

# THE POWER OF OUR PEOPLE

HOW MAJID AL FUTTAIM IS ADDRESSING  
A CHANGING WORKFORCE

**LEADING BY EXAMPLE: SUSTAINABILITY THOUGHT LEADERSHIP SERIES**



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## LEADING THE WAY

The COVID-19 pandemic has revealed the important responsibility of businesses to support and connect with their employees. I have been inspired by the individual and collective actions of our workforce, their care for one another and their continued commitment to our sustainability mission and goals. I also understand that, to expect the best out of our employees, Majid Al Futtaim must ensure that our attraction and retention strategies effectively meet their needs and expectations. This requires an understanding of how we can enhance the employee experience and, in turn, ensure continued confidence in our mission. As we recover from the crisis and continue to address society's most pressing challenges as a leading sustainability business, it is imperative that we have the best talent in place who are aligned to our values. It is only through ensuring our employees feel empowered in their roles every day, that we can successfully drive forward our sustainability strategy together and contribute positively to the lives of our most valued asset, our people.



**Ibrahim Al-Zu'bi**  
Chief Sustainability Officer  
Majid Al Futtaim



We **DARE TO** empower our people to unlock their full potential

### OUR STRATEGY

In 2018, we launched our Company-wide sustainability strategy, *Dare Today, Change Tomorrow*. Our bold strategy will transform the way we do business and embed sustainability thinking in everything we do. The strategy sets out 21 material issues and 11 ambitious Sustainable Business Commitments across three strategic focus areas: Transforming Lives, Rethinking Resources and Empowering Our People.

### OUR SUSTAINABLE BUSINESS COMMITMENT

All Operating Companies must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce.



**ATTRACTING & RETAINING TALENT**

### OUR ALIGNMENT TO THE SDGS...

Our Attracting and Retaining Talent commitment contributes to:



# THE POWER OF OUR PEOPLE

In recent times, businesses have been operating in a highly competitive space when it comes to attracting and retaining top talent. Despite this challenge, only 18% of executives at Fortune 500 companies believe highly talented individuals are recruited by their organisation and a further 93% believe their organisation struggles to retain these employees<sup>1</sup>. There are many reasons why businesses might be failing in this area, such as a lack of employee engagement and opportunities for growth, a culture of distrust, a disconnect in values, and employee mental, physical and financial distress.



At the same time, organisations are grappling with an increasingly mobile workforce as employees search for companies that can better meet their needs. This is evidenced in a 2017 survey which found that, in the MENA region, 60% of respondents planned on finding a new job within the year<sup>2</sup>. In addition, employees increasingly expect more from their employers and so the now mundane offerings of competitive pay and employee

discounts are no longer sole deciding factors in attracting and retaining today's workforce. In response, employers are pushed to position themselves as high performers in areas such as employee benefits, health and wellbeing and recruitment. When the cost of replacing an employee is estimated to be "from tens of thousands of dollars, to 1.5-2x their annual salary"<sup>3</sup>, retaining talent becomes an organisational priority based on the cost implications alone.

# EVOLVING VALUES IN THE MENA REGION

The COVID-19 pandemic has emphasised the important responsibility of organisations to take care of employees, whether that be ensuring the right health and wellbeing programmes are in place or that employees feel well-informed through honest and open communications. At Majid Al Futtaim, we are committed to evolving our attraction and retention programmes to make sure they encompass the values and needs of our workforce as we build a new and improved normal.

A shift in focus towards values such as health and wellbeing has not just occurred at the individual and company level but at the national level; this is seen in programmes such as the United Arab Emirates (UAE) National

Programme for Happiness and Positivity. As well as appointing a Minister of State for Happiness and Wellbeing, the programme aims to establish happiness and wellbeing as a lifestyle, integrating this philosophy throughout policies, programmes and services<sup>4</sup>. Importantly, the programme is focusing on the role of the private sector through the launch of the Business for Wellbeing Council in 2019. Founded by eight companies with an annual revenue of over AED 200 billion, including Majid Al Futtaim, the Council aims to promote wellbeing in the workplace through the development of innovative programmes, policies and initiatives that can serve over five million people employed in the UAE private sector<sup>5</sup>.



