



An
الاقتصاد
 Alam al-Iktisad Wal A'mal (AIWA)
 R E P O R T

OMAN

GETTING FUTURE READY

Report Authored By:
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Building National Talent

When we talk of the major tasks before the nation, the subject of Omanization comes up as among the main priorities. However, when we speak to the industry leaders, they say the larger issue is building national talent. 'If we could work on creating a better talent pool, the issue of Omanization will be resolved automatically'.

The AIWA Report 'Oman-Getting Future Ready' aims to critically analyse the challenges facing Omanisation in the private sector of Oman, which is seen as the principle vehicle of growth and development of the country's economy. It analyses the mismatch of the skill set of the Omani workforce against the expectations and requirements of the private sectors employers. The issue is traced back to the role education, family, community and media plays and the training which would mould and equip the individual with the right skills and above all, the right mind set and attitude to be able to contribute positively to the growth of the country's economy. It calls for a review, readjustment and realignment of the above mentioned areas with the private sector job market.

We are thankful to Khalid Ansari, Partner, KPMG Oman for preparing this comprehensive report. We expect this report to promote thought leadership on building the national talent to make Oman future ready. Do share your feedback on the report as your opinion will go a long way in helping us to keep the debate alive and propose feasible solutions for a cause which is of immense importance to the nation.

*The author, Khalid Ansari, is a Partner with KPMG Oman. The views expressed in this document are the personal views of the author and not necessarily those of KPMG.



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The Beginning


As the skilled local labour force in Oman was small in 1970, schools and institutions of higher learning were created to educate the present generation of Omani youth with the aim of preparing them to take their place in the national work force and become active participants in weaving the country's new social and economic fabric

On July 23, 1970, His Majesty Sultan Qaboos Bin Said assumed power and with him came the breaking of a new dawn, the rebirth of Oman. His vision aimed to transform his country for the better. His promise to his people was to renew Oman's historic glories and open a brighter chapter of prosperity by initiating social and economic progress following the long period of isolation and stagnation and by banishing the darkness of ignorance with knowledge and education so as to prepare the Omani people for service to their country. This focused vision rapidly transformed Oman from a traditional society to a modern one.

Under His Majesty's visionary initiatives, a new Government was formed, diplomatic relations were established with the rest of the world, and amnesty was granted to those opposing the old regime who were now welcomed to participate in designing the course of the new nation. Under His Majesty's directive, subsidised houses were provided for the needy, free education and health care were given to all Omanis, and transportation, commerce and industry were developed almost from scratch to

ensure the progress and prosperity of the whole nation.

In 1994, His Majesty Sultan Qaboos encapsulated his political and social policy with the statement "there is no evolution without roots". His desire was, and continues to be, for a nation which is proud of its heritage, but is always ready to reach out for new horizons. Hence, new Oman has been flourishing by building upon the achievements of the past while simultaneously embracing modern technology, which, without a doubt, reflects the strength of Omani character. His Majesty firmly believes that the future of Oman's coming generations resides in their patriotic commitment to the nation, in their pride of the sacred work tradition set by the nation's forefathers, and in energetically utilising the country's national resources. According to His Majesty, the past helps to provide a platform for the present and drives the people forward in creating a new chapter in the history of the nation. But, His Majesty Sultan Qaboos also realised from inception that for the new Oman to thrive well into a future that is daily being unfolded, it would be necessary for every Omani citizen to participate in the rebuilding, continued growth, and sustainability of their new Oman.



His Majesty firmly believes that the future of Oman's coming generations resides in their patriotic commitment to the nation

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EVOLVE...
Lifestyle

As the skilled local labour force in Oman was small in 1970, many of the larger industries and businesses depended on skilled expatriate workers to build and sustain the new Oman, while schools and institutions of higher learning were created to educate the present generation of Omani youth with the aim of preparing them to take their place in the national work force and become active participants in weaving the country's new social and economic fabric.

Keeping on track with the established pattern of five year plans to slowly develop and modernise the country, in 1998 the Oman Government introduced a policy aimed at influencing the demand and supply of expatriates and indigenous workers and replacing expatriate workers with trained Omani personnel. Consequently, "Omanisation" became the mandate. The Oman Government claimed that the implementation of the policies aimed to affect the demand for indigenous workers, such as creating job opportunities through training and market based measures and nationalisation through administrative measures, would certainly ensure low unemployment

rates for Omani citizens and would allow Oman to be self-reliant in human resources by decreasing dependency on expatriates.

Further, according to the Omanisation theory and policy, training Omani citizens to do work previously given to expatriates will allow them to improve themselves and give the youth hope for their future. Consequently, several universities have been established to train Omani workers. In its enthusiasm and conviction, the Government of Oman deemed that the Omanisation policy would have several benefits for the Omani population – the cited example given was that by relying on the native population for workers, the need for women in the workforce would be increased and this would serve to increase their role in society, thereby putting them on the road to equality.

