

Kyocera Environmental Office Research 2008

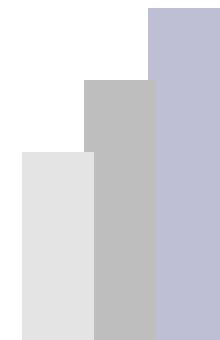


Executive Summary

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 of large organisations 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 are so many office resources still being wasted?
- What are the barriers to achieving an environmentally friendly business?
- Is there a corporate solution to ease the burden individuals take on to create a green company?



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

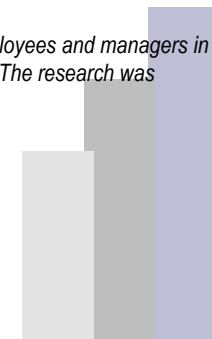
- Only 18% of respondents offset carbon emissions and just 25% use environmentally conscious suppliers
- 39% believe the desire to be environmentally conscious comes from the company board or management; 22% believe it comes from external legislation; 15% feel it comes from customer pressure whilst 22% 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 supplier's 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 is insufficient attention paid to engaging and motivating employees
- 60% of respondents believe that current economic pressure will encourage energy efficiency as the cost of fuel increases

Methodology

369 online interviews conducted with UK employees and managers in companies with more than 1000 employees. The research was undertaken in June 2008.

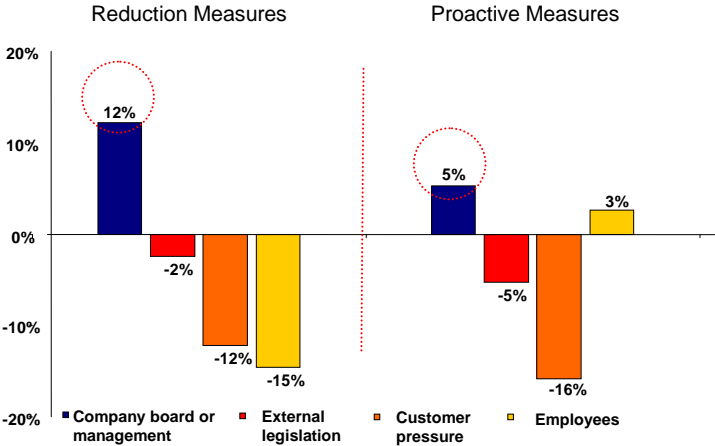


Policy in action

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 that have a policy and is a positive step towards an environmentally aware business landscape. However, there is a lack of environmental encouragement at play 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, or at least more widely adopted if the Board / company management are the source of motivation behind green initiatives.



Graph 1. Environmental effectiveness shown by key driver on green initiatives

(0% represents the mean average of environment office measures taken across the sample)

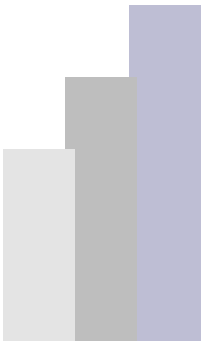


A green presence

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. 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 businesses. 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.

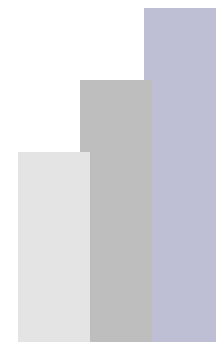


Conclusions

Businesses have been urged by various audiences 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 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 of hardware resources. In a wider organisational sense, carbon neutrality and tighter monitoring of the green supply chain are generally overlooked. As few businesses are encouraging their employees through reward schemes or incentives, there is clearly more that can be done to support the wider workforce in understanding 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 of environmental practice in a generally starker environment.



Section 1: Policies and incentives

The research finds that around half (57%) of businesses have an environmental policy in place. The IT/Technology sector is the most likely to have an environmental policy (73%) whilst the public sector and the retail, leisure industries are the least likely to have a formal policy (50%).

