

SIEMENS



WHITEPAPER

# Staff Wellbeing is Now Under the Spotlight



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# Staff Wellbeing is Now **Under the Spotlight**

To investigate the value of smart mechanical services in the built environment, Siemens commissioned independent research firm, Verdantix, to perform over 80 interviews to provide insights into customer sentiment towards smart mechanical services and indoor air quality.

This whitepaper reflects critical insights gathered from interviews with senior real estate and facilities leaders across the globe spanning a range of verticals including commercial real estate, healthcare, higher education, K-12 education and hospitality.

It also leverages insights from global Verdantix and third-party research.

The study explores various topics, such as the perceived drivers and barriers to implementing smart mechanical services, interest in indoor air quality solutions and the value expectations from leveraging digital technology across various operational domains.

An accompanying whitepaper looking at the evolution of maintenance towards more proactive strategies bolstered by digital services can be found on [siemens.com/mechanical-services](https://www.siemens.com/mechanical-services)



# Services for Indoor Air Quality Grow in Prominence

With intensifying focus on occupant wellbeing, smart Indoor Air Quality (IAQ) services have emerged as a crucial enabler for healthy buildings. They allow facilities leaders to maintain optimal building environments whilst focusing in-house resources on core operational activities.

**Smart indoor air quality is becoming a vehicle for improved occupant health and wellbeing.**

Facilities leaders are increasingly prioritizing IAQ to drive productivity, tenant retention and occupant experience. Nearly half of firms state that focus on worker health, wellbeing and productivity significantly impacts real estate strategies<sup>1</sup> and it is estimated that healthier work environments reduce employee absenteeism by 58% and reduce staff turnover by 27%<sup>2</sup>.

Evidence of the benefits of improving IAQ is mounting, and thus firms are placing an elevated focus on it.

<sup>1</sup> Verdantix Global Corporate Survey 2023: Smart Building Technology Budgets, Priorities & Preferences (Figure 5)  
<sup>2</sup> 2018 World Green Building Council: Doing Right By Planet And People, The Business Case for Health and Wellbeing in Green Building



**Firms are increasingly turning to service providers for smart IAQ services.**

Growing numbers of firms are hiring IAQ service experts, in fact, 60% of firms plan to invest in a managed service to proactively maintain IAQ and support occupant health and wellbeing.

By relying on a managed service, firms can continue to focus their own staff on key operational activities whilst ensuring the burden of workplace health and wellbeing is being expertly managed.



Occupant satisfaction is the most important, if our customers are not completely satisfied they will not come back.”

**Director of Engineering, UAE, Hospitality firm**

# Wellbeing and Regulation are Propelling Investments

There has been a global push towards healthier buildings and optimized occupant comfort meaning that services focused on improving indoor environments are coming to the fore.

Amid growing expectations for better occupant experiences, firms are prioritizing investment in smart IAQ services to boost employee productivity and tenant retention.

## **IAQ services are experiencing investment in the global market.**

Investment in IAQ services is rising in tandem with growing demand to ensure occupant wellbeing.

Following the pandemic, increasingly digitally native occupants have come to expect transparency into air quality conditions.

Currently, 81% of firms have already invested or are planning to deploy a managed service for IAQ. The UAE has a particular penchant for this, with 72% of firms planning to deploy a managed service for IAQ on top of 10% that have already done so. In the key healthcare vertical, 50% are planning to invest in IAQ-managed services whilst this number rises to 60% for higher education institutions.



IAQ is also a concern now as the government is more focused on environmental practices.”

**Director - Business Development & Commercial, Facilities Management Firm**



// Particulate matter are becoming more of a concern and property managers are wanting more insight into this.”

**Head of Product, Building Technology & Service Provider**

**Heightened focus on wellbeing is fueling attention on IAQ.**

Firms cite occupant health and wellbeing, regulatory compliance and attainment of certifications as top drivers for IAQ investment. Occupant health and wellbeing in particular ranks as the highest overall driver across all countries and verticals and most strongly in the US and higher education vertical.

IAQ investment is also gaining traction in the Middle East and Asia Pacific due to their warmer climates, making it essential for client-facing environments like retail stores.