95%

**In the UAE, more than 95% of employees** state that if they were happier at work, they would be more productive<sup>6</sup>

**Approximately 93% of professionals**

in the MENA region surveyed stated that organisations have a responsibility to encourage health and wellbeing in the workplace<sup>11</sup>

93%



85%

**85% of workers** in the MENA region would move to a different company for opportunities in training and career development<sup>7</sup>

**Almost 80% of professionals** say they would prefer a company who offered the option of remote working<sup>7</sup>

80%



87%

In companies where transparency has fallen, the likelihood of an employee leaving increased by **87% during the COVID-19 pandemic**<sup>8</sup>

# THE CHANGING NEEDS OF TODAY'S WORKFORCE



## COMMUNICATE WITH TRANSPARENCY AND OPENNESS

Employees in today's workforce expect a lot more from their employer than they did 30 years ago and, in response, organisations are becoming increasingly employee-centric. Although not all companies are responding as proactively as others, there are several trends that are particularly important for attracting the best talent and keeping employees engaged in their roles.

Transparent and open communication with employees has long been key to higher retention rates.

The value of communication has been accentuated during COVID-19, at a time when employees have been facing significant disruption and stress, both personally and professionally. With what was once an unimaginable level of remote working, it is vital that employees continue to feel supported amid unprecedented uncertainty and continuously changing circumstances. Regular communications that are honest, informative and invite open, two-way conversations are needed. In fact, a recent study showed that transparency regarding 'what the organisation knows and doesn't know' was the top response from employees when they were asked about what is needed from future corporate communications<sup>9</sup>, and an 85% increase in employee engagement was reported when companies prioritised transparency during the coronavirus<sup>8</sup>. For example, a former CEO of LinkedIn established a culture of openness by holding fortnightly meetings with employees to encourage their idea suggestions, and social media company Buffer, publicly shares all employee salaries in a bid to establish complete transparency over how these are calculated<sup>10</sup>. When organisations are open and transparent in this way, it helps build a relationship based on trust and provides employees with information to reduce ambiguity and drive engagement.



## PROMOTE HEALTH AND WELLBEING

The focus on improving health and wellbeing is a trend being experienced globally.

The shift to sustainable lifestyles has triggered a demand for healthier diet options such as veganism, new fitness trends, and a growing awareness and discussion around what were once considered taboo topics like mental wellbeing. With employees making their own health and wellbeing commitments at home and in their personal lives, it has become an expectation that health and wellbeing will be prioritised in the workplace too. In a survey of professionals in the MENA region, approximately 93% stated that organisations have a responsibility to encourage health and wellbeing in the workplace<sup>11</sup>. The Dubai Chamber of Commerce was recognised for its commitment to workplace health and wellness through its Sehhati programme, meaning 'My Health'. The initiative ran for ten months and supported employees in establishing an active and healthy lifestyle. As a result, the organisation's absenteeism rate dropped by 56%<sup>12</sup>, a clear sign of increased employee engagement. Another employer making health and wellbeing their focus during the COVID-19 pandemic is Ally Financial. As well as supporting almost 9,000 employees in setting up remote working, the company has provided education and tools to support physical and mental health while working remotely, including access to medical professionals; paid leave for those looking after a sick relative or diagnosed with the virus; complete coverage for coronavirus testing; online health services; and increased care support for children or adults<sup>13</sup>.



## BUILD A DIVERSE AND INCLUSIVE CULTURE

Organisations delivering on their promise of fostering a diverse and inclusive culture have never been more important to employees than today.

When searching for a job, 67% of workers consider employee diversity as a significant factor<sup>14</sup> and, for 83% of millennials, an inclusive culture is vital for establishing active employee engagement<sup>15</sup>. Despite the importance of diversity and inclusion to employees and the proven benefits to "creativity, productivity and innovation"<sup>16</sup>, many organisations are falling short of employee expectations. One company harnessing the power of diversity is Sodexo, where over 50% of staff and directors are female. Through programmes such as their Gender Balance Networks, the company has discovered that achieving gender balance has increased engagement among employees by 4%<sup>17</sup>. Against the backdrop of the Black Lives Matter movement, the public and employees are looking to their employers to be transparent regarding how they are increasing diversity and inclusion at work. Glossier, a beauty company, has shared the way they aim to do so on social media. It plans to engage in dialogue with former employees who can share insight and ideas; all employees will complete ongoing training on anti-racism, equity and inclusion; people hired in management positions will be screened for extensive experience in people-management of diverse and inclusive teams; and, a 'no-tolerance policy' will be promoted to protect its employees from discrimination by both customers and colleagues<sup>18</sup>.

# THE CHANGING NEEDS OF TODAY'S WORKFORCE



## GROW EMPLOYEE ENGAGEMENT

The benefits of employee engagement go beyond simply having a happy workforce.

