
FM AND GLOBAL WELLBEING



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How to protect people, the planet, and prosperity

This paper, by VINCI Facilities, brings together the views and experiences of over 200 facilities management professionals to explore the increasingly important challenge of creating and implementing an integrated wellbeing strategy. One that combines the needs of people, the needs of the planet and the needs of organisations in the built environment/facilities sector. It looks at what works, identifies the key challenges and barriers, and provides expert advice on implementing a successful programme.

Executive summary

The term 'wellbeing' is usually associated with people, but it's increasingly recognised that the wellbeing of people goes hand in hand with the wellbeing of the planet. For this white paper we conducted an 'opinion exchange' bringing together the views of over 200 leaders in the built environment sector. We wanted to find out how far they agreed that prioritising the wellbeing of employees, end users and the environment is not just the right thing to do, but makes good business sense.

Wellbeing was clearly a priority for most of the organisations who participated in our research, most of whom had some form of strategy or framework in place or under development. Initiatives tended to focus on people's physical and mental health, and environmental quick wins, but companies are also demonstrating a willingness to commit to wider global wellness.

There is clearly a recognition among those taking part in our white paper that wellbeing is no longer neatly filed as 'being comfortable, healthy or happy'. Wellness goes beyond the workplace – as highlighted by the consequences of the pandemic.

The lockdown affected mental health, social interactions, societal issues such as inclusivity, diversity and disability, as well as our wider environment: the planet.

Developing and implementing a successful wellbeing strategy relies on establishing a clear vision with realistic goals, commitment from the very top of the organisation, and buy-in from employees and other stakeholders. Key challenges include changing entrenched behaviours, securing a budget and obtaining industry data for benchmarking.

Quantifying a tangible return on investment is difficult, particularly for strategy elements aimed at personal wellbeing, but softer benefits such as improved employee morale, happier customers and a good reputation are recognised.

Our findings suggest that many initiatives, while valuable in themselves, are not integrated or embedded as part of an overarching strategy targeting both personal and environmental wellbeing.



Integrated strategies, aligned with the organisation's vision, values and priorities, and supported by stakeholder engagement, will achieve better outcomes. Right now, the indications are that the approaches being pursued are not going far enough, but when businesses are committed and ambitious, they reap substantial rewards in terms of efficiency, morale and reputation.

For more information on our research methodology, see [Appendix A](#).

The situation today

It's generally recognised that wellbeing embraces more than the health and happiness of individuals – it's the sum of everything that affects us, including our mental and physical health, life expectancy, social and economic engagement with each other, and our connection with nature. Most organisations also understand this cannot be achieved at the expense of the natural world. Our working conditions and prosperity must be compatible with environmental protection and social improvements.

But how far does this understanding extend to practical action within our sector? Do organisations practise what they preach? We surveyed over 200 leaders and stakeholders in the built environment and facilities management sector (see appendix for methodology) and invited our respondents to rate the current state of their wellbeing and environmental strategies.

While over 40% of respondents claim to have a fully implemented environmental strategy (see below), personal wellbeing is lagging behind at 25%. The good news is that most organisations do have some form of wellbeing strategy, either in development or in its early stages. Very few report no progress at all.

Next we looked at the components of a people-focused wellbeing strategy and how far these were being pursued. Actions undertaken by respondents included mental health support programmes, creation of a team to oversee wellbeing, and third-party certification for wellbeing programmes.

The wellbeing of employees and tenants (including both physical and mental health support) is clearly a priority for many organisations, and a good proportion are taking active steps to embed initiatives in the life of the business. The level of commitment tends to be the same across the private and public sectors, including non-profit and charitable organisations.

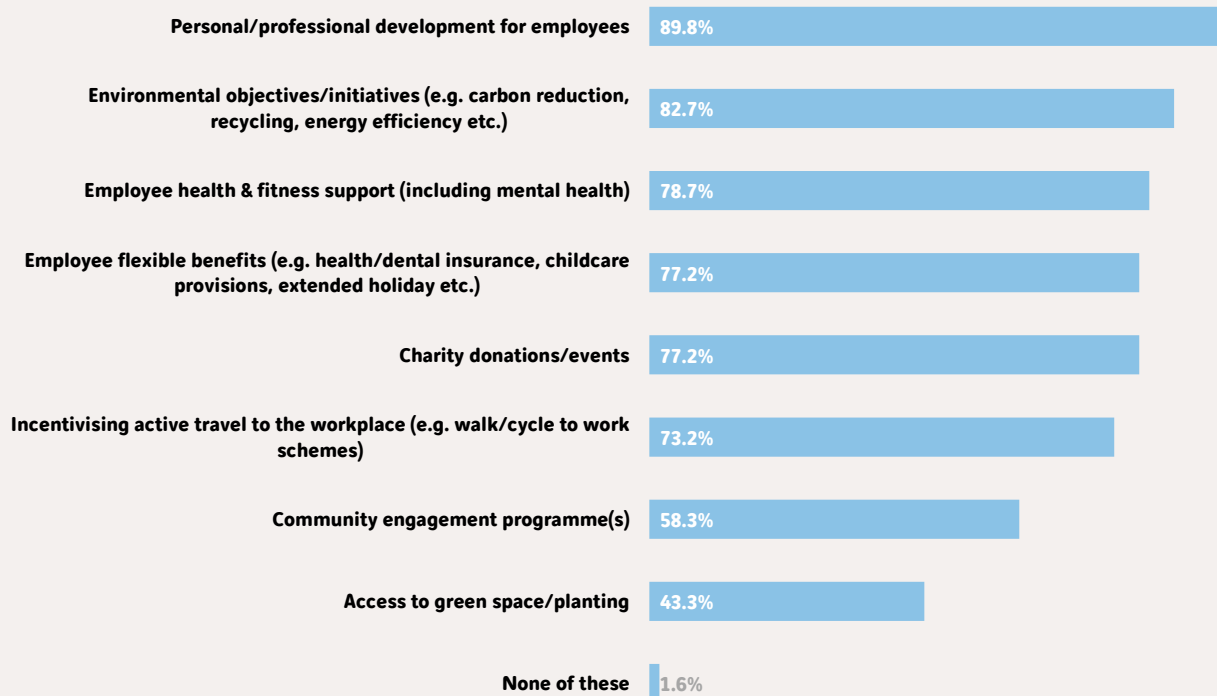
Many consultants and organisations offer support and advice to businesses interested in employee wellbeing. The Chartered Institute of Personnel and Development (CIPD) [wellbeing factsheet](#)³ is a good starting point, and this [Leesman podcast](#)⁴ provides a wider perspective.

