sweeping across the Gulf, with corresponding impact in the workplace.

Business leaders are key players in the region's social reform and cultural evolution. They are breaking down traditional barriers in the workplace, promoting gender diversity, and creating inclusive work environments that attract a diverse talent pool. Initiatives to empower women in leadership positions and encourage youth entrepreneurship are reshaping the social fabric of the Gulf. Through philanthropy and corporate social responsibility (CSR) programmes, they are addressing societal challenges and contributing to the well-being of the communities they serve.

HULT / EF DEVELOPS THE NEXT GENERATION OF LEADERSHIP IN THE MIDDLE EAST

In our decades of work across the region we have had the pleasure of collaborating with many of the Gulf's most successful organisations, leaders, and practitioners leading to an understanding of the diverse range of challenges, needs and opportunities presented.

There is an immense thirst for knowledge and incredible commitment to learning and development in the region which bodes well for continuing the development of its leaders, companies and communities along its current trajectory. There are huge opportunities ahead for all who are dedicated to their own growth and development.

This report delves into the nuances of leadership in the Gulf, exploring how cultural, economic, and technological shifts are shaping the leadership landscape in this dynamic region.

Rory Hendrikz, Vice President Middle East, Hult EF Corporate Education





LEADERSHIP DEVELOPMENT *IN THE GULF* BRIDGING TRADITION AND TRANSFORMATION

In this report we investigate the exciting and nuanced leadership context in the Gulf region. The report makes cross-cultural comparisons between the values, styles, and expectations of leaders in the Gulf and the West. It explores the consequences of the region's history as a trading area between families and tribes that grew into a globally significant region with many multinational conglomerates. Based on qualitative case studies, we explore the factors that influence leadership styles including family, religion, hierarchy, decision making, and the prioritisation of reputation and long-term success over short-term results.

After exploring the history and influences on leadership, we move to what is changing and needs to change in the region to support the next phase of growth and success. This includes nationalisation programmes, education systems, multicultural and generational currents, expatriate workers, the emerging prominent role for female leaders, and the pivot away from fossil fuels as the basis for the next growth phase.

Finally, the report discusses the way leadership development practices are responding. This includes recognising that Western leadership approaches are relevant but need localising. The most effective leadership development offerings are shown to be those that are culturally adapted and highly experiential.

We conclude with 12 recommendations for leaders and talent professionals that we expect will contribute to developing effective leaders in the region.

EXECUTIVE SUMMARY

A SUCCESS STORY STILL BEING WRITTEN

The Gulf region is a diverse and dynamic landscape that is being shaped by powerful political, economic, cross cultural, and generational factors. Within this context, regional business leaders have achieved remarkable success over the last half century, transforming the Gulf region into a significant global centre. Deliberate planning and bold ambition have led to remarkable growth, with landscapes changing from barren deserts to bustling urban and industrial centres. A critical question now is 'how' will the region sustain and further capitalise on the success so far? In meeting this challenge, there is a desire to show that the success to date reflects strategy and hard work rather than a rising tide of energy dollars floating all boats. Signals so far indicate the region has the potential to remain on an upward trajectory toward further success. Following the impressive results in the last half-century, Gulf leaders face important challenges that they are addressing to fulfil their ambitions of maintaining and building on their current successes.

Signals so far indicate the region has the potential to remain on an upward trajectory toward further success.

Perhaps the biggest difference between the focus of Gulf and Western business leaders today is that the Gulf economies are performing well, in part due to strong oil prices, while many Western economies are pre-recessionary or recessionary. The focus of leaders in the Gulf is all about growth, while in many Western economies it is about survival. However, while abundant oil wealth once allowed for a more relaxed work environment, the highly competitive global business environment today demands market-relevant skills and a focused work ethic to diversify towards new industries based around services and consumers – such as tourism, technology, and clean energy. Fossil fuels are not expected to be the primary basis of the region's next growth phase. These developments are occurring against a complex backdrop of changing population dynamics, a need to manage multicultural workforces, and the challenge of balancing traditional ways of working with the demands of fast, complex, and sometimes threatening operating environments. In response, the Gulf region is undergoing a transformative shift in its approach to leadership and workforce development. In particular, there is a strong emphasis on ambition, productivity, global relevance and reinvestment that drives growth.

Irrespective of the success so far and big future ambition, there is a prevailing sense of humility amongst many Gulf leaders. Leaders in the region take pride in their achievements quietly, without feeling the need for external validation or fanfare. In fact, as we soon discuss, this humility and preference for maintaining a background presence is a defining characteristic of the region's approach to leadership. The challenge ahead lies in adapting this traditional leadership style, which often emphasises hierarchy, prioritises the long term, and sometimes values relationships over performance, to approaches more suited to effective performance in times of rapid change. In recognition of this, several interviewees described a conscious reveiling of organisational structures that de-emphasise hierarchies and result, in faster decision making, greater accountability, and ensuing success.

This context has made the Gulf region attractive to younger generations and to expatriates. The region offers opportunities for career development, personal growth, and financial success. It is still the case that absolute opportunities are greater for some, but for most who move to the region, opportunities are greater than those available in the places they left. One thing that came across clearly in the research is that stereotypes are ineffective. For every organisation that is hierarchical, there is one that has actively worked to reduce hierarchies. For every leader that manages using authority and control, there is another who prioritises collaboration and empowerment. Nonetheless, there are general patterns and trends regarding leadership in this exciting region that we now explore.

1.0 GULF LEADERSHIP AND ITS INFLUENCES



1.1 EFFECTIVE LEADERSHIP STYLES

We heard often that there is no archetypal Gulf leader with respect to how they lead who is successful in all contexts. With that said, we did hear numerous accounts of how successful leaders guide and influence others that seemed to be well received in many, perhaps most, contexts. Central-to-Gulf leadership is an understanding of the impact of national and organisational cultures.

Successful leaders in the Gulf are those who not only recognise but also respect and reflect these cultural dynamics in their leadership approach. Second, leaders who prize innovation and have a plan to achieve it appear to be highly respected. Several interviewees talked of mid-level leaders routinely presenting plans and intentions that span time horizons crossing multiple years, whereas it is perhaps more common to have a quarterly or annual plan in the West. Finally, effective leaders adeptly navigate the inter-generational dynamics that are playing out in the region. The most effective leaders are those who create environments that incentivise and support creative thinking among younger generations of employees. While Western models of leadership have their place (when appropriately adapted, as we soon discuss), these factors of *cultural sensitivity, pursuit of innovation,* and *generational awareness* are important to how successful leaders *lead*.



Leaders increasingly value input from their teams and acknowledge the benefits of collaborative problem-solving – the most effective leaders in the Gulf are embracing this approach.

