



COOPER FITCH

# BONUS REPORT 2025

UNITED ARAB EMIRATES



# UAE BONUS TRENDS REPORT:

The UAE remains a leader in economic growth across the Gulf region, with bonuses continuing to play a vital role in employee compensation. While 2024 saw cautious bonus distributions due to budgetary constraints, 2025 brings a sense of renewed optimism. Key industries such as technology, finance, and consulting are driving this shift. As employers increasingly tie incentives to individual performance rather than team-based rewards, this trend reflects a growing emphasis on rewarding personal contributions in a competitive job market.

## Key Bonus Trends

Bonus strategies in 2024 reflected a careful balance between financial caution and industry-driven optimism:

- **1-2 Months' Salary Bonuses:** The most common, adopted by 44% of organisations.
- **3-5 Months' Salary Bonuses:** Offered by 23% of organisations, especially in industries like banking, Consulting, and technology.
- **6+ Months' Salary Bonuses:** Awarded by 5% of organisations, mostly in banking and consulting
- **No Bonuses:** Reported by 28% of organisations, consistent with 2023.



# BONUS TRENDS IN 2024

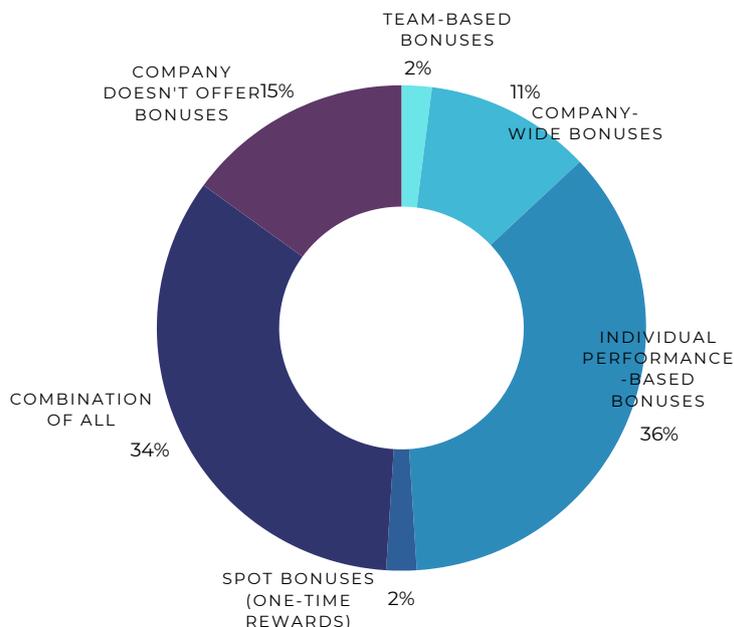
Despite financial improvements in sectors, nearly one in three employees did not receive a bonus in 2024. Companies carefully structured their bonus strategies to balance cost pressures with attracting and retaining talent. Bonuses of 1–2 months' salary remained the most common, awarded by 43% of organisations, reflecting a practical approach to cost management while maintaining employee engagement.

Industries with higher growth potential, such as technology, banking, and healthcare, stood out for offering more substantial bonuses. Across these sectors, 23% of organisations awarded 3–5 months' salary bonuses to attract and retain skilled professionals, while 25% of senior leadership roles received payouts at this level.

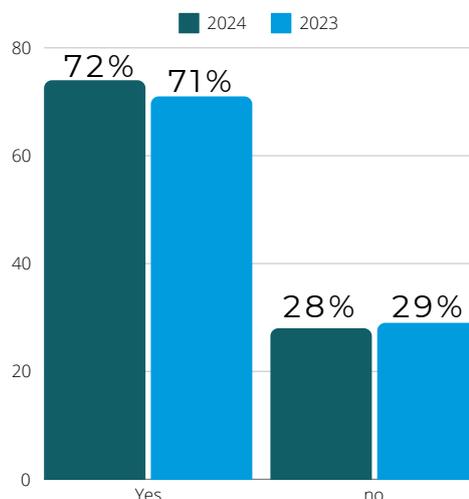
At the upper end, 6+ months' salary bonuses were far less common, awarded by only 5% of companies. These substantial payouts were concentrated in banking and consulting, where total compensation heavily relies on performance-based incentives to align rewards with individual and company success.