Whilst some businesses may not subscribe to a formal environmental policy, they may still engage in environmental practices. When asked about these, 68% indicated that their company undertakes environmental measures of some kind. Again, the IT/Technology sector is setting the benchmark at 81% followed by the financial services industry where 76% have environmental measures. The lowest is the public sector with 60%.

The level of businesses with a policy or environmental measures in place is encouraging. However, there is still vast room for improvement, especially when looking at the nature of these measures and the levels of satisfaction associated with them.

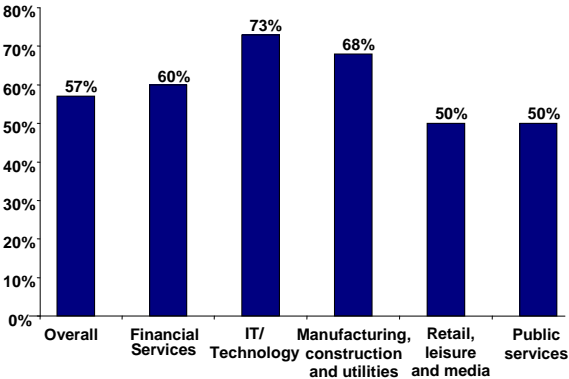
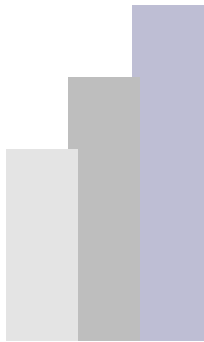


Figure 1: Amount of organisations with an environmental policy



Carbon Neutral

Overall, just over a quarter (27%) of businesses are trying to achieve carbon neutral status. The IT/Technology sector is the leading industry by a considerable margin with 58% trying to become carbon neutral. The retail, leisure and media industries follow with 31% looking for carbon neutrality. Again, the public sector is trailing all other industry sectors with just 17% looking at becoming carbon neutral.

Figures mirror earlier findings on the number of businesses with environmental policies. Carbon neutrality requires a carefully managed policy and commitment to zero carbon emissions throughout a company. However, businesses are found to be more inclined to implement lighter green environmental measures such as recycling paper than to implement tighter monitoring and control over the green supply chain. Therefore, carbon neutrality will be difficult to achieve.

Interestingly, a large percentage of respondents report not knowing whether their organisation is trying to achieve carbon neutral status. This indicates a lack of understanding about the measures and policies required to achieve carbon neutrality, or a lack of communication across areas of business on environmental issues.

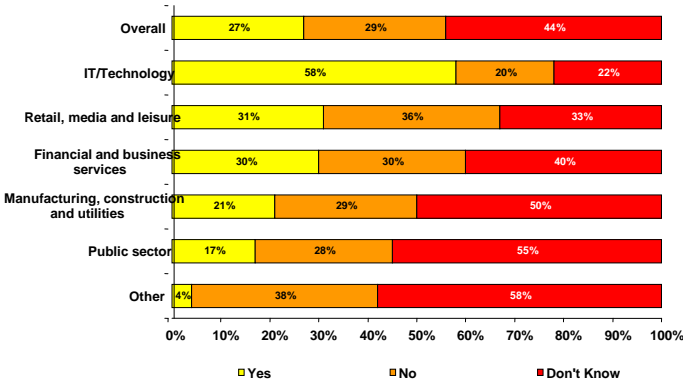
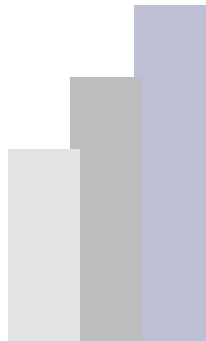


Figure 2. Organisations trying to achieve carbon neutral status



A lack of encouragement and incentives

Businesses may be implementing environmental policies and measures but there is an indication that they are failing to encourage and incentivise their employees.