Consider this example of how such characteristics and capabilities led an executive within a Gulf-based organisation to success. This executive was initially perceived as a rebel due to his unconventional, rule-breaking approach and a focus on what he saw as his fiduciary duty to the organisation as opposed to hierarchy and relationships. His methods were often considered controversial. However, the organisational context soon evolved due to an increase in the complexity of the firm's business and operating environment, driven by factors such as the digital transformation of the business. Older ways of working that required formal approval be sought for most decisions were too slow and did not anticipate or respond to environmental events sufficiently. No single person at the top of a hierarchy could have all the answers to questions in the new, faster, operating environment. This leader's readiness for a more experimental, empowering leadership style that required accountability from his reports propelled him to the forefront of the business. His early embrace of non-traditional leadership and operational methods, including promoting more internal mobility and prioritising professional development among young nationals, marked a departure from a previously siloed, hierarchical approach to leadership and enabled him to be successful.

Traditionally, managers in the Gulf have been seen as authority figures who needed to have all the answers. Productivity was measured by adherence to fixed working hours, and managerial success was often quantified by the ability to complete checklists and maintain control. However, several interviewees, including Mohammad Almarzooqi, Human Capital Director at Mubadala, said they have observed a transformative shift towards a style that encourages delegation, the relinquishment of some degree of control, and the cultivation of a two-way feedback system. Leaders increasingly value input from their teams and acknowledge the benefits of collaborative problem-solving. The most effective leaders in the Gulf, we're told, are embracing this approach. This shift also involves a more nuanced approach to leadership promotions and recognitions, focusing on merit and contribution. This highlights a significant trend in Gulf leadership – a transition from a traditional, control-based managerial style to a more flexible, collaborative, and performance-oriented leadership approach. This change is not just reshaping organisational cultures but is also setting new standards for effective leadership in the region.



1.2 GULF LEADERSHIP VALUES

We learned that loyalty and long-term relationships are highly-valued in the Gulf, often leading to decisions that appear to prioritise long-term relationships over immediate performance considerations. If a worker has been a loyal employee for a long time but is now struggling, the priority will be to find them a role where they fit, rather than encourage them to exit the organisation as is common in Western organisations. This long-term view also makes it easier for business cooperation between companies to occur. A Saudi firm and another from UAE, for instance, may be quickly willing to cooperate because both sides are aware time will provide ample opportunities for balancing the contributions of each side.

1.3 The importance of family

Gulf countries emphasise a family-centric approach. This ethos is evident even in informal ways, such as when working hours are frequently adapted to allow employees to accommodate family commitments. It is also visible in cultural practices where organisations give support to employees and their families in ways that might extend beyond what is typical in Western organisations. Interviewees gave repeated examples of this behaviour from leaders. In one case, a worker's family member was dying, and the family was struggling to make it to the airport to travel. The organisation liaised with the airline and airport to hold the flight, so the worker's family was able to travel. In another, a senior Emirati made a call to take care of the medical treatment for the wife of an expatriate worker who was dealing with a serious medical issue. Senior leaders routinely inquire about the wellbeing of worker families and, where they can, do beyond what might be expected in Western organisations.



CASE NOTE 1

INVESTMENT MANAGEMENT ORGANISATION

In the Gulf region, there's a perception that direct feedback isn't widely practiced in leadership. Indeed, in this report we have described that the feedback process needs to be delicately approached, especially if the feedback is critical, otherwise it will be heard as impolite. However, we did hear inspiring examples of local leaders redefining leadership norms in the region. A senior HR executive based in Abu Dhabi told us of a senior Emirati leader who stands out for many positive qualities, such as intelligence, integrity, and decisiveness. But what sets him apart is the leader's humility as well as their open and direct communication style. This has enabled him to quickly build trust. His team members feel empowered to share thoughts and feed back openly. Constructive feedback is seen as a catalyst for growth, fostering an atmosphere where team members are encouraged to provide insights without hesitation. This was one of numerous examples demonstrating a shift in leadership practices in the Gulf. Leadership development efforts at this investment management organisation focus on experiences that develop these qualities in all of its leaders.

A question that we had at the outset of this research was whether Islamic faith influenced the behaviour expected of leaders in the Gulf. It is clearly evident that religion is embedded into day-to-day life in a way that influences business values. This translates into both expectations of leaders and how they actually behave. To expatriates we spoke with, this effect can be subtle. Religion may not be discussed as the reason behind certain values, but it is embedded in the culture and it guides how people behave. For instance, everyone told us Gulf values emphasise the importance of virtues such as tolerance, patience, and inclusivity, which are also consistent with Islamic values. Several people emphasised that these principles are also aligned with Christian values.

Mohammed Al Jasser, former Assistant Minister of the Ministry of Human Resources and Social Development, discussed with us that religion certainly does impact what is expected of leaders, although that influence can sometimes be implicit rather than explicit, as Islamic principles are simply embedded into Gulf culture. Mohammed described his experiences of integrating Islamic principles in the way he personally leads and the positive effects this has had. He has a technical engineering background and, by virtue of his success, has found himself in leadership positions with responsibility for people in organisations. He uses visualisations and metaphors to describe the future aim of business transformation goals. This is a skill he learned when having to explain technical concepts to non-technical audiences early in his career as an engineer.

Seeing the objective of transformation motivates workers by giving them clarity and the comfort that the change he's asking people to embark on is safe, predictable, and if they work together, achievable. Al Jasser helps others to embrace change by removing the anxiety in the minds and hearts of people that work with him. He noted that this is today called psychological safety, and many Western readers will be familiar with the idea. However, the way he builds that safety is localised for the Saudi Arabian context. For instance, in describing why transformation is necessary, Al Jasser often relates the need for change to the teachings of the Prophet Muhammad. He also uses proverbs, poetry, and well-known sayings from Arabic culture to explain the rationale for change. This is effective, he says, because people live by such principles and sayings in Saudi Arabia. This makes people around him more motivated, as leading in this way makes him more relatable, with others seeing that they share common values.

1.5 HIERARCHICAL STRUCTURES

In the Gulf, many institutions face the challenge of encouraging healthy debate in a culture that traditionally respects elders and positions of authority. The hierarchical structure has, historically, been a prominent aspect of firms in the Gulf. However, this is only a tendency. The prevalence of hierarchy varies across work environments within the country. For example, we learned it can be more pronounced in government agencies, where it is common to revere senior figures and less pronounced in private companies with international influence. In private or foreign-owned firms, candid discussion is common. We heard about one leadership meeting where high-level executives, including the CEO and his direct reports, engaged in frank discussions and feedback about each other's performance. There are also signs of further change in workplace dynamics where the shift away from rigid hierarchical structures is becoming more noticeable, albeit gradually. Continuing this trend will enable organisations in the Gulf to be responsive and agile in the face of increasingly challenging operating environments.