We asked respondents about their strategies for environmental wellbeing, including reducing carbon emissions.

Over 70% told us that their business had some form of formal sustainability/environmental strategy in place, with 56% indicating a focus on carbon reduction. All sectors share a similar level of commitment, with the public sector a little behind and not-for-profit organisations a little ahead.

Next we looked more closely at the specific initiatives our respondents were undertaking.

WHICH OF THE FOLLOWING WELLBEING INITIATIVES HAVE BEEN IMPLEMENTED WITHIN YOUR ORGANISATION?

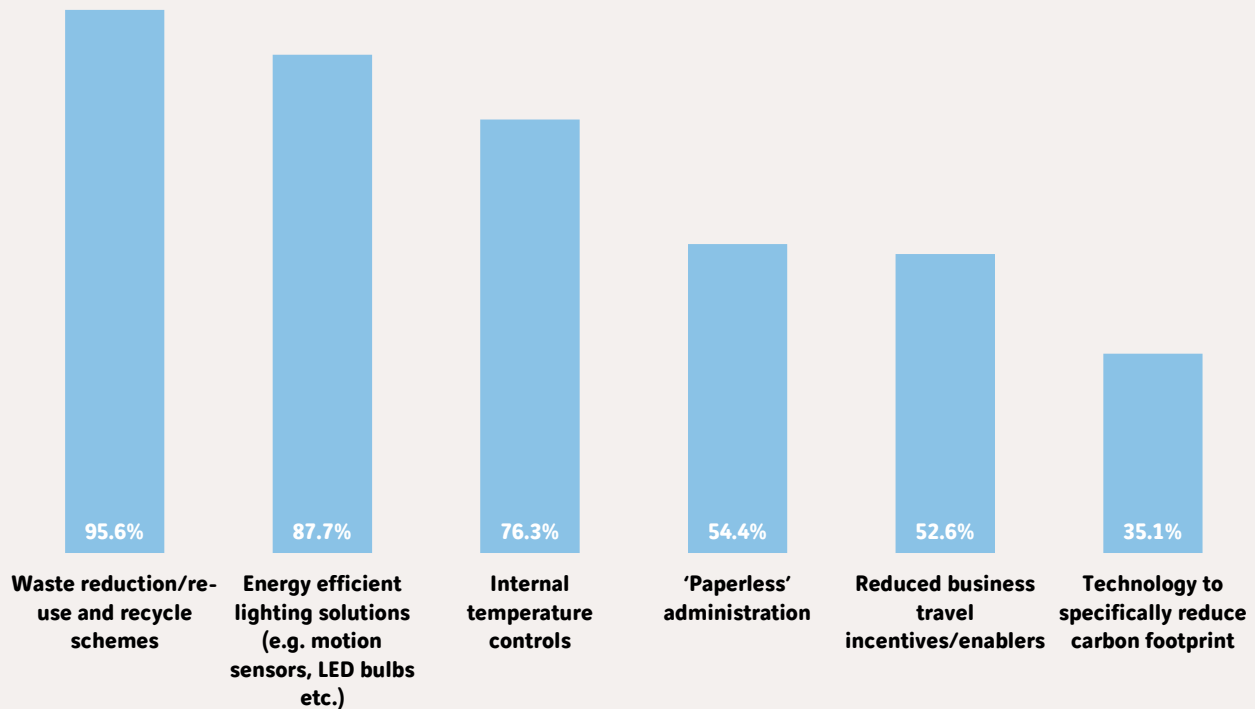


The most popular initiatives – such as personal and professional development for employees and environmental schemes like recycling – were no surprise, as these tend to be easy to implement and can be used to make a strong business case. More challenging action, notably providing access to green space, is more rarely undertaken but recognised in standards such as [WELL](#)⁵.

ENVIRONMENTAL INITIATIVES

For the environmental portion of the survey, we divided environmental activities into two types: quick wins, and more advanced measures with a longer-term impact. First we asked how many respondents were implementing quick wins.

WHICH OF THE FOLLOWING 'QUICK WIN' ENVIRONMENTAL INITIATIVES HAVE BEEN IMPLEMENTED WITHIN YOUR ORGANISATION?



