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Motivation and Perseverance: The Missing Link to GCC Knowledge Economies

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Nothing in the world can take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education alone will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent. The slogan "press on" has solved and always will solve the problems of the human race." ~ **John Calvin Coolidge**

Today and over the past few years, the GCC has been facing a major youth unemployment challenge. The average unemployment level over the past few years for under 25 year olds has been averaging over 25%¹ in the region. At the same time the region has witnessed a massive increase in the total youth population, growing from 15M² in 2000 to almost 20M¹ last year. While governments have made some headway in addressing this, the region still continues to face a massive and growing group of young people, many of whom are unable to find employment. In light of young people now being the largest part of the population, youth unemployment is a critical issue for the GCC and it has been a key priority for governments to clearly understand this issue and address it.

A first reaction to such high numbers of youth unemployment may be to link them to the economy, but the GCC has seen unprecedented levels of economic growth, with an average annual growth rate of 6-13%³ by country over the past 15 years. So, if copious jobs are being created, then why are companies not filling these with young GCC nationals? In part this is because it is still difficult to place the youth into a rightly 'matched' job for their skills and desires and there is a tendency for young people in the GCC, in particular in the growing middle class, to remain unemployed for long periods of time, as they wait for the 'perfect' job. In part it is also due to the high level of competition the youth faces – with their large group of peers as well as with expatriates. However, the issue is more deeply rooted than just these two factors.

Through BCG's work with companies in the region, the key message we've heard from employers on the challenge they see with young GCC nationals is that in part there is a lack of some of the necessary knowledge, skills and competencies. However, as many of these skills and competencies can often be developed on the job, the bigger challenge for employers is that they are not finding enough young job seekers with the character skills they are looking for – ones who will take initiative, work on tasks autonomously and who will flexibly adapt to a changing environment and new challenges. In other words, there is an underdevelopment of certain

¹ ILO

² World Bank

³ Real GDP; Bahrain Ministry of Finance & National Economy, Central Bank of Kuwait, Oman National Center for Statistics & Information, Qatar Ministry of Development Planning and Statistics, KSA Central Department of Statistics & Information, UAE Ministry of Economy

critical character skills, particularly the motivation to push for results and to adapt and persevere when facing challenges. The latter is a challenge that has come increasingly into focus in the region – for example the Khaleej⁴ Times spoke of UAE high school students' disinterest in their educational and career choices. The same year, Doha News⁵ wrote about the challenge of low motivation for entrepreneurship. So, if the GCC youth has a gap in these dimensions to the extent that it prevents employment, this begs the question what the underlying issues are that are driving this gap, what we have done to address them and whether this has been working.

Let us first understand what our factors mean. Knowledge skills and competencies are skills that are typically learnt in the classroom environment or in vocational training – reading, mathematics, accounting, problem solving, critical thinking, collaboration and the like. For character skills what is in focus is motivation, which is a combination of the basic drive to achieve something (intrinsic motivation) and the ability to prolong this drive over time and through setbacks (patience, self-control and resilience).

The first category, knowledge skills and competencies, has been a primary focus of GCC governments over the past few years. In fact, enormous investments have been made to set up educational infrastructure to develop these – for example in 2013, KSA spent over \$90,000⁶, more than all but a handful of countries in the world, on education per student aged 6-15. New schools and universities were built; training programs set up and new learning equipment like laptops, laboratory equipment, etc. were purchased. However, despite this enormous effort and investment, when it comes to knowledge skills and competencies, the GCC is still lagging behind many countries that have a far inferior educational infrastructure.

BCG's work in education and labor throughout the GCC, as well as other global experts on the topic, has highlighted that this gap in building knowledge skills and competencies despite vast educational infrastructure is in part due to shortages in high quality teachers and school leaders, but largely also due to a lack of emphasis on motivation, grit and persistence. Research⁷ indicates that grit & persistence are both a prerequisite to acquiring knowledge skills and competencies, as well as among the best indicators of how well someone will perform at them. A student can study in a state of the art laboratory or classroom and learn from a top teacher, but if they aren't sufficiently motivated, they will still not retain or properly apply what they are taught. At the end of the day, without the right mindset (in addition to the right instructional strategy and pedagogy), all the new educational infrastructure cannot and will not be adequately utilized.