1.6 DECISION MAKING

It is not uncommon for routine business decisions, for example, hiring and/or letting workers go, to be taken at high levels of Gulf state businesses. This reflects both the hierarchy discussed and the high degree of care taken to preserve long-term relationships. In fact, when it comes to decision-making, interviewees described that where organisations are hierarchical, decision-making can be centralised and slow. However, after what can seem like a long wait, decisions are often reached swiftly. Decisions may be reached discreetly, without the extensive consultation and discussions in executive meetings, as is common in the West. As a result, when participants convene for these meetings, it can seem to outsiders as though the options presented are pre-determined. In reality, these decisions will often have been carefully considered behind closed doors with trusted parties. While we heard this from several sources, we also heard from organisations that reported they had stripped away such practices and entrusted leaders at lower levels to manage, taking advantage of leadership skills as all levels of organisations for important decisions.

The shift away from rigid hierarchical structures is becoming more noticeable, albeit gradually. Continuing this trend will enable organisations to be responsive and agile in increasingly challenging operating environments.

CASE NOTE 2



Michael Vavakis Director of People and Transformation LARGE NATIONAL INFRASTRUCTURE PROJECT

We asked Michael Vavakis, Director of People and Transformation at a large National Infrastructure Project is doing to bring the best and brightest transformative minds to the region. He described a carefully constructed value proposition focused on innovation and creating the future. The Project promotes the fact that those who come will be solving challenges that influence how a city of eventually 9 million people live and work in the city model of the future. This has attracted talented minds from over the world across a broad spectrum of ages and experiences. The Project has made strategic appointments of successful executives from other parts of the world that serve as a signal to others that this is a place to build, grow and develop careers. This in turn attracts other talented workers.



1.7 FAMILY, LISTED, AND STATE-OWNED FIRMS

In some conversations, when thinking about leadership, interviewees differentiated between businesses led by families, which play a larger role in economies than they might in Western economies, and firms that are public or government led. Family businesses play a prominent role because of the history of the region. Many strong family-owned businesses developed out of mutually rewarding long-term relationships amongst trading families whose businesses grew into conglomerates. The region's recent emergence as an economic power means many of the founding families still control the businesses. Rules and regulations are often favourable to family business too. Leaders in family enterprises we spoke to tended to prioritise multi-generational success and protecting the reputation of the family.

In fact, several interviewees working in senior roles described protecting the reputation of the family as a fundamental objective of their work. They described this approach as liberating. In the Western firms these leaders worked in, they reported executive and non-executive directors being accountable to shareholders and regulators for quarterly performance with close scrutiny from analysts. In the family business in which they now work, they were able to do what they believed was right, which simultaneously fosters a culture of integrity and protects the family reputation. While acknowledging the challenges associated with implementing such an approach in the West, there is potential for Western corporations to derive valuable lessons from the adoption of a longer-term perspective. In fact, this approach is generally consistent with the tenets of sustainable business (see the <u>CRF 2023 report on</u> <u>Sustainable Business</u>).

Leaders in family enterprises tend to prioritise multi-generational success and protecting the reputation of the family.

CASE NOTE 3

FINANCIAL SERVICES ORGANISATION

One investment institution we spoke with has been highly successful over a long period of time. The investment landscape has completely changed globally in that time and they have reinvented their processes as a result. The hierarchical structure that is quite common in the Gulf doesn't work for the type of investing they now need to do. To be a nimble organisation in a highly-digitised business environment, formal and informal communication loops need to exist that allow frequent feedback. The firm's approach to leadership has changed to meet these demands. Where some organisations have many layers with lower layers having little access to this top layer, this firm now has flattened its hierarchy. Engagement surveys reveal employees feeling empowered and having access to the organisation's leaders. This creates a healthy tension that drives performance because empowered managers know that with empowerment comes accountability. Business decisions can now be made in weeks even days or hours – whereas in the older operating model important decisions might have taken months. As an organisation, they empower people and make sure that the appropriate risk management mindset is embedded within the functions rather than by adding layers of control above them.



1.8 EXPATRIATES AND THEIR EXPERIENCES

Successful expatriate leadership in the Gulf hinges on the ability to establish genuine connections and trust. Leaders must be seen as credible and trustworthy, especially when working with local nationals. Everyone we spoke with suggested this credibility is built over time, and whether one has it or not impacts how effective they are at influencing and decision-making. Expatriate leaders should be prepared to face challenges, such as misunderstandings arising from cultural differences or misaligned expectations. It is most productive when expatriates facing these challenges view them as opportunities for growth and learning. Overall, a key recommendation for expatriates is to take the time to learn who your colleagues are and what their expectations are. There is less of a need to immediately make an impact than one might expect, compared to roles in Western countries.

Several expatriates we spoke with described a sense of impermanence and transience regarding their work roles. This sense of transience, prevalent not just in the GCC but in various expatriate contexts, stems from needing to grapple with the possibility that their stay could abruptly end. Some said their suitcases were never far away. This uncertainty can make expatriate decision-making cautious and measured, as there's always a concern about the stability of their employment and, more than usual, about avoiding mistakes. Recent government policies have aimed to mitigate this. For instance, the UAE has introduced longer-term visas, such as the 10-year stay visa. These changes have been particularly important in attracting expatriates at senior levels, where finding new roles quickly if your existing role ends can be difficult. Such policies emerged from a realisation, especially post-2008 financial crisis and during the COVID-19 pandemic, that the region was experiencing a significant loss of skilled professionals.

Expatriate leaders should be prepared to face challenges, such as misunderstandings arising from cultural differences or misaligned expectations.

CASE NOTE 4





Gareth Powell Group CHRO FIRST ABU DHABI BANK

Gareth says that expatriates in the region have made an enormous contribution to the success to date, but organisations need to encourage and support these expatriates to develop and promote local talent for the next round of success. To assist with this at First Abu Dhabi Bank, he created a central budget for Emirati talent. This lets him hire people from the market for a business and HR pays the costs for the first six to 12 months. He promotes and sustains this initiative by informing current managers that they can have access to a mid-level Emirati leader for 12 months at no cost to the business unit. In order to take up this offer, the hiring manager must agree to find the local talent for a newly funded role in 12 months. This leads to recognition of Emirati talent and removes the barrier that managers don't have the budget to hire local talent. It also gives the hiring manager time to adjust their workforce planning and cost base for the new hire in 12 months. Doing this for even 10 to 12 roles per year has had a noticeable effect on talent development of UAE nationals.



2.1 THE NATIONALISATION AGENDA AND THE NEED TO ACCELERATE THE DEVELOPMENT OF LOCAL TALENT

Nationalisation refers to efforts to increase employment of locals in the private sector in countries in the Gulf Cooperation Council (GCC). The name is adapted for different countries, Emiratisation, Saudisation, Omanisation, Qatarisation, and so on. Nationalisation is a key focus of all countries in the GCC. Interviewees for this research expressed confidence in the ability of local talent to contribute significantly to leadership. For current leaders in the Gulf, particularly those in line management positions, the challenges lie in effectively managing their teams and owning the responsibility for local talent development in a climate of high expectations.

