

The RICS and Macdonald & Company
Middle East Rewards & Attitudes Survey 2013

Executive Summary and Key Findings

Now in its **SIXTH** year,
the annual **RICS** and
Macdonald & Company
REWARDS & ATTITUDES SURVEY
is the most comprehensive
survey undertaken for
the Property Sector.

Foreword

'Dubai is back!' seems to be the overwhelming theme at the moment with ambitious new projects being announced by private sector and government developers alike. Sheikh Mohammed bin Rashid is again driving these initiatives from the very top with his visionary leadership. There is a prevailing sense of optimism around the city as infrastructure projects are completed, new hotels are opened and visitor numbers escalate. The memories of late 2008/early 2009 are receding. Confidence is the key going forward and there is a genuine expectation from long term Dubai residents and those that have relocated here more recently that 2013 is going to be a very good year.

We are noticing an increasing appetite from employers that wish to source senior candidates and hire individuals for both replacement and expansion purposes. The AldarSorouh merger is on track which is positive for the Abu Dhabi market. Government spending will remain a driving force behind the economies here if the oil price is sustained above the expected level of \$100/barrel.

The US economy is improving according to recent employment statistics but the effect of the \$85bn worth of government spending cuts may have a slowing effect on growth. Europe and the UK seem to have avoided complete disaster with the euro intact and global equities markets have reflected this in a very bullish Q1 this year.

There still remains a great enthusiasm from individuals from the UK and Europe to relocate and work here in the region, with Dubai being the choice destination, although strong Emiratisation policies will continue as there are many UAE nationals still seeking employment.

The situation in the wider MENA region remains challenging, with political instability, violence and uncertainty driving many job seekers and their families towards the safe havens of Dubai and Abu Dhabi. This uncertainty is also driving significant levels of cash into the banking system and direct investments.

The most significant finding of the survey is clear: Confidence has returned, coupled with the realistic optimism from lessons learnt over the past seven years. Salaries have remained broadly in line with 2011 and average at AED36,293/month but more people are receiving bonuses and base salary increases, suggesting those that perform well are being rewarded for their achievements.

Ben Waddilove MRICS, Director, Macdonald & Company (in association with Unlimited Resources Recruitment Supply), March 2013

Introduction

Now in its sixth edition, the annual Macdonald & Company Middle East Rewards and Attitudes Survey is still the most comprehensive survey of its type undertaken for the property sector in the Middle East. The survey encompasses a broad variety of participants across the GCC, Levant and North Africa. The new timing of the Survey, which will now be run in January/February/March every year, coincides with the other Surveys that we conduct in the UK, Europe, and Asia so that intelligent comparison and analysis can be made between all Surveys.

We would like to thank all of the participants who completed the Survey this year. There are comprehensive statistics on current salaries, bonuses and employment benefits in addition to information on broader employment issues and attitudes which are very relevant to employers and employees alike. The Executive Summary sets out the key findings. Further analysis and information on this and the other global Surveys is available from Macdonald & Company.

For further information or analysis please contact: info@macdonaldandcompany.com

A comprehensive salary benchmarking service tailor made to individual client's needs is also available.

An online statistics package for the 2013 survey is available at a cost of USD \$999. In addition to the MENA region, Macdonald & Company undertake salary surveys for UK, Asia Pacific, sub Saharan Africa and Europe. All reports are available at www.macdonaldandcompany.com

For the second year, the results have been collated and analysed by BluSky Research (a research trading name of BluSky Marketing Limited – www.bluskymarketing.com).

57% ↑

Are anticipating an improvement in economic activity (+17%*)

↓ 5%

Negative business sentiment has dropped by 7% to 5%. This is the most significant movement in positive business sentiment since 2010

35% ↑

of respondents received a base salary increase (+5%*)

↑ 11.6%

secured on average a 11.6% increase in base salary (-1.2%*)

AED 36,293

is the average monthly salary for a Real Estate professional in the Middle East (-AED 1,672*)

aed 68,831

49% (versus 41%*) of all respondents secured an annual bonus of AED 68,831 (also -AED 7,600*)

75%

are fairly or very satisfied with their current employment

+AED

Better salary continues to be the most important job aspect

73%

Those working in development, consultancy or contractor provide the majority of responses