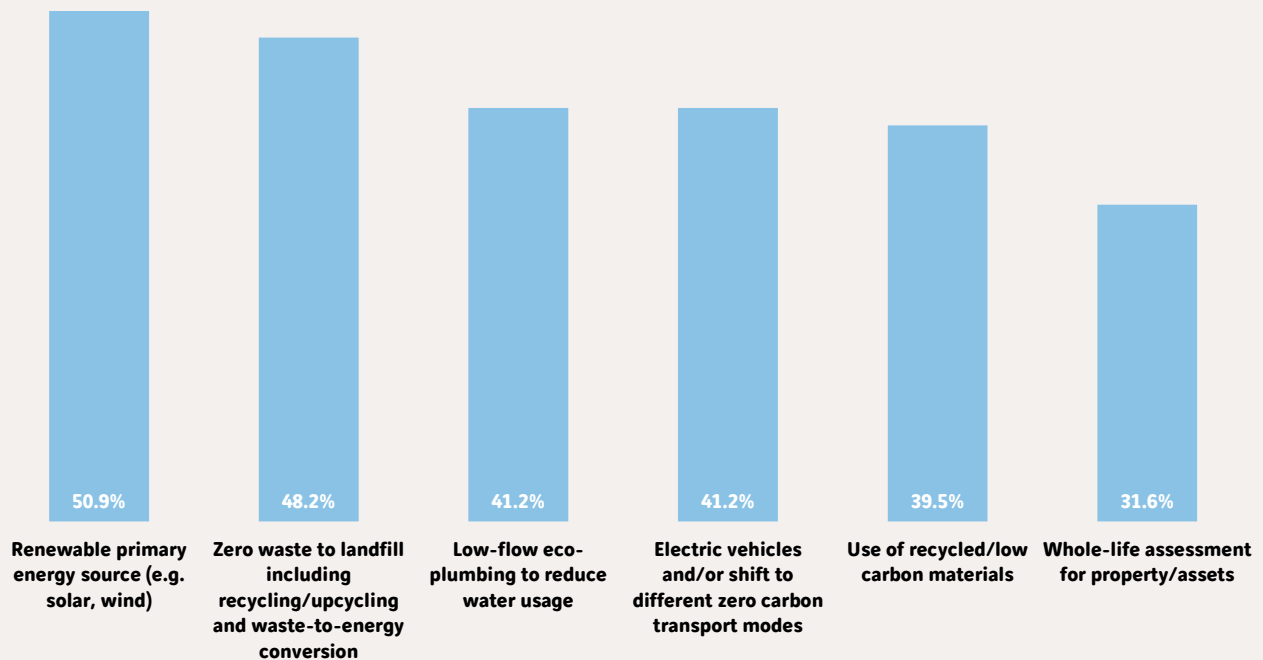
Simple activities, like introducing recycling and waste management facilities or replacing existing lighting with energy efficient options, are hugely popular at 96% and 88% respectively. Temperature controls to minimise overheating or cooling have been implemented by 76%, and over half of respondents are attempting to minimise the use of paper, for example by using email in lieu of post or replacing paper manuals and logs with digital alternatives.

Reduced travel schemes are also in use by more than half of organisations. Following the lockdown, UK carbon emissions had dropped by an estimated 31% at the time of the survey. The shift to home working, eliminating the daily commute, is likely to have played a significant part.

(NB. VINCI Facilities has published a sister white paper on climate change which examines actions such as promoting car sharing, switching to electric vehicles and innovative ideas such as Mobility as a Service – MaaS. The report also considers energy saving measures for buildings and facilities in more detail.)

Next we explored more advanced environmental initiatives.

WHICH OF THE FOLLOWING ADVANCED ENVIRONMENTAL INITIATIVES HAVE BEEN IMPLEMENTED WITHIN YOUR ORGANISATION?



These measures tend to require a greater upfront investment, while the benefits may take longer to accrue. They do, however, have the potential to make a significant, long-term difference. While fewer respondents had implemented these strategies, the fact that half (51%) of organisations had actively sought a renewable primary energy source, for example, demonstrates clear commitment to decarbonisation and sustainability.

In addition, our research revealed other initiatives that can be applied within almost any business:

- **Catering:** Consuming meat has a huge effect on climate change and wellbeing. Scientists argue that by 2050, [dietary changes](#)⁶ could free up several million square kilometres of land, and reduce global CO₂ emissions by up to eight billion tonnes per year, relative to business as usual. Organisations can help by providing meat-free options
- **Cleaning:** Air and water pollution can be reduced by removing the use of toxic chemicals in cleaning services
- **Biodiversity:** The open spaces we care for can promote biodiversity through judicious planting, habitat protection and the creation of 'green corridors' to encourage wildlife. Research also suggests that even introducing plants into the office can measurably improve air quality and have a dramatic impact on mental and physical health. (See, for example, [Haslam and Knight](#)⁷ and [WELL](#)⁵.)
- **Asset management:** Only 32% of organisations surveyed were carrying out whole-life assessment of their assets, yet the potential to reduce carbon emissions and waste through circularity and a greater understanding of assets is huge

The picture so far is of a sector aware of its responsibilities towards people and planet, but demonstrating erratic progress towards the development of robust, integrated strategies to bring about change. Simply put, as a sector we could be doing better



What's preventing progress?

Organisations that are not forging ahead with progressive strategies are probably looking through a stakeholder lens that is too narrow and caught up with worries about turnover and margins to appreciate the bigger picture.

Given that most companies understand the need for action, we examined the barriers that might be preventing progress. We compared the views of respondents just starting out on their journey with the actual experiences of those who have travelled further down the path. We did this for both personal and environmental wellbeing.

For personal wellbeing strategies, securing stakeholder engagement is seen as the least challenging step (and marginally less challenging than securing stakeholder engagement in environmental strategies). Changing overall behaviour and attitudes across the organisation is viewed as much harder by both those starting on their journey, and those further down the line. Many respondents noted that senior stakeholders and managers need to lead by example, which seems to be a major issue.

Coherent, integrated approaches to wellbeing in the workplace and associated environmental action will only be adopted if senior management support the strategy and it becomes organisational policy. For example, the so-called [Great Reset](#)⁸ needed as the UK returns to work post-Covid will not occur without senior stakeholder commitment. [Leadership](#)⁹ is key to wellbeing and improving behaviours at work and elsewhere.