It is a well-known fact that, due to the nationalisation agendas, the career trajectory of locals can be steeper and faster than non-locals in the Gulf. Locals will therefore reach higher positions at younger ages than people in similar level roles in the West. This trend is accentuated further because the local population is, on average, younger than in Western countries. A local graduate reporting to an expatriate CIO might quickly become the expatriate CIO's boss.

This is not an easy ride for the local workers in new-found positions of seniority. Not only are the recruitment processes stringent, emphasising high academic and assessment standards, but the new leaders can quickly find themselves under pressure. Their countries have entrusted them with significant responsibilities and expect success. These leaders do not want to make mistakes and can be quite vulnerable, especially in the early days of their roles. Leadership development programmes should involve an extensive needs analysis to understand their contexts and tailor learning to their specific needs.

2.0 WHAT IS CHANGING OR NEEDS TO DUE TO ECONOMIC AND SOCIAL FORCES?



Human Resources and Social Development



Mohammed Al Jasser former Assistant Minister MINISTRY OF HUMAN RESOURCES AND SOCIAL DEVELOPMENT

Al Jasser described an interesting situation that might surprise Western readers. We often hear that governments are slow and cumbersome, and that private business is fast and agile. However, in Saudi Arabia, following the launch of Vision 2030, he often saw government starting to move faster than companies, with a spill over effect that ultimately led to companies becoming more agile by following the government's lead. Vision 2030 is a strategic framework designed to reduce the Kingdom's reliance on oil. Some private businesses did not immediately understand the seriousness of the country's leadership about the transformation that was underway and experienced short-term pain as a consequence. However, once businesses began to adapt their internal systems to the new wave of change, they saw the opportunities available and were able to take advantage of them.

When asked what enabled the government to ignite such a transformation across the country, Al Jasser said three themes come to mind:

- 1. The highest levels of leadership setting and committing to the vision
- 2. Policy reform and relentless implementation
- 3. Follow up to track performance.

For example, one government body set up to do this is the Centre for Government, Performance and Maturity which has a programme called 'Adapt'. Adapt measures the way government institutions perform and operate.



2.2 EVOLVING TRADITIONS TO MEET MODERN BUSINESS DEMANDS

In another example of how the region navigates tradition and the modern business world, the weekend in the UAE used to start on a Friday and Saturday. Now is has been aligned with the Western business practice of Saturday and Sunday. In the Islamic world, Friday is the holy day. This has caused quite a debate amongst Emirati because typically Friday would be prayers and family gatherings. Recognising this, one organisation we talked to set its working hours on Friday to finish at 12 o'clock, freeing up workers so as not to disrupt family routines. These sorts of accommodations from leaders that respect age old traditions are well-received in the Gulf.

2.3 DEMOCRATISING THE EDUCATION SYSTEMS AND GROWING GRADUATE TALENT

The education system in the Gulf is constantly evolving, and steadily making strides towards developing a broad skill-based talent pipeline. There is an emphasis on investing in education because of the expectation it will yield significant benefits in the future. This commitment to education is necessary if nationalisation agendas are to continue to succeed. Scholarship programmes over the years have helped the region to develop the talent needed to keep growing society and the economy. For example, in the 1970s it was fairly common for Saudi Arabia to fund scholarships. The first wave of scholarships that happened occurred in the early 70s, with many people going to the United States and United Kingdom due to their renowned educational institutions.

This was often a foundational experience for scholarship recipients. It enabled students to learn critical skills whilst also acquiring English language skills that made them effective in international environments. These people returned with bachelor's degrees, masters, and PhDs to become government and business leaders. In the 1980s when the price of oil was lower, the region was having a difficult time economically and it was harder to send students abroad for education. Students needed not just the ability to receive a scholarship but also a degree of good luck. By the 1990s the number of people on scholarships were at its lowest. The practice of scholarships increased again under King Abdullah with efforts to build closer relations between Saudi Arabia and the United States.

The latest programme to be inaugurated is the Human Capital Development Programme that is part of Vision 2030, chaired by Mohammed bin Salman Al Saud, Crown Prince and Prime Minister of Saudi Arabia. He chairs this himself because of the importance of human capital to the success of Vision 2030. The aim of the programme is to remove barriers to education from childhood through to University level. An example practice is that if you are admitted to one of the top 30 global universities you will automatically receive a scholarship. Now that skill capacity is developing, there is a renewed emphasis on targeted spending, for example, for education in specialisms where the country needs it most.

There is an emphasis on investing in education because of the expectation it will yield significant benefits in the future.

CASE NOTE 6



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Ali Al Mansoori Group Chief Human Resources Officer

We heard from many interviewees that bold ambition is something that differentiates Gulf leaders from leaders in other parts of the world. Ali says that if you had asked him 20 years ago whether Western approaches work in the Gulf his answer would be completely different, because at that time the Gulf was developing into the system that it is today. Asking him now, he says yes, so long as the practices emphasise trust and integrity, because business practices in the Gulf today are completely aligned with other modern developed countries in Europe, Eastern Europe, North America, and South America. Most of the leaders are thinking at least five to six years ahead of where the country is, he says. They're asking what they can they do differently, whether that's to bring a new venture to market faster or to become a benchmark for other companies rather than benchmarking against others. This mindset has undoubtedly flowed - in part - from the phenomenal success of the region, but there is significant planning going into taking this approach to the next level. At $e \vartheta$ for example, aspiring leaders learn by doing as opposed to classes. Ali and his team have designed opportunities for deliberate exposure to the leading consultancies in the world and secondments with carefully chosen organisations, such as Vodafone, or companies with which they have formed strategic relationships, like Google. This has changed the outlook of leaders internally who now look at e& and ask what they can do to take the firm to the next level. Who wouldn't want to learn the art of leadership at e&, he asks rhetorically.

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2.4 CHANGING GENERATIONAL EXPECTATIONS AFFECTING THE VALUE PROPOSITION

Gulf workforces are younger on average than Western workforces. Compared to 25 years ago, the quality of the home-grown talent is also stronger due to many good universities in the region. The entry of Gen Z into the Middle East's workforce offers companies a chance to capitalise on their ideas and energy. To do so will require a clear employee value proposition that speaks to the career aspirations of this generation to ensure that they are motivated and engaged. One familiar perspective was that, contrary to the conventional view that offers reward for long-term service, younger workers are expecting progression to senior roles more quickly today – they are vocal about their expectations.

Older messaging from organisations that suggested people put their head down and work hard until somebody notices it is no longer effective. Gen Z workers in the Gulf expect to see a clear path to success in the near term. This expectation is enforced by examples of highly successful young people. For instance, the UAE has appointed youthful, highly educated individuals to key government ministerial roles.

One thing that organisations can do is develop clear and transparent career pathways and create environments around the younger leaders to ensure they acquire the experiences they need to become effective leaders. Some interviewees told us that in conversations with ambitious younger generations they emphasise that the skills required for senior level positions are often acquired through lateral rather than vertical role shifts.