Meanwhile, some sectors remained cautious with bonus payouts. In 2024, 28% of organisations did not offer bonuses, similar to 2023. Industries like aviation, government, media, and retail held back due to budget limits, shifting priorities, and market uncertainties. While aviation saw strong growth, bonus practices varied. Media adapted to digital changes, and retail faced shifting consumer demand, leading many companies to remain conservative with bonuses.

## TYPES OF PERFORMANCE BONUS STRUCTURES OFFERED



## TRENDS IN BONUS PAYOUT PLANS: 2023 VS 2024"



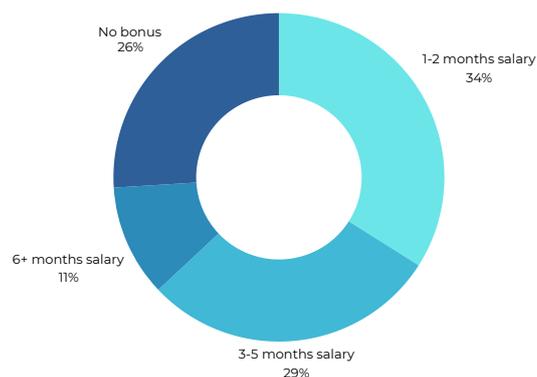
# BONUS ALLOCATION ACROSS ROLES

Market demand played a key role in shaping bonus allocations in 2024, with industries like banking, technology, and consulting offering some of the highest payouts. 29% of senior executives received 3–5 months' salary bonuses, while 11% of companies provided 6+ months, particularly in sectors where leadership retention remains a priority. Meanwhile, 26% of organisations reported no bonuses for senior leaders—challenging the assumption that executives always receive the highest rewards.

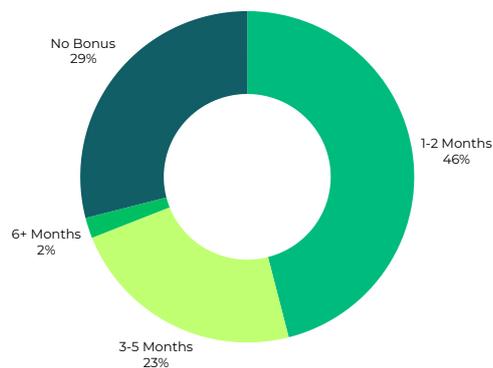
Middle management bonuses varied significantly, with 46% of organisations awarding 1–2 months' salary and 23% providing 3–5 months. Despite their critical role in operations, nearly one in three middle managers received no bonus at all. Meanwhile, only 2% were granted high-value payouts of 6+ months.

While senior leaders saw structured incentives, nearly two in five individual contributors did not receive a payout, reflecting differences in how companies distribute rewards. 48% of organisations awarded 1–2 months' salary, while 15% provided 3–5 months. Industries such as aviation, government, media, and retail had the highest share of employees receiving no bonuses. These industries often rely on fixed salary structures, reflecting budget constraints and sector-specific challenges.