DUBAI

The majority (39%) of respondents presently work in Dubai (+2%*)



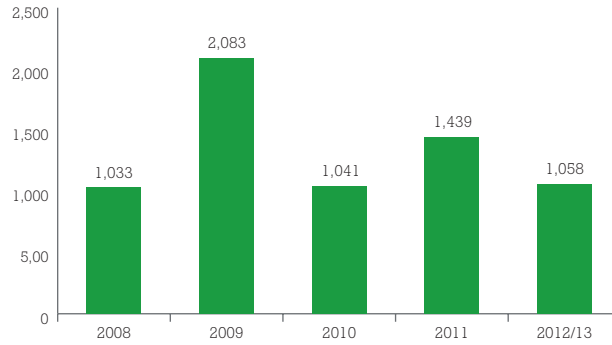
only 11% of respondents are seriously considering returning to their country of origin

41%

of respondents consider the GCC region to be a preferred location for employment opportunities and career progression (+7%*)

Response Rate Total

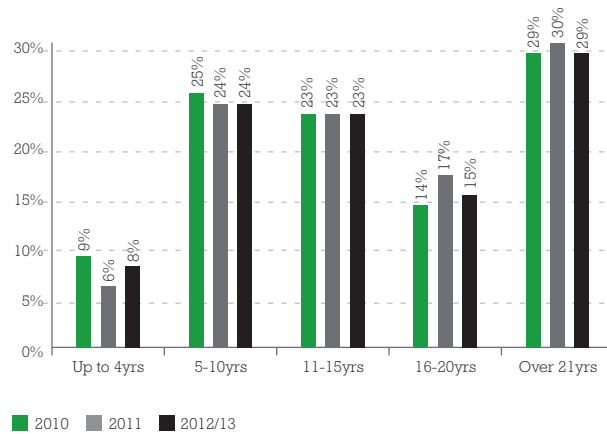
In its sixth year with 1,058 respondents, the survey is still the most robust and respected survey of its kind in the Middle East.



Years' Experience

How many years' experience do you have in your discipline?

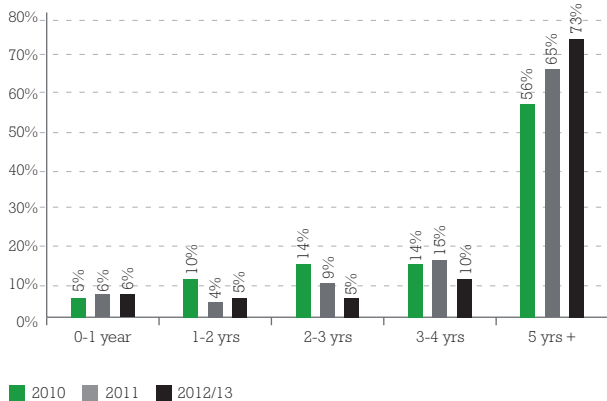
The general level of experience of the sample has reversed this year with less senior respondents (44% with 16 years plus experience, down from 47% in 2011 and consistent with 2010).



Middle East Regional Experience

How long have you worked in the Middle East Region?

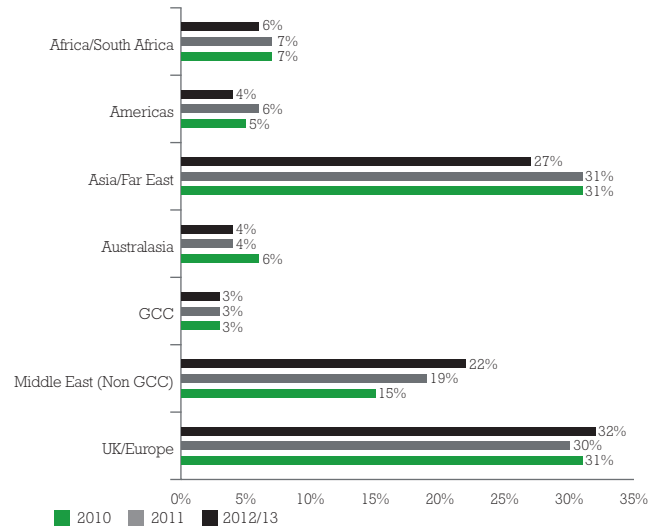
73% of the survey respondents have 5 or more years experience working in the Middle East versus 65% last year. While those with between 2 to 4 years experience working in the Middle East has dropped from 24% to 15% in 2013.