CASE NOTE 7

MICHIGAN ROSS

Gene Mage Managing Director, Custom Programmes MICHIGAN ROSS

Gene Mage has been working with top organisations in the Gulf region for the past 9 years designing and delivering leadership development programmes for Michigan Ross' Executive Education. The Hi-Po programme he helped implement at Saudi Telecom (STC) was voted the best talent development programme in the Arabia region in 2018.

We asked him what makes a successful leader during business transformation. He shared highlights with us from a Michigan Ross case study on Dr Khaled Biyari, former CEO of STC, and current Assistant Minister of Defence for the Kingdom of Saudi Arabia. STC was a state-owned monopoly before being spun out as a commercial enterprise in 1998. It needed to be significantly more agile and competitive, and less hierarchical, in a deregulated market. STC made great strides under CEO Khalid Biyari and then Head of Technology Eng Nasser Al Nasser. Biyari and Al Nasser, who would go on to become the Global CEO of STC, began by clarifying STC's values. Working along with a newly appointed Director of Culture, they drove a comprehensive cultural transformation programme that focused on the achievement of carefully chosen goals.

A key goal was gaining buy-in for the new company values from the top 100 executives. They convened with the top 100 regularly to discuss progress and share ideas openly. Dr. Biyari also ran town-hall style events where employees were invited to attend, known for having very open agendas where people could talk about what was on their minds without fear. As Biyari remarked in the case, sometimes employees cried tears of joy that a CEO even knew their names and listened to them. Biyari famously called this approach *"management by love"*. Whatever you call it, it worked.

The team also transformed the physical workspaces to be more open and welcoming, creating an executive wing with glass walls. By clarifying the organisation's values and being intentional about achieving transformation milestones, Biyari and Al Nasser delivered impressive and tangible results. The financial performance of STC improved dramatically, and Biyari puts it down to the strong culture his team created. According to McKinsey, STC demonstrated one of the biggest improvements ever seen on the McKinsey Organisational Health Indicator (OHI).



2.5 **A PROMINENT ROLE FOR WOMEN IN LEADERSHIP**

Gulf countries are aware that for maximum economic performance it is necessary that the region harnesses all the great minds of the regional economies. As part of the drive in this direction, women are receiving unprecedented opportunities in the workplace, including in leadership roles. For example, at the beginning of Vision 2030, the Saudi Arabian government set an ambitious target to double female participation in the workforce by 2030, and the target was achieved in 2022. Other indicators such as the proportion of women in the highest levels of government, including cabinet ministers, also show that the region is doing well when it comes to gender diversity. Interviewees uniformly told us that women leaders in the Gulf are motivated by the awareness that their governments are pushing for their integration at the most senior levels of the workforce. An opportunity for the region is to further extend these successes by empowering women and building awareness of how to influence, even where business decisions may be made in those social settings primarily attended by men (e.g. a golf course in the West, Majelis in the Gulf).

The proportion of women in the highest levels of government, including cabinet ministers shows that the region is doing well when it comes to gender diversity.

CASE NOTE 8



Yolande Basson

Executive Coach, Leadership Assessor, Business School Faculty HULT INTERNATIONAL BUSINESS SCHOOL

Yolande Basson is a seasoned executive coach with a background in coaching leaders from the UAE and Saudi Arabia, including numerous women in leadership roles. She observes that women in the Gulf region are seizing the opportunity to excel, spurred by governmental programmes that encourage their full participation in the workforce across all levels and industries. These female leaders, often well-educated and ambitious, are eager to leverage this moment. Showing a strong work ethic and no signs of complacency. She emphasises the universal need for a safe space where leaders can openly express themselves and work out approaches to addressing the challenges they face.

3.0 HOW IS LEADERSHIP DEVELOPMENT RESPONDING?

LEADERSHIP DEVELOPMENT IN THE GULF BRIDGING TRADITION AND TRANSFORMATION

3.1 LOCALISATION OF WESTERN MODELS AND APPROACHES

Much of the leadership development research emerges out of North America and Europe, which leads to the question of how relevant these ideas about leadership are for the Gulf context. We heard from most interviewees that Western research is indeed relevant. They said that the Gulf isn't reinventing everything from scratch when it comes to leadership development. In fact, due to the workforces wide historical access to the world's leading business schools, most leaders are very familiar with Western leadership ideas and approaches. Yet we also heard that when Western leadership approaches reach the Gulf, they are often disassembled and reassembled in a way that accounts for the Gulf's unique context. This process involves a deliberate blend of Western practices with established ones, facilitating transformation in a gradual and structured manner that respects traditions rather than tries to implement rapid wholesale replacement of the well-established order of things.

Historically, for instance, Western leadership models have emphasised traits such as dominance, power, and charisma as traits of effective leaders. We heard that these traits are not unimportant in the Gulf, they do matter to some degree, but many in the region are slightly sceptical of such leadership styles. Business leaders feel it is better to hear from others about the strong qualities of leaders than from the leaders themselves. 'Fact-based' and 'honest' were

the adjectives used to describe the style of leadership that is preferred. For some time, Western models of leadership have been incorporating these more humanistic attributes (e.g. authentic leadership, servant leadership) and research shows them to be effective. The preferred styles of the Gulf appear to have universal foundations. We heard this perspective put eloquently by one interviewee, who said the leadership approach in the Gulf is often the same leadership ingredients, just mixed in different quantities.

CASE NOTE 9

HULT / EF



Rory Hendrikz Vice President Middle East HULT EF CORPORATE EDUCATION

Rory describes how the phenomenology of Gulf leadership arises from and within its unique regional culture. The most impactful leadership development interventions, therefore, not only draw upon the latest international thinking but are also informed by the regional cultural nuances and ways of working.

He further suggests that even if leadership development providers can garner this critical balance, they need to go even further in ensuring that the learning approaches are also engaging and relevant to the leaders and learners of the region. So, both the subject matter and the learning processes are essential in enabling the learning agility of regional leaders, having to operate within an incredibly fast-paced, dynamic environment.

In the case of Nationals this can be even more important if they are afforded the opportunity to step into key senior roles earlier in their careers than their global counterparts, where the stakes of leadership capabilities, credibility, and confidence are extremely high.

This is the focus of the work that Rory and Hult/EF undertake in the Gulf region, with a critical emphasis on highly customised and contextual leadership programmes and coaching.

3.2 TAKING THE TIME TO DEVELOP LEADERS

A recognised barrier to effective leadership development is the fact that leadership development takes time, whereas business pressures demand short-term results. However, given the long-term nature of Gulf thinking, the region is unique in being more able to create development paths that span over multiple years. Practitioners can likely lengthen the horizon of the development programmes they develop to cover multiple years. We were told that organisational development programmes that do this would be well received. Another relative advantage of leadership development efforts in the Gulf is the region's emphasis on relationships. Managers in the region, once presented with the rationale, take the time required to ensure emerging leaders get the experiences they require, investing considerable personal energy in the success of their staff. On the other hand, a challenge in the Gulf may be that leaders are less likely to have experience leading under-performing businesses in difficult economic times. Development programmes should catalogue such experiences and identify how to allow leaders to gain broad exposure to a variety of leadership settings.