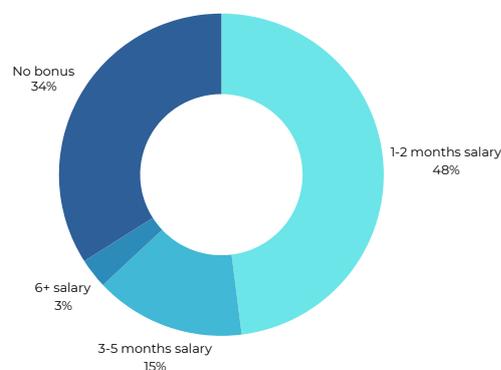
## LEADERSHIP POSITIONS



## MIDDLE MANAGEMENT



## INDIVIDUAL CONTRIBUTORS



# INDUSTRY-SPECIFIC BONUS TRENDS

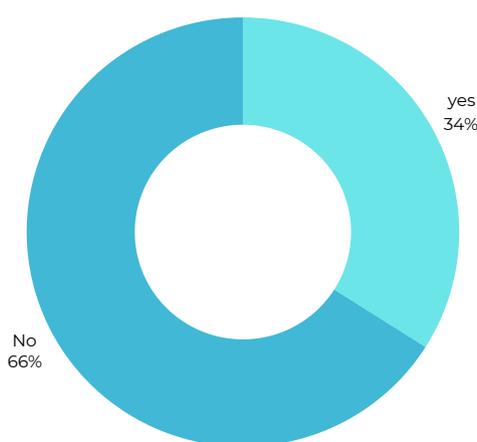
While retail and hospitality workers saw limited rewards, banking and tech professionals saw payouts as high as six months' salary, highlighting the clear divide in bonus distribution across industries in 2024. Banking and financial services led the way, with 10% of organisations awarding 6+ months' salary bonuses, reflecting the push to retain top executives. Marketing, advertising, and public relations followed at 12%, rewarding top creative talent. Real estate and construction remained competitive, with 7% awarding extended bonuses tied to project milestones.

Healthcare, consulting, and energy offered some of the most competitive bonuses in 2024, reflecting the demand for specialised talent in these high-growth industries. Healthcare saw 50% of organisations awarding 3–5 months' salary bonuses, driven by the UAE's investment in medical infrastructure and the need to attract top professionals. Consulting followed at 38% as firms competed to retain experienced advisors in a rapidly evolving business landscape. The energy, utilities, and renewables sectors also saw notable payouts at 19%, highlighting the industry's push toward sustainability and the demand for skilled experts to lead critical projects.

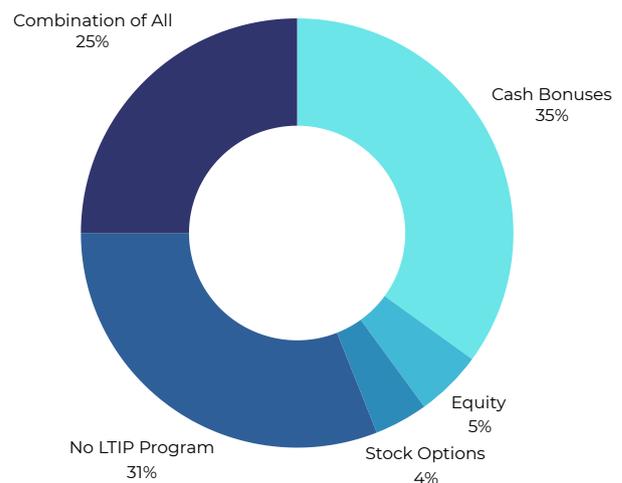
In contrast, government, logistics, and energy took a more conservative approach. 22% of government organisations, 25% of logistics firms, and 27% of energy companies reported no bonuses. Retail and e-commerce also faced challenges, with 53% of organisations keeping bonuses in the 1–2 months' salary range. Rising costs and high turnover constrained their ability to offer more competitive rewards.

## Long-Term Incentive Plans

Long-term incentive plans (LTIPs) will become significantly more common in 2025, particularly in the real estate, consulting, and banking industries. These plans are now regarded as a key method for aligning leadership rewards with long-term business objectives.