Obtaining data for benchmarking and best practice is also a major hurdle, both anticipated and in reality. This reinforces the need for cross-industry collaboration.

We also asked about challenges for those developing environmental strategies.



Securing stakeholder buy-in is once again seen as the least challenging step, while securing a budget for new materials and technology was expected to be hardest, although this turned out to be easier in practice.

Further analysis revealed that the not-for-profit sector anticipated and experienced substantially more challenges than the other sectors, with average difficulty scores around 60%. Private sector companies, particularly those listed on the stock market, found their journey less impeded, with difficulty scores in the high 40s.

However, it is worth noting that in spite of the difficulties, the not-for-profit sector is on a par with the private sector in terms of maturity. About 43% of respondents in each of these sectors have implemented a comprehensive carbon reduction strategy, while over 62% have implemented a wellbeing strategy. Not-for-profit organisations are clearly doing well to overcome the barriers they face.

Many respondents told us that securing buy-in from senior management was crucial. Grassroots engagement is important, but to have any chance of success the process must be led from the top. This reflects our earlier findings – for real, effective change to occur, senior stakeholder commitment is critical.



When we compared the expectations and actual experiences of those implementing personal and environmental wellbeing strategies respectively, we noted some interesting points:

- Both types of strategy expected and encountered similar barriers
- In both cases, anticipated barriers generally proved less challenging in practice
- For those introducing a personal wellbeing strategy, changing entrenched behaviours was expected to be the most difficult issue, followed by obtaining industry data for benchmarking and securing a budget
- For those introducing an environmental strategy, securing a budget was expected to be most challenging, followed by adaptation of operational processes and overcoming technological challenges
- In both cases, securing stakeholder buy-in was expected to be the easiest barrier to overcome (and proved to be even easier in practice)

Making the business case

In order to convince senior management, a strong business case must be made, setting out the benefits that can realistically be expected. Our survey should be a valuable source of information and advice here.

Ethical actions are valued by insiders and outsiders alike – an organisation perceived to be acting with integrity is far more likely to be trusted than one focused on short-term balance sheets. Employees, investors, customers and the public at large warm to companies that treat their people well, that support their local communities and take the environment seriously. Those perceived to be profit hungry, squeezing margins at the expense of employees' welfare and carbon emissions, consuming without thought and procuring at lowest cost regardless of consequence, are likely to be distrusted and left out in the cold.

Translating this into a business case requires use of an increasingly popular metric used by investors when choosing where to spend their funds: ESG (environmental, social and governance) defined as 'the three central factors in measuring the sustainability and societal impact of an investment in a company or business'. In other words, the more your business factors the environment and society into its strategy and operations, the more it is worth. This might be one reason why listed private sector companies appear to face less difficulty when developing their strategies.

We asked respondents yet to implement a personal wellbeing strategy what benefits they expected and compared their responses to those who had a strategy in place.

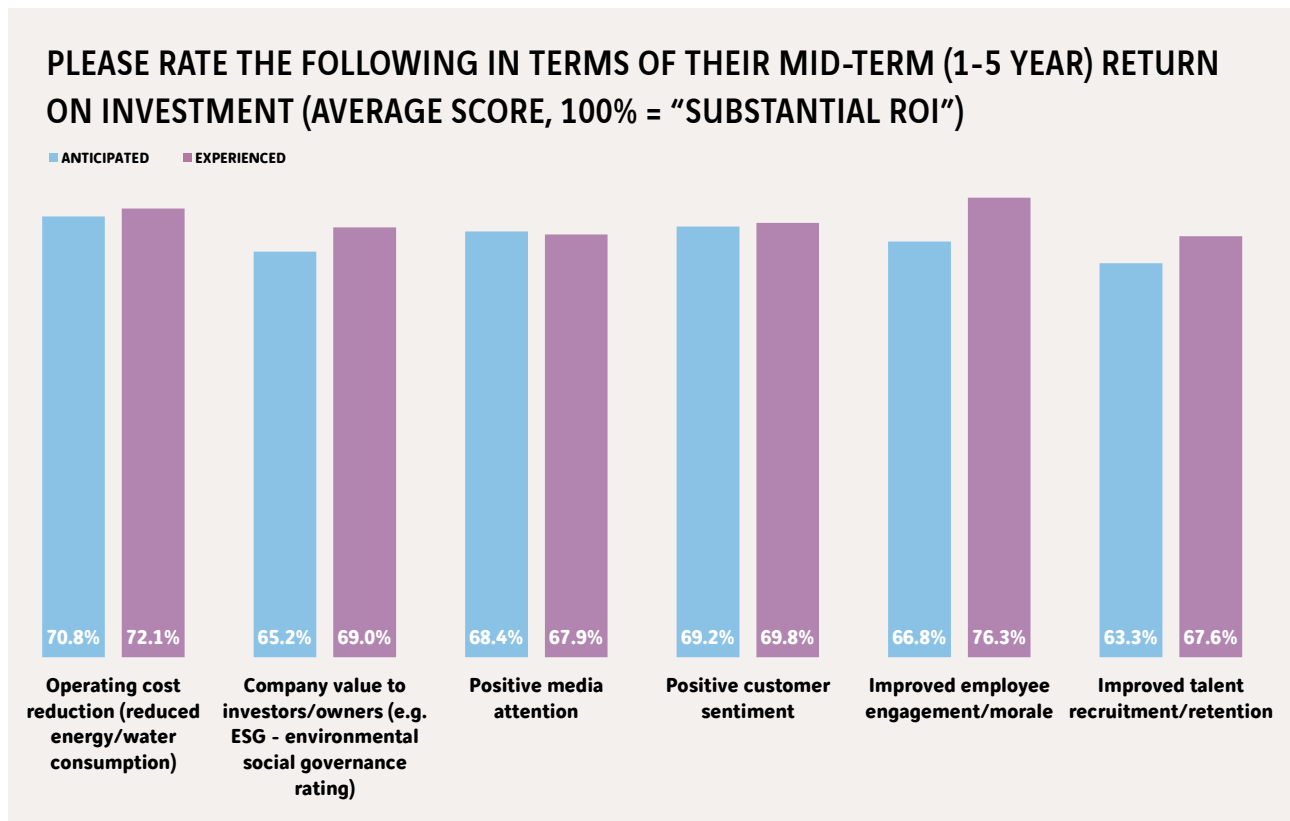
PLEASE RATE THE FOLLOWING IN TERMS OF THEIR MID-TERM (1-5 YEAR) RETURN ON INVESTMENT (AVERAGE SCORE, 100% = "SUBSTANTIAL ROI")