Engagement creates an environment where employees are willing to go the extra mile to reach the organisation's goals because they feel connected and invested in the company's mission. Increasing employee engagement is an effective talent retention strategy because when employees feel valued, they effectively contribute to business outcomes and are less likely to seek new employment. For example, Salesforce has worked hard to create an employee-friendly culture based on the evolving needs and values of today's workforce. The company offers their employees the opportunity to spend 56 hours of paid time volunteering, contributing to important issues in their local communities<sup>19</sup>. They have used their physical workspace to create areas dedicated to mental wellbeing, and they give employees \$100 every month to spend on absolutely anything<sup>19</sup>. Another example is Netflix, who favours treating their employees as respected equals across the business. As a result, the company has managed to achieve higher than average retention rates due to, among many other benefits, offering employees a year of paternity leave with pay and unlimited holiday<sup>22</sup>. Employees and teams are empowered to manage employee absence in line with the peaks and troughs of business activity and avoid drops in productivity during busy periods.



## SUPPORT CAREER DEVELOPMENT

Workforce training and development is a necessary step for ensuring employees are equipped with the appropriate skills to cope in today's dynamic work environment.

It is also an effective attraction and retention strategy, considering that 72% of job seekers pursue organisations with opportunities for career progression<sup>20</sup>. By creating an effective training and career development programme that prioritises employee progression and growth, organisations can reap the benefits of a more loyal workforce as 93% of workers stay at organisations who invest in their careers<sup>21</sup>. One company known to prioritise employee growth is Hyatt, the hospitality company. Despite the high turnover typically experienced by hotel brands, Hyatt's housekeeping staff have an average tenure of 12 years or more and over 14,000 employees have been with the company for more than 15 years<sup>22</sup>. This is partly driven by a training programme that centres around employee empowerment and advancement at all levels, giving employees the tools to operate at their highest level and contribute to business outcomes. The company encourages employees to pursue further education and reimburses associated tuition fees<sup>22</sup>, and employee referrals have become the top resource for new hires, demonstrating the positive company perception held by employees<sup>23</sup>.



# HOW WE ATTRACT AND RETAIN TALENT AT MAJID AL FUTTAIM

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At Majid Al Futtaim, we are continually striving to ensure that we attract the top talent available and, in turn, that we provide our employees with a supportive workplace that fosters their health, wellbeing and career development. We know that when our employees are happy and feel supported, they will help us bring to life our sustainability and business missions, and that this will inspire them to be sustainability champions within Majid Al Futtaim and in their day-to-day lives.

## ATTRACTING TALENT

To continue to attract the best and brightest talent, we are working to embed sustainability into our talent attraction programmes for all roles at Majid Al Futtaim. We worked to integrate sustainability into the employee value proposition of all job roles and recruitment channels to ensure that all prospective employees understand our commitment to operating as a leading sustainable business. We know that many employees are looking for far more from their employers than they have done in the past and it is important that we highlight sustainability and wellbeing initiatives that we have in place.

## RETAINING TALENT

As well as attracting top talent, it is even more crucial that we create a workplace that fosters health, wellbeing and career development for all our employees. Only in this way can we reach our goals, bring our ambitious sustainability mission to fruition, and ensure our employees want to continue working at Majid Al Futtaim for years to come. As part of our 2020 targets, we conducted an extensive review and gap analysis of all the ways we retain talent. This enabled us to highlight the many positive steps we are already taking, so that we can showcase them to our employees and formally and consistently implement them across each of our Operating Companies. The review has also served as a first step for developing a host of new initiatives aiming to improve our talent retention programme, some of which are described in the following sections.

## DIVERSITY & INCLUSION

Diversity and inclusion have been identified as a priority for our business. It is clear to us that having a diverse and inclusive organisation means the needs of our employees and customers are better represented by our workforce demographics and that employee role models are present throughout the business. This year we have developed a Company-wide Diversity and Inclusion policy. This will enable us to embed strong diversity and inclusion practices throughout the organisation. We also promote networks that serve particular groups in our Company, such as the Diversity and Inclusion Taskforce, to ensure we support all our employees at the different stages of their lives. For example, in consultation with our female colleagues and with the aim to support mothers returning to work, we have created dedicated nursing rooms at our corporate offices and at Majid Al Futtaim – Retail UAE. Another such group is the MENA region's first People of Determination Advisory Panel, which we are proud to have launched. The panel includes a wide range of members including the UAE Ministry of Community Development, Dubai Municipality and Sharjah City for Humanitarian Services, independent experts, and customer representatives who are people of determination or parents of children of determination. The aim of the panel is to contribute to the UAE government's efforts to make society more inclusive and ensure that our services are accessible for all members of the community. Lastly, we are working to enhance our hiring practices and ensure they are fair and inclusive. This includes ensuring our candidate pools are diverse and that hiring managers have received training on best practice for inclusive hiring and unconscious bias.