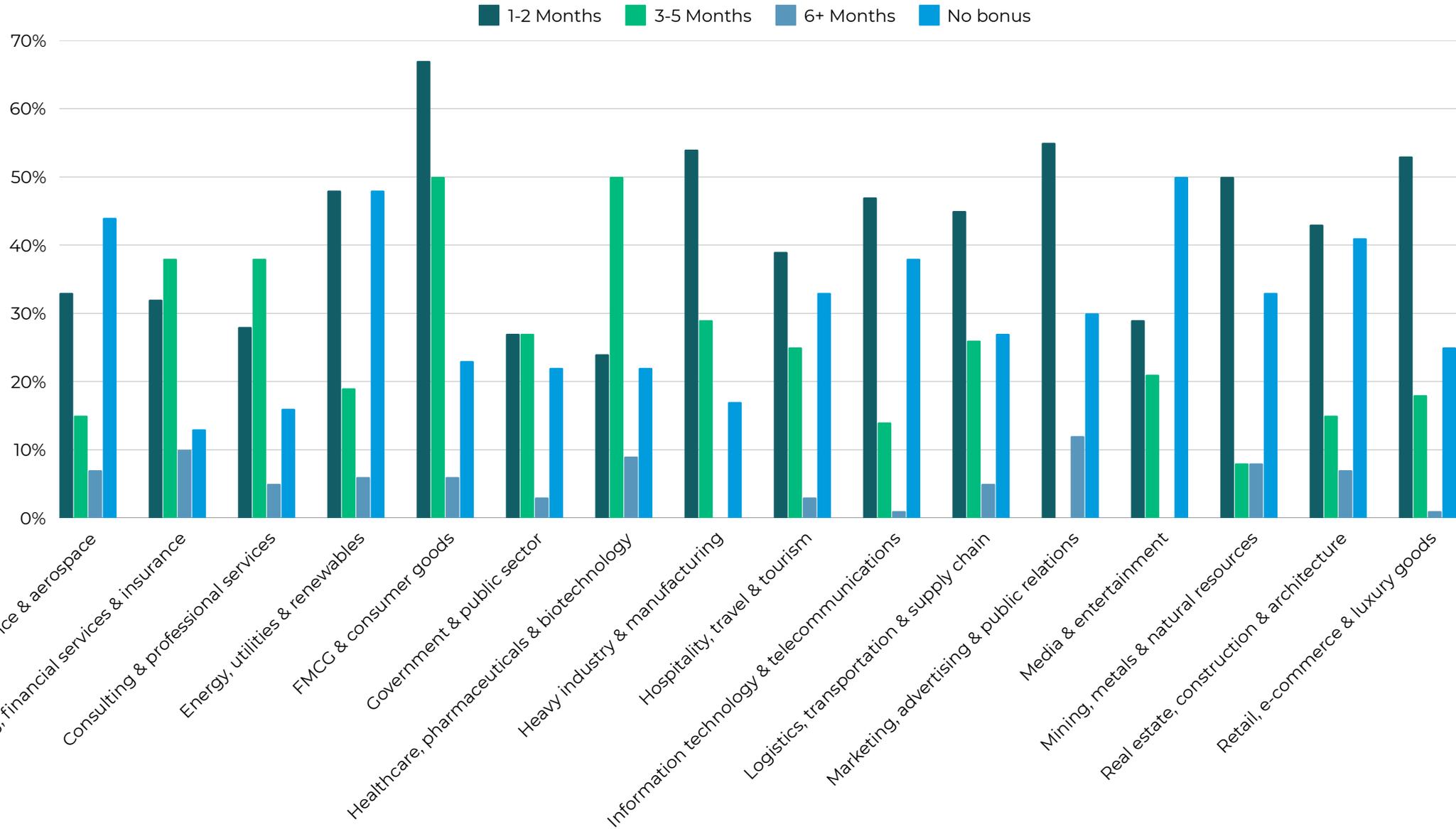


ADOPTION OF LONG-TERM INCENTIVE PLANS (LTIPs) FOR EXECUTIVE LEADERSHIP IN 2024

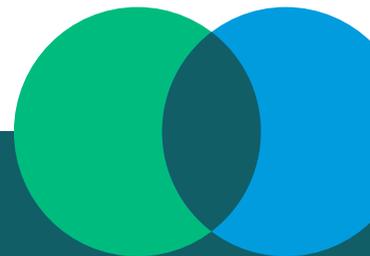


METHODS USED FOR LONG-TERM INCENTIVE PLANS (LTIPs) IN 2024





\*Based on the number of month basic salary



# SHAPING THE UAE'S TALENT LANDSCAPE

The UAE's bonus practices are evolving in response to economic shifts and government initiatives aimed at strengthening workforce stability. Programs such as the Golden Visa and Vision 2071 continue to attract and retain skilled professionals, reinforcing the country's position as a competitive global talent hub.

Technology, healthcare, and consulting investments drive demand for specialised talent, prompting companies to refine their compensation models. In highly competitive sectors, bonuses are increasingly tied to measurable performance outcomes, ensuring incentives align with business objectives.

As these trends unfold, organisations are recalibrating their bonus strategies to balance financial sustainability with talent retention. The UAE's evolving compensation landscape reflects broader regional economic priorities and will remain a key factor in workforce planning in the years ahead.

## About Cooper Fitch

Cooper Fitch provides recruitment, executive search, HR advisory and RPO services. Our team supports clients in the GCC and Europe with all talent-related matters. We are also a proud member of the Talent Club group of companies, with 37 offices across three continents.

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We produce regular market insight and media reports as well as appearing across respected business media outlets, including CNBC, Dubai Eye and Asharq News, to give our respected views on a wide range of human-capital subject areas.

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