

Beyond the Checkout: Driving Operational Excellence through Strategic HRM at Carrefour, UAE

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Abstract: This study offers a detailed analysis of the implementation of Strategic Human Resource Management (SHRM) at Carrefour UAE, a major retail company under Majid Al Futtaim. In a fast-moving, labor-driven sector, it highlights the importance of SHRM for sustaining operational efficiency and customer service standards. The research focuses on three key areas: work system design, adherence to UAE labor laws, and the success of HR best practices. It uses a quantitative approach that combines employee surveys and interviews and is supported by theoretical models, including the Job Characteristics Model, Atkinson's Flexible Firm, and the AMO (Ability, Motivation, Opportunity) Model. Several important insights are uncovered. The report concludes with a strategic action plan to enhance training structures and reward systems. By aligning these HR functions more closely with organizational objectives, Carrefour-UAE can transition from an administrative HR approach to a people-focused strategy that improves employee capabilities, motivation, and long-term retention.

Keywords: Job design, Employment law, Strategic HRM practices.

1 Introduction

Carrefour UAE, part of Majid Al Futtaim, is a leading retail company in the region with a diverse, multinational workforce across hypermarkets, supermarkets, and online platforms. The fast-paced, labor-intensive retail sector in the UAE demands effective staffing, flexible schedules, and strong HR practices. Consequently, Strategic Human Resource Management (SHRM) is essential for maintaining operational performance, customer service quality, and workforce stability [1] [2].

The nature of retail—characterized by shift work, high customer interaction, frequent merchandise turnover, and demand fluctuations—means HR decisions directly impact business results. Work system design influences employee motivation and productivity, and employment relationships are governed by legal compliance. HR best practices in staffing, skill development, retention, and organizational capability are critical [3]. This report examines the SHRM application at Carrefour UAE across three areas (independent variables), with organizational development as the dependent variable: Section 1 evaluates work system design using questionnaire data on job design and flexibility models. Section 2 assesses how UAE labor laws affect employment relationships, based on employee interviews. Section 3 reviews HR best practices—including staffing, training, performance management, compensation, and retention—and develops SHRM strategies informed by data analysis and theory. The report aims to integrate employee feedback, theoretical insights, and practical HR applications to provide a fact-based evaluation of Carrefour UAE's HR systems. Based on the findings, strategic recommendations are made to better align HR practices with organizational goals and improve workforce effectiveness.

1.1 Significance of the Study

Work Systems: While Carrefour excels in role clarity and functional flexibility to meet operational demands, there is a notable deficiency in employee autonomy and scheduling flexibility.

Legal Relationship: The organization largely adheres to UAE labor regulations, particularly regarding health and safety; however, there is a need to improve communication on overtime policies and clarify contracts.

HR Practices: Staffing processes are perceived as fair, but gaps exist in training consistency, performance appraisal timeliness, and the motivational impact of compensation.

The primary aim of this report is to integrate employee feedback, theoretical perspectives, and practical human resources to evaluate Carrefour UAE's HR systems. The specific objectives are:

- *To evaluate Work System Design:* by assessing existing job design and flexibility models within the company's hypermarkets and supermarkets.
- *To assess Legal Impact:* by determining how the UAE Labor Law influences the employment relationship and employee perceptions of fairness.
- *To analyze HR Best Practices:* by evaluating the effectiveness of staffing, training, performance management, and compensation systems.

- *To formulate SHRM Strategies:* by developing an evidence-based action plan that aligns HR practices with organizational goals and enhances workforce effectiveness.

1.2 Background to the study

Carrefour UAE, operated under Majid Al Futtaim, is one of the largest retail entities in the region. It manages a diverse, multinational workforce across hypermarkets, supermarkets, and e-commerce platforms.