■ ANTICIPATED ■ EXPERIENCED



For both groups, the key benefits were improved employee engagement and morale, reduction in operating costs and positive customer sentiment. The improvement in morale actually exceeded expectation. The expected reduction in operating costs, while significant, turned out to be slightly less impressive in reality.

We conducted the same comparison for climate change strategies.



Reduced operating costs was the most highly expected benefit among the beginners, with positive customer sentiment a close second. In both cases the reality was slightly better than expected. Improvement in employee engagement and morale also exceeded expectation.

Making a business case strong enough to engage senior management and stakeholders clearly depends on convincing them of the benefits, both hard and soft. One of the objectives of this white paper is to share advice and experience, so we asked respondents for their comments.

First we asked about the positives of implementing a people-focused wellbeing strategy. Four key benefits were cited:

- 'Attracting and retaining talent'
- 'Mental wellbeing'
- 'Improvement in culture and company value buy-in'
- 'Employees are engaged at work and appreciate the effort being made by the management team'

Many respondents identified softer benefits relating to reputation, engagement and morale – undeniably valuable, if hard to link to ROI. But it's not impossible to quantify employee benefits, as this respondent demonstrated:

- 'The gym membership programme gave us a positive net return of £600k p/a through lost sickness compared to non-gym users'

For environmental strategies, comments often focused on tangible, more direct benefits, such as:

- 'Electric bills are at the same level as they were over 20 years ago, despite an increase in floor space, electrical and IT equipment, and personnel numbers'

Improvement in recruitment and retention was cited for both types of strategy, but we were surprised it only scored 68% among respondents in the group with established climate change plans. According to research by Oxford Economics and Unum, the average cost of attrition per employee lost through voluntary attrition (earning £25,000 a year or more) is £30,614. Employees, particularly younger generations, value environmental commitment. This suggests significant savings could be made through improved retention – but perhaps organisations are not making the link between the cost of an environmental scheme and savings in recruitment and retention.

The one undeniable benefit of both wellbeing and environmental strategies is employee engagement.



Supporting you with
YOUR WELLBEING





This was anticipated for both types of strategy and scored highly in practice. When making a business case, it's a good idea to remember, as one facilities and property consultant put it:

'The feelgood factor from business is not just about financial profit.'

One interesting finding that emerged from our interviews is the low priority given to evaluation. Organisations need to find more effective ways to measure the impact of initiatives on people if they are to determine what works. One possibility is a survey of new starters, asking how the organisation's approach/reputation affected their decision to join, along with a survey of those leaving, asking for their views on how well the initiatives worked. Comparing the findings would be illuminating.

What next?

While many organisations are doing good work, our findings suggest that wellbeing and environmental initiatives tend to be applied piecemeal. They are not integrated or consistently applied across the organisation, which means that opportunities to maximise the benefits and make the investment work harder are being missed. Alignment to the UN SDGs would help.

Based on our research and the experiences of our respondents, here are the steps we propose for developing a successful strategy.

ESTABLISH THE VISION

If you are starting from scratch, it's an excellent opportunity to establish a clear vision of what you wish to achieve. This should align with the organisation's business, culture and values. However, while top-level buy-in is essential, senior managers may not have the necessary knowledge or experience to provide leadership in matters of environmental and social wellbeing. We would recommend encouraging senior leaders to adopt the principles and learning of [Net Positive¹⁰](#) – a new way of doing business that contributes more to society, the environment and the economy than it takes out.



CONSULT AND ASSESS PRIORITIES

Business priorities should be established collectively by all stakeholder groups, not just internally by a single team. If you are not addressing key targets and aspects relevant to all stakeholders, you're not going about it the right way.

To ensure this step is covered thoroughly, we recommend an impact/importance mapping exercise involving key individuals representing the different functions of the organisation. This is often referred to as a 'materiality assessment'. Decide at the start how in-depth you want your assessment to be – it needs to be thorough, but not too time-consuming or onerous.

During this process you need to start by revisiting your vision and asking those involved, 'what are our strategic priorities?' Then answer the question 'what are the consequences or indirect benefits?' for each of the possible actions. Then ask, 'can these be measured?' and 'can any change be linked directly?' Clearly this will be fairly general, as the specific initiatives have not yet been agreed.

CONDUCT A BASELINE ANALYSIS

Gather data and set it against the business priorities in order to determine what improvements or changes need to be made. Depending on the priorities, data might relate to energy consumption, carbon emissions or staff turnover. Don't hesitate to seek professional help if required, such as obtaining Scope 3 carbon emission data.

SET OPERATIONAL TARGETS

Set SMART targets that link to the vision. This is standard practice for measures such as carbon reduction, but rarer for less tangible objectives such as improved employee wellbeing and broader ESG targets. We recommend reviewing the metrics listed on the [World Economic Forum site](#)¹¹, which cover both basic and advanced metrics. Another source is [The Sustainable Facilities Management Index \(SFMI\)](#)¹², which will allow you to benchmark your performance. Get the metrics and targets signed off by key stakeholders and internal sponsors.

