



Driving Retention: The Staff Turnover Crisis in Facilities Management

Introduction

In the competitive landscape of facilities management, staff retention has emerged as a critical challenge. The employees of facilities management providers are integral to maintaining the operational efficiency of large customer premises, with their everyday work covering everything from cleaning and maintenance to security and landscaping.

However, facilities management companies are grappling with high turnover rates, which not only disrupt service delivery but can also inflate operational costs. We interviewed our existing FM customers, industry sources and asked for expert opinions from people who work in facilities management for their perspective, and possible solutions.

Understanding the High Turnover Rates

Facilities management (FM) is a people-based service, and having the right people is crucial to your success. Therefore, staff retention becomes an operational and mission-critical issue. Let's look at the underlying causes to understand the reasons for staff turnover and develop effective strategies to combat this issue.



Challenge: Economic Factors: Wages and Benefits

Many FM providers stated that the economy is one of the primary factors contributing to high turnover. Positions in this field often come with low wages and limited benefits compared to other industries. A report by the British Institute of Facilities Management (BIFM) indicated that many facilities' management roles in the UK are at or just above the minimum wage level. Similar trends are observed in Ireland and the US, where the Facilities Management Ireland (FMI) and the International Facilities Management Association (IFMA) respectively report that low compensation is a major deterrent for long-term employment.

What are the solutions?

Offering Performance-Based Incentives

Introducing performance-based incentives can motivate employees and reward those who excel in their roles. These incentives can include bonuses, profit-sharing schemes, or recognition awards. Such programs not only enhance job satisfaction but also encourage higher productivity and loyalty among staff.

Career Development Opportunities

Investing in career development opportunities can address the issue of low compensation by providing pathways for advancement. Offering training programs, certification courses, and opportunities for internal promotions can help employees see a future within the company. This investment in employee growth can lead to higher retention rates as employees feel valued and see potential for long-term career development.

Transparent Communication and Feedback

Maintaining transparent communication about compensation policies and providing regular feedback can help build trust between employees and management. Open dialogues about pay structures, benefits, and career progression opportunities can ensure that employees feel heard and valued. This transparency can mitigate dissatisfaction and reduce the likelihood of turnover.

A client in Ireland was experiencing a substantial annual employee turnover rate of 30%. Employees identified low wages, high stress levels, and a lack of career advancement opportunities as the primary factors contributing to their decision to leave.

By conducting thorough exit interviews and employee surveys, the client pinpointed critical areas needing improvement. Subsequently, they implemented a comprehensive strategy to address these issues, which included competitive wage increases, the introduction of career development programs, and the provision of stress management workshops. This targeted approach led to a significant reduction in their turnover rate, which decreased to 18% within two years.



2. Challenge: Career Progression and Opportunities



Another significant factor is the perceived lack of career progression. Facilities management roles are often viewed as dead-end jobs, with few opportunities for advancement. This perception leads to dissatisfaction and prompts employees to seek opportunities elsewhere. In the UK, a study by the Chartered Institute of Personnel and Development (CIPD) found that only 20% of facilities management employees see a clear career path within their current company. This lack of progression is mirrored in reports from Ireland and the US.

Developing Clear Career Pathways

Creating and communicating clear career pathways can help employees see a future within the company. Facilities management companies should map out potential career trajectories for various roles, outlining the skills, experiences, and accomplishments needed for advancement. This clarity can provide motivation and direction for employees, making them more likely to stay and grow within the company.

Promoting from Within

Promoting from within is a powerful strategy to demonstrate that career progression is possible. By prioritising internal candidates for open positions, companies can show their commitment to employee development. This practice also leverages existing employee knowledge and loyalty, fostering a culture of growth and opportunity.

Establishing leadership development programs can prepare high-potential employees for management roles. These programs can include mentorship, coaching, leadership training, and rotational assignments to expose employees to different areas of the business. Developing a pipeline of future leaders can ensure a steady supply of qualified candidates for senior positions and reduce turnover.

3. Challenge: Workload and Job Stress



The nature of facilities management work can also contribute to high turnover. The roles are often physically demanding and stressful, involving long hours and high expectations. In a survey conducted by the IFMA, 35% of respondents cited job stress as a primary reason for leaving their positions. This stress is compounded by the need to meet stringent client demands, often with limited resources.

Creating a Positive Work Environment

Fostering a positive work culture that promotes teamwork, collaboration, and mutual respect can significantly reduce job stress. Encouraging social activities, team-building exercises, and a supportive atmosphere can help employees feel more connected and less stressed.

Enhancing Communication and Support

Open and transparent communication between management and staff can help address stress-related issues. Regular check-ins, feedback sessions, and open-door policies allow employees to voice concerns and seek support. Providing a supportive environment where employees feel heard and valued can significantly reduce job stress.

High staff turnover rates in facilities management pose a significant challenge, impacting service delivery and operational costs. However, by implementing strategic solutions, companies can achieve significant improvement in employee retention.

Conclusion



This guide identified three key areas to address: compensation and benefits, career progression, and workload/stress. Telematics, data collected from technology in the f

Telematics data helped identify areas where cleaning staff needed improvement. Targeted training programs based on this data not only enhanced employee performance but also boosted job satisfaction, leading to reduced turnover.

Telematics can be similarly applied to optimise workload distribution, identify areas for efficiency gains, and ultimately reduce employee stress.

By offering competitive compensation, providing clear career pathways, fostering a positive work environment, and leveraging technology like telematics, facilities management companies can create a more attractive and rewarding work experience for their employees. This, in turn, will lead to a more stable workforce, improved service delivery, and reduced operational costs.

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