Industry Context

The retail sector in the UAE is characterized by its fast-paced and labor-intensive nature. Success in this environment depends on several critical operational factors:

For staffing & scheduling, the business requires effective staffing and flexible work schedules to meet fluctuating demands. Regarding operational challenges, retail HR must manage specific pressures such as shift rotations, constant customer contact, high merchandise turnover, and significant peaks and troughs in demand. The performance impacts are crucial because of these characteristics; HR decisions directly influence the company's business results, customer service levels, and overall workforce stability [4].

The Role of SHRM

Within Carrefour UAE, Strategic Human Resource Management (SHRM) is considered essential rather than optional. The study is built on the premise that:

Work design: the way work systems are designed directly affects employee motivation and productivity. Legal compliance in the employment relationship is rooted in strict adherence to UAE labor laws. Additionally, best practices for high-quality staffing, skill nurturing, and retention strategies determine the organization's long-term capability.

1.3 Research Gap

Although much research has been conducted on SHRM in the context of international retailers, the number of empirical studies examining the combined impact of work system design, compliance with UAE labor laws, and HR best practices on organizational development in dynamic multinational retail settings such as Carrefour UAE remains limited. In current studies, employee perceptions, operational realities, and regulatory frameworks are seldom combined into a single model [5]. This means there is limited knowledge of how frontline staff perceive job design, schedule flexibility, performance systems, and compensation in the

UAE retail context. Moreover, the interplay of different HR practices in influencing organizational competence has received insufficient attention in the existing literature. The present study seeks to address these limitations by providing a context-specific, evidence-based evaluation of Carrefour UAE's HR systems, incorporating employee feedback, theoretical frameworks, and practical applications of strategic human resource management.

2 Literature Review

This section presents the concepts of independent variables from various reviews.

2.1 Work-design

Work-system design is closely related to employee motivation and organizational responsiveness. Another study points out that the structure, job content, and employee attitudes enable firms to respond promptly to changing conditions and maintain high levels of resources. His work demonstrates that designing jobs to be flexible rather than fixed can be strategically valuable, particularly when customer demand changes quickly[6]. Hackman and Oldham's model of job characteristics continues this debate[7]. It emphasizes the importance of skill variety, task identity, task significance, autonomy, and feedback in shaping factors that make employees find their work meaningful and feel accountable for outcomes. Occupations with higher levels of these characteristics are likely to provide stronger motivation and performance, and the model is commonly used to determine whether an occupational system encourages authentic involvement or is simply operating to achieve operational effectiveness. Contemporary work design is also informed by the so-called flexible firm theoretical framework, as expanded by Atkinson [8] on flexible working, as well as Rees and Smith [9].

Atkinson identifies functional, numerical, and temporal flexibility, which serve various organizational purposes. Functional flexibility refers to the number of tasks employees can perform; numerical flexibility concerns the number of employees; temporal flexibility pertains to work hours. These dimensions are particularly applicable to the retail sector, where customers come and go daily, goods move and need to be stocked, and tasks are reallocated in seconds. The psychological contract provides an extra point of understanding. Schein's initial definition and Rousseau's subsequent one define it as the unwritten expectations between the organization and its employees[10], [11]. These expectations are framed by flexible working arrangements, and employees perceive fairness and support through the schedule, workload, independence, and communication. When a work system is perceived to be overly demanding or rigid, it may seem that the psychological contract has been violated, leading to a lack of commitment and trust. Collectively, these views

indicate that the work-system design should be effective at balancing the employee experience with operational efficiency. The balance is the foundation of Carrefour UAE's day-to-day evaluation and management of its retail operations.