Given the long-term nature of Gulf thinking, the region is unique in being more able to create development paths that span over multiple years.

CASE NOTE 10





Professor William Scott-Jackson OXFORD CENTRE FOR EMPLOYEE ENGAGEMENT

Professor William Scott-Jackson, from the Oxford Centre for Employee Engagement, has carried out research across the UK, US and the Middle East and says findings about capability in the Middle East mirror what he sees in other regions. In one organisation, a needs analysis revealed that despite much of the scientific research focusing on very senior CXO leaders and their styles; transformational, charisma, and so on, the area that needed the most attention was the 'first line manager' level. Where much of the leadership development work focuses on how to be more inspirational, he says the training these managers needed was more down to earth. They discovered it was these first line managers that had the biggest effect on how engaged workers are. They trained the first line managers to be much more effective by following some simple practices designed to guide the managers through their most common tasks. Some of these tasks, such as delivering a reprimand for poor performance, most managers had no idea how to do. By focusing on first line managers, William says, the organisation planted the seeds of effective future leadership.

3.3 FORMAL MANAGEMENT COURSES ARE BEING CUSTOMISED

Many individuals from Gulf region, particularly in Saudi Arabia and the UAE, have attained educational qualifications at prestigious universities teaching western leadership principles, a practice that continues to hold significance today. It gives the benefit of rubbing shoulders with experienced executives from all over the world who can share different perspectives. It also creates a global network which is a valuable resource. Gulf leaders benefited greatly, we heard, and are now passing that legacy on to others – but with a twist.

These courses are commonly delivered with formal classroom-based learning as an umbrella framework under which other activities are integrated (e.g. 360-degree feedback, experiential learning). The content taught in these formal programmes has been transformed by localisation content to reflect the ongoing economic ascent of these countries. The best of the formal programmes are now a fusion and synthesis of leadership skills and practices that resonate more profoundly with the regional context. The best providers who do this are embedded in the local context and have regionalised their business schools. Moreover, there is now a more judicious focus on development that is expected to lead to a benefit for organisational performance. Conversely, in the past, personal incentives and organisational needs were sometimes misaligned e.g., people might have received a bonus for completing a qualification when what they and the organisation really needed was some other sort of development.

The best of the formal programmes are now a fusion and synthesis of leadership skills and practices that resonate more profoundly with the regional context.

CASE NOTE **11**

ASSESSMENT CONSULTANT

One consultant and practitioner in Saudi Arabia on assessment for leadership development for many years, said that effective assessment processes recognise that there is not always a focus on decision-making based mainly on the assessment that there might be in some Western organisations. Other contextual factors are usually considered very closely. If someone is a senior person, ask for signals that they are open to feedback. The personal growth benefits of the feedback need to be made clear for senior people, particularly if they have primarily ceremonial or figurehead role. It was noted that when high influence nationals do show the ways that they have changed due to assessment feedback, it can be a powerful motivator for organisational change.

LEADERSHIP DEVELOPMENT IN THE GULF BRIDGING TRADITION AND TRANSFORMATION



3.4 **TOWARDS TAILORED, IMMERSIVE EXPERIENCES**

While formal classroom-based courses remain popular, many interviewees we spoke with emphasised the need for more tailored and practical approaches. While there is still a strong desire among professionals to attend prestigious business schools like Harvard or IMD, there is a growing understanding that such experiences, although valuable, may not fully align with the specific needs and goals of organisations in the region. The trend is shifting towards bespoke programmes that are experience-based and are intimately aligned with both an organisation's objectives and the unique market environment of the Middle East. The well-known 70%/20%/10% division between on-the-job learning, people, and courses is an increasing emphasis on the learning that occurs at work. These new approaches are not just about imparting knowledge, but also fostering Gulf values, including humility, respect, and a deeper connection with the region's operating reality. This change in nature of leadership development offerings that are required has been gradual, but we were told is nevertheless significant. We heard that it marks a move away from a one-size-fits-all model to one that is more responsive to the context and the practical challenges leaders face.

It marks a move away from a one-size-fits-all model to one that is more responsive to the context and the practical challenges leaders face.

CASE NOTE 12 Emirates Larry Mayers Leadership Lead **EMIRATES**

Larry is responsible for leadership development at Emirates and was well aware of the need to be thoughtful when giving feedback before he started his role. Midway through a transformation project with 40 leaders, he needed clear feedback on what was working and what wasn't. He knew a survey would not get high-quality information because of a cultural reluctance to appear critical. He and his colleague came up with an enjoyable and theatrical idea. They rented a hall and placed about one hundred A4 sheets of paper on the floor with single adjective on each, one third positive, one third neutral and one third negative. Leaders were asked to enter the hall and pick up one of the sheets at random - and then explain why a person on the room may be feeling that way about the project. By dissociating the feedback from the person giving it, he and his colleague managed to gain useful information about how the transformation journey could be improved.

2. PROBLEMS / PAINS

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3.5 THOUGHTFUL FEEDBACK



3.6 ON THE JOB LEARNING

Similar to Western organisations but more pronounced, according to our interviewees, is the need to be thoughtful, even cautious, with the way that feedback is given. Often, as is the case in the US or UK, managers may avoid giving feedback until a negative incident occurs, abruptly escalating the size of the issue. Proactive engagement is key in managing these situations in the Gulf. Leaders must be aware that trust is required before providing direct feedback and permission should be sought. Leaders therefore need to adopt a forward-thinking approach, preparing the ground for the time when they may need to give candid feedback. This is especially relevant for expatriate leaders, who often value directness in feedback and communication. However, in the Gulf's culturally diverse workplace, this approach requires careful handling. Directness must be tempered with an understanding of the cultural context and ensuring the recipient is ready to receive feedback. For example, a leader might believe in giving straightforward feedback but, if it's perceived as overly blunt or disrespectful, it will not be heard. In that case, it is more likely to demotivate and alienate team members. A balance needs to be struck between being clear and direct, and showing empathy and respect.

WANDA WALLACE, MANAGING PARTNER, LEADERSHIP FORUM INC.

Wanda explained that for firms to excel, their leaders need to be able to give and receive feedback and resolve conflict. This is how we know whether the organisation is on course to meet its objectives. These things happen in feedback conversations. For feedback to be effective, people need to minimise assumptions about others and overcome defensiveness. Further, productive conversations, she says, cannot happen without trust that people care about each other. You might not always have very high trust in the beginning, she says, but it is very important to avoid low-trust situations. You can do this by not second-guessing everything people say, and being authentic by respectfully revealing how you genuinely feel about what other people are saying.