Ethnicity

From which of these regions do you originate (Ethnicity)?

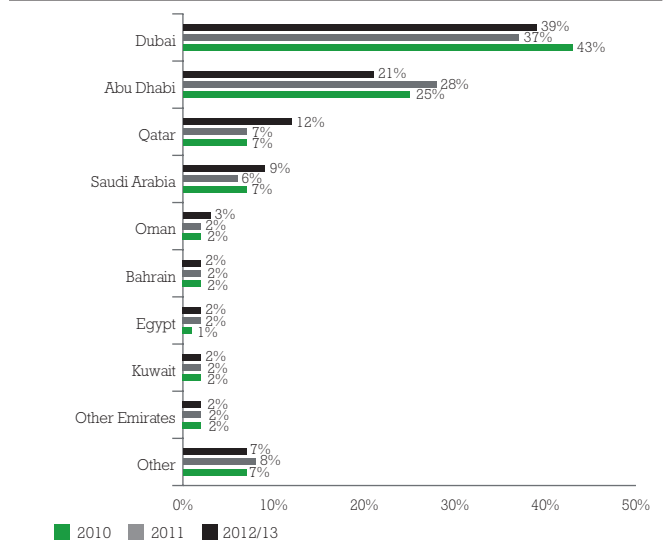
Respondents who originate from the Middle East (Non GCC) now account for 22% of the total respondents (up from 19% last year), while those from UK/Europe remain one of the largest groups with 32% (up from 30%). Those who originated from Asia/Far East have dropped from 31% in 2011 to 27% this year.



Normal Place of Work

Where is your normal place of work?

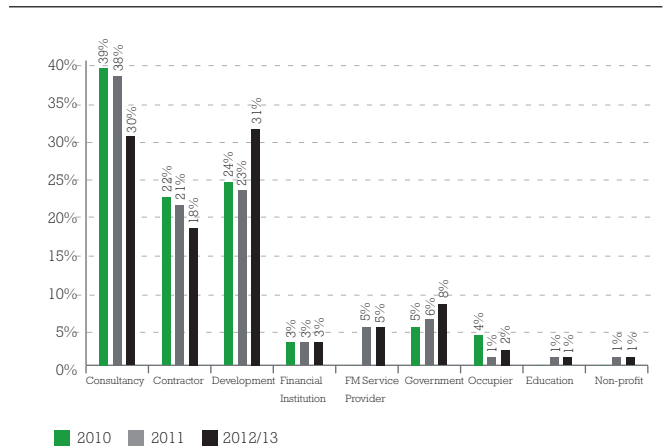
Those who presently work in Dubai (39%, up from 37% in 2011) still represent the majority of respondents to the survey. Numbers working in Abu Dhabi have declined down from 28% in 2011 to 21% this year. However those in Qatar (12%) and Saudi Arabia (9%) are increasing in number.



Employer Type

What is the main activity of the organisation?

Those working in development (31%, up from 23%), consultancy (30%, down from 38%) or contractor (18%, down from 21%) continue to provide the majority of responses (73% in total, down from 82% in 2011) to this year's salary survey. Respondents from the Government sector have increased slightly, up from 6% in 2011 to 8% this year.



