

INSIGHT

Why Great Workplaces Retain Great People



Introduction

Organisations often spend significant time discussing employee retention. They analyse compensation packages, review benefits, assess career development programmes, and invest in leadership training. All of these factors matter.

However, one of the most influential drivers of retention is often overlooked: the workplace itself.

People do not simply work in workplaces. They experience them. Every day employees interact with their environment, their colleagues, their leaders, and the culture that surrounds them. These experiences shape how they feel about their organisation. They influence engagement, affect loyalty, and impact performance.

And ultimately, they play a major role in determining whether talented people stay or leave.

In today's competitive talent market, organisations are increasingly discovering that retention is not solely a human resources challenge. It is a workplace challenge. Great workplaces do more than support work — they create emotional connections that encourage people to remain, contribute, and grow.

Chapter 1: Retention Has Changed

Historically, employee retention was often driven by practical considerations. The employment relationship was largely transactional, and employees typically stayed put due to the stability and limited alternatives available to them.

Employees stayed because:

- Jobs were secure
- Career options were limited
- Long tenure was expected
- Geographic mobility was lower

Today's workforce operates differently. Employees have more choices. Remote work has expanded opportunities, professional networks are larger, and information is more accessible. Talented individuals can often move between employers with relative ease.

As a result, retention has become increasingly emotional rather than purely transactional. Employees no longer ask simply "What do I earn here?" — they increasingly ask "How does it feel to work here?"

This shift has elevated the importance of workplace experience as a core component of any effective retention strategy.

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level
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Chapter 2: Why People Really Leave

Organisations often assume employees leave primarily because of salary. While compensation remains important, research consistently shows that many departures are driven by other factors entirely.

Common reasons include:

- Poor leadership
- Lack of recognition
- Limited growth opportunities
- Toxic culture
- Workplace frustration
- Lack of belonging
- Poor communication
- Low trust

Many of these factors are closely connected to workplace experience. Employees rarely leave a company because of one isolated issue. More often, they leave because of an accumulation of negative experiences over time.

Retention is influenced by how people feel over time. Every interaction — with leadership, colleagues, and the physical environment — contributes to that cumulative feeling. Understanding this is the first step towards addressing the real causes of turnover.

Chapter 3: Culture Lives in the Workplace

Culture is often described as "the way things are done around here." Yet culture cannot exist independently from the environment in which people work. Workplaces reinforce cultural behaviours in powerful and often unspoken ways.

Collaborative Cultures

Require spaces that support interaction. Open environments, shared zones, and informal meeting areas encourage the kind of spontaneous collaboration that drives innovation and connection.

Innovative Cultures

Need environments that encourage creativity. Creative cultures benefit from spaces that allow experimentation, brainstorming, and the freedom to think differently.

High-Trust Cultures

Benefit from transparency and accessibility. Open-plan leadership, visible communication, and accessible decision-makers all reinforce a culture of trust.

Learning Cultures

Require spaces that facilitate knowledge sharing. Training rooms, quiet study areas, and collaborative hubs all support an environment where learning is embedded in daily work life.

Many organisations attempt to improve culture through statements and values. However, employees pay closer attention to what they experience than what they read. The workplace becomes a physical expression of organisational culture. People believe what they experience — not what they are told.

Strategic
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for the
people behind
operations



Chapter 4: Workplace Experience Is a Retention Strategy

Employee experience encompasses every interaction an individual has with their employer. The workplace plays a central role in that experience, shaping perceptions from the moment an employee arrives to the moment they leave each day.

Employees notice:

- The condition of the building
- The quality of facilities
- The comfort of workspaces
- The availability of technology
- The ease of collaboration
- The quality of amenities

These elements may seem operational. In reality, they communicate powerful messages. Employees often interpret workplace quality as a reflection of organisational priorities.

A well-maintained, thoughtfully designed workplace signals "You matter." A neglected workplace may unintentionally communicate the opposite.

Facilities Management therefore contributes directly to employee perception. And perception influences retention in ways that are both immediate and long-lasting.

Chapter 5: The Psychology of Belonging

One of the strongest drivers of retention is belonging. Human beings naturally seek connection, and the workplace is one of the primary environments where that need is either met or left unfulfilled.

People want to feel:

- Accepted
- Valued
- Included
- Respected

When employees feel a sense of belonging, they are more likely to:

- Remain with the organisation
- Contribute ideas
- Support colleagues
- Engage fully in their work

Workplaces can strengthen belonging in numerous ways. Social spaces encourage relationship-building. Shared environments create community. Inclusive design ensures accessibility and participation. Team areas support group identity.

Belonging is not created solely through leadership. The physical workplace can either strengthen or weaken it — and organisations that understand this have a significant advantage in retaining their best people.