Just 23% of businesses have an incentive scheme for employees to reduce their environmental impact at home. 26% of businesses provide recognition or awards for environmental ideas and, perhaps most importantly, only 32% have incentive schemes to encourage compliance with initiatives at work.

It would appear from these figures that, as incentives are mostly absent to encourage green practices, the onus is on the individual or the employee to make the changes.

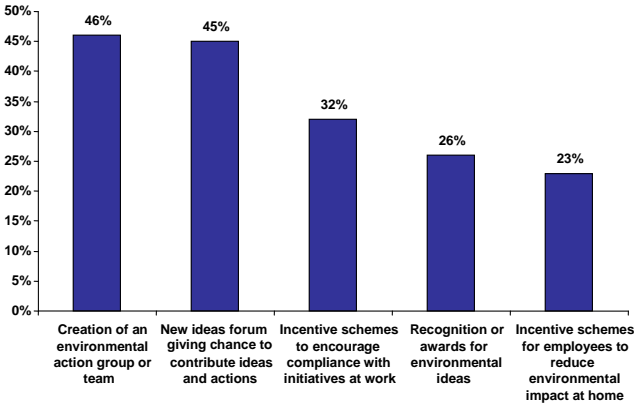
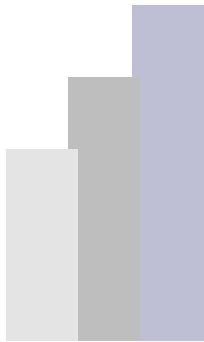


Figure 3. Incentives in place to encourage employees to be environmentally conscious



Section 2: Maturing environmental efforts

Figure 4 shows just 18% of businesses offset their carbon emissions, only 25% use environmentally conscious suppliers and just 31% use environmentally friendly travel options when possible. Even when businesses do use environmentally friendly suppliers, the top method for scrutinising the suppliers 'green' credentials is their advertising and marketing materials (36%).

However, 86% of businesses recycle waste paper, 74% have measures in place to reduce paper use and 72% recycle printer cartridges. One might consider that these are the staple measures of an environmental policy and, therefore, should be reasonably widespread in their application.

These figures indicate that businesses have a good grasp of rudimentary, 'light green' environmental measures but more considered activities have yet to be adopted en masse.

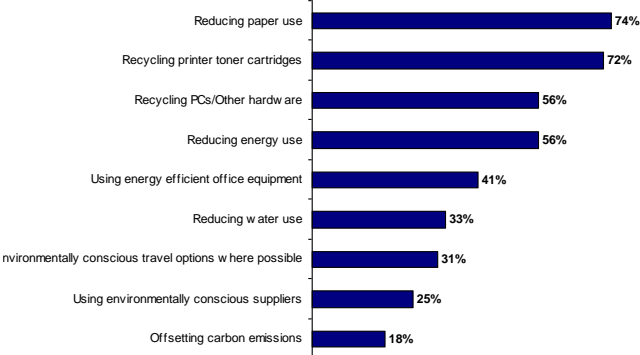
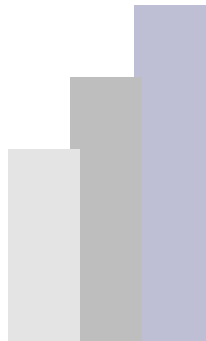


Figure 4. Environmental activities engaged in by company



The desire for change

The desire to be environmentally friendly comes from a number of different sources. Over one third of respondents (39%) believe the desire to be environmentally friendly comes from the company board or management. A further 22% believe the impetus comes from employees, 22% believe it comes from external legislation and 15% feel it comes from customer pressure.

When looking at the separate elements included in an environmental policy, those with board or management backing are more inclusive of a wider range of environmental practices. This indicates that a company's environmental policy is more likely to succeed and be more proactive with the support of a company's board members [as shown in Executive Summary 'Graph 1'.