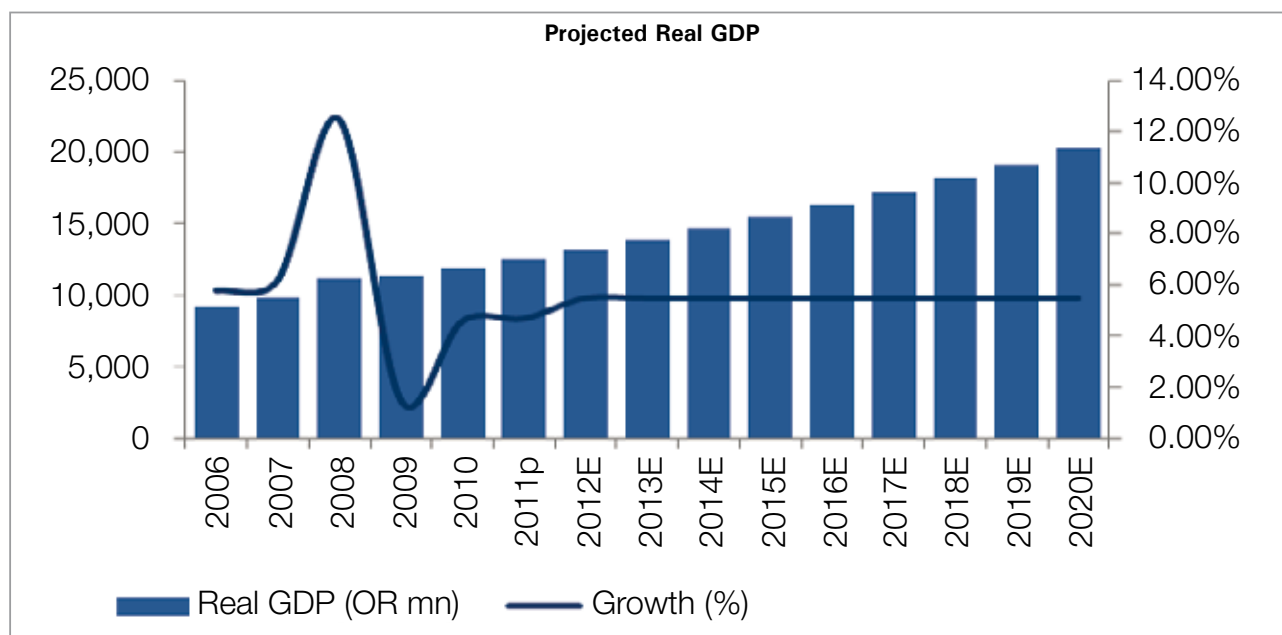
In its zealous attempts to 'omanise' the work force, the Government of Oman selected various industries considered suitable for Omani men and women and set specific quotas to be reached by these industries in terms of the percentage of Omanis to foreign workers. Hence, a policy went into full effect in an

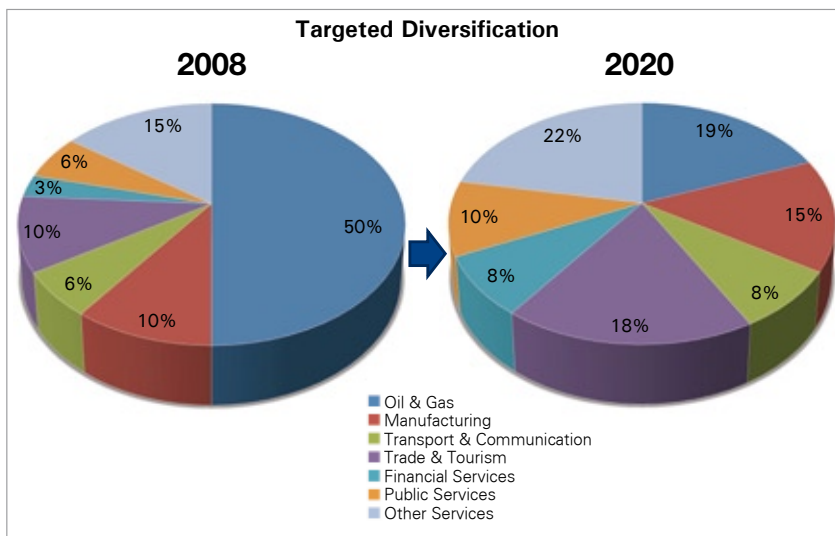
effort to achieve Omanisation of the workforce.

Throughout these enactments, Oman has indeed benefited greatly from globalisation. In fact, based on the data provided by the Ministry of National Economy for 2011, Oman's Gross Domestic Product (GDP) is now at its highest, the increase mainly attributed to a rebound in petroleum activities from consistently higher oil revenues and to an increase in industrial activities. Moving forward and once again driven by higher oil prices, the Government expects a further increase of 4.7% in Oman's real GDP to RO12.2 billion by the end of 2012. The projected real GDP will progressively grow as per the graph given below.

In keeping with these expectations, the policymakers have been strongly involved in developing the economy even further by other means, such as new tax laws, new privatisation laws, enhancing non-oil sectors, and creating a market-friendly economic environment to encourage an active private sector.

Admittedly, rising oil revenues have provided the lion's share of financing for the Sultanate's development in





all sectors and, Oman's economy in the long-term looks positive due to the Government's commitment to investment expenditure – that is to say, ongoing investments in infrastructure-related projects are deemed sustainable due to the funding reserves built up by the Government. But as 'petrodollars' achieve little if they are not funneled into effective programs, it is the Government of Oman's ability to conceive, implement and maintain a cohesive long-term development plan that has been the deciding factor in Oman's ongoing modernisation.

In 1995, Oman outlined a long-term development plan known as Vision 2020, the objective of which being to substantially reduce the country's dependence on oil and to diversify the economy. The graphs above illustrate the targeted diversification from the oil and gas sector:

This economic development plan sets out the strategic goals for developing Oman's economy by the year 2020 by reducing the contribution of crude oil to below 10% of GDP and increasing natural gas and industrial contributions to above 10% and 20% respectively. As a result of this foresight, Oman has seen a 40% increase in the year-on-year revenue from the non-oil sector, a position indicative of the government's success in diversifying the economy to areas other than

oil, such as travel & tourism, industry, agriculture, health, and education among others, thereby opening new avenues of growth and job opportunities, all of which require more individual attention than hydrocarbon development. Moreover, Oman has also become a popular arena for foreign investment and there has been an influx in foreign capital. Clearly, Oman's efforts to diversify its economy have already borne fruit and the country looks well placed to ride out any future economic storms. In addition, the political situation is widely considered to be stable and the nation's policy of modernisation and pragmatism gives it a strong diplomatic presence in the region.

The underlying motif of all these developments is the Government of Oman's justifiable conviction that the private sector is a principal vehicle of growth and development where the larger generation of employment

Clearly, Oman's efforts to diversify its economy have already borne fruit and the country looks well placed to ride out any future economic storms

and absorption of Omani population in gainful employment is more likely to occur. Insofar as the Government of Oman relies on the private sector to drive the 'job growth' by strict implementation of the Omanisation policy, the 2010 census figures show that 53% of Omani nationals are now employed in the private sector. Hence, as per Oman's long-term Vision 2020, the Government continues not only to encourage the establishment of the private sector and to finding means to increase co-operation between private and public sector in terms of shared vision, strategies, and policies, but also to stress the development of human resources and the upgrading of Omani skills to accommodate technological progress in order to confidently and resiliently face the change in local and world environment – an endeavour that the Government believes should lead to effective Omanisation of the workforce.