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Precision
over volume

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Chapter 6: Leadership Visibility Matters

Employees often evaluate organisations through the behaviour of leaders. Leadership visibility plays an important role in retention — when people can see, access, and interact with those who lead the organisation, trust and engagement increase significantly.

When leaders are accessible:

- Trust increases
- Communication improves
- Relationships strengthen

The workplace directly influences leadership visibility. Open and accessible leadership spaces often encourage interaction. Poorly designed environments can create physical and psychological barriers between leaders and employees.

Employees want to feel connected to leadership. The workplace can either support or hinder that connection. Facilities Management therefore contributes indirectly to leadership effectiveness — and leadership effectiveness remains one of the strongest drivers of retention.

Organisations that design workplaces with leadership accessibility in mind often see measurable improvements in employee trust and engagement.

Chapter 7: Emotional Connection and the Workplace

Retention is rarely driven by logic alone. People often stay because of emotional connections — to their colleagues, their work, and the environment in which that work takes place.

These connections may include:

- Pride in the organisation
- Relationships with colleagues
- Connection to purpose
- Positive workplace experiences

The workplace helps reinforce these emotions. Employees often develop strong attachments to environments where they have achieved success, built friendships, learned valuable skills, and experienced genuine support from those around them.

Great workplaces create positive memories. These memories strengthen emotional attachment. And emotional attachment strengthens retention in ways that no compensation package alone can replicate.

Organisations that invest in creating emotionally resonant workplaces are investing directly in their ability to retain the talented people who drive their success.

The brief
decides the
outcome



Chapter 8: Hybrid Working and the Retention Challenge

Hybrid working has fundamentally changed employee expectations. Many employees now have greater flexibility and choice over where and how they work. This means the workplace must provide genuine, compelling value — not simply function as a location.

People no longer commute simply because they are required to. They increasingly attend workplaces because they want to. Successful organisations recognise this shift and respond accordingly.

They create environments that offer:

- Collaboration — opportunities to work meaningfully together
- Community — meaningful social interaction and shared identity
- Learning — access to colleagues, mentors, and knowledge
- Culture — shared experiences that reinforce organisational values

The future workplace is becoming a destination rather than an obligation. Organisations that fail to create value in their physical environments may find themselves struggling to attract employees back — and ultimately, struggling to retain them.



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Chapter 9: The Cost of Poor Workplace Experience

Employee turnover is expensive — often far more so than organisations realise. Beyond the direct costs of recruitment and onboarding, there are significant hidden costs that accumulate over time.

Costs often include:

- Recruitment expenses
- Onboarding costs
- Lost productivity
- Knowledge loss
- Team disruption

Yet poor workplace experiences can create daily frustrations that contribute to that turnover. Examples include:

- Inadequate workspace design
- Technology failures
- Poor environmental conditions
- Lack of collaboration space
- Insufficient amenities

These issues may appear operational. However, they influence employee satisfaction every day. Over time, small frustrations accumulate. Eventually, even talented and committed employees may decide that their experience no longer justifies their loyalty.

Chapter 10: The Role of Facilities Management in Retention

Facilities Management increasingly contributes to talent retention in ways that extend far beyond traditional operational responsibilities. Modern FM leaders are uniquely positioned to shape the conditions that make people want to stay.

Modern FM leaders influence:

- Workplace quality
- Employee wellbeing
- Workplace experience
- Environmental comfort
- Collaboration opportunities

This represents a significant evolution of the profession. Facilities teams are no longer solely responsible for buildings. They are increasingly responsible for enabling people to perform at their best — and for creating environments that people genuinely want to spend time in.

When Facilities Management succeeds, employees often feel:

- Supported in their daily work
- Comfortable in their environment
- Valued by their organisation
- Connected to their colleagues and culture

These feelings contribute directly to retention outcomes — making FM a strategic partner in talent management.

Ask harder
questions
before the
offer



Chapter 11: Creating Workplaces People Want to Stay In

Great workplaces rarely emerge by accident. They are intentionally designed around human needs, built with care, and continuously refined in response to the people who use them.

Prioritise Employee Experience

Consider how people feel throughout the day — not just whether they can complete their tasks. Every touchpoint, from arrival to departure, contributes to the overall experience.

Support Different Work Styles

Provide a variety of environments that accommodate focused individual work, collaborative team activity, and informal social interaction.

Encourage Connection

Create opportunities for interaction — both planned and spontaneous. Relationships built at work are one of the most powerful drivers of retention.

Invest in Wellbeing

Support both physical and mental health through thoughtful design, access to natural light, quiet spaces, and amenities that show genuine care for employee welfare.