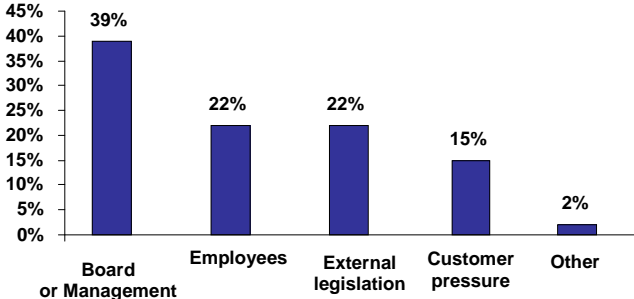
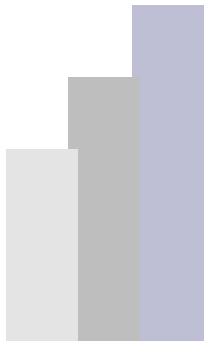


Figure 5. Origins for momentum of environmental responsibility within organisation



Sense of duty

When asked about the motivation behind implementing environmental policies or measures, 59% of businesses said the main motivation was a 'sense of duty'. Just under half (45%) said that it was because of 'brand building/corporate reputation' reasons.

The fact that nearly half of UK businesses are implementing environmental practices in order to build their brand or reputation suggests that there is a wider expectation driving change. Although only 18% see competitor activity as a motivation, the importance associated with brand suggests that environmental measures are acknowledged as an important element for issues surrounding customers and employees.

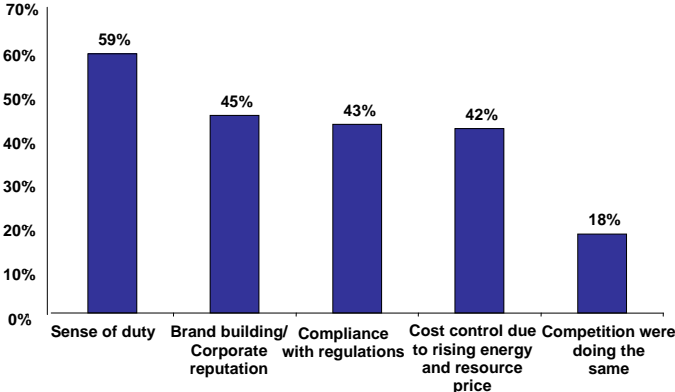


Figure 6. Motivations for implementing environmental policy/taking environmental measures

The paper problem

Whilst some businesses have implemented policies and put environmental measures in place to track paper, there are still holes that lead to large amounts of waste. Each UK office worker wastes, or fails to optimise the use of two thirds (67%) of the material printed out each week.

According to ShrinkPaper.org, Europeans use an average of 200kgs of paper each year. Using the feedback from the Kyocera research, it can therefore be estimated that UK office workers waste around 134 kilograms of paper every year, each. In an office block of 100 employees, the yearly mass of 'wasted' paper is therefore more than 13 tonnes.

Paper waste could potentially be significantly reduced if companies were more engaging in more proactive measures as part of their environmental initiatives. However, only 32% of companies reduce print use by setting printers to economy printouts. Only 26% control printouts with built in user codes to record usage.

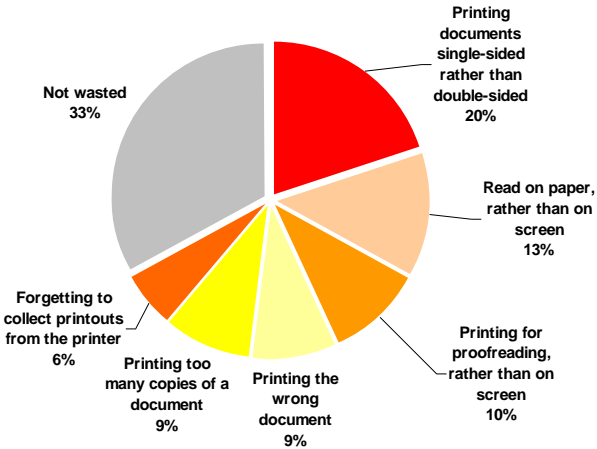


Figure 7. Percentage of printouts wasted paper day to day



Missing the point

There is a lot of wasted paper amongst UK offices and it is worth considering areas for improvement to reduce the amount of paper going into rubbish bins. When asked about the percentage printed out each week that is wasted, 20% of respondents said that it was because documents were not being printed on both sides. 13% said that it was because documents were being read on paper and not on screen. A further 10% said that proofreading was done on paper and not on screen.

