Learning to succeed

Leadership, education and the knowledge economy in the Middle East
Acknowledgments

This report is part of a wider research by Dr. Amira Khattab, titled “How Arab Executives Learn”. It draws on findings from a survey of leadership development experts in the Middle East and more than 1,500 executives from 17 different countries in the Middle East. We would like to thank Dr. Amira for sharing the information included in the report as well as her commitment to the promotion of economic prosperity and social stability.

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Foreword

GCC leaders are role models for citizens. Rarely has so much been achieved within such a short time frame. The creation of the GCC around 35 years ago represents sound investments in social and physical infrastructure, which produced high returns across social and economic indicators in the region. Dubai has emerged as the region’s trade hub and is on its way to becoming one of the world’s most important transport and logistics centers. The Sultanate of Oman’s premier multipurpose port, the Kingdom of Saudi Arabia’s largest industrial project SADARA and Qatar’s Islamic Museum are just a few examples of the GCC’s exceptional leadership and achievements. The challenge today is to cascade this spirit and skills to citizens, and prepare them to become global leaders in science, technology, business, medicine and more.

The time is right to accelerate the development of Arab leaders in both public and private sectors. However, the approach cannot apply techniques commonplace around the world – it should be customized to the learning profiles and leadership models that best suit the region. This will enable Arab leaders to drive sustainable improvement in their national economies, as part of the global economy.

We emphasize a tailor-made approach to leadership development – one that draws on global practices while also reflecting local cultural, societal and economic values. We also propose a retooled educational system focused on generating a pipeline of creative, entrepreneurial leaders. Only this will facilitate the region’s cultural norms, support the shift toward knowledge economies and enable nations to engage actively and effectively both with their citizens and with the rest of the world.

Around the world, reformers are focusing on improving the quality and relevance of education. The GCC region is no exception, but the challenges are unique. A reformed education system in the GCC should focus on producing a pipeline of motivated and visionary future leaders who are well prepared to:

- Create high-value jobs in existing and emerging sectors
- Boost productivity
- Be responsive to changing political and economic situations
- Foster technological diffusion
- Be driven by outcomes and results

This can be done while enhancing the attractiveness of the private sector relative to the public sector, which has historically been the employer of first resort.

This change will pave the way for a generation of creative policymakers and entrepreneurs who are equipped to meet the objectives set out in diversification plans, bringing nationals – and especially women – into the heart of growing knowledge-based economies. This will address many of the economic and social challenges facing GCC economies.

This report focuses on three key areas:

1. Leaders’ approaches to learning and development vary significantly across nationalities, geographies and educational backgrounds, with education having the highest effect on the propensity to modernize and globalize.
2. We surveyed business leaders and public sector executives who agree that there is a need to adopt new leadership practices. We discuss how “culture” manifests itself through leadership models and how instructional approaches can be adapted to Arabs’ social identity.
3. We discuss how traditional schooling systems impact innovation, and propose to retool education while remaining true to local values.

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Executive summary

A key opportunity for GCC countries in their efforts to build diversified and globally competitive knowledge economies is to instill leadership, creative and entrepreneurial skills among the region’s citizens. While the GCC has proven outstanding government leaders, the combination of oil-reliant economies and traditional cultural values has encouraged young people to aim for conformity and attractive jobs in the public sector, rather than pursue innovation and entrepreneurship within a more dynamic private sector.

There have been many initiatives to address this gap, with billions of dollars invested in setting up new universities and innovation zones based on global best practice. Crucially, these initiatives have not taken into account the impact of culture in achieving or resisting change. Rather than importing Western models, there is a need to integrate Arab and Western perspectives on leadership and learning approaches to confirm that there are sufficient GCC executives in both the public and private sector who can lead the transformation into knowledge economies.

In the immediate future, this integrated model – what we call the Leadership Clusters of Excellence for the Arab world – is tailored to meet the specific needs of aspiring and established GCC executives. Our research shows that executives operating in the public sector and those who were educated predominantly in Arabic schools require a gradual shift in embracing this new model due to the tension they will experience in accommodating those new strategies for learning and leadership.

In the longer term, the key to creating world-class leaders in GCC countries lies in retooing the education system. Arabic schools especially will need to focus on developing pupils who have an entrepreneurial mindset, are confident in taking risks, persevere in pursuing their passions, embody global competencies, empathy to others and are connected to their local roots. Building a knowledge economy requires placing innovation at the heart of a broader educational ecosystem that neutralizes the homogeneous effect of historical schooling.

Several ministries and education entities are currently undergoing strategic integrations to refocus the GCC’s education system through a unified agenda as the gateway to economic prosperity, social stability and happiness. We elaborate on how GCC countries can retool the education value chain and engage education stakeholders to produce a pipeline of creative, world-class leaders in every field across business.

The gateway to economic prosperity, social stability and happiness

The knowledge-based economy
1 The strategic context
Over the past four decades, the GCC economies witnessed impressive economic and social transformation, with investment to create jobs, build infrastructure, and improve social indicators. These investments took place within an open-door policy that has cultivated strong trade, investment and diplomatic ties with the rest of the world, and a domestic regulatory environment that is inspired by best practices.

Looking ahead, GCC countries need to sustain growth and living standards. This requires a retooling of the national education and skills development systems in the GCC to build the required human and entrepreneurial capital.