DECIDE ON YOUR INITIATIVES

Make a list of potential initiatives and actions and map them against desired improvements and SMART targets. Assess each one in terms of (1) likely effort, (2) likely risk, and (3) impact/yield. Keep the process as consistent as possible, for example by using the same timeframe for targets, effort risk and yield scores. This is a crucial step, so again, consider seeking professional advice. Prioritise low risk initiatives that serve a combined wellbeing and environmental agenda to achieve best value. Consult and engage with employees and stakeholders to ensure you include the issues that most concern them.

ASSEMBLE YOUR STRATEGY

Sequence your chosen initiatives into a clear plan of action. Do everything you can to get the entire organisation on board. Changing entrenched behaviours and attitudes is one of the trickiest barriers to overcome. Don't underestimate either the importance or difficulty of this step. Provide education, rewards and incentives if necessary. Give people a clear line of sight between their contribution and the organisational vision. Build a sense of excitement and inclusivity, and keep people informed of progress to keep the momentum going. The more the changes are embedded in the daily life and work of the organisation, the greater the chances of success.

PERSEVERE

You may not get it right first time. Be agile, and don't be afraid to experiment and learn. Be proud, and don't be afraid to share your goals, progress, learning and achievements. Seek out whatever support and information is available within the sector and share your own learning and experiences.



Top tips

We asked our more experienced respondents what advice they had for those following in their footsteps. Here's a selection of their comments:

'Approach as many people as you can and obtain as much up-to-date information as possible from prospective companies providing assistance. Contact companies and share information in relation to initiatives'

'Make all senior managers in all departments responsible for sustainability objectives'

'Relate environmental gains to fiscal gains in reporting and publicity to more entrenched departments'

'Explain as much as possible to as wide an audience as possible. People are a lot more receptive when they understand the reasoning'

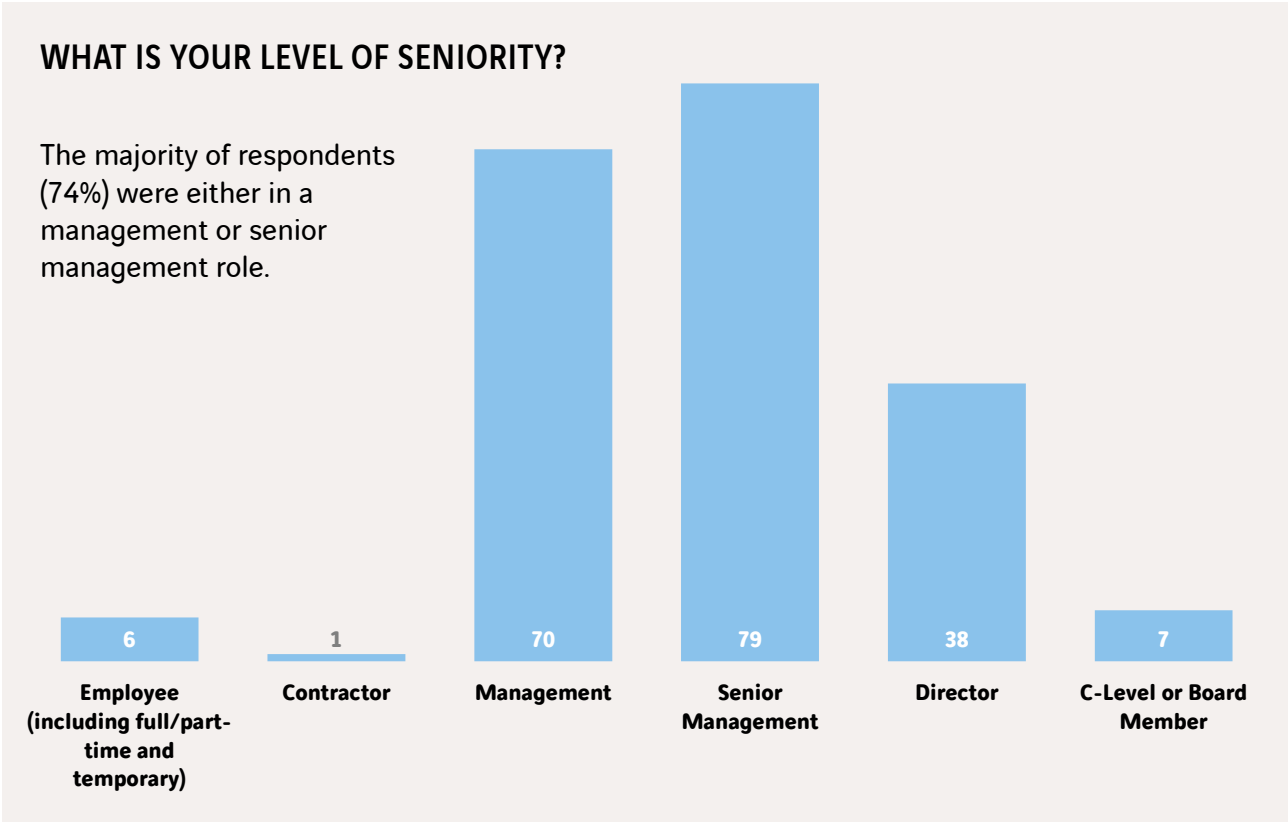
'Keep trying and eventually behaviours will change'

'Just do it. Public pressure is on our side'

Appendix A:

