

Poor workplaces are costing the UK economy £71 billion a year, reveals new survey

10 months ago



Mitie, the UK's leading facilities transformation company, has found that employers could help boost the country's productivity levels by investing in well-designed and high performing workspaces. The financial implications of not doing so could be huge, the research reveals, with poorly designed and maintained workplaces potentially costing the UK economy £71.4 billion in gross domestic product (GDP) every year.

If employers want to get the best out of their workforce, they must put more emphasis on curating and shaping high-performance settings. The findings show that UK employees estimate they lose 68 minutes every week to unproductive tasks, for example finding a room with good Wi-Fi connection for a meeting, poorly maintained building services such as slow lifts, or a lack of spaces for collaboration. This rises to 74 minutes for full time workers. Scaled across the workforce, this amounts to a weekly salary cost of £485.2m to employers.

Britain's productivity puzzle

The findings come as Britain battles with low productivity rates – specifically output per hour worked. Despite pockets of progress, the UK continues to lag behind its peers. In Q1 2025, productivity was estimated to be 0.2% lower than a year ago. According to the latest data from the OECD, the UK was rated the fourth highest out of the G7 countries on GDP per hour worked behind the US, Germany and France.

Better workplace experience means better outcomes

The research also reveals how physical workplace factors are central to how people feel about their

employer and whether they are happy to stay. In fact, nine in ten (89%) workers who are satisfied with their workplace are also satisfied with their employer. This compares to people who are dissatisfied with their workplace environment of whom, less than a quarter (23%) say they are satisfied with their employer.

The survey also highlights the relationship between physical workplace factors and job satisfaction. Over half of people (51%) say a poorly maintained workplace is a top cause of their job dissatisfaction. Almost nine out of ten (88%) survey respondents said a safe working environment, contributes to their satisfaction while access to the right technology and tools, and a comfortable and well-designed office also contribute to job satisfaction for 83% and 75% of the respondents respectively.

Contrary to popular belief, the research also finds that employees are less likely to be lured in to the office by opportunities to socialise (55%) with less than a third (29%) of respondents saying recreational amenities like gyms and social breakout areas contribute to their overall satisfaction.

Mark Caskey, Managing Director, Projects, Mitie, said:

“Employers have a real opportunity to improve workspaces so they increase employee engagement, actively fuel productivity and drive innovation in a way that benefits the multi-generational workforce.

“Currently, across the UK, there are a number of friction points within office environments that adversely impact employee satisfaction which directly impacts productivity. But all is not lost, some are within the employer’s control, for example, ensuring that the right spaces for the right tasks are readily available, from collaborative through to quiet spaces, and that any tech is in full working order.

“When workplaces are designed with people in mind and managed effectively, they become powerful enablers of collaboration and transformation, high in both productivity and satisfaction. People want to spend more time in them. People thrive, and communities benefit leading to a workforce that ultimately helps the economy gain critical momentum.”