

Kyocera Environmental Research 2008

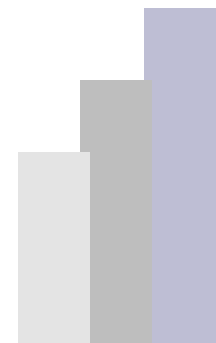


Executive Summary

The Kyocera environmental research focuses on the influence of the environment amongst UK businesses. It explores the impact of environmental concern in the way businesses operate whilst gauging the level of change that has been implemented as a result of 'green' issues. The Kyocera environmental research surveyed over 350 UK employees and managers across a range of industries and sectors.

Whilst the 'green' agenda has been at the media forefront for some time, businesses appear to have taken a haphazard approach to implementing environmental policy. That is to say that UK companies are slowly taking on small changes in a move towards a more environmentally sustainable way of doing business, but the uptake has been less than convincing. In light of the findings, this report poses some challenging questions for UK businesses:

- Despite technological advancements, why is so much paper still being wasted?
- What are the barriers to achieving carbon neutrality?
- Is there a corporate solution to ease the burden individuals take on to create a green company?

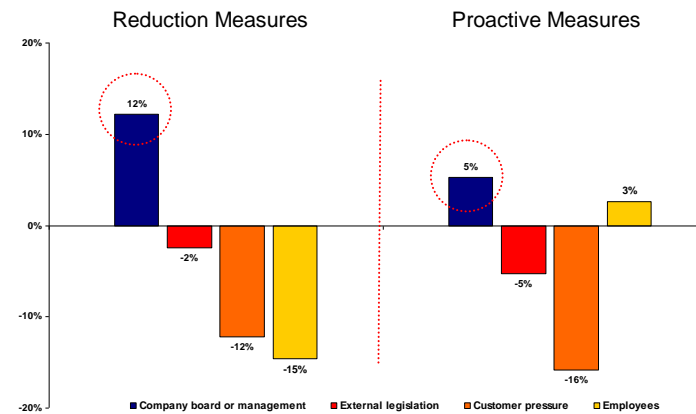


Policy in action

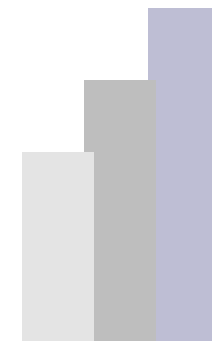
Encouragingly, the research finds that 57% of businesses have an environmental policy in place – up from 41% in 2007. This is a considerable rise in the number of businesses who have a policy and is a positive step towards an environmentally aware business landscape. However, there is a lack of encouragement with only 26% of businesses recognising or rewarding their employees for environmental ideas. Just 32% have an incentive scheme to encourage environmental compliance with initiatives at work and under half (45%) have a new ideas forum or chance to contribute environmental ideas and actions.

Momentum and motives

The impetus to be environmentally responsible can come from many different areas. 39% believe the momentum comes from the Company Board or management, whilst 37% feel it comes from external factors such as customers or legislation. Just under a quarter (22%) believe it comes from employees. Whilst there may not be one overwhelming source of momentum, the research shows an environmental policy is more likely to be successful if a range of supporters buy into the policy including the company board or management (graph 1).



Graph 1. Effectiveness of different approaches (difference from mean number of environmental actions undertaken in each question set)

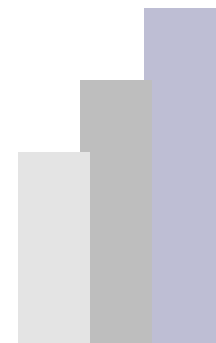


The impact of being green

Businesses have adopted 'quick wins' in environmental action such as recycling paper, reducing paper use and using recycled paper. More sophisticated and resource intensive methods of being 'green' haven't been adopted as readily by UK business. 74% of businesses are putting in measures to reduce paper use and 86% recycle waste paper. However only 31% use environmentally conscious travel options and only 32% have measures in place to use economy print modes on printers.

Barriers and challenges

Whilst environmentally conscious activity is encouraged, there are a number of barriers that need to be overcome before the green agenda will be more widely adopted by UK business. The biggest barrier to companies becoming more environmentally efficient is budget constraints (54%). However, most (60%) believe that current concerns around the economic downturn will encourage more people to act in environmentally conscious way as the cost of fuel and resources increase.



Summary Statistics

Environmental policy without the incentives

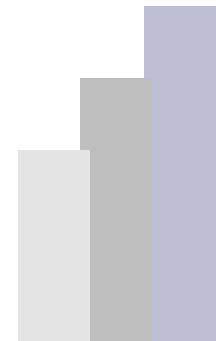
- 57% of businesses have an environmental policy whilst 68% have environmental measures in place
- Overall, just 27% of businesses are trying to achieve carbon neutral status however 58% of IT/technology businesses are aiming to be carbon neutral

Environmental efforts must mature

- Only 18% offset carbon emissions and just 25% use environmentally conscious suppliers
- 39% believe the desire to be environmentally conscious comes from the company board or management; 22% believe it is from external legislation; 15% feel it is from customer pressure whilst 22% believe it comes from employees
- The biggest motivation behind a company implementing an environmental policy is 'sense of duty' (59%) whilst brand building/corporate reputation (45%) also ranks highly
- 74% of businesses have put measures in place to reduce paper use, 72% recycle printer toner cartridges and 56% recycle PC's and other hardware
- The top method for scrutinising a suppliers environmental credentials is their advertising and marketing materials (36%)

Challenging perceptions and barriers

- Despite improvements, 51% of respondents still associate loss of performance with environmentally sound products
- Budget constraints are the biggest barrier to becoming more 'green' (56%) whilst the second biggest barrier was insufficient attention paid to engaging and motivating employees



Conclusions

The environmental agenda has been at the forefront of public opinion for some time and businesses have been urged by various sectors to be more environmentally conscious in the face of global issues like climate change. However, there are some challenges and barriers that still need to be addressed before businesses can take further steps towards being green.

The fact that environmentally sound products are still perceived to be less effective and that a lack of momentum from company management in implementing an environmental policy are issues that must change over time. There are also cost pressures to being green. These barriers will continue to pose challenges to companies improving their environmental credentials unless they are addressed.

The Kyocera research finds businesses willing to adopt simple, light green measures but less committed to more advanced options such as specific policy on printer usage and centrally managed control on hardware resources. In a wider organisational sense, carbon neutrality and tighter monitoring of the green supply chain are generally overlooked. Combined with the finding that few businesses are encouraging their employees through reward schemes or incentives, and there is clearly more that can be done to support employees in environmental measures.

An environmental office may start with a recycling bin, but many businesses seem to find it very difficult to develop activity further. The research shows that a top down approach to green activity makes for a more effective response to environmental issues, making this an obvious first step in 'being greener'. Management has to be engaged and the responsibility for environmental compliance has to be centralised, removing the onus from the individual. Without this, large organisations are destined for an 'oasis' approach, where small pockets of the business are isolated beacons in a generally starker environment.

