

COVID-19 AND THE SAUDI LABOR MARKET JOB SEEKERS' PERCEPTIONS

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The purpose of this brief is to present findings from a focus group discussion that was conducted by Alnahda Center for Research with job seekers in July of 2020. The job seeker brief is part of a series of publications that present recent evidence on the economic impact of Covid-19 on the labor market.¹ This brief uses a qualitative approach to highlight the perceptions of job seekers in light of Covid-19 especially regarding job vacancies, types of occupations they applied to, their skills development, and their receptiveness to remote work.

Key findings from this focus group include the following:

- A common perception among job seekers is that demand for employees has diminished due to the pandemic, which has encouraged greater flexibility in terms of the industries and type of contracts they would consider.
- Most participants used this time to engage in training and develop new technical and soft skills that would better qualify them for employment
- Participants also indicated a change in the medium of their job search and willingness to accept offers without meeting any of the team in person or receiving physical on-boarding. They were also willing to work remotely.

The Covid-19 focus group series was conducted as part of the Takafu initiative. Takafu is an initiative carried out by the Alnahda Center for Research. Meaning 'parity,' the Takafu initiative publishes a Gender Equal Opportunity index for the Saudi private sector in three areas: participation, career development and compensation (Alnahda Research Center, 2019). Each Takafu report focuses on a special issue. This year Takafu will examine the impact of Covid-19 on the private sector to understand how business and employment were affected and how this pandemic might potentially alter the future of work.

Emerging evidence on the impact of Covid-19 on job seekers

A recent study that looked at the largest online job board in Sweden found that job seekers searched for jobs less intensively in response to the Covid-19 pandemic and redirected their search to occupations that were less severely hit by the crisis, such as healthcare and occupations with high shares of hours worked from home (Hensvik, et al., 2020). Moreover, the Swedish paper found that since early March 2020, employers posted 40% less online vacancies. Similarly, using online job vacancy data, a study in the United

¹ The target participants of the focus groups also include employees and employers. You can read the employee brief [here](#): (insert link) and the employer brief [here](#): (insert link)

States found that by late April 2020, job vacancies dropped by over 40% in the US across all occupation types, with the exception of essential retail and nursing (Forsythe, et al., 2020).

The impact of Covid-19 on vacancy postings and job seekers' search intensity and occupation selection has not been quantified in Saudi Arabia as of yet. However, what we know is that the private sector continued to receive job applications online during the Covid-19 outbreak (AlGamdi, 2020)². Moreover, according to a recent blog post published by the World Bank, the Covid-19 crisis has augmented the challenges for first-time job seekers, and especially women (Chartouni & Pankratova, 2020)³. The blog stated that the majority of unemployed Saudi women do not have work experience or training and therefore will be at a disadvantage when competing with other candidates. A local initiative that could help address this challenge is the online career platform "Subol." The Human Resources Development Fund (HRDF) urged job seekers to use Subol as a measure to mitigate the economic impact of Covid-19 (HRDF Human Resources Development Fund, 2020). Launched in 2019, Subol offers career guidance to job seekers, informs them about necessary skills in the market, and lists (Arab News, 2020). In terms of occupations that were in-demand due to the crisis, focus group participants reported that jobs related to local tourism witnessed an increase in demand due to the success of the "Saudi Summer Campaign" and the fact that international travel is still suspended (Althiabi, 2020).

Focus group findings

In July 2020, Alnahda Center for Research hosted two focus group discussions² to discuss the impact of the pandemic on job seekers' expectations, attitudes and search behavior. A total of 12 Saudi job seekers, including "fresh job seekers" and "experienced job seekers," participated in the focus groups.³ All job seekers were based in Riyadh.

1. Job vacancies and hiring

There was a common perception among participants that hiring has shrunk as a result of the pandemic: "*I noticed a drop in the number of job postings online.*" Furthermore, none of the experienced job seekers indicated that they have received an offer from any of the jobs they applied to (figure 1). When asked about reasons for not hearing back, two participants responded that they were not expecting to be employed due to current budget cuts and hiring freezes.

² One of the participants did not indicate their nationality.

³ The first session was conducted with seven "experienced job seekers" who have at least two years of work experience and who lost their jobs prior to March 2020. The second session was conducted with five "fresh job seekers" who recently entered the workforce.

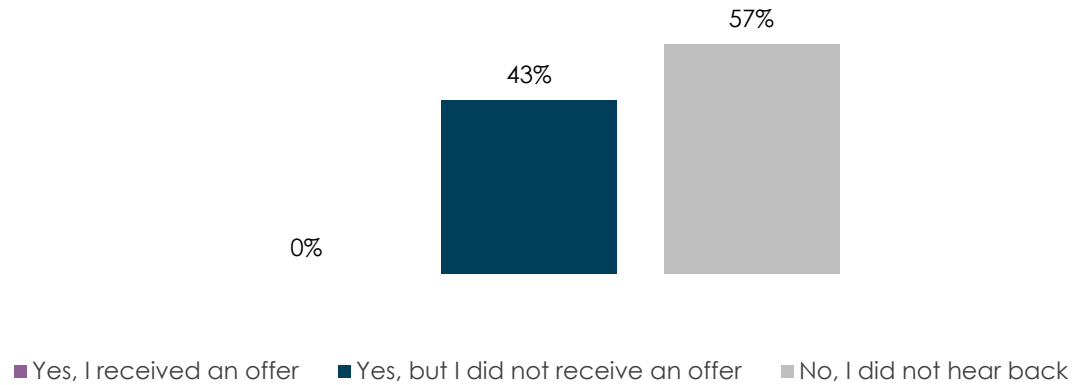


Figure 1: The proportion of experienced job seekers who heard back from the jobs they applied for