RESEARCH SAMPLE PROFILE

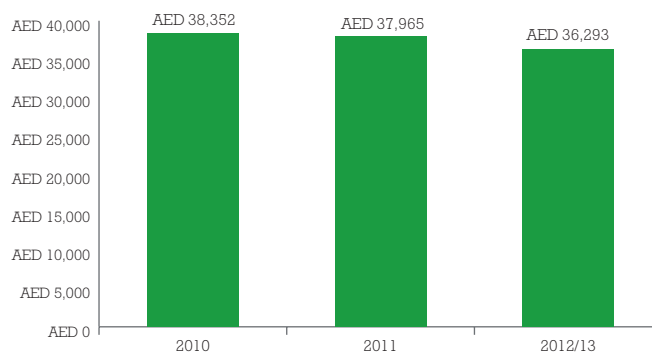
	2011 NO.	2011 %	2012/13 NO.	2012/13 %
Academic	13	1%	6	1%
Analyst/Research	23	2%	10	1%
Architect/Design	103	7%	79	8%
Business Development Management	65	5%	40	4%
CEO/MD/Head	77	5%	57	5%
CFO/Financial Director/Controller	39	3%	47	5%
Claims & Dispute Resolution	25	2%	15	1%
Construction Management	79	6%	66	6%
Corporate Property Consultancy	14	1%	8	1%
Development Management	43	3%	39	4%
Energy	23	2%	15	1%
Engineering Services Management	80	6%	45	4%
Environmental	14	1%	7	1%
Facilities Management Consultant	21	1%	11	1%
Facilities Management In-house	20	1%	26	3%
Facilities Management Service Provider	30	2%	23	2%
Financial/Real Estate Analyst	33	2%	37	4%
Fund Management	7	0%	8	1%
General Practice	8	1%	11	1%
Health and Safety	38	3%	18	2%
Interior Design	14	1%	11	1%
Investment Brokerage/Agency	11	1%	3	0%
Landlord & Tenant	4	0%	7	1%
Landscape Architect	11	1%	7	1%
Office Agent	4	0%	11	1%
Planner	27	2%	15	1%
Property Asset Management	23	2%	29	3%
Project Management	145	10%	112	11%
Quantity Surveying	208	15%	78	8%
Residential Agent/Sales/Leasing	9	1%	15	1%
Residential Development	9	1%	11	1%
Retail Agent/Leasing	8	1%	14	1%
Urban Designer	13	1%	5	0%
Valuation	24	2%	20	2%
Other	123	9%	96	9%

AVERAGE MIDDLE EAST REAL ESTATE SALARY & BONUSES

Average Middle East Real Estate Salary (AED)

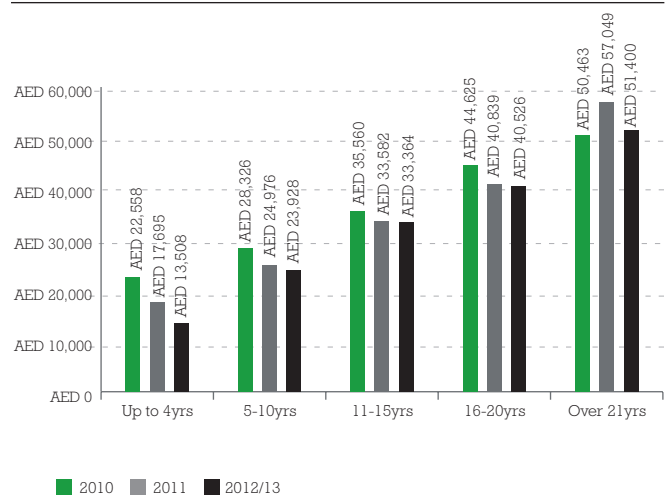
What is your current monthly base salary? (excluding all benefits such as bonuses, car etc).

The average base salary of a Real Estate professional in the Middle East is AED 36,293 per month or marginally down versus 2011 by AED 1,673 or 4.4%. The slight decline in average monthly salary could be attributed to the 3% decline in respondents with over 16 years industry experience.



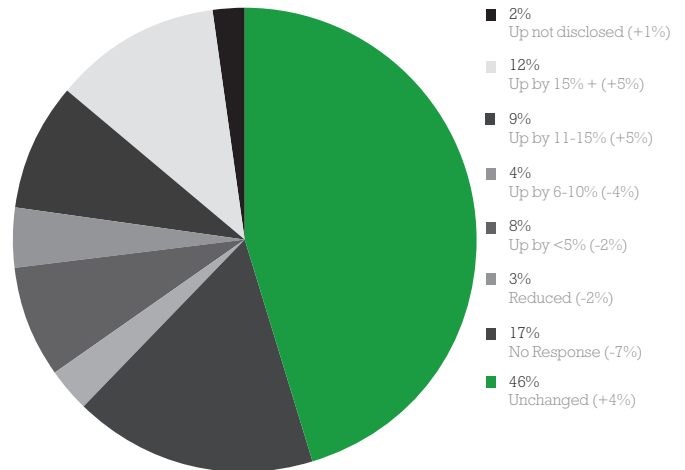
Years' Experience Average Salary (AED)
Salary at last review by years' experience within discipline

Those respondents with over 21 years experience continue to earn the highest average base monthly salary at AED 51.4K. However this is down from AED 57.0K in 2011. Those respondents with up to 4 years experience, have seen a drop in average salary from AED 17,695 to AED 13,508 in 2013.