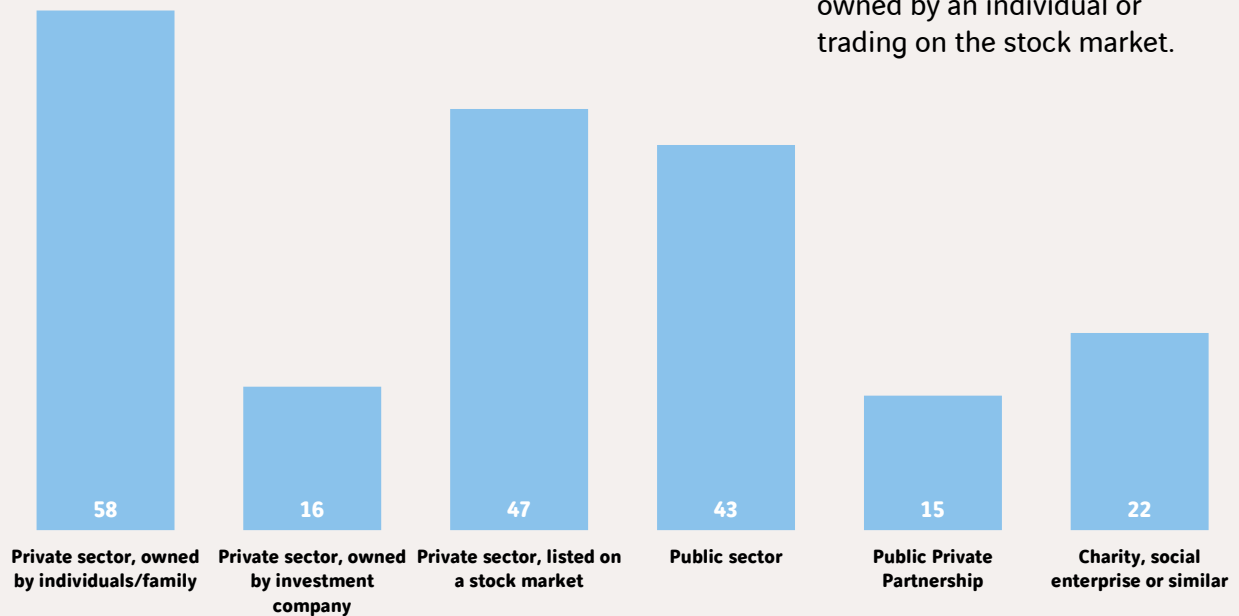
Demographic data

A research survey carried out on behalf of VINCI Facilities by Boost Evaluation in October 2020 questioned senior practitioners and leaders associated with facilities management and the built environment sector. 201 responses were received overall, 167 of which answered the wellbeing portion, broken down across the following demographics:



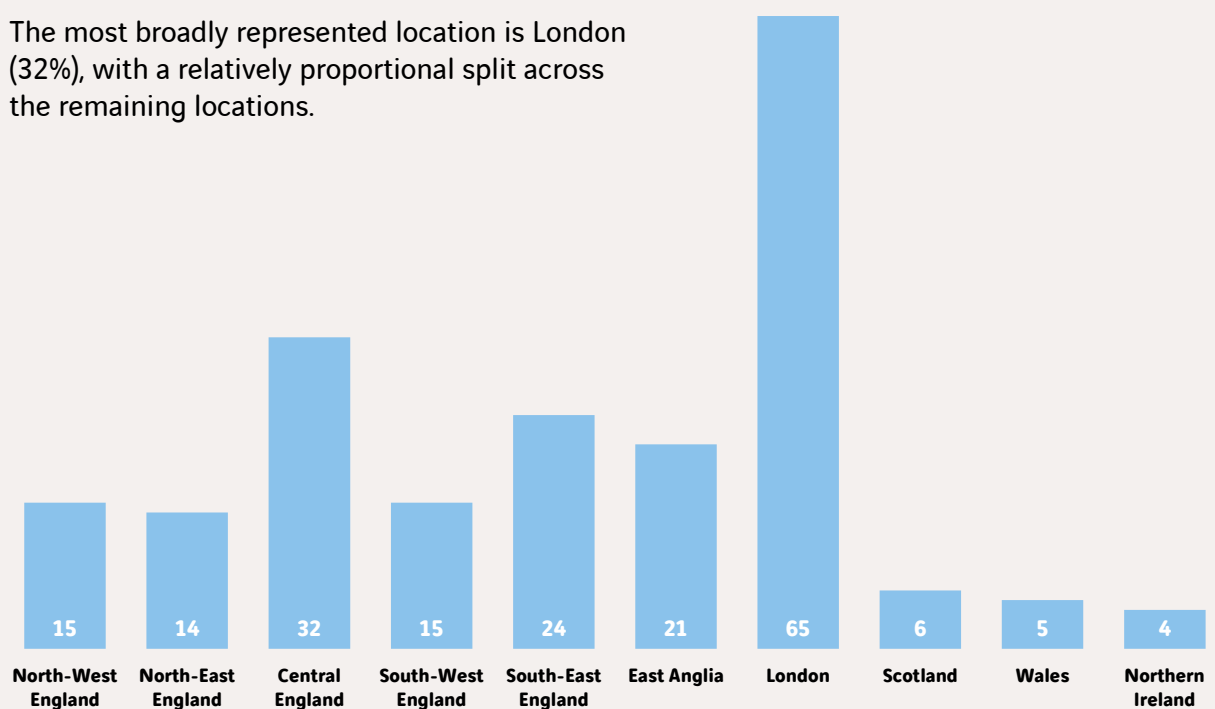
WHICH OF THE FOLLOWING IS YOUR ORGANISATION?

The private sector was most strongly represented, whether owned by an individual or trading on the stock market.