**Regulation is also elevating focus on occupant wellbeing.**

Rising pressure from regulations and building certifications is complicating facilities management, particularly in critical verticals like healthcare where indoor environmental conditions must firmly adhere to standards.

Currently, over 1,000 buildings in Saudi Arabia, UAE and India and over 3,000 in Australia have registered certifications that have IAQ criteria such as LEED, Green Star and NABERS.

Additionally, region-specific mandatory standards are continually emerging such as India’s extension of ASHRAE standards to the ISHRAE Indoor Environmental Quality Standard.

// Regulations like NABERS and local laws are drivers for IAQ investment.”

**CEO, Building Technology & Service Provider**

ASHRAE has introduced specific coverage in the Middle East & Africa, as well as the ASHRAE Falcon Chapter in Dubai, UAE translating the latest 62.1 standard into Arabic for access.

# Business Success Strongly Correlates to Indoor Air Standards

As evidence surrounding the economic case for investing in smart IAQ builds, firms that do not invest risk forfeiting positive business and employee outcomes. Therefore, growing numbers of firms are leveraging smart IAQ services as a key business strategy to drive employee productivity and retention.

## **Poor IAQ drives down productivity, wellbeing and employee retention.**

With Sick Building Syndrome causing symptoms such as respiratory ailments, allergies and asthma occurring in 57% of offices and 41% in university administrative buildings<sup>3</sup>, pressure is rising from building occupiers to ensure that indoor building environments are safe, healthy and efficient.

Furthermore, research shows that worker productivity increases by up to 60% in lower CO<sub>2</sub> concentrations<sup>4</sup>, thus there is a clear value proposition for IAQ. Countries like Hong Kong have a strong government-led push to reduce air pollution, particularly following the pandemic, that is driving significant uptake in IAQ services through schemes like the Clean Air Plan 2035.

## **Optimizing IAQ empowers staff and drives positive business outcomes.**

One London-based study suggests that improving workplace IAQ by achieving a 95% reduction in indoor pollution could boost employees' productivity by up to 15%. This in turn could trigger a further £38 billion of economic activity in the London economy<sup>5</sup>.



We always address the standards for healthcare facilities. Overall, we must maintain clean air and provide systems that provide fresh air or good CO<sub>2</sub> levels to enhance the environmental indoor quality to help the people inside the building have healthier life.”

**Director or Facilities Operations,  
Middle East, Healthcare**

Additionally, another study suggests that doubling ventilation rates leads to productivity benefits of \$6,500 per employee per year<sup>6</sup>. Thus, there is a significant social and economic incentive for healthy buildings with optimal IAQ, so leveraging smart IAQ services is a key strategy to drive up employee retention, productivity and satisfaction.

To enhance occupant health and productivity whilst ensuring adherence to regulation and stakeholder pressure around wellbeing, firms should consider not only digital monitoring of their indoor air quality, but working with firms that can provide actionable insights for improvement.

This could also potentially be paired with smart mechanical services that bolster a proactive maintenance strategy that reduces risk of business interruption, increases employee productivity, improves the health of occupants, and can positively impact the business results. For more information on this, please refer to the accompanying whitepaper on [siemens.com/mechanical-services](https://www.siemens.com/mechanical-services).

## **IAQ improvements can be funded through resulting energy savings**

Contrary to many of the actions taken to improve IAQ during the pandemic, new technologies help reduce contaminants and leverage ASHRAE 62.1 to minimize outside air. The result is lower costs for tempering the air and less outside air contamination in the HVAC system. This is particularly impactful in locations experiencing high amounts of pollution or wildfire smoke. In conclusion, facilities can improve indoor air quality and even have positive impact on their bottom line.

**Contact us**

3 Protecting Our Health One Building At A Time

4 Study reveals CO<sub>2</sub> levels in offices are 'silently damaging UK productivity'

5 Air quality in the workplace – the most important environmental issue you probably weren't aware of

6 Research: Stale Office Air Is Making You Less Productive





A 95% reduction in indoor pollution could **boost employees' productivity by up to 15%**

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