However, in spite of the Government's line of reasoning, and in spite of the fact that diversification of the economic base and the robust effort to improve Omani participation in the private sector through set quota, Omanisation has both contributed to the Sultanate's ability to improve its growing population, and in spite of the increase in the number of Omani nationals currently employed in the private sector, a large percentage of Omani nationals still concentrate their career perspectives on government and public entities, thereby making the Government of Oman, and not the private sector, the major employer of the nation's citizens. All of us having witnessed the steady progression of this state of affairs for many years now, it is apparent that the Omanisation endeavour is facing serious challenges for reasons that, in all estimation, are significant and complex enough to merit examination from two distinct angles: the perspective of Omani employees and the perspective of private sector employers, both of which warrant serious deliberation.

Challenges to Omanisation

A look at the reasons why private sector employers are reluctant to employ Omani nationals



Arguably, it appears that before we can productively discuss possible remedial strategies and solutions to the Omanisation challenges, we ought to first and foremost clearly identify the reasons private sector employers are reluctant to employ Omani nationals and, secondly, gain the Government of Oman's

acknowledgement of the private sector's assessment for making changes in applied strategy, especially in light of the current statistical evidence that highlights the country's huge potential in the labour market as a result of significant increase in Oman's male and female population below the age of 25.

When it comes to Omani employees,

their stance, which suggests they have come to see themselves as a natural privileged class inclined to accept work congruent only with their expectations, which mainly include comfortable white-collar job whether or not they are qualified for such position, an attitude that discloses a dissonance in perception between merit and reward. The industrial sector is one of the many

EMPLOYMENT NUMBERS – 2010			
Sectors	Total	Omani	%
Oil & Gas	17,572	13,374	76%
Banking & Finance	16,132	14,682	91%
Insurance	3,382	1,962	58%
Hotels	17,634	7,832	44%
Communication	3,500	3,125	89%

sectors in which this attitude is most apparent and prevalent, as current statistical data shows that Omanisation is still low in this sector at only 27%, that is to say only 16,776 of the total employed Omani population working in the manufacturing segment. In contrast, expatriate employees total 45,090 in the same sector.

Moreover, as the manufacturing segment is a more labour intensive part of the industrial sector, the younger Omani generation opts for other jobs that do not require long working hours, thereby supporting their elitist standpoint. In addition, as businesses such as retail and service are also unlikely to suit the aspirations of Omani nationals, it only follows that Omanis should be more attracted to the government sector, which is perceived to offer higher salaries, shorter and more flexible working hours, better work conditions, better non-monetary benefits, better career prospects, and better opportunity for training and promotion than private sector companies. In the private sector, certain industries have higher Omanisation as illustrated above, the primary reason being higher remuneration, focused training and better working conditions.

When it comes to private sector employers, the effective Omanisation of the national workforce into the private sector is a rather complex proposition, for it entails that a national fulfill a required job competently enough to fulfill organisational

needs and not merely filling a job, which would be a diluted definition as this would only be a 'cosmetic response' to the requirement.

Today, 41 years after the inception of Oman's Renaissance, the Sultanate is not only safer and more prosperous in 2012 than it was in 1970, when His Majesty Sultan Qaboos came to power, but it also continues to reap the fruits of His Majesty's wisdom and visionary policies, as indicated by the country's great strides in economic progress and development. Regrettably, it is equally true that in spite of enormous accomplishments, in spite of Government aspirations, and in spite of the no less than herculean efforts at Omanisation, Omani nationals generally, unlike their expatriate counterparts, are still not globally competitive, so much so that private sector employers are now compelled to concede that, in Oman, "un-employability" is a bigger issue than unemployment. This hard reality is not only creating a crisis in the competitive arena,

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but is also indicative that in the private sector Omanisation has not been fully successful, so much so that both the future of Omanisation and the evolution of Oman's global competitiveness may be at peril unless we take a fresh look at the issues and impediments that we, the private sector executives and executors, have clearly identified as barriers and decide to take a more dynamic approach to finding both more effective short-term solutions and more importantly, exploring the possibility of long-term solutions.

According to the data collated from the market survey, the private sector employers have identified the following challenges of Omanisation in the private sector:

- inadequate education,
- professionally under-skilled,
- unmotivated,
- less productive than their expatriate counterparts but expecting higher wages,
- lack of punctuality,
- higher rate of absenteeism than the expatriate staff,
- difficult work attitude and related discipline issues,
- deficient in English language fluency and writing skills,
- lack work ethics, integrity, responsibility and accountability,
- need for costly on-the-job training due to lack of skills,
- restrictions imposed on the employer to hire and fire based on merit,
- mismatch between the skill sets of university and technical school graduates and the requirements of private sector businesses.

Given the extent of this unfavourable evaluation, and given that the private sector is incessantly over-stretched by the demands of an unyielding responsibility for keeping private their productivity globally competitive in order to ensure uninterrupted economic progress, their reluctance to hire nationals is understandable.

The Double Edged Dilemma

Private sector employers, in keeping with the Omanisation mandate and quota requirements, hire young Omani graduates who, although cautious about private sector employment for the reasons mentioned earlier, nevertheless come to the workplace projecting the confidence imparted to them by the academic and training credentials they bear. Initial expectations run high on both ends, only to be quickly shattered upon detection of the critically substandard work performance of the Omanis and of the genuine impediment it imposes to productivity and office morale. Constructive criticism is offered but is ineffectual because the origin of the problem is in the mismatch between the skill set of the Omani employees and the requirements of the job. Employers respond to this problem by implementing remedial action such as on the job training, customised training programs, or both. But progress, if any, is consistently minimal. The end result is that employers, frustrated and discouraged by failure of their costly remedial attempts and by the Government's enforced restriction of their option to hire and fire, find no solution to their dilemma other than to relegate Omani employees to lesser tasks, an action that most often leads these employees to resign and opt for unemployment.