2.2 Employment regulations

The employment law outlines the rights, responsibilities, and expectations that shape the employment relationship. In the UAE, labor laws offer clear guidance on working hours, overtime, leave, health and safety, termination procedures, and non-discrimination. These regulations aim to promote equality and protect both employers and employees. Rees and Smith also argue that an effective legal system is essential for ensuring equality and preventing workplace discrimination. They note that how organizations respond to these laws typically influences employees' feelings of security, respect, and inclusion. Their chapter on equality and diversity highlights that fair treatment must be the minimum standard legally upheld, while organizational culture shapes how laws are put into practice. Literature further suggests that although laws alone cannot fully define the employment relationship, employee perceptions are equally crucial. When employees believe their organization consistently upholds legal standards, they are more likely to trust management and stay committed [12]. Conversely, ambiguity or inconsistent application of their rights can leave employees feeling vulnerable or unsupported. This aligns with Rees and Smith's discussion on the psychological and social factors of equality: perceptions of fairness influence behavior, satisfaction, and engagement. The UAE labor legislation covers employment contracts, working hours, required breaks, annual leave, sick leave, and protections against discrimination—all of which impact workplace experiences. Understanding how employees perceive and experience these regulations offers valuable insights into the strength of the employment relationship at Carrefour UAE.

2.3 Strategic HRM

Human resource best practices encompass policies and systems designed to improve employee capabilities, motivation, and change, thereby boosting organizational performance. Rees and Smith highlight that staffing, training, performance evaluations, compensation, and retention are vital for cultivating a committed and effective workforce. Proper staff selection ensures the hiring of high-quality employees, while training enhances their knowledge and skills for optimal performance. Performance appraisals provide a systematic way to measure inputs and guide improvements. Compensation serves as motivation, and retention strategies preserve institutional knowledge and stability by rewarding performance[13]. The literature on strategic HRM emphasizes alignment: according to the best-fit approach, HR practices should align with an organization's strategic goals, industry conditions, and internal environment. The AMO model suggests that

employees are most effective when they are supported through training, motivated by rewards, and given opportunities via well-designed jobs and feedback systems[14]. These models show that HR should be seen not as isolated practices but as interconnected processes that contribute to overall performance. Rees and Smith advise organizations to move beyond administrative HR to develop strategic, integrated systems that enhance capability and competitiveness. These perspectives can be applied to assess Carrefour UAE's HR practices, allowing analysis of each function and their interactions to determine their impact on strategic objectives.

2.4 Research Questions

To achieve the objectives above, the study sought to answer the following key questions through surveys and interviews:

1. Work System Design

To what extent do employees understand their roles and utilize a variety of skills related to their workload?

2. Employment Law & Relationships

Do employees feel legally protected and treated fairly under the UAE Labor Law, and do they receive clear communication about it?

3. HR Best Practices

How effective are the HR best practices, current training, and performance appraisal systems in driving employee improvement and retention?

3 Methodology

To assess the implementation of Strategic Human Resource Management at Carrefour UAE, this study used a quantitative research design with a structured questionnaire and interviews. The methodology involved randomly selecting 100 employees from various hypermarkets, supermarkets, and online commerce divisions to ensure a diverse multinational workforce. Participants responded to questions about work system design, compliance with UAE labor laws, and the effectiveness of HR practices, including staffing, training, and compensation. This approach enabled a fact-based evaluation by combining individual responses with theoretical frameworks, such as the AMO model and the Job Characteristics Model, to identify strategic gaps and develop a practical improvement plan.

The survey was based on the following questions asked of Carrefour UAE employees:

Work design and redesign

- I clearly understand my daily job responsibilities.
- My job allows me to use a variety of skills.
- I am given freedom to decide how I perform my work.
- My work schedule is flexible enough for my personal life.
- My workload is reasonable during normal shifts.
- I receive regular feedback from my supervisor.
- I feel supported by my team members.
- My job design helps me perform efficiently.
- My job feels meaningful to the organization.
- I am satisfied with the overall design of my job.

Employment regulations

- Do you clearly understand the terms in your employment contract?
- Are you aware of your rights regarding working hours and overtime pay?
- How well does the company explain leave entitlements, such as sick and annual leave?
- Have you ever experienced confusion regarding overtime or shift extensions?
- Do you feel the company treats employees fairly in accordance with UAE labour law?
- How satisfied are you with the company's health and safety procedures?
- Do you know who to contact if you face a labor-related problem?
- Do you feel legally protected in your job?