Higher wages and benefits in the public sector have historically made it a more attractive employment choice than the private sector, with 70% of GCC national university graduates opting for a public sector job in 2013 ([4]). In turn, the private sector previously relied on foreign workers to produce goods and services targeted mostly to the domestic market as opposed to the riskier, yet economically crucial, export market. This has favored sectors such as services and construction rather than high value-added tradeable sectors. As a result, according to IMF reports (2016), productivity growth in the UAE has been hovering at around 0.2% per annum on average for the last two decades.

In addition to making the private sector the preferred destination for job seekers, the human and leadership capital of the future will have a responsibility to continue the trend of addressing gender imbalances in the region. Approximately 33% of GCC working age women have been joining the labor force, compared with 61% in the OECD area. The gender gap in unemployment is most acute in the United Arab Emirates, Saudi Arabia, Kuwait, Yemen, and Egypt, where the female unemployment rate is nearly quadruple that of males. One important factor to take into consideration is the region’s culture, which emphasizes lineage and family ties, and has much opportunity to engage women in leadership roles and in decision-making processes. More has begun taking shape in this area in the past decade, including for example, increased representation of women in the UAE cabinet.

Youth unemployment reached 29.5% and 19.4% in Saudi Arabia and Kuwait respectively in 2014 ([5]). Unemployment in the Arab region is not only prevalent among the unskilled and growing youth population but is also acute among the educated ([6]). One reason for this pattern is the gap between the skills acquired at universities and the requirements of the labor market. Countries where economies are stagnant are often associated with reduced job opportunities, under-utilization of over-educated talent, and brain drain. To add to this, family businesses constitute over 85% of the non-oil GDP ([6]), meaning that staffing and recruitment rest heavily on personal connections.

All of these factors have contributed to the education rankings of GCC economies. PISA results indicate lower outcomes on the quality of learning in the GCC schooling system compared to countries at similar income levels. According to the Shanghai Academic Ranking of World Universities, five institutions in the MENA region made it to the list of the top 500 universities in the world.

This raises concerns particularly in the context of a world economy where knowledge creation and dissemination have become the primary drivers of the process of economic growth and rising living standards. On the more positive side, opinion across the GCC reflects high perceptions of entrepreneurship aspirations. According to Global Entrepreneurship Monitor ([7]), 62% of UAE nationals aged between 18 and 64 years report their readiness to engage in entrepreneurial activities as “high”. However as our report How will the GCC close the skills gaps? ([7]) shows, only 14% of employers surveyed believed that the education system in their country fosters a spirit of entrepreneurship and innovation ([3]). It is unsurprising that more than half of those polled (52%) expressed fear of failure as one of the most important barriers standing in their way to establish a business, with only 2% expecting to actually start a business within 3 years.

Against this backdrop, our research finds that prevailing education systems and institutions across the GCC are struggling to systematically produce world-class leaders. This is mainly due to three factors:

1. Current leadership development models import Western practices that do not reflect local values and conditions
2. Traditional schooling systems produce pupils who are homogenized in their thinking and behaviors, which can limit their ability to innovate. As a result, there is still untapped opportunity to encourage youth to create authentic, real products and appreciate diverse perspectives.
3. Educational systems disregard regional and national differences that exist within the Arab world. They fail to personalize learning as it does not address country-specific differences. Further, education systems are insufficiently flexible to the learning attitudes of new generations.

Many young people seek alternative education by studying abroad, or target the public sector for employment.

The premise of this report is that an adequate response to the above challenges requires a rethink of the education and skills development systems in the GCC. In the short term, investment is needed in business schools, executive education and corporate development programs. In the longer term, the schooling ecosystem needs to be retooled with the objective of growing the pipeline of globally-competent creative entrepreneurs and outstanding leaders.

Learning to succeed
A new approach to Arab leadership development
Any attempt to reconstruct a leadership and skills development system in the GCC necessitates a clear understanding of learning patterns. What differences are there between Western and Arab leadership models, educational backgrounds and countries?

**Differences between Western and Middle Eastern leadership models**

Arab leaders are increasingly being called upon to adapt their behaviors, lead their institutions in a globalized market, build high performing teams using global practices, and engage their local workforce while staying faithful to their cultural roots [8]. Drawing on Western practices may seem reasonable; however, studies have found that cultural misalignment may actually give rise to cultural clashes, misunderstandings, and disengagement of employees [9].

**Differences between educational backgrounds**

Educational systems in the Arab world have long been influenced by both religious and secular approaches to learning. Both of these approaches have evolved separately and independently. In the Western approach, schooling and higher education follow modern methodologies and concepts in teaching [10]. Traditional education systems, that are working towards preserving their practices and fostering growth and openness in a rapidly globalized world, co-exist with no interaction with their Western counterparts, following didactic* and teacher-centered methodologies. These methodologies stem from educational practices that value authority, respect, and absolute truth, [10].

**Differences within the Middle East**

The Arab world is diverse in terms of language, ethnicity, political makeup, norms and religions. This complexity calls for an examination of how approaches to learning and concepts of leadership vary between Arab countries (for example between the GCC and Levant regions), as well as within the GCC region (for example between Saudi Arabia and the UAE).

**Culture specific to a nation**

Geert Hofstede, the cultural psychologist, has studied the effects of a country's culture on the values and behaviors of its members. He surmises that every group or category of people carries a set of common mental programs that form its culture. His research examined more than 50,000 employees working in IBM across 50 countries, finding that there are common societal problems that different nations handle differently.