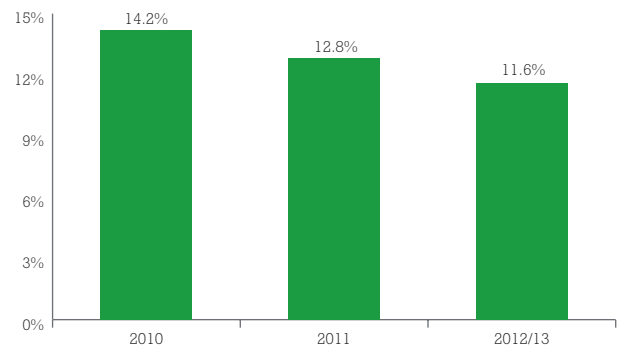
Change to Salary at last review
What change if any was made to your Monthly Base Salary at your last pay review?

There has been an uplift in those receiving an increase in their base salary this year, with 35% receiving an increase (versus 30% last year). 3% received a salary reduction (versus 5% last year), while 46% experienced no change in salary (versus 50% last year).



Average Property Salary Increase
If your salary was increased, please indicate % increase?

The average salary increase has declined since 2011, down from 12.8% to 11.6% in 2013. However, the % of respondents who have secured an annual salary increase has grown to 35% and is the highest level in the last 3 years.



AVERAGE MIDDLE EAST REAL ESTATE SALARY & BONUSES

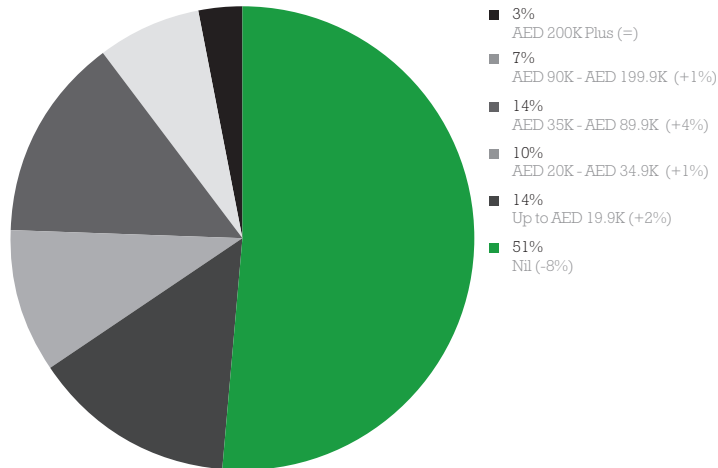
Average Property Salary Increase:

Region	AVERAGE SALARY INCREASE
Total	11.6
Dubai	11.8
Abu Dhabi	11.0
Qatar	10.5
Saudi Arabia	11.8
Oman	12.7
Bahrain	8.2
Egypt	8.4
Kuwait	20.0
Other	15.6

Annual Bonuses Received (AED)

What was the approximate value of your annual bonus (or bonuses) over the last 12 months?