SHRM

- The recruitment process was fair and transparent.
- I received sufficient training to perform my job effectively.
- Training opportunities are provided regularly.
- My performance is evaluated fairly.
- Performance feedback helps me improve my work.
- My salary reflects my workload and responsibilities.
- I am satisfied with the reward and recognition system.
- The company provides opportunities for career growth.
- I feel motivated to perform well at my job.
- I intend to stay with the company long-term.

4 Data Analysis

4.1 Work System Design Chart

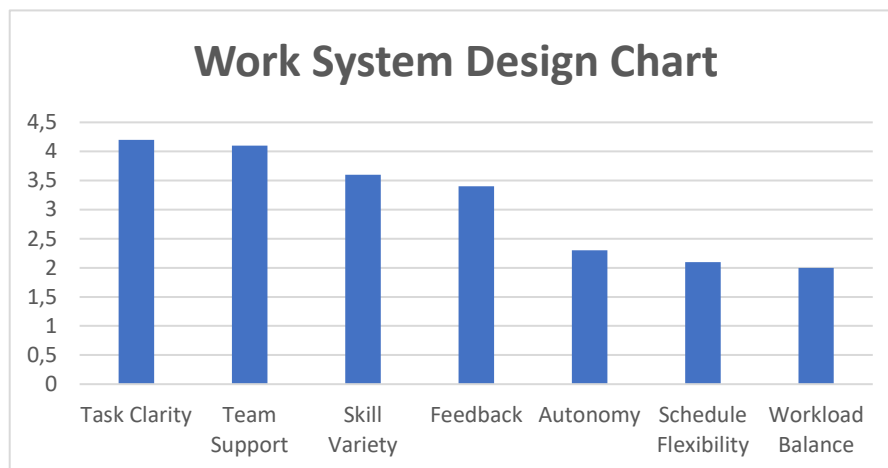


Figure 1
Work-design

The study shows that Carrefour's work system mainly emphasizes operational efficiency over employee empowerment. The high levels of task variety and skill use reflect Atkinson's concept of functional flexibility, where employees handle numerous responsibilities. This structure enables quick responses to changes in demand and helps maintain service standards. Clear role definitions also point to organized workflow routines typical of large retailers. However, low scores on autonomy and scheduling flexibility suggest limited support for employee motivation. Hackman and Oldham's model highlights autonomy as a key motivator; its lack may decrease employees' sense of ownership and interest. Moreover, inflexible scheduling can strain work-life balance, an issue discussed in the chapter on flexible working, which often favors the employer. Perceptions of heavy workload add to the burden, potentially harming job satisfaction and loyalty over time. These findings can be understood through the psychological contract framework, in which employees expect support but face high demands and low control, eroding trust and commitment—a dynamic especially critical in high-turnover sectors. Overall, Carrefour's work system effectively meets operational needs but needs improvements in autonomy, flexibility, and workload management to boost employee well-being, sustain high performance, and improve retention.

