



keen for more green

JESSICA VREESWIJK, Founder, Terrabytes Consulting, discusses areas where companies can find their competitive edge with green IT

With the dawning of corporate social responsibility, CIOs have the opportunity to use green IT initiatives to move their business ahead of the competition. At the intersection of IT management and sustainability, there is a significant opportunity to not only reduce operational costs but also to improve operations and gain an edge in the public eye. Green IT can positively impact an organization in a number of ways. There are three areas that are strongly connected to your business' success where green IT has a great impact that can give you a competitive edge.

AREA #1 SUPERIOR FINANCIAL PERFORMANCE

The most often cited reason CIOs adopt green IT is because it can drastically reduce operational costs. On average, green IT initiatives can reduce the IT portion of the energy bill by up to 60 percent. In the case of reducing energy consumption, projects such as active power management can be inexpensive to implement and provide immediate cost savings. Savings can be rerouted to other projects of strategic importance.

AREA #2 ATTRACTION AND RETENTION OF TALENT

For most businesses, talent is their biggest asset. Having strong environmental values gives organizations a leg up on their competition by allowing them to better attract talent. Corporate social responsibility (CSR) is of increasing importance to job hunters when examining prospective employers, especially with the younger generations. According to a recent Ipsos Mori survey, 81 percent of US respondents would prefer working for a company that has a good reputation for environmental responsibility.

AREA #3 POSITIVE PUBLIC AND INVESTOR RELATIONS

Similarly, corporate responsibility is increasingly a concern among consumers and investors. Green initiatives demonstrate your company's values and create customer loyalty. As Esty and Winston rightly point out in their book *Green to Gold*, "the logic of corporate environmental stewardship need not stem from personal belief that caring for the natural world is the right thing to do. If critical stakeholders believe the environment matters, then it's the

right thing to do for your business." In addition, it's commonly believed that regulation concerning environmental waste is inevitable. Many organizations are taking on sustainable IT initiatives now and, as such, have more opportunities to innovate and choose their own solutions.

There are three strategies that will ensure a successful green IT program. You can probably identify other ways green IT could give you a competitive edge as you read these examples.

HART'S SUSTAINABILITY MATRIX

The matrix below demonstrated four green IT strategies based on two dimensions: today/tomorrow and internal/external.

Tomorrow	CLEAN TECHNOLOGY	SUSTAINABILITY VISION
Today	POLLUTION PREVENTION	PRODUCT STEWARDSHIP
	Internal	External

POLLUTION PREVENTION focuses on the waste and emissions from internal operations and how to reduce costs and risks by addressing the waste.

PRODUCT STEWARDSHIP focuses on the products your organization produces and how to add value or lower costs by reducing the impact and designing for the entire life-cycle of a product.

CLEAN TECHNOLOGY asks questions about the environmental performance of products and how the use of technology hinders or enables significant improvements.

A SUSTAINABILITY VISION is a question of your corporate visions leads you to contributing to social and environmental problems and how does that affect the technologies, products and processes you employ.

For more information on Hart's strategies, read "Beyond Greening: Strategies for a Sustainable World," *Harvard Business Review*, 1997.

STRATEGY #1 ALIGN YOUR ENTERPRISE WITH EXPERTS

As British Airlines CIO, Paul Coby recently noted, vendors need to provide clear advice to companies around sustainable technologies and less hype and spin.

Anyone who has attended a green IT conference or researched the subject knows what Coby is referring to. Marketing for 'greener' technology solutions has been in high gear for the past year. Asking your staff to investigate will result in hours of wading through vendor whitepapers and news articles searching for a framework to describe green IT.

To separate fact from fiction, and best practice from hype, team up with a consulting agency known for staying ahead of the curve with technology and sustainability. An expert will recommend the best strategies and initiatives for your enterprise, many of which will not require the purchase of new hardware or software solutions.

In addition to cutting through the marketing information, a consultant knowledgeable in both corporate social responsibility practices and IT will ensure that you have a comprehensive program that will stand up to scrutiny and green-washing tests.