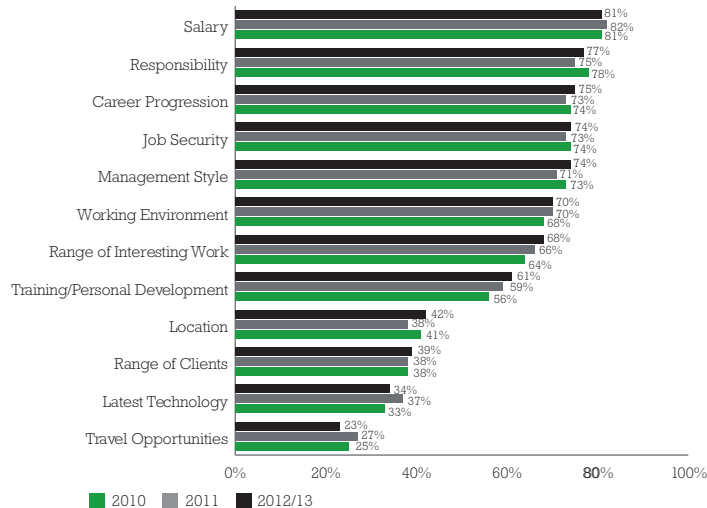
49% of the survey respondents received a bonus (up from 41% in 2011), while 51% received no bonus whatsoever (down from 59% last year).



Important Job Aspects

How important are each of the following to you in your job?

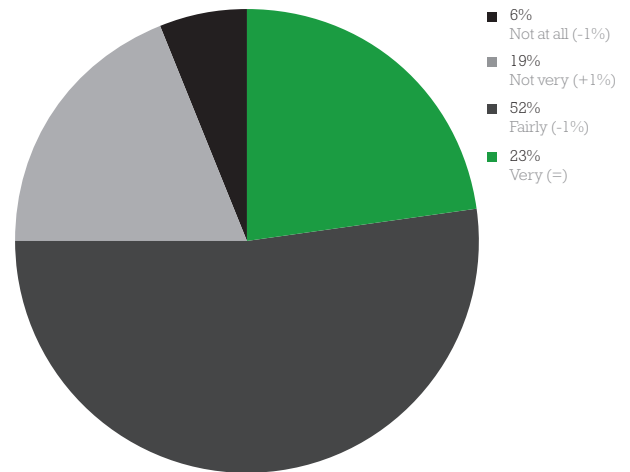
Salary and responsibility continue to be the most important factors when it comes to job satisfaction, followed closely by career progression, job security and management style within the organisation.



Job Satisfaction

How satisfied overall are you with your current job?

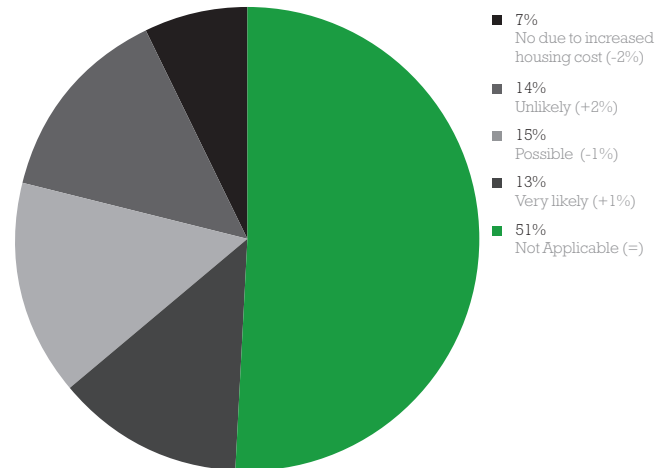
The majority of survey participants (75%, down from 76% in 2011) are fairly or very satisfied with their current employment. 19% say that they are not very satisfied (down 18% from last year).



Relocating to Abu Dhabi

If living in Dubai and commuting to Abu Dhabi, how likely are you to consider relocating there permanently now?

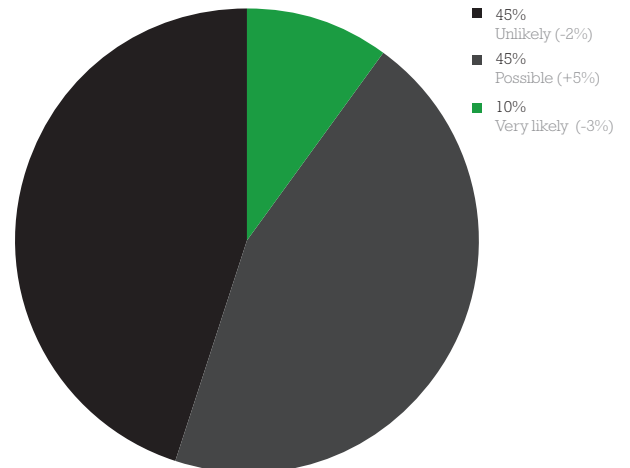
Of those respondents who live and commute to Abu Dhabi, 28% would consider relocating there on a permanent basis, up 2% from 2011. However, 14% stated they were unlikely to permanently move up from 12% in 2011.