In this typically recurrent scenario, it is easy to neglect the debilitating impact of such negative on-the-job experiences on the psychological welfare and long-term expectations of Omani recruits. As the effects of these negative experiences are

crucial to our deeper understanding of the issue, let us look at the problem in a broader view. Using the preceding scenario, let us consider it from the standpoint of the Omani recruits, who approach private sector employers as university and technical college graduates with qualification in hand. From their viewpoint, they see themselves as having successfully completed their education and/or training; as being ready to assume professional roles in the country's workforce; and are confident that their education has groomed them with the essential competencies and personal attributes required to meet not only the demands of the job in accordance with the standards of the job market but also the challenges of professional life in a manner that would afford success comparable to that of their foreign counterparts. Accordingly, they expect to receive employer's approval and praise. Instead, they receive criticism and blame and are deemed not so competent. Although initially confused by their employer's disappointment and their ensuing frustration, their bewilderment soon gives way to shock, as they are forced to accept the hard fact of their deficiencies.

But, it doesn't stop there. The severe psychological impact on these youngsters of being deemed deficient soon degenerates into the negativity of humiliation and inferiority, leading to a sharp decline in self-esteem and self-confidence and ultimately to a defeatist attitude and pronounced "fear of failure". This negative mindset only compounds the problem by giving rise to feelings of vulnerability,

rejection and loss of identity accompanied by associated feelings of grief and resentment. Unable to find a way out of their dilemma, interactions become tinged with anger, sporadic hostility, resistance, and feelings of being singled out. In attempts to preserve shreds of dignity, they may even go so far as to ascribe their plight to employer prejudice in favour of expatriate workers. The tragedy is that, unable to come to terms with the truth of the situation, their state of mind soon gives way to despondency and indolence.

Without a doubt, the present challenges of Omanisation is acknowledged by Government policymakers, for it not only continues to negatively impact the economic development goals of the nation, but also and more importantly it is debilitating the resolve and resilience of the Omani youth, who are the thread that holds the society together yet they find themselves at an impasse when it comes to determining their role and the nature of their contribution to the socio-economic order. This sensitive point calls not only for our attention but also for our consideration in dealing with these young recruits who are themselves facing pivotal challenges in their efforts to rapidly adapt to an even more rapidly changing culture at the demand of globalisation and in the name of progress.

In fact, it is inconceivable to expect that within the relatively short time span since the inception of the Omani Renaissance, the youth could have possibly absorbed and integrated the levels of knowledge, skills and mindset required to meet international work standards in today's highly competitive and rapidly changing global marketplace. Such levels of proficiency normally arise incrementally out of an incrementally progressive cultural mindset that typically develops over time and generations. Hence, we are obliged to recognise that the challenges to Omanisation are an

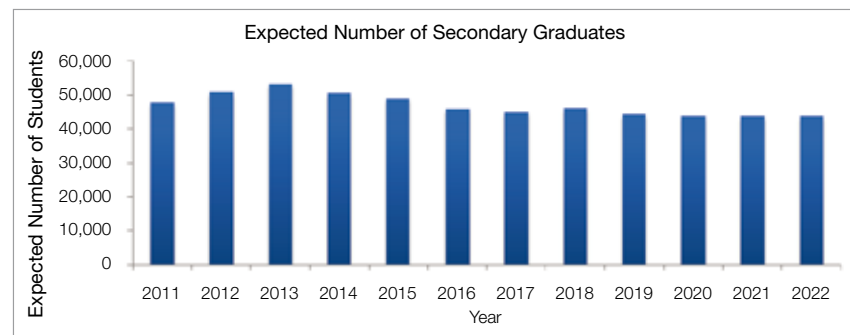
essential part of the learning curve for all involved and that in a very real sense this first generation of young Omani recruits are not only bearing the brunt of the trial and error phase of this enormous initiative, but are also offering us the opportunity to identify and correct the problems that are hindering its successful implementation.

After years of trial and error, we have come to the realisation that effective Omanisation of nationals is not only a challenging process, but one that also presents us both with a deadlock and with an opportunity to expand our understanding of the stumbling blocks and appropriately readjust our course. It would appear then that our principal task is to “work” this opportunity by getting off the tread-mill of inefficacy – the cause of the deadlock – and to appropriately realign our direction with the coveted target. To succeed in this task, it is imperative that we first find the correct answer to this question: “Who or what is responsible for the lack of success of Omanisation?”

- Is it the Omani recruits themselves?
- Is it the Government?
- Is it the family culture?
- Is it the educational and training systems we have espoused and expounded?
- Is it the private sector employers?

Or, could it be that we are all collectively responsible for the lack of success of Omanisation, if not by willful intention then certainly by shared acts of omission and of submissive compliance with strategies and methods less than effective?

In conceding to the reality of the double-edged dilemma discussed above, we should take a fresh approach to the problem by re-addressing the essential meaning of Omanisation so as to accurately pin point the core for the lack of



success. In light of this proposal, we are compelled to also ask the following questions:

- Is Omanisation merely an ad hoc process of replacing expatriate workers with Omanis?
- Or, is it a truly worthwhile national objective?

Omanisation demands a more encompassing approach to the educational and social preparation of Omani youth – an approach that would not only promote the nation’s growth and development in all spheres of activity, but would also contribute in important ways to its far-reaching goals of long-term economic growth, better stewardship of the environment, resources and to the creation of wealth.

Upon deliberation, the latter view is certainly more compelling. In light of this conviction, we are also compelled to consider the injurious long-term implications for both the nation and for the country’s youth if we continue to carry on “as is” without taking the remedial steps necessary to ensure a long-term success. But when considering Omanisation in the context of the country’s long-term development, we are also compelled to agree that when it comes to identifying the skills necessary in both the private and public sectors for achieving successful job performance, personal career advancement, and positive contribution to company growth, a combination of academic skills (hard skills) and interpersonal skills (soft skills) is

indispensable to success and long-term sustainability. History teaches us that the degree of a nation’s development is contingent upon the degree of harmonious collaboration within its socio-economic systems; hence developing a stronger and more active socio-economic network would be to our advantage.