These figures add to some worrying year on year trends. In 2007, 52% of businesses encouraged users to use the print preview function to reduce waste. In 2008, this figure was down to 37%. 43% of businesses encouraged on-screen proofing in 2007 where as this was down to 34% in 2008. However, the use of double sided printing was up from 49% to 54% in 2008. Use of controls to record printer usage was also up between 2007 and 2008, going from 19% to 26%. This suggests that businesses are starting to focus more on automated systems for reducing waste rather than end user integrity.

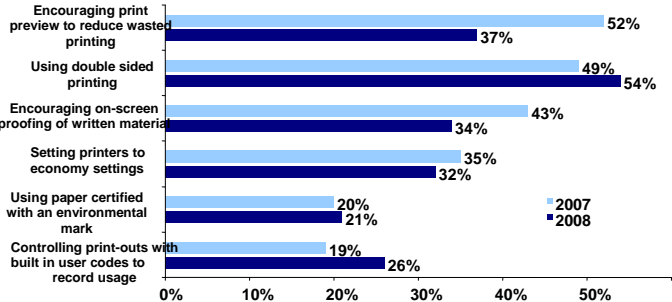
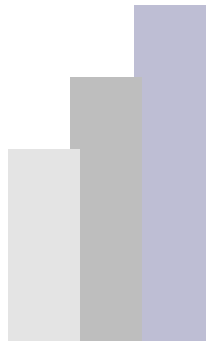


Figure 7. Additional office environmental activity



Section 3: Challenging barriers

UK businesses still have a number of barriers to overcome as part of improving environmental considerations. 56% of businesses feel the biggest barrier to the company becoming greener is budget constraints. With this, 40% believe the barrier to be insufficient attention paid to engaging and motivating employees.

Additionally, 55% of businesses agreed with the statement that environmentally conscious activities will only be introduced if they do not adversely affect profits. Whereas, 60% of respondents believe that concerns about the current economic downturn will encourage environmentalism because of rising fuel prices.

Findings suggest that individuals and organisations view the 'greening' of office work as being influenced heavily by budgets and finance. The influence however, results in two very different outcomes in the uptake of green initiatives. On the one hand, environmentalism is seen as costing money and so may limit the potential for environmental responsibility within a business. On the other hand, environmentalism is seen as being cost effective in the light of increasing prices in the wider economy.

The research points to a lack of consistent understanding across UK businesses concerning the costs and benefits of environmental products and responsibility and also to a wider conflict regarding fiscal matters and environmentalism.

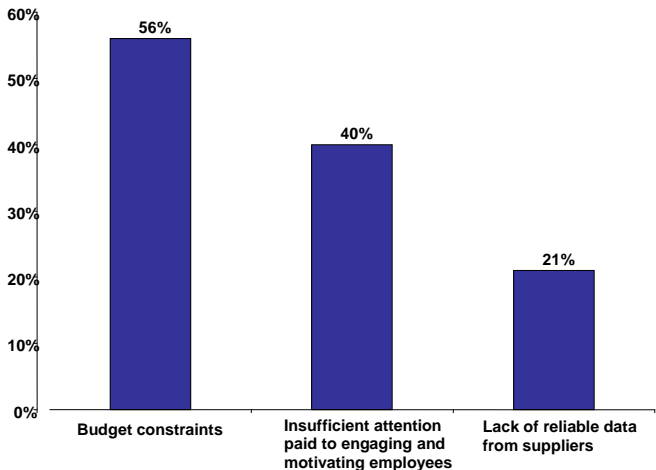
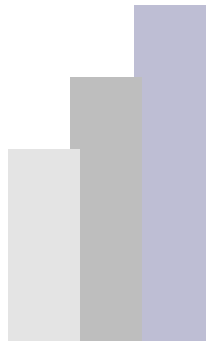