On the job learning is very common in the region. This happens within organisations, but also across organisations. This approach is consistent with the widely-held view that the majority of learning should occur on the job. We talked with firms that said, for instance, that they had previously secluded graduates into high-touch programmes where they learned very specialised skills, such as investment simulations in finance. These recruits subsequently underwent rotation across programmes across various departments. This approach, however, did not always yield the desired return on investment. Now future leaders are placed in the hot seat, surrounded by experienced hands. For example, they might be sent to gain experience in different cultures and work environments. This exposure to intense, high-pressure environments is seen as crucial for the professional development of future leaders. The outcome of these changes has often been significant. Employees who have undergone this rigorous, experience-based training demonstrate a marked difference in their ability to apply their skills effectively within the organisation, as compared to those who have not had such exposure to external, high-intensity work environments.

3.7 Mentoring

In the UAE's diverse workforce, it's common to pair an Emirati in a leadership role with an expatriate serving as an advisor. This approach is designed to enhance the professional development of Emirati leaders, enriching their experience, and expanding their skill sets. Such a structure aligns with the region's mentorship-focused culture. The approach is also consistent with our recommendation that expatriates understand that a primary function of their time in the Gulf is talent development. There is a real thirst amongst nationals for most forms of training, including leadership development, with the high-touch approaches to development including mentoring by well-positioned and highly-experienced leaders proving especially popular. The difference between mentoring and coaching, which we discuss next, is that coaching enhances the coachees skills, rather than giving direct advice on particular problems.



3.8 COACHING

A recent CRF report, *Coaching: Maximising Business Impact*, defined coaching as a goalfocused, collaborative and client-centred approach designed to enable behaviour change and unlock people's potential to maximise performance. Much like the situation described in the report, we learned from interviewees that coaching is valuable to help leaders quickly adapt to changing environments. Some experts we spoke with suggested that coaching was still perceived as remedial, whereas others said coaching was being rolled out at scale to all line managers with the long-term aim being that they become coaches to their teams. Consistent with best practices, several organisations make coaching available at transition points where new leaders are likely to be most vulnerable. Interviewees also noted that coaching is now being pushed to the lower levels of organisations. This is due to technology making delivery of coaching available to more people, with lower price points and more economical use of time (e.g. no need to travel to receive the coaching).

3.9 SUCCESSION PLANS

A recent report on succession planning in the Gulf by CRF, *Effective Succession Management in the Gulf Region* described that when firms have strong succession management plans there is reduced CEO turnover and increased manager tenure, improved satisfaction with the transition process, greater employee satisfaction and performance, and stronger feelings of job security. Given the prominent role of family business in the Gulf, a natural topic to emerge in interviews was succession planning. Succession plans in the family-owned business discussed involve a clear, yet private line of succession, managed within the family trust. Unlike public companies where successors are often publicly known, this family business keeps succession details confidential to prevent potential biases and favouritism. The focus is on avoiding premature elevation of any of the owner's four sons, who are all potential successors. The firm's leadership, including the CEO, is comfortable with this arrangement, choosing not to probe further into succession specifics. Instead, they concentrate on training and developing the current family members involved in the business, ensuring they gain comprehensive experience. For the CEOs of various business pillars, a more global and common approach is taken, involving watch lists and skill gap analyses to guide future leadership development. Unlike public companies where successors are often publicly known, family businesses keep succession details confidential to prevent potential biases and favouritism.

CASE NOTE 13

HULT / EF corporate education



Rory Hendrikz Vice President Middle East HULT EF CORPORATE EDUCATION

Given a small local population in the UAE, relatively speaking, and a growing economy, local nationals are being accelerated into senior roles earlier on in their careers than their global counterparts. A role that you might reach at 40 in the West can be attained by 30 in the Gulf. There is a real advantage to gaining exposure to senior leadership much earlier in one's career. Yet it potentially means you can get into senior critical roles while you are still developing the skills you need to do well. To provide training that meets this need, Hult/EF surveyed over 500 CEOs, MDS, VPS and asked 'what do you know today that you wish she knew 10 years ago?' Based on the results, they designed a leadership simulation called 'Leadership I Action' that gives delegates an opportunity to engage with tasks they will definitely encounter when they do step up into those senior roles. The simulation is a strategy exercise focusing on critical topics such as sustainability. It has been described as novel, intense, and challenging. Completing the programme means when they reach higher roles they have a level of familiarity with the challenges.

3.10 **LEADERSHIP DEVELOPMENT** THAT RESONATES

The leadership development practices that we heard are likely to resonate well and those that might not are summarised in the table below. They vary along two dimensions, the degree of contextualisation and the degree of experiential relevance. Highly contextualised and highly experiential methods are best. This is consistent with the view presented by Gillian Pillans, who authored a recent CRF report on Leadership Development. She says "the ultimate purpose of leadership development is to deliver strategy over the long term. Fit-for-purpose leadership development needs to be thoroughly grounded in business strategy and based on a robust analysis of needs. It also needs to be designed in line with how adults learn, which primarily means learning from experience rather than in the classroom."

Leadership Development Resonating Matrix

CONTEXTUALISATION DW HIGH	TENDS TO BE WELL RECEIVED e.g. facilitated exercises, simulations	WELL RECEIVED e.g. custom designed experiential programmes from business school with regional hub
CONTEXTL	LESS LIKELY TO SUSTAIN ENGAGEMENT AND GET TRACTION e.g. Lecture-based	GENERIC COURSES e.g. public course abroad. Effectiveness depends on relevance of content
	LOW	HIGH
EXPERIENTIAL COMPONENT		

CASE NOTE 14

obts

Strategy made personal

Chris Legg

Managing Director Middle East BTS

BTS is a global people strategy firm that focuses on partnering with client teams to accelerate results. Three pillars drive positive outcomes:

1. enhancing employees' comprehension of organisational strategy within their context

2. clarifying roles within that strategy, and

3. fostering the mindset and capabilities necessary for successful execution.

To the question of 'do Western models of leadership work in Gulf countries?' Chris responded that "BTS finds the (above) pillars work best when people recognise their context and culture, and have a hand in shaping outcomes." So, with a bit of customisation and contextualisation for GCC organisations many models can resonate for clients. Entities have diverse cultural landscapes, different hierarchical structures and unique regional history. Failing to recognise these elements would not only be ineffective but also disregard the distinct dynamics at play within the region as well as the client's organisation.

Chris emphasises the importance of meeting clients wherever, they may be on their journey. Many GCC senior executives collaborating with BTS boast prestigious educational backgrounds, having attended institutions such as Harvard and IMD. As a result, some of these clients look to merge their ideas with BTS best practices to drive industry leading results.

Lastly, Chris noted that organisational change is hard enough and one of the ways BTS increases the probability of change initiatives succeeding is by living the mantra 'authorship is ownership' - co-designing solutions with clients to capture real cultural nuances and practical challenges. Chris advocates for the incorporation of contextualisation right from the inception of development programmes, asserting that this proactive approach ensures the most effective and seamless integration of strategies tailored to specific client contexts.