4.2 Employee Awareness of Labor Rights

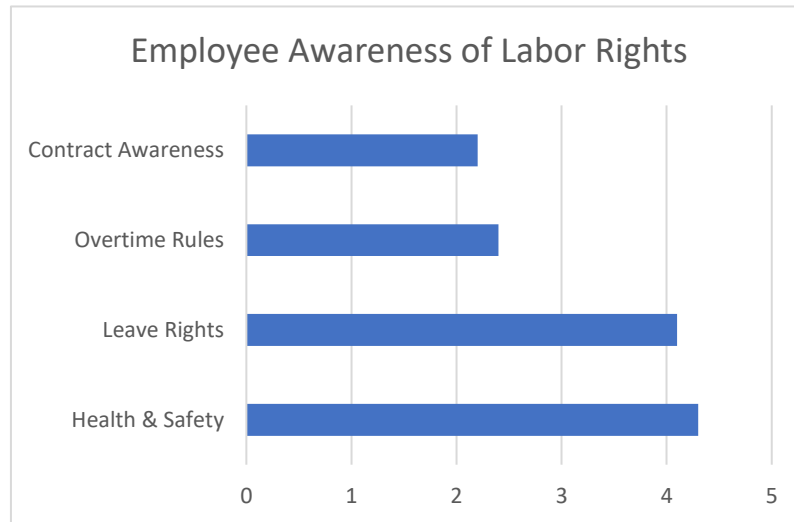


Figure 2
Employment regulations

The feedback is diverse in awareness and experience. The majority of employees understand the fundamentals of their employment contracts, but lack details unless something goes wrong. Work hours usually match the working schedule, but peak periods may extend shifts. Overtime salary is paid, but some interviewees do not know how the rate is determined or how the additional time is granted. Entitlements to leave are more obvious; employees tend to be on an annual leave basis. Nevertheless, some find it difficult to understand how they will handle it in the event of an emergency or sick leave. There is a positive perception of health and safety. Procedures are communicated effectively and implemented systematically. Nonetheless, regarding fairness and general protection, certain employees believe the company acts within the bounds of the law, yet some rights are not communicated properly, particularly to new employees or those who have not yet gained the necessary experience in their field.

4.3 HR best practices

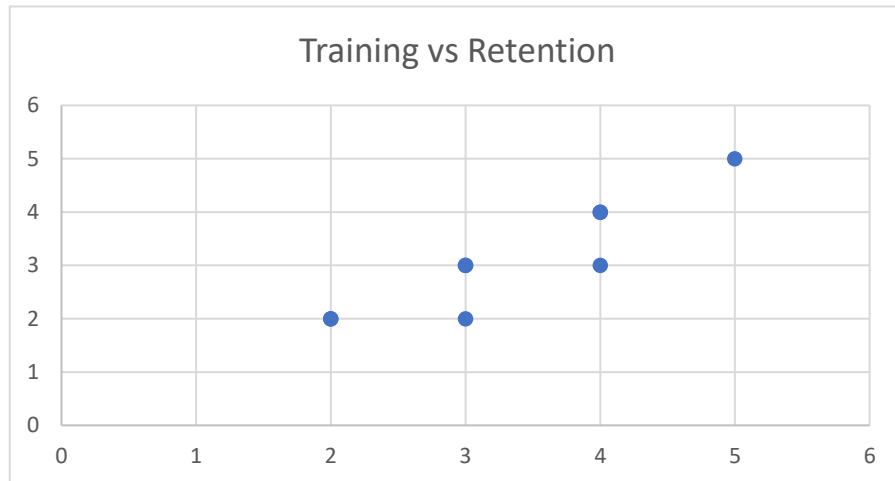
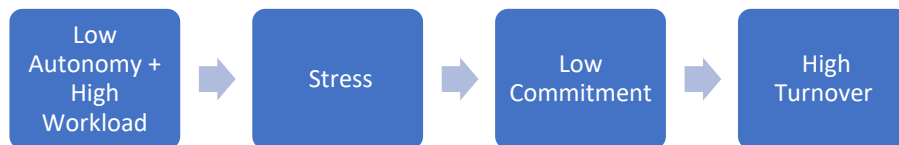


Figure 3
HR practices

Psychological Contract



The answers refer to a workplace characterized by people doing diverse work and being well aware of their roles, but with limited autonomy and flexibility. The employees report that their jobs involve many tasks and require a wide range of skills, so job descriptions are broad and can meet a variety of operational requirements. They also observed stable team support, which aligns with the collaborative nature of retail. But autonomy scores were low, suggesting that employees are not given much autonomy in how they arrange or carry out tasks. Flexibility in scheduling was also low, indicating that deterministic shifts and busy schedules reduce it. Workload was considered a demanding factor, meaning it is fast-paced and comes with intense expectations. There was moderate supervisory feedback associated with inconsistent communication about performance. The quality of job design is average overall, with both positive and negative experiences.