Reinforce Organisational Culture

Ensure environments reflect the values of the organisation. The workplace should make culture visible, tangible, and real — not merely aspirational.

Chapter 12: The Future of Retention

As talent markets become increasingly competitive, retention will continue to evolve. Organisations that rely solely on compensation as a retention tool will find it increasingly difficult to hold onto their best people.

Future retention strategies will likely focus more heavily on:

- Employee experience
- Workplace quality
- Emotional connection
- Culture
- Leadership trust

The workplace will play a growing role in all of these areas. Employees increasingly expect workplaces that support productivity, enable collaboration, promote wellbeing, and foster a genuine sense of belonging.

Organisations that invest in these areas may gain a significant competitive advantage in their ability to attract and retain talent. Those that do not may find themselves in a cycle of costly turnover — losing the very people who drive their performance.

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The right
people change
buildings,
teams and
businesses
—



Conclusion

Great workplaces do far more than provide somewhere to work. They create experiences. They shape culture. They support leadership. They foster belonging. They build emotional connections. And ultimately, they influence whether talented people stay or leave.

Employee retention is not solely about compensation, policies, or career progression. It is also about how people feel when they come to work. The most successful organisations understand that workplaces are powerful tools for attracting, engaging, and retaining talent.

As Facilities Management continues to evolve, its role in retention will become increasingly strategic. Because great people rarely stay simply because they have to. They stay because they want to. And great workplaces help create that choice.

Key Takeaways:

- Retention is increasingly influenced by employee experience
- Workplace quality directly impacts employee perceptions
- Culture is reinforced through workplace environments
- Belonging is one of the strongest drivers of retention
- Leadership visibility strengthens trust and engagement
- Emotional connections influence long-term loyalty
- Hybrid working has increased expectations of workplace value
- Poor workplace experiences contribute to turnover
- Facilities Management plays a growing role in talent retention
- Great workplaces help organisations attract, engage, and retain great people

About Maxwell Stephens

Maxwell Stephens is a specialist Facilities Management recruitment consultancy supporting organisations across the UK. We connect employers with FM professionals who bring not only technical expertise, but also a genuine understanding of workplace experience, employee engagement, organisational culture, and the future of work.

Our consultants work across all levels of the FM profession — from operational roles through to senior leadership and director appointments. We understand that the right hire can transform not just a building, but the experience of everyone who works within it.

For support with Facilities Management recruitment, leadership hiring, and workplace strategy talent acquisition, contact the Maxwell Stephens team.

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What the Data Says

What UK research shows about culture, trust in leaders and sickness absence, and why workplace quality helps organisations keep good people.

- One in three UK managers and workers have left a job because of a negative work culture.

Source: [Chartered Management Institute \(CMI\), New study: Bad managers and toxic work culture causing one in three staff to walk, 2023](#)

- Half of employees in large UK organisations (500+ staff) do not trust their CEO or senior leaders.

Source: [Institute of Internal Communication \(with Ipsos Karian and Box\), IC Index 2026](#)

- Average sickness absence in UK organisations has increased to 9.4 days per employee per year.

Source: [CIPD \(supported by Simplyhealth\), Health and wellbeing at work 2025](#)

- Global employee engagement has dropped to 20%, down from its 2022 peak of 23%.

Source: [Gallup, State of the Global Workplace 2026](#)

- 95% of candidates placed by Maxwell Stephens remain in role one year after appointment.

Source: [Maxwell Stephens, 2026](#)

Sources were checked in September 2026. Select a source to open the original research. Maxwell Stephens figures are drawn from our own published vacancies and placement records.

See It in Practice

Office Services Senior Manager Recruitment for Capital Group

Capital Group appointed Maxwell Stephens on an exclusive retained basis to recruit an Office Services Senior Manager for its flagship London office. We ran a comprehensive executive search, assessing candidates against the firm's cultural values as well as their leadership and technical capability. A candidate testimonial, from someone who had spent 20 years with the same employer, describes being well prepared and kept informed throughout.

Twenty years with one employer shows the loyalty strong workplaces earn, and why cultural fit matters when hiring.

[Read the full case study at maxwellstephens.com/case-studies/capital-group](https://maxwellstephens.com/case-studies/capital-group)

Related Reading

- **The Workplace Priorities Employees Value Most**
maxwellstephens.com/blog/3-key-employee-needs-which-must-be-met
- **How to Build Employee Loyalty and Reduce Unwanted Turnover**
maxwellstephens.com/blog/securing-employee-loyalty-practical-ways-to-encourage-employee-loyalty
- **How Workplace Design Shapes Employee Experience and Business Success**
maxwellstephens.com/blog/the-importance-of-the-working-environment-amazing-offices-from-around-the-world

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