STRATEGY #2 MEASURE ONCE, IMPROVE QUICKLY

A baseline and metrics are critical to the short- and long-term success of your green IT program. An assessment will provide you with industry benchmarks and valuable data about your current operations. This data will enable you to prove the business case, set goals, effectively engage employees, measure the impact of improvements, and ensure you can demonstrate results. Yet, many companies are jumping into "greening" their IT and missing out on this important opportunity. While 54 percent of IT executives surveyed by CIO.com in 2008 had goals to green their departments, only 20 percent had metrics to document their progress.

What should you be measuring? As the field of green IT is relatively new, there is still much discussion about the appropriate key performance indicators. We recommend a combination of policy-based metrics (for example, do

you have a responsible purchasing policy and have you adhered to it?) and statistics such as GHG (greenhouse gas) emissions and energy consumption.

Simple tools and calculators can give you an initial snapshot (such as Forrester's Green IT Baseline Calculator and the Green IT Guide and Toolkit, available on www.GreenITTools.com). However, you will quickly find the assumptions made in these calculators to be restrictive. A customized assessment will go much further in providing a clear picture of the opportunities for your enterprise and should provide recommendations for the highest leverage initiatives. The cost of bringing in a consultant to conduct an assessment in comparison to the cost savings identified is often very reasonable.

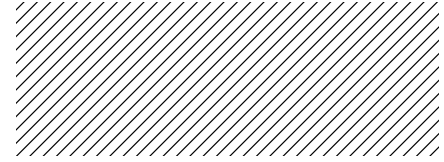
STRATEGY #3 SET THE DIRECTION FOR GREEN IT

As with many IT projects, the beneficiaries of green IT initiatives are diverse. Working with your executive team will ensure you have a comprehensive direction for IT that recognizes opportunities across the entire organization.

Stuart Hart, in the Harvard Business Review, provides one way to look at the possible strategies for taking on green IT. In a two-by-two matrix (pictured in the Hart's Sustainability Matrix sidebar) Hart describes the intersections of present and future focused strategies with internally and externally focused strategies. In pursuing a strategy of focusing on what can be done today, a company looks at pollution prevention and product stewardship. In pursuing a strategy that focuses on what can be done to impact the future, a company looks at employing clean technology and developing a sustainability vision. All of these strategies present leadership opportunities as this is a relatively new area of differentiation.

We recommend starting with what you can do today inside your organization, while keeping your eye on the future direction your organization will take.

Armed with expert advice, the data from your green IT assessment, and strategies designed by your management team, your green IT initiatives are sure to be worth the investment of time and money — and they'll put you a cut above your competitors. **BTQ**



THE FRAMEWORK FOR GREEN IT

At the core of green IT, practices can be categorized into four areas: management practices, energy consumption, asset management and technology solutions for green business. The first three are focused on the operations of the IT department. The final practice area is focused on supporting the business to be greener through the use of technology solutions.

MANAGEMENT PRACTICES This practice area includes opportunities such as responsible purchasing, which uses EnergyStar, EPEAT or a comparable evaluation programs to make responsible purchasing decisions. It also includes recycling policies and other policies and procedures concerning IT equipment. We consider the most significant practice you can implement in this area to be employee performance measurement and incentives to ensure your staff have the support to make the right decisions. A first step would be to assign the energy budget to the IT managers.

ENERGY CONSUMPTION This practice area is concerned with reducing the energy consumption of IT equipment by reducing redundancy, removing unused equipment, employing power management strategies, virtualizing servers, and encouraging employees to take part in power down or unplug peripherals and chargers.

ASSET MANAGEMENT Asset management refers to managing IT equipment in such a way that reduces the equipments' overall environmental footprint and extends the life span. Strategies such as incremental upgrades, extended refresh cycles, and consolidation all have financial benefits as well as environmental benefits.

TECHNOLOGY SOLUTION This practice area is concerned with enabling your business to be 'greener' through the use of technology such as taking advantage of duplex printing, collaboration solutions, virtual meetings, telepresence, and other innovative products that enable businesses to operate more efficiently and with a reduced environmental footprint.



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