One thing is certain, that in spite of the obstacles, Omanisation of the nation’s workforce is a must. Therefore, failure in this endeavor can never be an option. Sadly however, the unemployment rate in Oman is currently a hefty 15%, a position that by socio-economic standard marks a society as being economically inefficient. This is a worrying issue. It is the “un-employability” of young Omani nationals, whether men or women, that should be of an even greater concern because “un-employability” acts to sustain the vacuum in the national workforce.

The graph above illustrates that the number of secondary graduates will continue at a high level of approximately 50,000 per year.

Moreover, as Oman’s population is growing at a rate of 2% per year with expectations to reach 5 million by 2050, and as at present, 44.8% of the population is aged 20 or under, and as 588,240 students enrolled in schools for the year 2010, it should be expected with certainty that these young people would want all the opportunities to build a better life for themselves and for their families.

For a Better Tomorrow

Given that the greatest anticipation of Omanisation is that in the future Omani nationals, rather than the expatriate workforce, will be the contributing workforce promoting the efficiency and effectiveness of both the public and the private sectors, this goal will remain high on the agenda with the Government. It will continue to fund higher education in order to develop Omani professionals and technical expertise in the conviction that higher education, together with training, should develop nationals to the necessary degree that would lead to higher participation of Omanis in the workforce.

Furthermore, the Government is under considerable pressure to strike the difficult balance between improving stability in the short term and creating jobs for its citizens in the longer term. The trend towards higher education spending and a broadening of curricula in an effort to link students at all levels more strongly with the practicalities and demands of the market seems all set to continue. There has been a steady increase in the number of both government and private universities in the Sultanate, with the private sector playing an increasingly active role to the extent that private colleges now take in some 27% of total admissions. The table in the next page illustrates the total number of students registered for higher education during 2010-11.

Considering that the overall literacy rate in the Sultanate is now 86.7% and that for young Omanis aged 15-24 it has reached 97.6%, and considering that the number of young Omanis entering both public and private universities and colleges is increasing annually, and also

considering that the Government will likely turn to the private sector in the coming years to support the expansion of higher education, the overall future position of the education sector looks very promising...or does it?

Since the inception of the Omanisation policy, private sector employers have experienced disappointment at the consistent mismatch between the skill set of Omani university graduates and the requirements of the jobs for which they apply. This suggests that Government efforts to broaden the education curricula in efforts to link students with the practicalities and demands of the market have, for the most part, been unsuccessful. As previously stated, the consensus is that the palpable lack of hard and soft skills in Omani recruits is at the heart of the issue. Evidence further suggests that the anticipated success of the Omanisation programs, which rely heavily on training and development of nationals, is doubtful due to their lack of strict enforcement. We can therefore conclude that the Government of Oman is facing three major challenges:

- 1) How to effectively educate and train the youth to the level of knowledge and skills required to meet the demands of the market?
- 2) How to succeed at encouraging nationals to take up manual and technical jobs in the private sector?
- 3) How to succeed at vigorously promoting the importance of blue collar jobs to the nation's long-term sustainable development in the eyes of nationals and at dignifying these jobs?

As our present predicament

clearly indicates that neither higher education initiatives nor specialised training programs have succeeded to adequately prepare the youth of Oman with the employability skills required to meet the demands of a competitive corporate market, the solution must therefore lie elsewhere.

Educators and other credible sources have repeatedly suggested that, in the long term, Omanisation can only be effective when we acknowledge that there is ... "a clear link between education, knowledge and required skills and that schools must play an important role in providing human capital equipped with the right kind of education, skills and competencies that will gain employment in the private sector". Educators also agree that the most important mission of schools is to develop in students during the formative years both the love of learning and the right character traits, right values and right attitudes that will lead to future success. For this reason, "schools" are said to be the core of learning and development, and not institutions of higher education.

The premise is that the seeds for the success of Omanisation need to be planted in the nation's youth early on, not later and that these seeds need to be cultivated in an educational environment that demands excellence, not mediocrity. Understandably, it would appear that in the frenzy for quick results this vital factor may have escaped the equation. Considering that the population of Oman is growing exponentially and that over two-thirds are below the age of 25, it is fairly safe to assume that the demand for quality education during the formative years will continue proportionally, and that demand

must be met.

Although Oman has quickly achieved outstanding progress in a number of distinct areas of social and economic development, the impediments to Omanisation strongly suggest a lag in awareness of both the inseparable link between early childhood education and personal development and of the crucial role of this link in the formation and sustainment of an economically strong society. In addition, the existing educational model and our short-term training programs both fail to address the specific challenges facing the nation's youth, who find themselves suddenly and unwittingly immersed in a challenging and rapid process of cultural transformation and social reformation that demands the concerted mobilisation of both their powers of will and reason in order to advance their potential and their prospects. These powerful realities are now urging us not only to dig a little deeper into the soul of the Omanisation issue, but also to shift our attention to the schools and to the key role played by teachers and a strong early education curriculum in the preparation of the youth to know, be mindful of, and appreciate the nation's aspirations and to enthusiastically accept and anticipate the vital role they will be expected to play in their nation's future.

The issue we are facing is not about literacy but about the quality of the contents and of the methodologies of the existing educational model that have both failed the youth and thwarted the nation's goals. In today's world of advanced civilisation, literacy should never be deemed an end unto itself, as literacy is merely the gateway to educational success and the first step in the process of education. Moreover, basic education models are incapable of inspiring students to achieve the mental and personal development necessary to be the creators and sustainers of a progressive society. Such development is the result of

a cumulative educational process that can only be achieved by the broad educational concepts found in the General Education Model, the curriculum of which was designed to equip students not only with the knowledge and skills to become active and responsible members of society, but also to stimulate the desire for enlightenment, social responsibility and excellence – precisely the qualities found in the national workforce of progressive and resilient societies.