⁴ "Most Emirati students not motivated, says study", Khaleej Times

⁵ "Entrepreneurs face motivation problem in oil-rich Gulf", Doha News

⁶ World Bank database, Saudi Arabia profile - IMF 2013, Middle East Business Intelligence 2013

⁷ "Children's Skills and Human Welfare" Prof. Dr. Ernst Fehr, University of Zurich

Thus, what we are seeing is that lacking the required level of intrinsic motivation has a doubly negative impact on employment. Firstly, the knowledge and competency skills required from new entrants by the labor market are not developed enough because of insufficient focus on building specific character skills throughout the education years. Secondly, it directly results in challenges to maintaining a job because of not putting up sufficient effort to produce results and continue to develop and grow professionally.

Moreover, apart from just the impact on employment, studies⁸ link low levels of motivation with higher levels of obesity, general decrease in health and limited physical activity. Grit, perseverance and resilience are things that make us capable of achieving both professional and personal success, and we are seeing that there is urgent need to further develop these amongst GCC youth.

So what is holding GCC youth back from being more driven, patient and to persevere through challenges?

Typically, experts put three major challenges for the GCC in the spotlight. The first is not integrating the development of grit, persistence and resilience sufficiently into our educational system. The second is that countries tend to be overly reliant on using incentives to affect behavior. The third is insufficient support from the GCC youth's role models.

The first is around our current approach to education which is focused mostly on developing knowledge skills like math and science. There has been increasing focus in recent years on building competencies like collaboration and communication, but there is still very limited inclusion of developing character skills like persistence and grit in the curriculum. Particularly when it comes to employment, there are too few adequate and meaningful career services and work experiences like internships in schools. Children aren't given the opportunity to explore the working world and develop an appetite for it. And when they *do* develop an appetite, they are not given guidance on how they can approach their goals and plan to achieve them and ultimately often give up on them before even attempting.

The second is a more fundamental, far-reaching challenge – when it comes to encouraging education and work; governments in the GCC today offer numerous incentives and an extensive safety net, thus the youth are not encouraged to take risks and so do not learn to deal with setbacks and failure. For example, in some countries students receive an income simply for being enrolled in university. In terms of the safety net, many jobs are guaranteed through nationalization quotas and there are also many secure, high paying government jobs. Overall, across the GCC, there is a vast number of financial incentives and an extensive safety net to support and encourage the youth. Individually many of these can be very helpful, but collectively the overabundance of incentives has reduced their individual efficacy, as the youth becomes accustomed to and expectant of rewards for the steps they take. Particularly, in terms

⁸ "Children's Skills and Human Welfare" Prof. Dr. Ernst Fehr, University of Zurich

of motivation, the development of patience and perseverance are stunted this way – two character qualities which are critical in the working world, where companies do not have the means to continually provide individual rewards to employees. Moreover, even if they did have these resources available, when a reward becomes the norm, it is no longer an incentive that creates a change in behavior, but rather becomes an entitlement the lack of which actually stymies positive behaviors.

The last factor is around GCC youth's role models insufficiently guiding and pushing them to achieve in school and at work. One of the deep-rooted strengths of the GCC culture is being able to be inspired and following role models. GCC youth look up to and take direction in particular from two groups: their family and community leaders. Whether a family father encourages his children to go for a government job because it is guaranteed and safe or whether he encourages his children to study hard to get a good private sector job because it provides greater opportunities in the long run, will have a big impact on the decisions his children will take. Similarly, the way community leaders themselves act and what they publicly announce, endorse and encourage has a big impact on what the community, in particular young people, do. So far however, the emphasis from community leaders has been focused on the importance of education to build the knowledge-economy – too vague to provide the impetus needed for the youth to strive to develop the hard skills and to dream about taking on the leadership roles in their nation's strategic industries.

So now, going forward the question is what *can* we do to spur the development of grit, persistence and resilience in the GCC youth? Ultimately, developing character qualities is a lifelong effort and must be addressed throughout childhood, during education and at work. An initial set of ideas for changes is outlined below. Whilst many of the suggestions are fundamental structural changes, we will also highlight both what can be done *now* that will affect the current generation heading into the job market and the incumbent generation of young employees.