We draw from Hofstede's work [11] a series of actionable insights into national cultural differences and introduce two important indices:

- The Power Distance Index measures the extent to which the less powerful members of organizations within a country expect and accept that power is distributed unequally. The higher the index the more paternalistic a society is. These individuals accept prevalent hierarchy and do not challenge authority.

- The Uncertainty Avoidance Index (UAI) measures the extent to which the members of a culture feel threatened by uncertain or unknown situations.

These measures allow us to better understand how societies approach learning and leadership. Nations with high UAI are inclined to consider differences as dangerous; they tend to resist change, and prefer to work on tasks with sure outcomes. For example, Singapore scores relatively high on the PDI reflecting a society where managers rely on, and do not question, their bosses and on set rules. The UK scores relatively low on the UAI, reflecting a curious nation with a strong need for innovation.

**Culture specific to a region**

The Arab region portrays two distinct visible cultural norms and practices: Levant (Lebanon, Jordan, Iraq, and Syria) and the GCC (United Arab Emirates, Bahrain, Kuwait, Oman, Qatar, and Saudi Arabia). These two regions vary not only across their economic, social, and political makeup, but also in their religious affiliations and factor endowments. Such differences help explain how people in each region approach leadership and learning. Countries in the Levant are labor-abundant, resource-constrained, contain more pronounced diversity, and service-based economies. GCC countries are labor-constrained, commodity-rich countries with a homogenous population. These dissimilarities affect behaviors and norms, and consequently the ways each society partakes in learning.

Standard, “off-the-shelf” models for leadership development cannot simply be applied to a specific region. Competencies, motivation to develop new skills and their preferred approach to learning differ across geographies. Any relevant and effective approach to leadership development needs to address the aforementioned cultural differences as well as differences related to educational backgrounds, sector (public vs. private), gender, and age.

To develop such an approach for successful leadership development in the GCC, we interviewed 24 experts active in the field of executive education across MENA. We asked them to prioritize the most significant factors influencing the effectiveness of the design and delivery of professional leadership development programs in the region.

Results were categorized into three dimensions, called Leadership Clusters of Excellence, which we discuss in this paper.

We then surveyed more than 1,500 business leaders representing 27 different nationalities and working in 17 different Arab countries. The objective was to gauge where Arab executives’ own views match or differ from those of the model and identify which cultural factors – national and educational background, professional experience, generational characteristics and gender – shape their approaches to leadership and learning. From our analysis, we make a series of recommendations on how to develop existing GCC executives into effective leaders and generate a pipeline of leaders of the future.

* Didactic: the didactic approach to learning is a teacher-centered, content-oriented method of teaching. The teacher is the source of knowledge and the knowledge is transmitted to the students through lecturing.
Leadership Clusters of Excellence for the GCC

Cluster 1: Encouraging executives to participate in leadership programs

Respondents identified a number of key factors that determine whether GCC executives are motivated to enroll and participate in leadership development programs, utilize what they learn and improve their own capacity for leadership.

**Individual factors (Internal to executives)**

1. **Fear of failure**
   Assessments, exams, confidence levels, “participants’ fear of losing face if they show failure in the training,” and “perception that participants will have to step out of their comfort zones.” Instructors should help by using formative assessment to monitor and diagnose progress, incorporate team-based activities, and adopt a mastery approach for development.

2. **Networking opportunities**
   “Opportunity to network,” and “extent to which participants know each other” incentivize executives to participate through the interconnectedness and social interactions made with the wider community.

3. **Familial factors**
   “Family commitment” and “cultural hurdles” are crucial to Arab executives who need to find balance between family and work. Females, in particular, face an accentuated pressure to comply with social and family expectations.

4. **Feeling ownership**
   “Unwillingness of companies to engage employees as partners like in the Western world” has been flagged by executives as a barrier for participating in leadership programs. This rests on the belief that some employees may feel unmotivated to seek professional development if they do not see a long-term and clear career path (e.g., becoming partner or owning shares) typical of corporate Western practices.

5. **Language barriers**
   “Language of instruction is not one’s first language” act as a barrier to some executives. As such, bilingual instructors or facilitators are highly recommended.

*Note: statements in quotations are the language of enquiry used in the survey.*
They identified a number of barriers to participation that companies need to consider in designing courses. These ranged from cultural barriers for women to take part, corporate cultures that may impact long-term career development and training companies that have poor reputations. Using instructors that are good facilitators as well as being well-known professors or business leaders helps, as can attractive venues with world class facilities. Ensuring that the Arabic language is used is also important.

**Institutional factors (External to executives)**

1. **Time and cost**
   - Timing and cost were the top barriers for leadership development participation.

2. **Corporate support**
   - “Presence of a supportive work environment,” “progression in one’s career,” and “extent to which training will contribute to organization” are key motivators to executives.

3. **Reputation of training**
   - “Poor reputation of the companies who conduct the training,” and “cheap locations for the training” are considered barriers to participation.

4. **Instructor stature**
   - Instructors with a highly recognized stature (title, reputation and seniority), recruited from outside the workplace/organization and equipped with high facilitation skills and strong business leadership credibility are valued. Facilitators should be skilled in using technologies and e-lectures in the classroom. Inviting well-known business leaders was emphasized.