Relocating to India or Far East

Are you considering relocating to India or the Far East due to increased economic activity there?

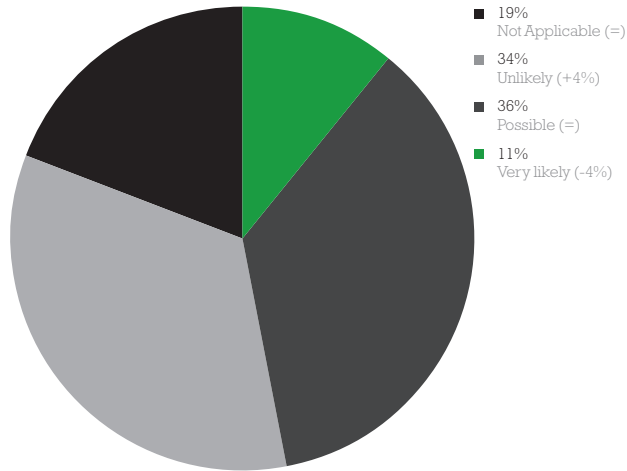
55% of the survey respondents would at least consider relocating to India or the Far East due to the increased economic activity there (up from 53% last year).



Returning Home

Are you considering returning home to the UK, Europe, US, Africa, Asia or Australasia?

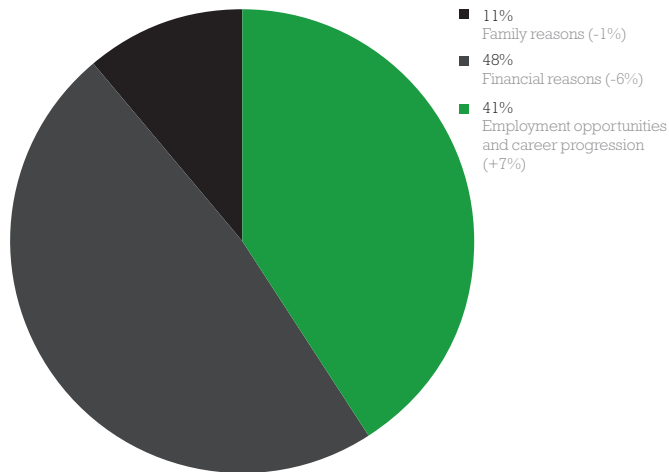
Only 11% of the survey respondents, (down from 15% in 2011) who are in a position to return to home, are seriously considering returning to their country of origin.



GCC Preferred Location

Do you still consider the GCC region to be a preferred location for?

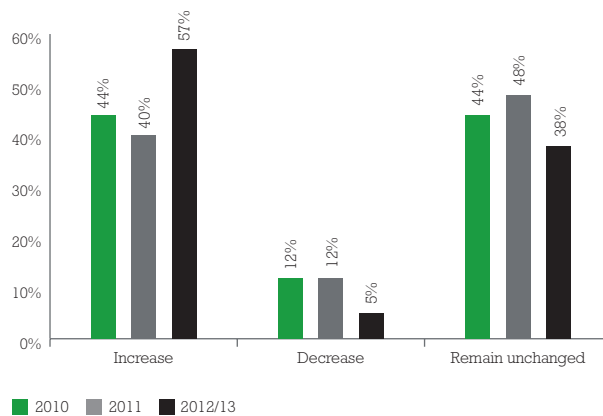
48% of the survey respondents consider the GCC region to be a preferred location for "financial reasons" (down by 6% from last year).



Economic Activity Change

In your chosen professional activity, do you anticipate economic activity in the next 12 months to increase, decrease or remain unchanged?

Business sentiment or confidence has improved significantly by 17%, with 57% anticipating an improvement in economic activity during 2013, versus 40% in 2011. While negative business sentiment has dropped by 7% to 5%. This is the most significant movement in positive business sentiment since 2010



NOTES

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We connect you to that difference.
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