## TRAINING

One of our key strengths in fostering and developing our employees' careers is through our wide-ranging and extensive training and career development programmes. We use training to empower our people to develop their careers within our organisation through our Leadership Institute, which develops world-class training. With sustainability at the core of our business, it is key that our employees receive training on our *Dare Today, Change Tomorrow* strategy. Last year, we developed an online sustainability e-learning that was delivered to all our office-based staff. We also developed a sustainability training for each of the cohorts in our 'Top Talent' programme, where some of our highest achieving employees are given a deep dive into sustainability and how they can be sustainability champions within our business. This year, we are developing a sustainability training programme that will be delivered to all our 34,000 frontline employees, empowering them to bring *Dare Today, Change Tomorrow* to life on the frontline of Majid Al Futtaim venues.



## HEALTH AND WELLBEING

Our commitment to supporting our employees' health and wellbeing is vital for our ambition to make Majid Al Futtaim a stand-out working environment. We have an extensive range of resources and initiatives aimed at meeting this goal.

Every year, we send out a Company-wide 'Healthy Workplaces' survey to gain a clear understanding of the ways in which we can improve our employees' wellbeing while at work. We use the results of the survey as a central resource for the development of new health and wellbeing initiatives, as well as a vital way for us to gauge our employees' responses to initiatives we have already put in place. Results of the survey have helped us to implement initiatives such as providing healthy food options in our offices, providing an in-house doctor and psychiatrist, and creating Wellness Champions across our organisation, whose role is to support employees and champion wellbeing in the workplace.

Every year, we hold our Company-wide Wellness Week, which hosts a diverse range of sessions aimed at supporting and raising awareness about health and wellbeing. This is an incredibly significant week in our calendar and is always well-attended by employees across the organisation. Our initiatives include one-to-one sessions with financial advisors, mental wellbeing advice, nutrition and cooking classes, fitness classes, medical consultations, health screenings, and so many more. These sessions are a great way for us to show our employees how much we care and to act as a springboard for them to lead healthy and happy lives.

## SUPPORTING STAFF DURING COVID-19

The coronavirus pandemic has been a momentous and unprecedented event that has affected lives on a global scale, and we recognise this has been an incredibly challenging time for all our employees. From the beginning of lockdown restrictions across the region, our team showed incredible resilience and agility in supporting one another, while making rapid changes to the ways in which we work. We worked hard to shift all our training sessions online, including this year's Wellness Week, which became a virtual event. This enabled our employees to continue developing their careers and engage with a variety of events aimed at supporting their wellbeing, all from the comfort and safety of their homes. We also created 'MAFers Supporting MAFers', where Majid Al Futtaim employees, who have a background in mental health support, provided one-to-one support sessions to their colleagues during the pandemic and lockdown.

It was important to us that we found ways to remain adaptable so that we could ensure the security of our business and our frontline employees' employment at a time when many of our venues were not legally accessible. We were able to successfully train and redeploy over 10,000 frontline employees from other areas of the business to help work at our Carrefour stores and distribution centres.

# THE FUTURE IS OUR PEOPLE

At Majid Al Futtaim, we are focused on driving forward our commitment to enhancing talent retention, career development and employee wellbeing, and have a number of key initiatives planned for the remainder of 2020 and into next year. We are in the process of developing sustainability sessions for all our frontline employees in our Properties, Retail and Ventures Operating Companies. These training sessions aim to support our frontliners in understanding our *Dare Today, Change Tomorrow* strategy, as well as how they can contribute to sustainability in their roles and wider lives. We hope they will become confident to engage customers on sustainability topics. In 2021, we plan to develop sustainability training for our tenants and Tier 1 suppliers.

These collective actions will enable us to drive forward our strategy and support the achievement of our 2022 Sustainable Business Commitment to provide role-specific sustainability training to all employees and sustainability training throughout the value chain. We will continue to focus on improving our employee wellbeing offering, utilising the results of our annual Healthy Workplace survey to inform key actions for the coming year. With the recognition of Diversity and Inclusion as a key priority, we plan to take the important steps to implement our Company-wide policy next year.

This past year has been an incredible challenge for organisations and individuals around the world, requiring flexibility to meet the evolving needs arising from an unprecedented global pandemic. Organisations and individuals have demonstrated incredible agility and resolve, and at Majid Al Futtaim, we have worked hard to implement changes at pace, support our employees and maintain resilience in these challenging times. We are steadily recovering from these challenges, which is testament to the value we have placed on investing in far more than just the financial; our investment in our consumption, community and our people is paying off.

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