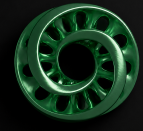


THE 2026 GCC TALENT & HIRING OUTLOOK

Selective growth. Scarce capability. Higher workforce discipline.

What is really happening across Saudi Arabia, the UAE, Qatar, Oman, Bahrain and Kuwait



PWP
UNLEASH YOUR POTENTIAL

70% planned to increase headcount in 2026

90% reported organisational skills gaps

-3% GCC hiring activity in Q2 vs. Q1

THE BOTTOM LINE

The Gulf is still creating opportunity - but hiring is narrower, more localised and more accountable.

Employers are funding roles that protect growth, compliance and transformation while challenging broad, replacement-led hiring.

MARKET SIGNAL

This is not a hiring collapse. It is a reset in how growth is approved. Early-year confidence was real: 70% of surveyed GCC employers planned to add headcount. But intentions met a harder operating environment. Actual hiring grew only 1% in Q1 and then fell 3% quarter-on-quarter in Q2 as uncertainty, cost scrutiny and longer approvals slowed activity. [1] [2]

A market of selective momentum

Demand has not disappeared; it has concentrated. Finance and investment, risk and compliance, AI and data, cybersecurity, engineering, infrastructure and selected tourism roles remain comparatively resilient. Broad software, HR, sales, marketing and routine support hiring is softer unless the role is tied directly to revenue, regulation or a funded transformation.

That distinction matters. Candidate volume may be high, yet employers still struggle to secure people who combine technical depth with judgement, stakeholder influence and regional context. Hays reports that 90% of GCC organisations face skills gaps. The market is therefore both cautious and talent-short at the same time. [1]

Nationalisation is workforce architecture

Across the GCC, nationalisation has moved beyond an HR quota. It now shapes role design, payroll, succession, recruitment sequencing and the business case for expatriate hiring. In the UAE, covered employers with 50 or more workers must reach 10% Emiratisation in skilled roles by the end of 2026. [3] Saudi Arabia is applying occupation-level requirements across engineering, procurement, marketing, sales, administration, tourism and healthcare. [5]

The practical consequence is clear: last-minute compliance hiring is increasingly expensive and fragile. Strong employers are building national graduate, mid-career and leadership pipelines before requisitions open - and linking them to real capability transfer.

CAPABILITY SHIFT

Skills scarcity is changing shape

The shortage is no longer simply 'digital talent'. It is applied capability: AI-enabled professionals who can redesign work, govern risk and improve decisions. With more than 90% 5G coverage across GCC countries and strong AI readiness in Saudi Arabia and the UAE, the technology base is already in place. [4]

AI is changing tasks faster than job titles. Removing every automatable junior assignment risks weakening the future leadership pipeline. The better response is to redesign early-career work around AI supervision, verification, client exposure and accelerated apprenticeship.

Retention is the quiet constraint

Pay pressure is uneven, but retention risk is broad. Although 58% of professionals received a pay increase in 2025, 60% still felt compensation did not match their responsibilities. Career visibility, manager quality, flexibility and learning increasingly determine whether scarce talent stays. [1]

What employers should do now

- Map critical roles against business value, nationalisation rules and build-versus-buy options.
- Build local-national succession plans by role family - not only by annual quota.
- Redesign priority jobs for human-AI collaboration and protect early-career learning.
- Track approval time, offer acceptance, quality of hire and 6/12-month retention.

The employers that win in 2026 will not be those that hire the most. They will know which capabilities matter, which talent must be built locally, and where technology should make people more valuable.

EVIDENCE BASE

[1] Hays GCC Salary Guide 2026 - hays.ae/salary-guide

[2] Cooper Fitch GCC Employment Index, Q1-Q2 2026 - cooperfitch.ae/reports

[3] UAE MoHRE, Emiratisation Targets (2026) - mohre.gov.ae

[4] World Bank, Gulf Economic Update (Dec. 2025) - worldbank.org

[5] Saudi HRSD, engineering and procurement localisation (Jan. 2026) - hrsd.gov.sa