In light of this argument, it could be advantageous not only to weigh the effectiveness of the existing educational model against the broader goals of education, but also to weigh the effectiveness of our short-term adult training programs against our prescribed training goals.

TYPE OF INSTITUTE	2010/11
Private Universities and Colleges	33,855
Institute Shariah Science	875
Institute of Health	2,104
College of Banking and Financial Studies	1,363
Technical Colleges	24,378
College of Applied Science	7,835
Sultan Qaboos University	16,494
Universities and Colleges Abroad	14,624
Total number of students registered	106,528

The objective would be to make the adjustments necessary to meet both sets of goals. Since our objective is to produce a well-educated and highly skilled national workforce, such goals demand that we move away from outdated, rote-driven education models that employ mechanical repetition at the expense of understanding and meaning; and away from standardised training programs that fail to address the role that psychological and cultural elements play in the learning process of trainees. These could be replaced by the General Education Model (liberal education), which embraces the decisive role of early education, implements an integrative

education curricula throughout the formal schooling years, and applies accelerative teaching strategies at all grade levels. In addition, general education educators would be amenable to engaging in open dialogues with all sectors of society in efforts to keep the curriculum in alignment with both national and global needs.

The value of higher education in preparing the nation's youth to meet the demands of the workforce is not disputed. One needs to acknowledge that the formative years are the stage for shaping the youth and that right early education is the key to creating the right set of attitudes and values that children must form for lifelong achievement. Moreover, as the right set of attitudes and values are also the precursor to success

in higher education, and later in the real world at large, then it is clear that our early and higher education initiatives must work in tandem, not disparately, if we ever hope to realise the success of Omanisation in the long term.

Regarding the connection between educational methodology and student achievement, the success of the Integrative Liberal Approach to learning, which is one of the emerging trends in education during the past years, is indisputable. Since the focus of integrative methodology is to teach connections rather than isolated facts by linking subject matter together so that

learners realise that subjects are not separate and isolated fields of knowledge, learners are able to achieve understanding and clarity of concepts; and as the aim of Integrative Teaching is to connect what is learned in school to real life situations, it focuses on developing problem solving and discussions of issues in the real world so that learners can relate to what they learn and to apply that learning to their own daily lives. By giving balanced consideration to the cognitive, behavioural, and affective dimensions of learners and by integrating values within the instruction process itself across all subject areas, teachers are able to mould “integrated” or well rounded individuals, thereby setting the foundation that will lead to future success. It stands to reason, therefore, that if we expect the youth of Oman to take their place in the nation’s workforce and to meet global expectations in a way that will bring long term success to themselves and to their nation, their education must develop in them the proper tools and give them the knowledge of what the world has to offer in terms of challenge and reward.

In addition to providing a strong foundation in knowledge, critical thinking and values, integrative methodologies also encourage the arts, especially the performing arts, as a way of self exploration and of achieving enhanced creativity and sensitivity and the competitive sports as a way of learning skills for effective team work, self-confidence, leadership and how to make alliances. In fact, integrative teaching methods create the basis for developing important intellectual, civic and practical capacities and empower the youth to deal with complexity, diversity and change. By gaining the essential learning outcomes of this educational approach, we can say that the youth of Oman would be better prepared for entering the national workforce, for assuming leadership roles, for

attaining professional success, for exercising effective citizenship, and for meeting modern day challenges and opportunities.

The argument in favour of broad based liberal education would also apply to institutions of higher learning in Oman. To that end, a revision of education curricula and methodology would also be constructive at the higher education level. In this endeavor, the role of the private sector would be pivotal in encouraging Oman education authorities to take into serious consideration the benefit of implementing a “liberal arts” foundation at the higher education level. This is based on the premise that undergraduate students need to be given more than just career, or discipline-specific education, in order to properly develop the mind. Institutions espousing this educational model offer the core of a well-rounded education, since the critical, analytical and investigative nature of the programs not only prepare students for an almost infinite variety of potential careers, but also to flourish in both academic and non-academic pursuits. This has been proven by the success of knowledge economies with its string of employable graduates, successful businessmen, entrepreneurs and competent professionals, teachers and researchers who are the productive force behind the highly sophisticated research, publications

and creative works constantly being generated.

Moreover, as Oman’s aspirations to rapidly develop a knowledge-based economy, questions arise regarding the role assigned to the institutions and practitioners of higher education in achieving this goal. Numerous studies have demonstrated the career-building potential of a liberal arts education, as indicated by international leaders of industry, business and governments. However, the race for developing professional classes among Omani nationals has led to the importation of specific professional programs selected from distinguished foreign universities rather than to constructing integrated colleges of arts & sciences. Yet, the rapid changes in economies, communication and societies brought about by globalisation and information technology are now leading us away from educating narrowly-trained graduates to implementing broad-based general education with interdisciplinary and multidisciplinary teaching that integrate academic knowledge with applied skills.

In view of this, we must keep in mind that the capacities for critical inquiry associated with liberal learning are practical skills that become resources on which to draw for continual learning, for making decisions in one’s life and for making a difference in the workplace and in the world. Therefore, it may no longer make sense to devote years of higher education to the learning of specific skills, rather it would be more practical (and precious) to be able to draw on one’s education over a lifetime. To that end, the aim of post secondary education should be to help students discover what they love to do, to get better at it and to develop the ability to continue learning so that they may become agents of change, not victims of it – the precise qualities that Oman private sector employers need to see and want to see in their Omani recruits for developing professionalism.

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Collective Responsibility

Family culture and social culture are also the principal forces that foster in the young not only ethical values, self-confidence and critical thinking, but also those attitudes that shape strength of character

The family culture and social culture are both the major forces to impress upon the young that the only way out of ignorance is education and, therefore, they must assume conscious roles in shaping and supporting the education and personal development of the nation's youth. Moreover, family culture and social culture are also the principal forces that foster in the young not only ethical values, self-confidence and critical thinking, but also those attitudes that shape strength of character. Hence, the right alignment between these two cultures in mutual support of learning and achievement are, in fact, a child's earliest sources of inspiration and stimulation for the development of self-motivation and for shaping personality with confidence and enthusiasm to pursue education with interest, expectation and success.