5. **Clarity of objectives**
   - Executives value the clarity of objectives and practicality of content as well as the quality and relevance of the program syllabus (e.g., “extent to which training is tailored to needs of participants”).
Cluster 2: Creating the optimal learning environment

The second cluster of excellence focuses on identifying the attributes of the learning environment that will most successfully produce engaged learners. These relate to self-directed learning, pedagogy that involves social interactions and a culturally responsive curriculum:

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<th>Leaders as self-directed learners</th>
<th>Pedagogy</th>
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<td>Leadership development programs should reflect an experiential approach to learning. It should contain case studies, collaborative problem-solving activities, peer coaching, action learning, role-playing based on workplace realities, team building and simulation. Experiential learning emphasizes learning in which the learner interacts with the realities being studied. It is contrasted with learning in which the learner only reads about, hears about, talks about or writes about those realities but never experiences those realities as part of the learning process [12]. Experiential approaches require that learners are metacognitively, motivationally, and behaviorally active in their own learning processes and in attaining their own goals. Effective, self-directed practice requires learners to possess a set of self-regulatory competencies that include but are not limited to learning strategies, goal setting, time management, self-evaluation, self-attribution, help seeking and environmental structuring [13].</td>
<td>Instructional methods should involve high levels of social interaction and verbal engagement of learning through sharing ideas and experiences among participants, interacting with instructor, more opportunities for talk, and less reading material, and interacting with business leaders. This underscores the need to design activities that promote discussion and encourage learners to converse about content with less reading and cognitive overload. Even though this is recognized as a best practice in Western leadership development, it is equally important in the Arabic context to use debates in theory building, where individuals introduce their perspectives and others comment on relative strengths and weaknesses [14].</td>
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The curriculum

A culturally responsive curriculum should aim for relevant case studies that incorporate the Arabic language into discussions, embed culturally sensitive content and link to Arab leadership success stories. Workshops should include practical examples and stories delivered by a mix of local and global government leaders, industry experts, top thinkers and entrepreneurs. The learning environment should reflect a safe space where executives have an opportunity to relinquish, an opportunity to recharge and challenge the status quo. It is a think tank where leaders are able to redefine the past, innovate around pressing issues and brainstorm differentiation strategies. The environment should connect local issues with the global context so that individuals see the macro-picture and understand how the macro trends are driving the economies, societies and political agenda. Bringing a diverse range of cultures into the dialogue from different countries and different business sectors will bridge the boundaries that limit the tunnel vision of conventional corporate leaders and homogeneous reasoning.
Cluster 3: Instilling indispensable leadership competencies

The leadership qualities cover a set of competencies and skills that draw from modern theories of leadership, such as trait, situational, relational (transactional, transformational and transcendental), ethical and servant perspectives. Several of the leadership characteristics overlap with existing Islamic practices.

“Ability to be a team leader”, “knowledge of people with whom one works,” “ability to gain trust of employees,” and “ability to be accepted as a leader by those he or she leads”.

“Democratic decision-making processes,” and “ability to lead without imposing” reflect leadership qualities that adopt inclusive approaches to leadership, which seek the buy in of followers on the strategic goals of the organization.

“Good-natured,” “compassionate,” “ability to treat people as human beings,” and “disposition to act in an educated manner” are critical qualities for leaders who need to cut across self-interest and ground their actions in values, altruistic love, hope/faith, attitudes to meet the intrinsic and extrinsic needs of their followers, resulting in a positive organizational outcome.

“Effective management during periods of crisis”, “resilience”, and “adaptability” are particularly salient to the Arab region, where political and economic landscapes are in constant flux. Managing crises both internal and external to the business/organization calls for leaders who understand the political and regulatory environments affecting all aspects of local and international businesses.

Arab leaders should also adopt “timely decision-making” processes and balance between the time needed to invest in personal relationships and to efficiently complete their business negotiations and deals.

“Ability to meet targets or goals”, “problem solving ability” and “understanding of balance sheet” are key to focus on performance, results, and the bottom line. An outside-in driven approach, budgeting and internal consulting skills may help executives develop achievement oriented leadership styles.

“A vision for the organization”, “ability to take the organization to where it should be,” “ability to motivate and engage employees”, and “ability to inspire others” are paramount characteristic so that leaders share and shape a vision that provides direction, focus, inspiration and motivation to others.

Leaders should be able understand the historical, intellectual, cultural, institutional and policy context in which they operate. They should be competent in dealing with expatriate managers and national employees who work side by side. The “ability to work effectively within a multicultural environment” and the need to have “a culturally inclusive mission statement” are key qualities of 21st century leaders.

Critical traits for an entrepreneurial spirit, leaders require confidence, patience, diligence, innovation, and creativity to be able to take risks, persist, invest time, and see problems/challenges as opportunities.

“Effective use of performance measurement and reward” and “ability to find areas for improvement” call for consistent, fair and transparent approaches to accountability, evaluation and development within the organization. Executives need to learn how to effectively discuss performance of subordinates, resolve conflicts (negotiation, debating, and consensus building), and challenge the authority of superiors/peers/in-group members without showing insubordination or lack of loyalty/conformity to regulations.
Do GCC leaders learn differently?
A clear understanding of the manner in which Gulf Arab executives learn now and their willingness to adopt new practices and approaches, is crucial to understanding the GCC leadership and skills development system. To do so, we ask the important questions:

- What determines whether a GCC executive is willing to embrace a modern leadership model or tends to prefer more hierarchical models?
- What difference does it make whether a GCC national attended a Western or Arabic school?
- How great are the differences within the GCC and the Arab world more generally?
- Do young GCC nationals have a different view of leadership and learning than their parents’ generation?