The staffing process is generally viewed positively by employees, particularly regarding fairness and clarity. The practice of training was considered moderately effective and inconsistent; some employees were developed through structured training, whereas most were developed through on-the-job training. A weakness was the performance appraisal. Employees complained that appraisals were untimely, unresponsive, or failed to provide specific, actionable developmental steps. Pay was deemed adequate but not very motivating, especially against the workload and intensity of the retail environment. These opinions were captured in retention scores: staff rated team cohesion and job security highly, but expressed limited long-term commitment due to low career development opportunities and rewards. To analyze their relationship further, we expressed the relationship between these HR functions in the following correlation table:

Dimensions	Staffing	Training	Performance	Compensation	Retention
Staffing	1	0.62	0.55	0.48	0.52
Training	0.62	1	0.71	0.57	0.65
Performance	0.55	0.71	1	0.66	0.69
Compensation	0.48	0.57	0.66	1	0.74
Retention	0.52	0.65	0.69	0.74	1

The correlation matrix indicates that the five Human Resource Management categories, Staffing, Training, Performance, Compensation, and Retention, are highly positively correlated with each other. This means that if you get better at one thing, you get better at other things too. The high correlations between Training and Performance (0.71) and Training and retention (0.65) suggest that investing in skill development can increase productivity and employee retention in the long run. The highest correlation coefficient is 0.74 for retention and salary. So pay and benefits are the biggest drivers of employee retention. Training (0.71) and compensation (0.66) were the significant predictors of performance. It means better performance means skill development and fair wages. The staffing variable is somewhat correlated with the other variables. Recruitment quality is considered important but less so than training and income. The matrix shows that a universal HR approach, especially in the training and remuneration fields, can have a significant impact on the organization's overall performance and employee retention outcomes.

5 Findings & Discussion

The findings of this study at Carrefour UAE illustrate a complex interaction between operational efficiency and employee psychological well-being. Data from the 100-employee sample show that, while the organization achieves high functional flexibility, there is a notable lack of autonomy, which Hackman and Oldham identify as a key element of internal work motivation and task significance. This rigid structure, driven by the fast-paced retail environment, seems to strain the "psychological contract," a concept Rousseau describes as the unwritten expectations that define employee trust and commitment. Additionally, the strong correlation between compensation and retention (\$0.74\$) confirms that, in labor-intensive sectors, the "Motivation" element of the AMO Model relies heavily on tangible rewards to offset high workloads. These results align with the views of Rees and Smith, who argue that SHRM success in multinational contexts relies on balancing strict legal compliance—such as UAE Labor Law—with strategic "best practices" that promote long-term employee development and organizational stability.

The study indicates that Carrefour's work system mainly focuses on operational efficiency rather than employee empowerment. The high task variety and skill utilization reflect Atkinson's concept of functional flexibility, where employees undertake multiple responsibilities. This setup allows for quick adaptation to changes in demand and helps maintain service standards. Clear role definitions also suggest organized workflow routines typical of large retailers. However, low scores in autonomy and scheduling flexibility imply limited support for employee motivation. According to Hackman and Oldham's model, autonomy is a key motivator; its absence may reduce employees' sense of ownership and engagement. Additionally, inflexible scheduling can negatively impact work-life balance, a point discussed in the context of flexible working, which often favors employers. Perceived heavy workloads add to employee stress, potentially decreasing job satisfaction and loyalty over time. These findings can be explained through the psychological contract framework, in which employees expect support but face high demands and low control, eroding trust and commitment—especially in sectors with high turnover. Overall, Carrefour's work system effectively addresses operational needs but requires improvements in autonomy, flexibility, and workload management to enhance employee well-being, sustain high performance, and improve retention.