Based on this understanding, the duty of both family and society is not only to cultivate in youth a functional understanding of the dynamic and symbiotic relationship existing between the intrinsic elements of a human being and the extrinsic reality of human experience, but also to nurture individual talents and to support their development, for those talents are the key to the contributions that the youth will later make to society. If either of these two sources proves to be ambiguous or weak – as can often happen in rapidly developing nations that are suddenly faced with an influx of unfamiliar ideologies and unprecedented demands – the need for change will be perceived as a

burden, rather than an opportunity for betterment. In the same manner, the duty of the political and economic forces of Oman is to develop the nation's awareness that not only will there be many challenges to overcome as Oman changes and adapts to the demands of progress and globalisation, but also that, at the end of the day, the family culture and the social culture are the responsible and decisive factors that shape the nation.

However, the harmonious interplay of all socioeconomic forces requires open dialogues between government decision makers and segments of society – including parents, educators, businesspeople, politicians, law enforcement, clergy and most importantly young people at the high school level whose participation by voicing their own special needs in the making of decisions that affect their lives would be most beneficial, especially that in the process of doing so their voice would assist not only to transform policies but also to make institutions more accountable.

Undoubtedly, focused involvement in the psychological and educational

development of the nation's youth begins by embracing a collaborative partnership mind set. The collaboration between concerned individuals creates the possibility of an active network whose participants are willing to engage in educational and social initiatives that support social awareness, new educational strategies and the implementation of multi-cultural opportunities and cross-cultural experiences designed to accelerate the mental, moral and physical development of the youth. The enormity of such endeavor would also call for the involvement of the local media, where carefully planned television, radio and newspaper campaigns would be invaluable in communicating the necessity and value of replacing obsolete perceptions with cutting edge ideas for propelling Oman successfully into the 21st century. Such ads and campaigns could be designed in collaboration with educators and government and using the input from communal dialogues to convey the educational needs of the community in accordance with the ideology that drives the Omanisation policy.

Direct community involvement is yet another potentially rewarding strategy for expanding the awareness of the general public to the needs of their evolving nation. This effort must rise from the erudite segment of both the native and expatriate communities in Oman, men and women who would be willing to share their time, talents and knowledge to educate youth and adults in ways that support the developmental needs of Omani communities.

The family culture and the social culture are the responsible and decisive factors that shape the nation.

Training Vs. Education

If we accept that right education is the key to successful Omanisation, how does skill training fit into the equation, especially in light that Oman's private sector businesses and industries have confidently and consistently shifted their focus to training as being the solution for creating a large pool of national workforce?

Ongoing training plays an important role in all professions as a complement to education, never as a substitute for education.

Non-degree career training and workforce training are among the cluster of recognised forms of post-secondary learning activities that fall under the term continuing education. In addition to the basic training required for a trade, occupation or profession, observers of the labor market have for years now recognised the need to continue training beyond initial qualifications to maintain, upgrade and update skills throughout the working life. But as training focuses on only a specific finite task giving the discipline and instruction and the drill and practice to impart either proficiency or efficiency, its goals are specifically to improve one's capability capacity and performance, a process often referred to as professional development.

Education, on the other hand, is a lifelong process undertaken in the hopes of furthering individual knowledge, developing intellect and enhancing our perception of the world and of our place in it. The aim of education is not to get a job, but to bring a broad set of intellectual and personal skills that will serve to enhance our performance in any job we do. In the general sense, education is defined as any act or experience that has a formative effect on the mind, character or

physical ability of an individual thereby allowing access to optimal states of mind, regardless of situation or predicament, in order to perceive accurately, think clearly and act effectively to achieve self-selected goals and aspirations. In its technical sense, education is a continuous process that should never stop and through which society deliberately transmits its accumulated knowledge, skills and values from one generation to another. Further, whereas training uses drill and practice to achieve proficiency in a specific task and is confined to a prescribed time period, education focuses on the individual's ability to make a contribution and develops faculties and talents by way of instruction to create the qualifications for a particular profession. Clearly then, education is the foundation upon which successful training is based. However, in today's school systems, the line between education, in its true sense, and training is often ambiguous.

If we begin with a solid educational foundation, then training to improve capability, capacity and performance would make sense and we could expect to produce the desired results. It is precisely for this reason that most private sector employers in Oman will gladly facilitate employee opportunities for ongoing education beyond training, perceiving such opportunities as a means of achieving the right combination of education and training, knowledge and skills.

The immediate demand is how to deal with the hefty quantity of not fully qualified nationals now flooding the private sector job market for which the only solution seems to be through our short-term training program initiatives. The question is how can we succeed in training Omani graduates to become employable even though they lack the proper educational foundation?

In keeping with the objectives of the Fifth Five-Year Development Plan, the Government sector has provided a system for technical education and vocational training in accordance with modern and flexible training systems aimed to prepare the youth adjust to the needs of the various specialisations and skills required by the labour market. In a parallel effort, private sector employers have for many years now been relentlessly implementing a diversity of short-term training programs in the hope of facilitating the employability factor of Omani recruits, as well as augmenting their employment into private sector enterprise. The reality: both training initiatives have not been fully successful.

Although Omani graduates do possess some academic skills, the consensus is that a large number of these graduates lack the soft skills necessary to work in private sector corporations. While even poor academic skills definitely count, as we normally anticipate improvement with tutored on-the-job application, it is the soft skills that give the competitive edge and play a pivotal role in helping recruits fit into the workplace – skills such as critical thinking, interpersonal aptitude, interpersonal communication, situational behavior, spoken and written English and so on. These are the skills the private sector has been both pursuing and actively attempting to develop in all trainees.

