National employment systems have been established in several countries to tackle the unemployment dilemma between citizens while the labor market flooded by expatriates. Lack of performance measurement indices among these systems caused failure to provide jobs to citizens and caused a state of confusion and dissatisfaction among employing entities. In Saudi Arabia, unemployment rate has increased in the last few decades and have since become a very political issue for the Saudi government. Compared to other countries, the problem is different since many expatriates in Saudi Arabia are already employed in their markets while citizens are seeking jobs. In Saudi Arabia, there are 1.4 million unemployed citizens and 8 million expatriates working in the Saudi labor market. In 2011, the Saudi government established a new project for boosting citizen's employment in the private sector. This project has initiated an employment system that divides organizations into four categories (or rankings) based on their performance in employing Saudi citizens' job seekers. Organizations in the Saudi private sector are allocated services from Ministry of Labor depending on their ranking in the system. Consequently, there are mixed reactions from social and economic groups toward the system's significant impact on increasing the number of national (citizen) workers in the labor market.

This study develops a framework to assess the quality and effectiveness of this government employment system and how the private sector has been affected after its implementation. The framework proposes a national employment index to help government leaders manage the labor market and reduce the unemployment rate. In addition, the framework is proposing employers satisfaction index to assist in improving the cooperation between government and private sector. Finally, the study demonstrates the various advantages and disadvantages of this concept and proposes solutions to improve the national employment system's quality and effectiveness.