Our survey of Arab executives showed a broad level of agreement with the experts, both on approaches to learning and on leadership models. There were, however, significant exceptions in a few key areas and among specific groups of executives - defined by schooling, employer and nationality - that underscore the importance of embedding local values and culture into leadership programs. Understanding these nuances is the key to unlocking leadership potential in the region.

Where executives agree or disagree with experts

The second area of difference is the teaching format. GCC executives placed far less emphasis on the importance of experiential learning practices. However, respondents under 34 placed higher emphasis on infusing digital and industry-based resources into the learning environment than older respondents. Executives from all GCC countries tended to opt for teacher-centered education as implemented in many Arab schools. Teachers are seen as the sole source of expertise, transferring knowledge to students who take on a passive role. The quality of learning relies on the excellence and pedigree of teachers, considered responsible for the learning process and expected to initiate communication in the classroom.

Finally, GCC executives were more skeptical of Western models of leadership. Our survey respondents were significantly more certain about the need for leadership attributes such as, loyalty, ethics, personal relationships, status, and hierarchy. GCC respondents placed lower emphasis than their Levant counterparts on problem-solving abilities, management by objectives/results, timely decision-making, feedback performance coaching, crisis management and leading multi-cultural teams.

The most significant factor in shaping GCC executives’ willingness to embrace a modern model of Arab leadership development is their educational background. Those with Western or mixed educational backgrounds showed a higher propensity to adapt to modern leadership development approaches than those graduating from Arabic schooling. They were also significantly more supportive towards everything that concerned bringing local traditions and values into the learning environment, what we call the “Homogeneity” index. They strongly supported learning by socializing with members belonging to the same cultural roots and aligning the content of instruction to the Arabic regional context. They wanted participants and even the instructor to be Arabic speaking or at least bilingual.

Schools of learning matter

There are three areas where executive responses deviated from our experts’ model.

First, GCC executives emphasized more strongly than our experts the need for learning in a small group of participants who are similar to themselves, in terms of management status levels, professional background, nationality and gender. This homogeneity preference is far stronger among GCC respondents than those from other parts of the Arab world. It also goes against the modern tendency in business to collaborate in diverse groups, where people have no prior relationship with each other, to get a job done. This process requires a level of spontaneous sociability, and collectivist societies find it challenging to trust outsiders in a global and open economy.

* Collectivist: represent a preference for a tightly-knit framework in society wherein individuals can expect their relatives or members of a particular in-group to look after them in exchange for loyalty.
Private sector executives were significantly more inclined to choose modern leadership development approaches than those working in the public sector. Indeed, there was a considerable overlap in responses by educational background and sector. This may be due to the fact that nationals surveyed mostly opt for public rather than private sector jobs, and are graduates of public schools, which generally have traditional systems and didactic approaches to learning.

The influence of national values on learning and leadership

Power Distance Index (PDI) and approaches to learning.

Executives from nations such as Kuwait and Saudi Arabia, with stronger beliefs in hierarchical and unequal power dynamics (high PDI), tend to opt for teacher-centered education. Conversely, executives from countries with low PDI were inclined to adopt experiential approaches to learning. Experiential learning practices (simulation, role play, case study), which require learner-centered approaches where students are self-directed and share equal responsibility for learning with the instructor, logically call for individuals from nations with lower PDI.

Uncertainty Avoidance Index (UAI) and leadership models.

Executives from countries such as Qatar and Iraq, with low tolerance for ambiguities (high UAI) were less inclined to agree with modern approaches for leadership. In our present context, countries that exhibit high UAI are typically populated by executives who tend to avoid taking calculated risks, confrontations and accountability related issues and use wasta to reward loyalty and kinship. Consequently, these countries will have lower innovation levels.

The figures below show the PDI and UAI scores for each nationality. In general, the Gulf countries had a higher PDI score than the Levant countries. According to Hofstede, a high PDI value is typically associated with unequal distribution of wealth, low cooperation of citizens with government responsibilities/ higher dependence on the public sector, lower freedom of speech/flow of institutional information, weaker labor unions, and autocratic regimes. The picture is mixed on UAI where both regions score high and low values. The Levant countries are less equipped to deal with uncertainties as reflected in high UAI than the GCC. This may be due to uncertainties, that come from political instability, conflict, and economic volatility. All these factors lead to increased stress levels[11].

Gender did not play a role in shaping executives’ responses. Females placed the same importance as males on all aspects related to leadership and learning approaches. Both sexes agreed equally on the need to overcome cultural hurdles for females in the workforce and into leadership positions. This is reflective of an important and welcome shift in societal approaches to female labor market participation.
How do these findings help rethink models of learning and leadership in the GCC?

1. They substantiate the need for an integrated model of learning tailored to GCC realities. Overall, executives welcome Western models as much as they appreciate local values. This is in line with research that finds that individuals who are exposed to Westernization and globalization tend to become “bicultural” in response to blended social systems, interests and values [18].