3.11 **OVERCOMING THE** LEARNING PRACTICE GAP

Leadership development work will not have an effect unless there are also participants who are able to apply the skills they learn back at work. Sometimes leaders will need to overcome barriers to do so. Interviewees spoke of the need to create a bridge between the theory and practice, particularly if new learnings needed to be adapted to fit well with existing traditions. One way is to build a lot of practice already into programmes, so that delegates have already experimented before they are required to do so at work. Programmes that are successful also encourage personal commitment to what delegates are going to do when they return to work and ensure an opportunity for candidates to review their success. In some programmes, as described to us by Hult/EF, participants attend 'learning sets' in addition to the formal modules.

These learning sets let participants meet again every four to six weeks in small groups to reflect on key concepts from the programme; how they are applying them, what's worked well, and what hasn't. Programme follow-ups with leadership delegates help the participants to hold themselves and each other accountable. This may happen with a colleague at work, a fellow participant on the programme, or an executive coach. Together they are able to both support and challenge each other with a facilitator present. Importantly, with Hult/EF programmes, participants' bosses understand that they've signed up to doing what they need to do to enable the leadership participants to succeed.

Programmes that are successful encourage personal commitment to what delegates are going to do when they return to work and ensure an opportunity for candidates to review their success



Chief People Officer **ALSHAYA**

Alshaya has 18 markets and Graeme Cook, CPO, visited each one in hist first year. His experience has given him a unique perspective on the region. Graeme explains that one of the first things people notice is that events move incredibly fast in the Gulf. He also says that there is a thirst for growth and knowledge beyond what he's seen in the many other regions he's worked. The region is full of opportunity, he says. The speed of activity is due to access to capital, the ability to cut through bureaucracy, and the thirst for knowledge is motivated by the understanding that if you're ambitious and capable you will succeed. Hand-in-hand with the ambition and speed, however, is the focus on long-term reputations and relationships. When viewed through this lens, he says that short-term business challenges are seen as necessary hurdles to maintain these relationships and reputations over time.



4.0 RECOMMENDATIONS

LEADERSHIP DEVELOPMENT *IN THE GULF* BRIDGING TRADITION AND TRANSFORMATION

This model collects the four themes emerging from this Gulf Leadership report:

Respect and support national visions, contexts and cultures

Invest in specific talent pools

Adopt a human-centred approach to leadership

Focus on organisational impact

We then make specific recommendations within each key theme.



1 KEY THEME

Respect and support national visions, contexts and cultures

Link development to national agendas and company priorities

- Stay abreast of programmes such as Vision 2030, which highlight the skills in short and bountiful supply, make local plans to obtain or develop any necessary skills.
- Link leadership development plans to the national agenda.

Customise and localise leadership development

- Consider leadership development approaches that are highly customised for the local region and courses with a high experiential component.
- Develop leadership offerings that leverage the unique aspects of the Gulf (long-term focus, relationship emphasis) and give broad exposure to all situations (e.g. under-performing businesses.)
- If formal courses are selected, work with a provider with experience in the region, such as a regionalised business school.
- If your course is a regional public course and the aim is to give leaders international exposure, ask about the composition of other delegates. There are different possibilities, primarily locals and mixed local and expatriates are most common.

Recognise and incorporate local values

- Leaders should understand that the Gulf culture respects hierarchy and seek consent before offering candid opinions.
- Leaders should balance the need to move quickly in response to changing priorities with respect for traditions and hierarchy.
- Leaders should understand and adapt to subtleties of decision-making processes and practices in the Gulf.

Balance short term and long term

• Credibility can be fostered through relationships that are built and sustained over the long term and leaders should emphasise understanding over quick results.

2 KEY THEME

Invest in specific talent pools

Accelerate younger, local talent

- Undertake deep, individual needs analyses to understand capability gaps of young leaders accelerated to leadership roles without experiences common at these levels.
- Create clear career paths for young leaders that highlight how they can get to the desirable jobs in organisations along with the experiences and skills they should pursue to reach the roles.
- Focus on more basic management training and on-the-job learning as well as strategic leadership. Accelerated talent needs to quickly learn how to manage teams and performance and to give feedback.

Invest in female leaders

 Talent professionals should ensure leadership develop includes female-specific opportunities such as female networking groups and monitor female promotion rates.

Carefully integrate and deploy expatriates

- Expatriates should be aware that a primary objective of their time in the Gulf, from their host's perspective, is building local capability as much as their own careers.
- Further, expatriates arriving should prioritise relationships and recognise Gulf region cultural norms and behaviours in order to be effective.
- Cultural relations and generational awareness training should be part of leadership development, for expatriates or other leaders not used to such a diverse context
- Foreign leaders may mitigate the consequences of the end of employment through insurance policies and taking advantage of any flexible visa schemes.

3 KEY THEME

Adopt a human-centred approach to leadership

Recognise the role and importance of family

- Leaders should aim to be as accommodating as possible of workers' family commitments, even more so than they might be in other regions. Leadership development should recognise and seek to develop these softer skills.
- Leaders working for family businesses should emphasise relationships, a longer-term view on performance than they might in the West and prioritise firm reputation.

Include humanistic aspects

- When leveraging Western leadership researchers, focus on leadership ideas post-1970s, which emphasise humanistic qualities. These include authentic leadership, servant leadership, and leader follower relationships.
- Leaders can build common ground in transformation journeys by appealing to human virtues and showing the end goal of the transformation is consistent with their followers' goals.

④ КЕҮ ТНЕМЕ

Focus on organisational impact

Address strategic goals

- Check whether leadership development programmes have content on strategy, innovation and performance as these will support strategic organisational goals.
- When matching aspiring leaders with opportunities for development, ensure you can answer what the benefit to the organisation will be as well as the benefit to the individual.

Use robust evaluation methodology

• Incorporate evaluations methodologies to assess organisation impact.

Seek opportunities through emerging technology

 Be curious to the opportunities AI and other emerging technologies present to the organisation in order to optimise performance, innovation and productivity. In order to deliver effective leadership programmes in the Gulf we recommend you include to the following six elements:

LEADERSHIP DEVELOPMENT CHECKLIST



Job assignments particularly for younger workers are good. In early career failure is less critical to one's eventual progress.



In-depth reflection to examine one's experiences and identify the lessons that are there to be learned, particularly with integrating Gulf values into one's world view.



Action learning programmes where collaborative teams of individuals are brought together to solve real business problems.



Assistance connecting aspiring leaders with a network of people with whom they can mutually support and develop together. (e.g., co-members of a training cohort).



Encouraging leaders to take personal responsibility for their development and on the job practice, as opposed to viewing progress as a series of certifications.



Programmes that have a **thoughtful approach to evaluating the benefit** gained to the business from investments in leadership development.

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