Early childhood: building independence, self discipline & peacefulness through sports & games

Building the fundamental building blocks of grit, perseverance and resilience must begin in early childhood by instilling basic behaviors like independence, self discipline and peacefulness. These qualities are intended to make children 'ready for school' by giving them the ability to act with limited supervision & guidance. This learning is typically part of pre-school and kindergarten and is often facilitated via sports, games, small 'exploratory' projects and the like. At home, a child should, for example, be encouraged to become increasingly independent, especially in a culture where domestic support is abundant and nannies often don't push young children to do tasks themselves (for instance getting dressed in the morning) but rather do these tasks for them until a late age.

Primary school: teaching perseverance and resilience

The approach to teaching in primary school needs to be adjusted to intentionally include activities like group projects where students experience failure, so that they learn to recover, regroup and reiterate. This is a more long-term change that will require retraining teachers across the region. Technology can help accelerate this, through programs and game-based activities that seek to develop the same. Additionally, there should be a focus on extra-curricular activities, like competitive sports, where students can find new sources of enthusiasm and learn to push themselves.

Primary & secondary school/university: goals and aspirations via work experience programs and career counselors

To directly address the issue, there are some 'quick wins' that can be set up more quickly. Amongst these are setting up work experience programs at schools and universities as well as career counseling services – in close collaboration with industry. Work experience will give students exposure to the working world, which will help them visualize and form an idea of what they want to do later in life, so they have a goal to work towards. It will also help by setting appropriate expectations of what working life will be like. Career counseling services can help create awareness around how different educational paths can impact future career choices and they can also help students shape their own ideas and aspirations into tangible and achievable goals and come up with a structured approach of how to attain them.

At work: on-the-job trainings and life-long learning to improve job retention

On-the-job trainings directed at improving perseverance and resilience could help improve job retention. Specifically, more tactical training around how to structure plans to achieve long-term goals related to their responsibilities would help young employees feel more invested in creating and maintaining their own path. Learning how to plan ahead would give employees the sense that they are in charge of their future. This kind of ownership ties employees more strongly to the job and can increase job satisfaction as well as reduce dropout rates.

Training to build employee resilience to negative setbacks have been gaining traction globally - most notably the US military⁹, in the past years, has rolled out resilience training that prepares individuals to deal with setbacks and failure. Such training could help reduce drop-out rates from frustration about short term failures.

Increased enthusiasm of parents and community leaders for 'achievement'

Parents and community leaders must become more engaged in supporting and representing a message that highlights the value of achievement based on "sweat". A big step forward here would be to change the perception of private sector jobs and how they compare to public sector jobs. The sense that public sector jobs are the better option and require little effort to obtain

⁹ "Building Resilience", M. Seligman, Harvard Business Review

and maintain is detrimental to those with budding aspirations to work in the private sector. An awareness campaign should be launched that brings together individual sponsors in the communities and employers in order to change the perceptions of private sector jobs, showcase role models and highlight success stories.

Reconsidering the approach to incentives to make them more conducive to motivation

When it comes to providing incentives, there are three key considerations. The first is to tie others' incentives to the children's educational performance. For instance, tying some of the existing parents' government support (or government job) to the requirement that their children finish school could create an environment that pushes against dropping out and giving up. The second consideration is to rethink the incentives provided to youth themselves and make sure to focus on the right, most effective kinds of incentives. For instance, research¹⁰ has shown that rewards for educational inputs (e.g. a reward for reading a book) are more effective than for educational output (e.g. receiving a certain grade). The third is not to overuse incentives as they have a destructive effect on intrinsic motivation when they become the norm for making any effort. This will require a holistic review of the existing incentive programs to ensure alignment with the objective of developing the youth's key character skills.

The above are an initial set of ideas that serve as a starting point and need to be refined, expanded on and contextualized for individual countries. They are intended to address an issue that is one of today's biggest challenges when it comes to employment and future economic growth of the region. If we can reform the current system and change our perspective to incorporate the push, the development of motivation and resilience, we have the opportunity to fundamentally change the trajectory of youth in the GCC, putting them in a position of strength and confidence in the workplace, as well as better overall health and with a more positive outlook to lead the charge in the future.

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¹⁰ "The Power and Pitfalls of Education Incentives", B. M. Allan and R. G. Freyer, Jr.

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