

The Role of FM in Employee Retention and Productivity

2 hours ago



By Adam Atkins, Group Chief Executive at [Coat Facilities Group](#).

Facilities management isn't just about ensuring a workplace meets all regulatory requirements – it has a fundamental impact on the people who use the building day-in day-out, meaning its importance far surpasses that of a simple tick box exercise.

Alongside considering morale-boosting initiatives like wellbeing programmes and job benefits, businesses must view good FM practices as a core asset in boosting retention and productivity, especially in a world where budget constraints can mean fewer financial perks are on offer for staff. Managers may be unable to change external factors like the current economic situation, but this only heightens the importance of positive changes they can affect, which will drive up the happiness, motivation and loyalty of employees.

Physical surroundings and productivity

Our physical surroundings are intrinsically linked to our health, as anyone who has been forced to work in unsafe or unsatisfactory conditions can attest. Not only can poor lighting, ventilation or cleanliness levels cause a wealth of symptoms like headaches, fatigue and nausea, air circulation issues can also affect the spread of illnesses around the workplace, and existing conditions like asthma or allergies can also be worsened by the environment around us.

It's clear how all of these factors can impact work rates, especially when sickness absences rise as a result, and academic studies back up the correlation: almost seven in ten employees report that poor lighting is among the issues which affect their productivity, according to Idox, and The Times reports that optimised workplaces could actually increase productivity by up to 7%.

Forward-thinking businesses will already have realised it is not just about keeping spaces maintained and clean. The design and layout of their headquarters has almost as big an impact: enabling productivity, for example, by providing different spaces for different functions. Incorporating quiet spaces for concentrated work; break out spaces for downtime; and places where teams can come together for collaborative work and meetings acknowledges the wide-ranging needs employees may have to complete all aspects of their job, and increases productivity by ensuring all of those requirements are met.

Emotional effects of the environment

Teams are also impacted emotionally by the environment around them. When good FM practices are in place, including factors such as green spaces and wellness-focused facilities, we see a positive correlation with staff wellbeing.

And we know that when staff feel good, they are more likely to be productive and remain loyal to the company – in fact, it is perhaps surprising how much of an impact happiness has at work. Research undertaken by Oxford University's Saïd Business School and BT found the productivity of 'happy workers' was around 13% higher, while other studies broadly agree that they are around 59% less likely to find a new job at a different company than their unhappy colleagues.

Furthermore, implementing sustainability initiatives as part of the wider FM strategy has a profound impact on staff turnover rates, with Deloitte reporting more than 70% of younger workers would factor a company's environmental practices into their decision to stay in a job long-term, while a Nutritics study specifically looking at the hospitality sector indicated 43% of staff would consider resigning due to poor sustainability practices, and 19% had already done so.

Facilities management is about so much more than ensuring that the workplace is safe and compliant: done right, it showcases the pride an employer has in their business, which naturally trickles down to their teams. A well-maintained, well-thought-out office reflects well on the company for staff and visitors alike, projecting the right kind of image both internally and externally. That first walk through the office into a meeting room will shape the overall impression a candidate at a job interview or a potential new client at an introductory meeting forms of the business. And while that is important for recruitment and business development, it is also crucial to promote retention and productivity among existing employees who may be sitting in that environment for the majority of their waking hours during the week.

The value of FM

Ultimately, being willing to invest in FM services which include prompt maintenance, proactive upgrading of equipment, and a comfortable space which is fit for purpose shows that the company not only values itself as being worthy of a first-class headquarters, but also that they value employees too. Conversely, a run-down, unkempt office may give the impression that managers think neither the business nor its staff are worthy of a more appealing space. Not ideal for companies looking to motivate and retain their teams.

Having peace of mind that equipment and utilities will operate reliably – and the proper checks are being done to ensure functionality and compliance – cannot be underestimated when it comes to the impact on staff wellbeing: a fundamental component of how well they perform at work. A proactive approach to regular maintenance can also reduce the frequency of unexpected problems – reducing the downtime associated with repairs, thus negating regular dips in productivity due to issues outside of staff control.

Those working for businesses where FM is not prioritised may face coming in to work each day wondering if the heating will still be broken, if lights may be malfunctioning, or if anyone has even considered the impact of unsatisfactory conditions. That kind of

environment breeds negative mindsets, which are hardly ideal conditions for creativity, team morale and productivity to flourish.

Beyond the minimum

Keeping staff safe and healthy is really the bare minimum any company should aim for when it comes to their FM function or outsourcing. The employers who attract and retain productive staff go well above and beyond this, recognising the fundamental links between physical environment and wellbeing.

By ensuring all aspects of facilities management – from building design to sustainability initiatives – are in place and working well, employers can reduce physical and emotional problems associated with issues such as lighting, air quality, and inadequate resource provision. Creating workplaces which are both pleasant and professional can boost wellbeing, project a positive image of the company internally and externally, and positively impact employee satisfaction, absence rates, and team morale.

Those who fail to give FM adequate consideration, budget and emphasis are unknowingly negatively impacting everything about their employees' experience at work: from how often they fall ill, to how likely they are to search for a new job. Whereas employers for whom FM is a priority are setting their staff up for success, directly impacting not only individual wellbeing and career development, but also boosting the company's productivity and retention rates.