Emiratis have scored higher than Yemenis on both modern best practices (Clusters of Excellence) as well as the Homogeneity Index. This result is consistent with the economic realities of both countries where UAE is a more open economy, hence has a higher appreciation for modernity than Yemen. At the same time, Emiratis are more concerned than Yemenis about the preservation of their local cultures given the higher share of expats in the former as compared to the latter.

2. Our model allows us to predict executives’ tendency to change and the best way to design new programs to develop their leadership skills. For example, a 50-year-old Arabic-educated GCC national working in the public sector will less likely be equipped with the aforementioned leadership skills and less prepared to engage in life-long learning than a similar individual who has graduated from a Western or mixed educational system. These and other characteristics need to be reflected in any reformed leadership development program. In some cases, this will mean investing more in executives who are more likely to embrace change, but it also requires the right balance being sensitive to local and cultural conditions while avoiding the pitfall of still producing corporate leaders with similar thinking.

3. Our findings suggest that the key to creating a cohort of world-class leaders in the GCC, comfortable both with their regional realities and with global best practice, is to focus on reshaping education. In the short term, the task is to introduce integrated Arab leadership programs into the GCC public sector in order to produce quick wins. Within a two-year window, government departments could be encouraged to produce a prescribed quota of young leaders, using the leadership clusters of excellence approach to learning and competencies. Any shift to a new model should be gradual, as executives will experience tension in accommodating new strategies for learning and leadership. Both the shift and tension are part of the disruptive process of change, which executives need to undergo. Experience elsewhere [19] shows that such a change in national cultures and values does actually take place under the right conditions with time. Importantly, our executives have expressed their readiness to change and embrace global best practice. Looking at the long term, however, a retooled educational system is required to produce “de-homogenized” leaders for the future.

[Clustering of excellence diagram]

Note: The higher the score, the more the agreement with the experts.
Getting a head start on tomorrow
GCC countries have taken the strategic decision to transform their economies into knowledge-based and innovative societies. Achieving this shift will largely depend on how well each of the six GCC members develops and employs its human capital. GCC member states have shown a zeal for education and have achieved great strides in terms of their human development indicators (HDI). During the period 1990-2000, GCC member states showed rapid improvement in world rankings in the UNDP HDIs. However, since 2000 improvement has been slower both in absolute terms and compared to other countries. Over the period 2009-14, all GCC member states, with the exception of Saudi Arabia, saw their global HDI rankings fall. This trend also impacted productivity levels.

Human development indicators, past achievements, future challenges

Our research shows that educational background is one of the key factors in determining the readiness of GCC citizens to embrace the leadership clusters of excellence for the Arab world. To develop the right human resources for a knowledge-based society, nations need an educational system that is flexible and fully in line with the requirements of doing business in the globalized economy. The new school system must be retooled to focus on learning rather than just schooling, and creating the right environment for promoting creativity and life-long learning.

In the context of the GCC, this means, cultivating a critical mass of entrepreneurs confident in taking risks and thinking differently, while producing fewer pupils with uniform skills and knowledge. Schools should focus on creating graduates who are job creators rather than job seekers.

Three outcomes of a retooled education system

This new system should be designed to deliver on three key desired outcomes: entrepreneurship, innovation and global competence.

Entrepreneurial

Entrepreneurial students

- Display mindsets that can turn ideas into action
- Pursue opportunities beyond the resources that they currently possess
- May choose to engage in social, intra or policy entrepreneurship
- Drive creativity, innovation and economic growth

Innovative

Innovative students

- Participate in producing new, valuable knowledge for the world and addressing the grand challenges that our communities are facing
- Are prepared for jobs that do not yet exist and are ready to solve problems they have not yet seen
- Display diverse, creative, and curious thinking, and are developed by schools, teachers and ecosystems that likewise celebrate these attributes

Globally competent

Globally competent students

- Aim to promote peace and collaboration in an interconnected world
- Display openness and tolerance to other people, cultures and business norms, and great versatility in connecting with other cultures
- Show deep appreciation and respect for their local cultures, and maintain detailed knowledge of their history and cultures
A student-centric approach: The key to engagement

Government efforts in support of these outcomes need to be accompanied by an engaged and committed youth who are the target group of a retooled education system. However, it is important to note that the interests and beliefs of UAE youth (for example schooling, studying and teaching climates as expressed in PISA) were close to zero in 2012 [23]. These attitudes also manifest themselves in low ranks in the Global Innovation Efficiency index where the UAE ranks 133rd in the world out of 146 [24].

It is imperative to fill this void as we embark on a new path of schooling. When students are interested in learning, feel good about learning, and are equipped with the right strategies to learn, they are likely to invest time and effort to persevere. Any change in youth attitudes and subsequently behaviors need to effect a change in motivational, affective, cognitive and behavioral processes [25].

The motivational process
Beliefs, personal and cultural values, and interests
- “Can I do this task?”
- “Do I want to do this task and why?”
- “Does the task align with who I am or who I want to become?”

The affective process
Positive or negative affects and attitudes
- “How do I feel about this task?”
- “How does my family and society perceive this task?”
- “Do I like or fear the uncertainty and responsibilities that come with this task?”

The behavioral process
Actual effort and persistence
- “Will I invest the time necessary to accomplish this task well?”
- “Will I persist in trying to make this work, even if I face challenges to reaching the desired outcome?”