Figure 8. Barriers to being green

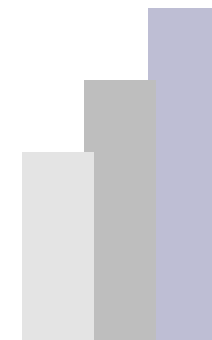


Policy conflict

One of the clear messages to come from the Kyocera research is that individuals feel they must shoulder most of the burden for environmental change. 54% of respondents believe that office energy and resource waste could be reduced by making more of a personal effort. Only 17% of respondents thought waste could be reduced by a policy or mandate.

There is also the perception amongst 51% of UK employees that environmentally sound office products result in a reduction in overall performance.

From an employee's point of view, the solution starts at the individual level and environmentally sound office products are perceived to fail at delivering in performance. However, earlier results suggest that the most effective policies are driven at the management level and company wide controls could do more to stem the amount of wasted energy and resources. This raises the question about what UK companies can do to help their environmentally conscious employees and what role automation has in delivering environmental solutions and compliance.



Measures to be improved

Looking ahead, there are a number of environmental measures that can be improved. 61% feel that their company needs to improve its ability to reduce unnecessary printing. 56% believe that energy reductions could be improved and 45% believe that measures to reduce business travel could also be improved.

Also, notable percentages of businesses have failed to introduce measures at all. 41% of businesses do not currently use environmentally conscious suppliers. 40% do not offer flexible or home working and 37% have yet to introduce measures to reduce business travel. This leaves the general status quo on satisfaction very low.

On a more positive note, 56% feel that paper recycling measures are effective and 54% believe measures to recycle printer and toner cartridges are also effective.

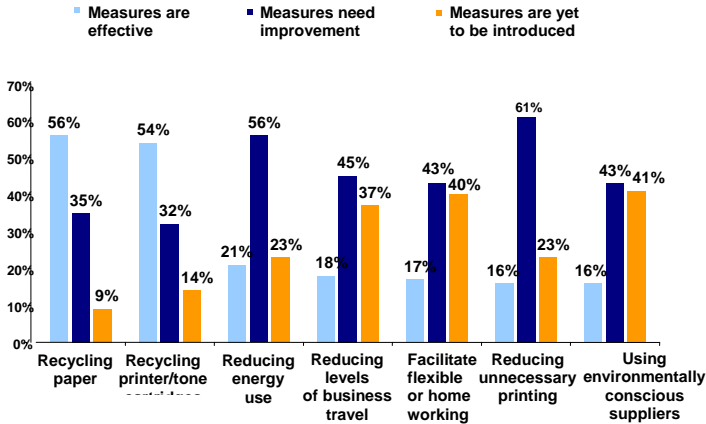
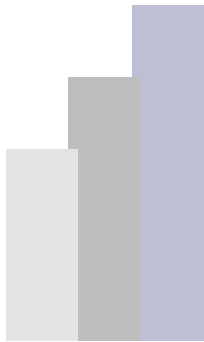


Figure 9. Percentage of respondents who would like to see the following implemented within their company



Conclusion

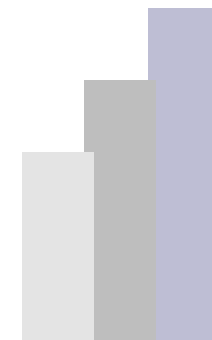
Despite businesses being urged to be more environmentally conscious in the light of growing public concern over global climate change, there remain challenges and barriers to making changes to office working.