At present, both public and private sectors have no other option than to continue with short-term training, the key is to do so, but with substantial modifications in both the training models and in our choice of trainers. We should review both the models and the trainers from the standpoint of how well content and teaching methodologies "fit" with the cultural (socio-emotional) dynamics of the

trainees. Since the chief aim of such programs is to develop “soft skills” in an adult population, it is entirely possible that both the content and the teaching strategies are in disharmony with local “perceptions and expectations”, thereby creating learning resistance in our trainees.

Although it is true that everyone wants to learn, it is also true that people learn only when they feel it is worth their while. Generally speaking, however, when people do fail to learn something they have been taught, the failure can be attributed to one or more of four factors: lack of motivation; lack of ability or aptitude; poor teaching; and, to a lesser degree, the cost of learning, where the term “cost” is used psychologically and implies the loss involved for (superficially) competent and experienced adults in “changing their ways”. This is a highly sensitive point in adult teaching and learning because it calls into question previous ways of acting or prior knowledge and replaces them.

If we acknowledge and appreciate that learning resistance could be the major reason for the failure of our short-term training programs, it is advisable to choose our trainers from seasoned professionals who meet the Trainer Core. The idea is to move away from standard generic training courses in favour of tailored programs and teaching methodologies specifically designed to meet the distinctive psychological and social idiosyncrasies of the Omani youth. It is further advisable that employers engage in extensive pre-hire dialogues with trainers to ascertain that the learner profile of trainees is well understood and to ascertain trainer competency for delivering results according to pre-determined set of expectations. Such modifications to our short-term training programs would produce a better fit with the mindset of the local culture, thereby increasing the prospect of breaking down learning resistance.

Even though modifications to

our short-term training programs may produce a greater level of measurable success, our training dilemma could unravel even faster if we were to empower the undergraduate student population by developing in them during their undergraduate years the skills they would need to get employment and to grow in a corporate environment.

Private sector employers could also use their direct links with educators and with the youth as a means of increasing understanding of the inseparable link between the performance of the school system and successful entry into the labour market. The businesses, as stakeholders in the economy, must play a decisive role in the development of the content of education, especially at the vocational and higher education levels, as their input could help educators shape undergraduate curricula to be consistent with private sector needs and expectations, thereby making the present student population more confident and employable by the time they graduate and get into the job hunt. It is no longer enough to be a functional expert. Depending on their business, companies are now looking for a different mix of skills and experience in potential hires, as well as for a particular set of “soft skills” that will complement unique core competencies.

Input from businesses could also help educators create strong entrepreneurship education programs that would impart and develop in students both strong financial and entrepreneurial skills and the soft skills employers now demand. Such programs could also be highly effective in expanding young people’s horizons by making them aware of the opportunities that exist in the business world and in the private sector in general. For example, the tourism and hospitality sectors in Oman are two strong examples of the many industries that might be considered undesirable by

the Omani youth but that actually offer a wide range of interesting and lucrative jobs for which they would never think about preparing themselves, in part because they never met people who do these jobs and in part because they were never made to understand the importance of these jobs. Inquiry with human resource managers at local 4 and 5 star hotels into the possible reasons that Omani nationals are still hesitant to work in hospitality revealed that Omani hospitality graduates are simply unwilling to work the extra hours necessary for the industry and have the lingering perception that careers in industries such as oil, gas, and banking not only offer more benefits and perks but would also be more lucrative. Such feedback is noteworthy because it not only corroborates the initial points discussed under the double-edged dilemma but also emphasises the importance of implementing initiatives that will incrementally and consistently build in the undergraduate youth population the awareness and knowledge of the many lucrative jobs and careers available to them and of the importance of such jobs to the growth of the nation.

The private sector companies are willing to make a concerted effort to expose the Omani youth to the unfamiliar job and career opportunities in the industries. We might in fact not only succeed to change any negative perceptions to favorable, but also to affect their career decisions. Our direction in this endeavor would be to collaborate with schools on a number of planned empowerment initiatives designed not only to raise the awareness of students to the broad range of occupations available to them and to the importance of those occupations to the development of Oman, but also to affording them the opportunities to develop the entrepreneurial skills, the soft skills and the coping skills that will help them make a successful transition from full-time education to successful entry into the labour market.

Way Forward

The designs of all the educational, training, and social initiatives for achieving the objective at the desired speed require further review and possibly reform

The Omani private sector business community can indeed meet today's challenges of generating employment and

Omanisation, but in order to do so they ought to encourage greater interest on the part of Government to explore for solutions through educational reforms that aim:

- to increase awareness in the youth about the goals of education
- to develop their talent and abilities right from the formative years
- to apply vanguard instructional methodologies better suited to develop knowledge and personal skills to the standard necessary for success in today's global marketplace

The Vision 2020 envisages that certain sectors of the economy would grow significantly. If we project the GDP to grow from RO22 billion at the rate of 5% per annum, by 2020 the GDP should be RO36 billion, and based on the diversification of Vision 2020, four key sectors should witness significant growth as given in the Table 1.

The projected employment by 2020 based on the projected GDP, on the assumption of 4% growth will be approximately 1,677,000. If the expatriate employment grows by 1% per annum, the total number of Omani employees should increase from 177,716 to approximately 622,000 (see Table 2).

In this endeavor we must keep in mind the following:

- the preparation required for successful Omanisation is essentially a long-term incremental and generational process;
- the designs of all the educational, training, and social initiatives for achieving the objective at the desired speed require further review and possibly reform;
- to implement effective reforms will require open dialogues between Government and multiple sectors of society in collaboration with a selection of highly specialised, culturally perceptive, and extensively experienced educators and trainers all working in concert with decision-makers to create and implement the dynamic changes necessary to achieve realistic goals.

Our task continues to be challenging, but not impossible.

Table 1

Sector	GDP 2010 RO21bn	2020 % Contribution	GDP 2020 Estimated 5% growth to total RO36bn
Trade & Tourism	3,358	18%	6,480
Manufacturing	3,721	15%	5,400
Financial Services	899	8%	2,900
Other Services	4,256	22%	7,920

Table 2

	2010-actual	2020-projected
Total Private Sector	1,133,346	1,677,000
Expatriate	955,630	1,055,000
Omani	177,716	622,000