



Exploring the Critical Talent
& People Challenges in Saudi Arabia

Vision 2030

Sterling
Bell استشارات القيادة

EXECUTIVE SEARCH & LEADERSHIP CONSULTANCY

Who is Sterling Bell?

Sterling Bell is a Saudi and British owned executive and leadership advisory firm with an office and legal entity on the ground in Riyadh, Saudi Arabia. In addition, we have offices in the UK, Dubai and South Africa.



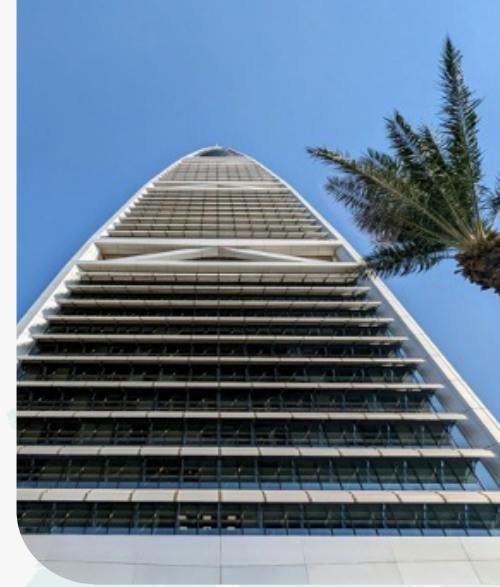
“We are here to find, assess, develop and build the talent that will deliver Vision 2030.”

Leon Ayo

Co-founder and Managing Partner

Values

- Client focused, Intelligence and data led
- Inclusive, Responsive
- Agile, Passionate



London

Riyadh Dubai

Johannesburg

Cape Town

Vision

- Saudi Arabia has embarked upon an unprecedented reform agenda - Vision 2030, which aims to create a dynamic, diverse and sustainable economy.
- We embrace this dynamic vision and have consciously aligned our organisational purpose to supporting it.
- People, human capital & talent are fundamental and critical to organisational and societal success and the key to Saudi Arabia achieving its 2030 Vision.

Mission

- To find, assess, develop and build the talent that will deliver Vision 2030, creating a world class international talent, strategy & leadership advisory firm in Saudi Arabia.

Solutions & services

- Executive Search
- Leadership development
- Project Recruitment/ RPO Light
- Leadership & Strategy Solutions – including: Assessment, Organisational Development, Culture, Team Building

Quick facts about Saudi

37,374m people

63% of population is under the 30 years old.

Saudi population:

1/3 Expats

2/3 Saudi nationals

Saudi population is
0.46%
of the world's population,
number 40 in the list of
countries by population.

Saudi Vision 2030 lays out targets for diversification and improving competitiveness. It is built around three main themes:

1. **A vibrant society** – urbanism, culture and entertainment, sports, Umrah, UNESCO heritage sites, life expectancy.
2. **A thriving economy** – employment, women in the workforce, international competitiveness, Public Investment Fund, foreign direct investment, non-oil exports.
3. **An ambitious nation** – non-oil revenues, government effectiveness, e-government, household savings and income, non-profits, and volunteering.

Vision Realisation Program

- Financial Sector Development
- Fiscal Sustainability
- Health Sector Transformation
- Housing
- Human Capability Development
- National Industrial Development and Logistics
- National Transformation
- Pilgrim Experience
- Privatization
- Public Investment Fund
- Quality of Life



Saudi landscape & context

- Cultural sensitivities and modernisation
- Legal and regulatory changes
- Nationalization efforts – Nitaqat Program
- Skills gap and talent development
- Entrepreneurship and innovation



- Digital transformation
- Global competition for talent
- Socio-economic challenges
- Sustainability & CSI