The research finds a lack of momentum from company management in implementing environmental policy. However, in terms of effectiveness, environmental policy is believed to be most effective when implemented by the company board or management. This supports other findings regarding the 'light green' approach to implementing environmental policy. In general, businesses are more willing to adopt simple, light green measures but less committed to more advanced efforts such as a centrally managed or automated control on hardware resources.

Although the individual takes responsibility for green measures and, understandably, is less enthusiastic about the impersonal nature of policy and automation, both elements [the employee and the organisational efforts] must be suitably integrated in order for environmental activity to succeed.

Where findings suggest that a top down approach green activity makes for a more effective response to environmental issues, management needs to be engaged in environmental compliance through a centrally controlled policy. Most crucially, the cost and benefits of compliance need to be understood across a variety of sectors in order for offices to implement a more robust environmental approach and tighter monitoring of the green supply chain.

The research also found that 'being green' is strongly influenced by finance, but as the economic arguments for green working practices become more compelling, even the disinterested companies in environmental matters will start to find a more rational basis for operational investment and change to create a greener office environment.



Recommendations

Mutual understanding: the cost of 'being green'

Developing understanding about the cost and benefits of implementing environmentally friendly measures needs to be the first step to a successful 'green' strategy.

Top down approaches for maximum impact

Green initiatives should be implemented and managed from the top down in order to achieve the best possible outcomes from being environmentally 'sound', whilst also ensuring an inclusive approach with employees.

Environmental supply

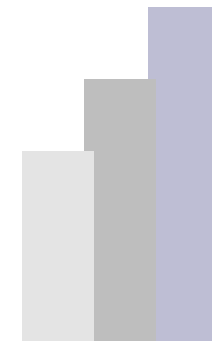
Being green naturally extends to the wider network of businesses in the supply chain. Greater scrutiny of these organisations must form part of any environmental strategy.

Collective action

More than half of respondents believe the onus of environmental responsibility is on the individual. Therefore, ideas forums and incentive schemes can be used more to harness the power of collective action in implementing green changes throughout the business.

Less thinking, more doing

Environmental responsibility needs to be centrally managed through straightforward measures. Using IT systems and technology to manage and control environmentally sound procedures means that an environmental policy can be managed in a scalable and practical way.



About Kyocera

Kyocera is one of the world's leading document imaging companies. The product range consists of mono and colour printers and MFPs for all types of office application. The unique product family, which offers customers innovative products with superior printer controllers, is based on long-life components, resulting in lowest total cost of ownership and high efficiency in any workplace. Situated in Reading, Kyocera Mita UK Ltd is responsible for the sales, marketing and service of printers, copiers and multifunction devices in the UK and Ireland. Kyocera works closely with channel partners to offer customers the highest levels of service and support from the purchase of the product to end-of-life recycling and responsible disposal.

Kyocera has been a champion of design-led sustainability for many years, and this principle lies at the heart of ECOSYS technology. Kyocera was looking for an environmentally gentle alternative to conventional print technology that would also deliver commercial benefits to those that used it and is still the only alternative to cartridge-based laser printers.

Kyocera's ECOSYS technology uses a cartridge-free technology that allows users to replenish toner cartridges without also replacing the cartridge drum and developer. Using this method means users will change the drum and developer components less frequently, resulting in a life span up to 30 times that of laser printers using traditional cartridges. By making them permanent components we greatly reduce the amount of waste generated by our printers – as well as cutting the cost of consumables, typically by more than 50%. The difference is clearly illustrated by the photos below.



Conventional printer cartridge with over 60 different parts



Kyocera toner cassette with just 5 parts

About the Green Card Network:

Green Card is Kyocera's environmental network is a customer information programme which informs and educates Kyocera's customers and potential customers about environmentally responsible office practices, relevant legislation and Kyocera own environmental sustainability practices. Green Card currently has about 4,000 members across the corporate and public sector. Green Card acts as a forum for organisations to discuss the challenges of improving sustainability and complying with relevant legislation. For more information, please visit the Green Card website – www.thegreencard.org.uk.