5.1 Action Plan

The HR analysis of Carrefour UAE shows that the two segments that could benefit most from strategic intervention are training and compensation. To ensure the suggested improvements are implemented successfully, the action plan is organized as follows. In this plan, specific problems are defined, remedies suggested, and

responsibilities and time frames set so that accountability is clear. This aims to develop practical, realistic steps that align with operational requirements and strategic HR goals to enable Carrefour to enhance employee capability, motivation, and retention.

Issue Identified	Strategic Action	Timeline	Responsible Department
There are inequalities in the training opportunities, and there is no formality in development.	Establish standardized training modules and introduce task-based learning paths as well as scheduling recurring coaching sessions	3–6 months	Learning & Development (L&D) and Store Management
It shows a weak relationship between performance evaluation and training.	Incorporate training results into performance reviews and provide developmental feedback on completed training.	2–4 months	HR Department and Line Managers
The pay is considered insufficient to retain employees in the long term.	Implement performance-based bonuses and rewards, including recognition schemes and non-monetary incentives, including career advancement opportunities.	4–6 months	HR Department and Senior Management
The eligibility of rewards is not visible.	Fully express compensation schemes and make the employees aware of the way rewards are won.	1–2 months	HR Communication Team
Employees who perform well do	Develop career development schedules and	6–9 months	HR Development and Talent Management

not have long-term incentives.	promote interdepartmental growth.		
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Figure 4

The action plan will help Carrefour UAE transition its day-to-day HR activities to a strategic and integrated practice. It will create a working environment that enhances immediate performance and, in the long run, employee retention and workforce stability by tightening training structures and making compensation more motivating.

Carrefour UAE needs to shift from basic functional flexibility to full job enrichment. Based on Hackman and Oldham's Job Characteristics Model (1980), the company should give front-line staff more autonomy and decision-making power to enhance the sense of meaningfulness in their roles. Additionally, since the study's correlation analysis showed a strong connection between development and performance, the ability aspect of the AMO Model should be strengthened through a structured, task-oriented certification program.

To tackle the strong link between compensation and retention, a comprehensive 'Total Rewards' approach should be adopted, integrating clear performance-based bonuses with non-monetary recognition to keep motivation high. Additionally, to bolster the 'psychological contract' highlighted by Rousseau (1995), Carrefour needs to improve legal transparency by holding regular communication sessions about UAE Labor Law. This can help build trust and a sense of organizational support, ultimately reducing turnover in the competitive retail industry.

Conclusion

This report is an overview of Strategic Human Resource Management as applied by Carrefour UAE. It will examine the work system design, the impact of the UAE labor law on employment, and the impact of current HR practices. The findings indicate that Carrefour operates a structured, efficient work system that encourages flexibility but constrains employee autonomy, work-life balance, and flexibility in work schedules. These trends reflect the conflict between operational requirements and employee needs, a common theme in the HR literature on flexible work. Carrefour largely adheres to the UAE's regulations, in particular those concerning health and safety and leave provisions, according to the law review. However, the employees believe that communication about overtime policies, contract information, and legal rights should be improved. This highlights why transparency is required to maintain a good employment relationship and ensure that employees feel informed and safe under the law. The HR best-practice appraisal revealed that staffing was fairly satisfactory, and training, performance appraisal, and compensation may be enhanced. Correlation analysis examined the relationships among training, performance, and retention and reaffirmed that compensation is one

of the main drivers of employee commitment. These results are consistent with the established SHRM models, which require integrated systems that enhance ability, motivation, and opportunity. The strategies of the action plan, particularly training and compensation, are designed to ensure that HR activities are more aligned with organizational objectives. Carrefour should be able to enhance performance and retention by implementing systematic training, providing more explicit feedback, and offering more rewards. Overall, the review demonstrates that although Carrefour already has strong HR fundamentals, the key to future success will be more strategic, people-focused HR practices.

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