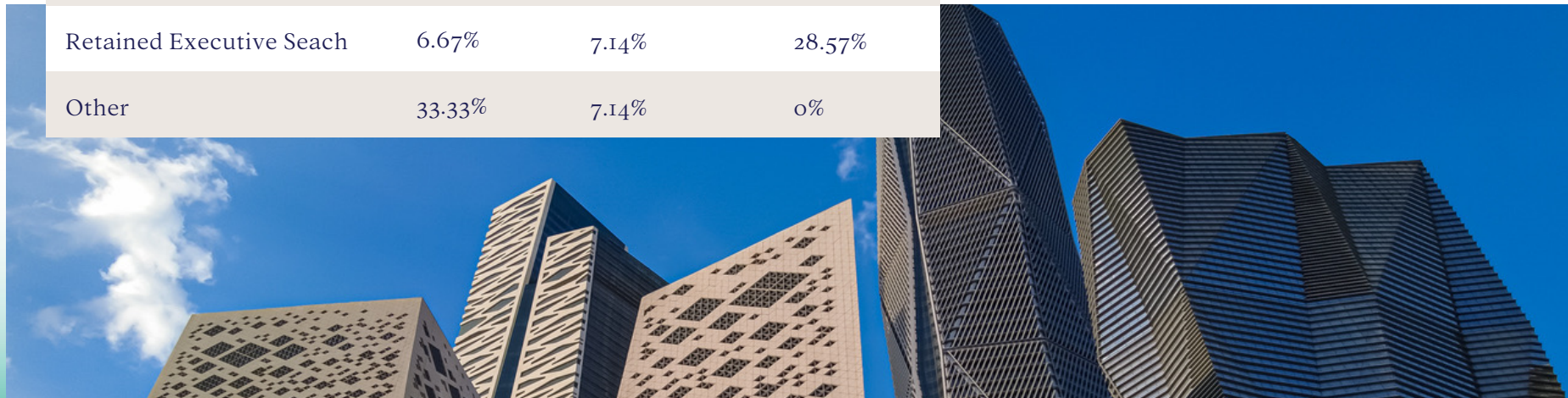


Market Intelligence & Research

- Qualitative and quantitative research used to obtain a comprehensive understanding of talent and people challenges in Saudi Arabia's business landscape.
- Business leaders including CEOs, C-suite Executives and HR Professionals participated in the research study.
- 25% were Saudi Nationals
- 75% were Expats from other territories living in Saudi

How do you recruit?

Method	Graduate / Entry Level	Mid Management	C-suite / Senior
Personal Professional Level	86.67%	57.14%	57.14%
LinkedIn / Advertising	60%	64.29%	35.71%
Internal HR / Talent Team	66.67%	64.29%	35.71%
Recruitment Agency	26.67%	42.86%	57.15%
Retained Executive Search	6.67%	7.14%	28.57%
Other	33.33%	7.14%	0%



Key Talent and People Challenges

1 Talent shortages and skills gap

One of the most pressing challenges identified is the scarcity of skilled and experienced talent in crucial sectors aligned with Vision 2030, such as technology, renewable energy, and entertainment.

2 Cultural and organisational change

The move from traditional to innovative and agile business approaches encounters resistance and presents operational challenges.



3 Workforce localisation – Nitaqat Program

A core objective of Vision 2030 is the localization of the workforce. However, businesses are grappling with recruitment, training, and retention of Saudi national talent.



Impact on Business and Vision 2030

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Economic implications

Talent shortages and skill gaps creates increased operational costs due to the need for extensive training and onboarding of employees.

2

Competitiveness and innovation

Businesses need to adapt to the rapidly changing business landscape to remain competitive. Organizations struggling with cultural and organizational changes may find it challenging to innovate and adapt to evolving market dynamics.

3

Localisation Targets

Businesses cannot find qualified and experienced Saudi Nationals to employ. The market is highly competitive. The same positions in Saudi Arabia net a higher salary than their UAE counterparts. The limited pool of skilled employees demand very high salaries and job-hopping is common.

Businesses must meet localization targets or

- face penalties
- not receive government contracts
- lose incentives.

This all adversely affects the ability to contribute to Vision 2030.



Strategies and Solutions

A 3-pronged approach

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Talent development and acquisition

- Business **must invest \$ in talent development programs.**
- **Upskill** existing employees.
- Attract **new talent** from local and international pool.
- Work with educational institutions and industry specific training programs to **bridge the skills gap.**



2

Change management and organisational culture

- Leadership must drive **cultural and organizational change.**
- Implement **change management programs** and engage employees across all levels.
- Invest in **communication, training and feedback mechanisms** to drive transformation.



3

Workforce localisation initiatives

- Implement **targeted recruitment strategies** that identify and nurture **Saudi national talent.**
- Develop training and career development programs to support **long-term retention and skills development.**

Practical implications

Business Leaders

must foster a workplace that development a workforce that aligns with the goals of Vision 2030.

Policymakers

should create policies and incentives that encourage businesses to invest in talent development, localization, and cultural transformation.

HR Professionals

can leverage the recommendations to design and implement talent development, acquisition, and localization programs that align with their organizations' specific needs and Vision 2030's objectives.



Policy recommendations

“The Saudi Government is fostering a culture of innovation and adaptation.”

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Government support for talent development

- Establish partnerships with businesses and educational institutions to create targeted talent development programs.
- Give tax incentives and grants to companies that invest in skills development.

2

Promotion of cultural transformation

- Government agencies continue to lead by example in embracing cultural change within their own operations.
- Allocate resources and support businesses undertaking cultural and organizational transformation.

3

Alignment of localization policies

- Align policies to support rather than hinder localization efforts.
- Provide incentives for compliance.
- Collaborate with business to address / fix challenges.



Saudi Arabia is amongst the friendliest and warmest countries in the world, where relationships are built on hospitality, respect, and genuine connections. The business landscape here is evolving rapidly, presenting numerous opportunities for those willing to adapt and innovate.

Leon Ayo

Saudi Arabia has a thriving economy with opportunities in various sectors such as oil and gas, petrochemicals, construction, finance, healthcare, and tourism. Saudi Arabia has been actively working to diversify its economy away from oil dependency, opening avenues for foreign investment and partnerships.

However, it's important for Western businesses to understand the cultural and regulatory landscape of Saudi Arabia, as well as to navigate any legal, social, or business customs unique to the region. Establishing strong relationships with local partners and understanding the preferences and needs of the Saudi market are essential for success.

Thank you

Should you wish to discuss any of the challenges & opportunities raised in this report please do contact us for a confidential discussion.

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