Similar to the Swedish study, participants redirected their job search in light of the pandemic. Fresh job seekers who were initially looking for jobs that met their priorities, such as jobs that align with their major of study, had to be much more flexible in their search as a result of scarcity: *"We do not have room to be picky, we just want a job."* Moreover, three participants shifted to applying for part-time jobs as full-time jobs were becoming increasingly unavailable: *"Part-time work has become a trend," "Companies prefer part-time contracts."* One of the participants mentioned that the tourism sector is in high demand this summer and anticipates that it will witness growth.

Participants also indicated that their strategies for applying to jobs changed from going to companies in person to calling them over the phone and searching online due to social distancing restrictions. The two most common methods used by experienced job seekers for job applications were identified as social media ads and networking through friends and acquaintances. The social media platforms job seekers relied on the most include WhatsApp, LinkedIn and Twitter. Additionally, in response to the discussion about ways that make a candidate more competitive, participants highlighted personal connections and work experience: *"Applying for jobs online, especially on LinkedIn, will not generate responses because of the large volume of applications that are submitted. Having a direct contact would probably yield better results,"* stated one participant. *"Most employers ask for experience when most job seeker don't have work experience,"* stated another participant.

Almost all experienced job seekers expect that job demand will increase in the next 12 months. A participant shared that this was the case because: *"A lot of people recently lost their jobs, so the expectation is for job demand to increase especially in private sector companies that have less specific job requirements compared to the public sector."*

II. Skills development

The skills perceived as necessary in the market include research, flexibility, communication, English language, and technical and management skills. Furthermore, the skills acquired and/or strengthened by participants as a result of the pandemic included software aptitude, social and business skills. Half of the participants discussed benefitting from online courses that have become more available during the pandemic to develop their technical and soft skills. Courses included digital marketing, English language, customer service, business management, Microsoft Office, self-development, HR training provided by HRDF, and career development provided by MiSK Foundation. *"I am not feeling very encouraged to apply for jobs. Job opportunities are limited in the market, and I am focusing now on improving my English language skills."*

Not all participants utilized this period towards cultivating their careers. A female participant expressed that she did not enroll in any training to develop professionally, rather she used this time to pursue personal hobbies and interests: *"I took this time to learn new recipes"*.

III. Perceptions of remote work

Participants saw advantages in remote work. The majority of participants indicated that they would be comfortable accepting a job without meeting any of the team in person.⁴ All participants were also open to being remotely on-boarded to a new company if provided the right resources and support (figure 2). A participant believed that the future of work will shift to remote work and mentioned that there are national initiatives by the Ministry of Human Resources and Social Development, like the Telework Program, that encourage it. The main challenge discussed regarding remote work is not getting the chance to know fellow employees and make work connections. *"Remote work enables us to focus on tasks, but at the cost of making work connections"*.

⁴ This is a poll question in which one participant did not respond.

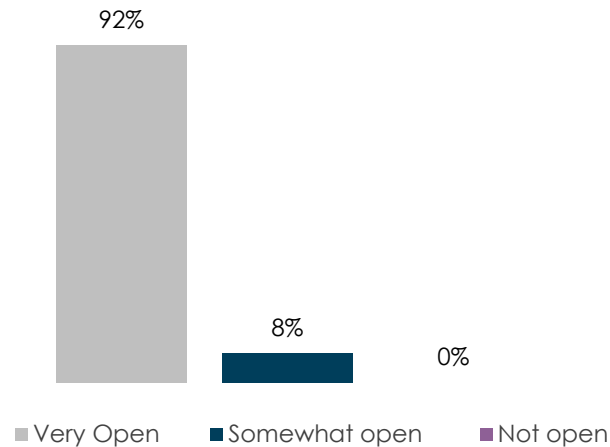


Figure 2: Job seeker openness to remote on-boarding to a new company if provided the right resources and support

Conclusion

Overall, job seekers perceive that hiring has shrunk due to the Covid-19 outbreak and were not very optimistic about the availability of jobs that match their profiles in the market. In terms of attitudes towards job search, participants expressed their flexibility in attaining a job and some redirected their job search to also include part-time and remote jobs. Lastly, some job seekers took the past few months as an opportunity to develop their skills in order to improve their competitiveness in the market.

We invite employers and policy makers to consider the insights this brief provides on the perceptions of job seekers. Additionally, we acknowledge national initiatives that support job seekers, including and not limited to Subol, the Telework Program and the Flexible Work Initiative and advocate for more support in this direction to help address the challenges job seekers have been facing due to Covid-19. Finally, we also invite researchers to consider studying the impact of Covid-19 on vacancy postings, job seeker search intensity and occupation selection as areas for future research.

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