The cognitive process
The use of strategies and metacognitive processes
- “What do I have to do to succeed in this task?”
- “What skills do I need to do this task?”
- “What went well and how can I improve?”
Improving performance in this way goes beyond schools. The youth will be more prepared to invent, create and flourish when they receive adequate support from broader parties in the learning ecosystem. Our retooled education system, or the wheel of change, engages students, communities, businesses and governments working together in synergy to reinforce the right mind-set and behaviors that catalyze out-of-the-box thinking while staying true to local values. It identifies the attributes, behaviors, and conditions cultivated by the stakeholders to catalyze and serve as the foundation for social change.

**The wheel of change**

**School and wider community should:**
- Value achievement and entrepreneurship
- Offer co-op educational programs (structured internships across sectors critical to the nation)
- Create a global networked campus that instills both local values and a multicultural understanding
- Repurpose technology tools to promote both formal and informal learning, and reinforce product based outcomes

**Peers should be:**
- Supportive of others and empathetic towards them
- Engaged in formal and informal learning
- Appreciative of diversity
- Co-learners with their classmates

**Teachers should:**
- Energize behaviors and influence beliefs, values and goals
- Help develop self-directed learners
- Coach and develop a space where both teachers and students are partners in learning and advancement
- Scaffold the construction of personalized knowledge

**Parents should:**
- Support with effective homework practices
- Foster the local culture at home and in collaboration with the school
- Appreciate their kids’ successes and failures, and reduce the shame culture

**Students should be:**
- Confident in taking risks and remain accountable for their actions
- Competent and disciplined to try harder, persist longer, and perform better
- Creative and resourceful in finding solutions and adaptive to change
- Compassionate about others, caring and empathetic
- Globally connected while locally rooted

**Globally competent**
Next steps
Governments, businesses and educators need to come together and collectively produce the desired outcomes. Below we provide ten recommended actions that can drive the wheel of change in the coming years and even decades.

1. Schools are to incorporate cultural studies and global citizenship into the curriculum using an interdisciplinary approach. Collaborations between schools, industry and governments are important to leverage the informal learning environment through the effective use of digital.

2. Schools need to focus on design projects and innovation lab assignments where pupils have the opportunity to experiment with setting up mini-businesses.

3. Government entities to focus on rolling out leadership development programs, with the aim of producing a prescribed quota of young leaders, using the leadership clusters of excellence approach.

4. Governments to create schemes allowing secondary school students to intern, in start-ups and abroad, to expand their network and spread a positive, collaborative, entrepreneurial, and multicultural spirit across the region.

5. Introduction of new pedagogical skills (e.g., coaching self-directed learners, systems thinking that link culture and ethics to core curriculum, and technology integration) into pre-service teachers’ certification process. It is critical that such instructional approaches take into account how new generations of “screenagers” are motivated to learn. Higher education and teachers’ preparatory colleges should collaborate with industry, governments, and experts to draw the necessary competencies that teachers require.

6. Government to continue to offer funds that support start-ups for young innovators and entrepreneurs and invest in local enterprises.

7. Education authorities to develop a comprehensive framework for assessing schools’ efforts to promote innovation and entrepreneurship.

8. Governments need to continue to support new ventures by building a conducive ecosystem (policies, technologies, tools and incubators) that enables innovation and entrepreneurship.

9. Governments to continue to attract international firms (expertise) in key innovation sectors, establish dynamic communities and collaboration zones, and support applied research hubs in areas of national priority.

10. Focus on research and content-creation by universities, ministries of education and education authorities. These entities can work together to tackle the right attitudes and behaviors that foster students’ innovative and entrepreneurial competencies locally and globally.
Appendix: Methodology
This section outlines how the data was collected and analyzed to distill the findings of the study. We have drawn on a set of data generated through three phases.

Phase One. A Delphi process was used to survey 24 experts in the field of executive education to determine the factors that they deem significant in influencing the effectiveness of the design and delivery of leadership professional development programs. The sample pool consisted of CEOs, research directors, university provosts, foundation leaders, and government officials. The experts represented wide-ranging sectors including technology, financial service, oil & gas, academia, foundations, consulting, government, and parliament. With an average experience of 20 years in executive education, the experts (2 females and 22 males) came from both the public and private sectors. The Delphi group was composed of 15 Arabs, two East Asians and seven Westerners who have been extensively involved in leadership development in the Arab region (including EY, London Business School, Harvard Business School, Etisalat, the Center for Creative Leadership and Government Ministries) as well as in the West (Europe, Asia, and USA).

Phase Two. Eight face-to-face interviews to better understand issues (such as gender and cultural sensitivity) that arose from the Delphi process. The one-on-one interviews were conducted with eight Arab industry and academic leaders (vice presidents, CEO, CAO, Managing Directors, Chairwoman, and a country Sheikh) from the UAE, Qatar and Jordan. Participants were selected based on their extensive experience with leadership development and their senior leadership roles in both public and private sector institutions. These interviews provided important insight, input, and validation of the results of the survey of experts.