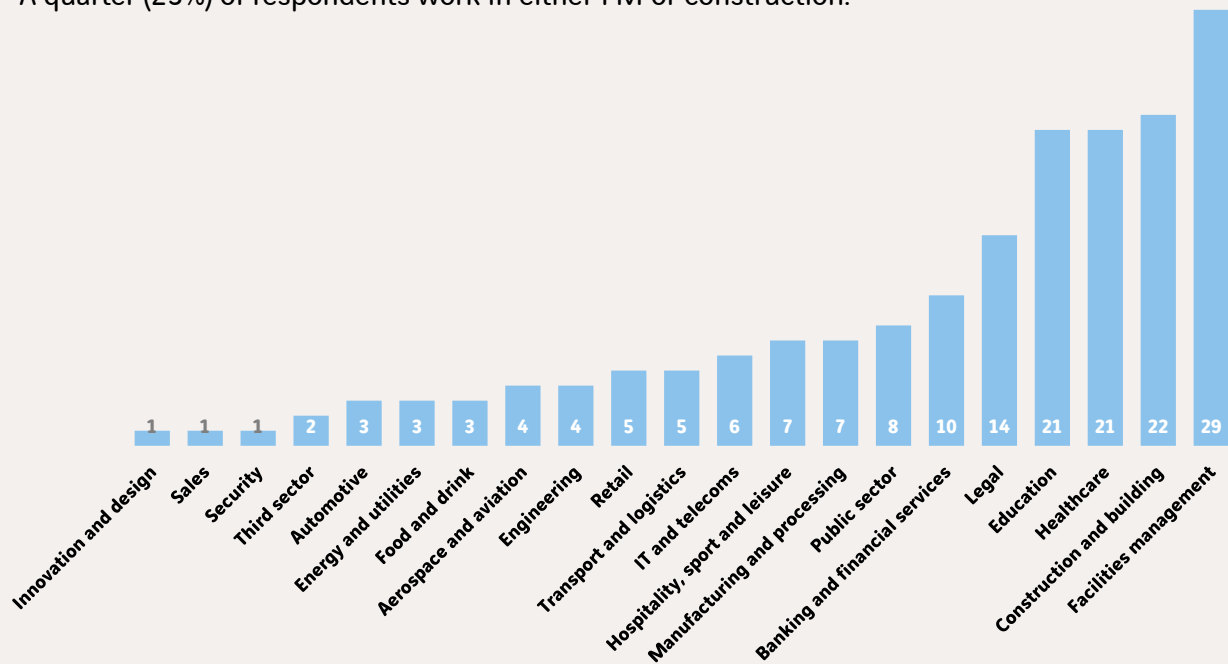
WHERE ARE YOU BASED?

The most broadly represented location is London (32%), with a relatively proportional split across the remaining locations.



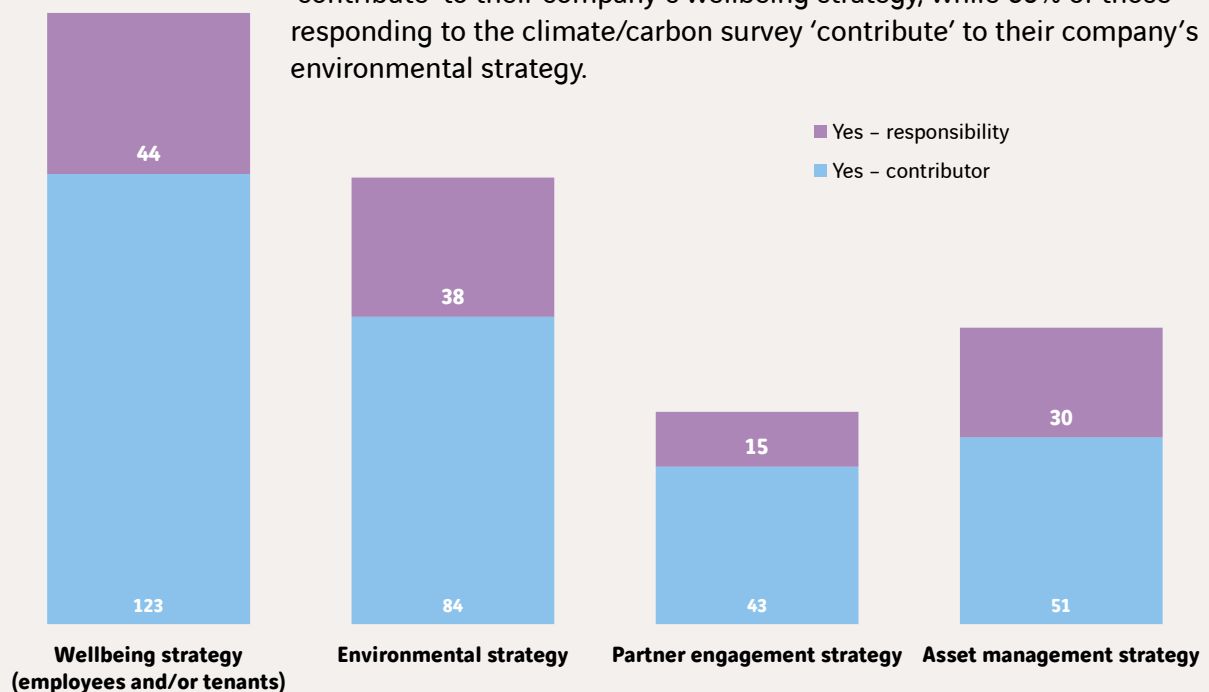
PRIMARY INDUSTRY SECTOR

A quarter (25%) of respondents work in either FM or construction.



DO YOU HAVE INFLUENCE IN OR RESPONSIBILITY FOR YOUR ORGANISATION'S ...?

Almost three-quarters (74%) of those responding to the wellbeing portion 'contribute' to their company's wellbeing strategy, while 69% of those responding to the climate/carbon survey 'contribute' to their company's environmental strategy.



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