

Diversity in the Saudi Market 2.0
Khalid AlKhudair
Glowork

A couple of years ago the Ministry of Labor launched Nitaqat which really was a landmark in the Saudi Labor market system.

Whether you liked it or not, it truly put things in order and shed a lot of light on the most important function at any organization, the HR functions. Working at an organization that puts women to work has given me a chance to reflect on best practices and what could help increase the percentage of women in the labor market. One idea is to establish a new “Nitaqat” system and call it “Diversity Nitaqat”.



The concept would be that in every industry and sector they should hit a certain KPI in order to receive a subsidy from government. For example, in the banking sector a KPI of 30% Diversity should be rolled out.

Now to make this work more effectively and to score more in the system, women at entry level would be counted as a point, women at senior level positions would be counted as 2 points, those with disabilities would be counted as x points and so on. So not only would it look at employing women but also a variety of other traits that increases the balance in the workforce and allows women to start taking on senior roles at organizations. Once a company hits its target for example 30%, they would be entitled to benefits such as transportation subsidies, childcare subsidies, establishing better working environment facilities for women as well as a subsidy to enhance

premises tailored to those with disabilities and special needs.

We could even break the Diversity Nitaqat category into Platinum, Green, Yellow and Red. Quotas always serve a purpose: this specific system allows employers to innovate instead of try beat the system. The carrot and stick method has worked with Nitaqat and all other Ministry of Labor initiatives and I truly see the above if a right tracking system is put in place and the incentives for the private sector are placed then it should make out for a competitive and diverse workforce. An initiative like this could set Saudi Arabia as a benchmark for other countries to follow in the field of diversity.

Companies once they start following the guidelines in place, they themselves will not need to rely on a quota or KPI, they will in turn change it to be a part of their internal strategy and it will become self-driven. I proposed this concept during the latest World Economic Forum meeting at the Dead Sea in Jordan, and government officials from all over the world applauded the concept and will look to implement a similar concept.

I look forward to having the Kingdom set the benchmark when it comes to diversity.