Phase Three. A large-scale forced-choice method questionnaire administered to more than 1,500 business leaders from 17 different countries, carried out by internet, telephone and written correspondence. This large-scale survey (composed of 115 survey items with a total of more than 170,000 data points) identified Arab leaders’ cultural background and gauged executives’ responses to the best practices that the experts interviewed in the first two phases had recommended. The study leverages the survey to construct seven scales that capture the learning preferences of executives, particularly in relation to learning activities, leadership competencies, motivation enablers, barriers to participation, instructors’ characteristics, learning environment, and homogeneity preference. We subsequently used these constructs to create the three leadership clusters of excellence. We also examined the relationships between learning preferences and national values (Power Distance Index and Uncertainty Avoidance Index), regional geographies (Levant and Gulf), and demographics (age, gender, sector, and educational background).

The conceptual model shown on the next page captures how region, national values, sector, educational background, and age relate to executives’ learning preferences, noting effect sizes and positioning executives’ responses within the continuum of high versus low agreement with the Delphi experts.
### Conceptual model relating executives’ characteristics to learning preferences

#### Effect sizes

<table>
<thead>
<tr>
<th>0.9</th>
<th>Full Arab Educational Background</th>
<th>Western/Mixed Educational Background</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.43</td>
<td>Gulf</td>
<td>Levant</td>
</tr>
<tr>
<td>0.28</td>
<td>Public sector/NGO</td>
<td>Private sector</td>
</tr>
<tr>
<td>0.27</td>
<td>Body Boomers and Veterans</td>
<td>Millennial and Gen X</td>
</tr>
<tr>
<td>0.25</td>
<td>High PDI</td>
<td>Low PDI</td>
</tr>
<tr>
<td>0.24</td>
<td>High UAI</td>
<td>Low UAI</td>
</tr>
</tbody>
</table>

#### Homegenelty

<table>
<thead>
<tr>
<th>Traditional Learning (Rote Learning)</th>
<th>Experiential Learning (Hands-on)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authoritarian Approaches</td>
<td>High Emphasis Trait, Situational,</td>
</tr>
<tr>
<td>Lower Emphasis on Selected</td>
<td>Relational, Ethical and Servant Leadership</td>
</tr>
<tr>
<td>Performance. Social and Knowledge</td>
<td>Goal, Activity, and Learning Oriented</td>
</tr>
<tr>
<td>Related Motivation Enablers</td>
<td>Emphasis on Situational and Dispositional Elements</td>
</tr>
<tr>
<td>Less Emphasis on Some External and</td>
<td>Facilitator (Pedigree and Business Experience)</td>
</tr>
<tr>
<td>Internal Barriers</td>
<td>Modern Classroom (Hybrid Resources, Comfort, Action Learning)</td>
</tr>
<tr>
<td>Lecturer (Theoretical/Didactic)</td>
<td></td>
</tr>
<tr>
<td>Less Emphasis on Connected,</td>
<td></td>
</tr>
<tr>
<td>Multifaceted, and Immersive Environment</td>
<td></td>
</tr>
</tbody>
</table>

#### Learning preferences

<table>
<thead>
<tr>
<th>LA¹</th>
<th>LC²</th>
<th>ME³</th>
<th>BP⁴</th>
<th>IC⁵</th>
<th>LE⁶</th>
</tr>
</thead>
</table>

#### Legend:

1. Learning Activities (LA) not statistically significant with age, UAI;
2. Leadership Competencies (LC) not statistically significant with age;
3. Motivation Enablers (ME) not statistically significant with age;
4. Barriers to Participation (BP) not statistically significant with sector, age;
5. Instructor’s Characteristics (IC) not statistically significant with age;
6. Learning Environment not statistically significant with PDI;
7. Small = 0.2-0.3; Medium ~ 0.5; Large > 0.8
The collected data was analyzed using the following statistical methods to address the study field research questions.

- What are the most effective Arab leadership development practices as identified by executive education experts? To answer the first question, data collected from the 24 Delphi experts were examined. 181 items were matched with the constructs of the study: Learning Activities, Leadership Competencies, Motivation Enablers, Participation Barriers, Learning Environment, and Instructor Characteristics. Then, items were compared to an extensive review of literature that tackles leadership development best practices in both the Arab and Western classrooms. Findings showed how experts prioritized those items (by ranking mean ratings) that they deem most important to various aspects of classroom-based leadership development programs.

- What are the similarities and differences between experts’ and Arab executives’ views of best leadership development practices? The top expert responses from the Delphi were incorporated into a Large Scale Survey (LSS) which allowed us to assess the degree to which Arab leaders and executives (learners) agree with the experts’ views on leadership development practices. Then, the Delphi items were compared with the LSS. All items common (50 items) between the two surveys (Delphi and LSS) were matched to correspond with the seven constructs. To identify agreements and differences between experts’ and executives’ views, a Mann-Whitney U test was conducted to determine if any of the responses are statistically different between the two samples.

- How do geographical regional differences, cultural dimensions, and executives’ characteristics relate to their learning and leadership approaches, particularly to their views about central aspects of leadership development programs? To address this question, a Hierarchical Linear Model (HLM) was developed to examine indices for individual level correlations (such as demographics and homogeneity) as well as country level correlations. As such, the HLM level-two predictors included regions (Gulf and Levant) and national values (PDI and UAI). Level-one predictors encompassed gender, age, sector, educational background. The relationship between the predictors and executives’ approaches to various aspects of leadership development were examined to determine the coefficient and effect sizes. Coefficients indicate how learning approaches vary with regard to executives’ background. The effect sizes are a measure of a magnitude of the relationship between predictor and the outcome variable.
References

[1] How will the GCC close the skills gap? EY 2015
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