

Going Green

‘Green’ is the issue of the moment. Everybody is talking about it! It has moved from being a fringe issue, once voiced through hardened campaigners, to one of global concern to save the planet. This issue has touched everyone in their everyday domestic lives and increasingly in their working lives too. But what is actually being done in the business world outside of offsetting or reducing carbon emissions during the manufacture process?

How can service, retail or any other, seemingly non pollutant organisations do and how much of it will really have an effect? It is time that businesses of all sizes took a long look at how they, as an organisation, can reduce their own carbon footprint.

HR and payroll professionals have an important role to play in the effort towards reducing carbon emissions both in their own work and in encouraging the rest of the business. The benefits are not just environmental - introducing green policies will also benefit the bottom line and improve a company’s reputation as a business, supplier, partner and employer.



Why is it important?

Climate change is a real issue and the body of evidence that has stacked up over recent years has finally been taken seriously by at least some world leaders and governments. In the UK alone, legislation has been introduced to ensure that everyone is doing their bit:

- The Draft Climate Change Bill, published in March, sets out a framework for moving the UK into a low-carbon economy. The bill sets legally-binding targets of a 60% reduction in carbon emissions by 2050, and a 26-32% reduction by 2020.

- In May, an Energy Whitepaper was published announcing specific measures to ensure individuals, businesses and government reduce their emissions and save energy.
- The EU Emissions Trading Scheme, which is already in place, enters a new phase in January 2008, requiring companies to more efficiently manage Carbon emissions.

Whilst at this point much of this legislation is only relevant to big business, it highlights the way the trend is moving - towards increased regulation – and to stay one step ahead it is crucial for all businesses to act sooner rather than later.

In addition to pressure from the government, companies must also meet the demands of clients and customers, who are increasingly asking for information on environmental policies, systems and processes during the tendering process. Whilst this has always been an issue in the public sector it is something that is now becoming the norm in the private sector where companies are demanding demonstrable evidence of green practices from their suppliers.

Environmental awareness is also becoming hugely important to a company's reputation with regards to other stakeholders, particularly current and potential employees. Recent research has found that one in ten office workers would take a cut in their salary to work with a company with better green credentials and 14% would turn down a job offer from a company with a poor green track record¹.

Finally, a huge driver for going green is that it will actually save companies money. Environmental policies should lead to a reduction in energy bills, travel costs and money spent on paper, postage, delivery etc... Done properly, it should also lead to indirect savings through a favourable reputation, increased business success plus improved employee engagement and retention.

Environmental policies should lead to a reduction in energy bills, travel costs and money spent on paper, postage, delivery etc...

The role of HR and payroll

The HR department has two roles with regards to 'going green' – one is to ensure that its own house is in order and the other is to encourage employees to do their bit and maintain green policies in the future.

Internal changes Payroll and reporting – One huge area of wastage is the production of payslips and personnel reports. ADP Employer Services has calculated that if each

¹ Survey by Recruitment Company, Badenoch and Clark

employee in the UK receives a payslip every month, this is equivalent to the destruction of 44,000 trees every year. Taking into account associated monthly reporting, this could rise to as many as 117,000 trees! But this is wastage that can easily be avoided as recent changes in legislation have specified that it is now not necessary for companies to provide paper payslips to employees. The use of online payslips is on the increase as employers are realising both the environmental benefits as well as the ease of use, delivery, security and cost savings.

• **Reduce general paper wastage** – Paper wastage can also be cut through storing and sending all HR and payroll data electronically, which has been made easier with the online administrative systems now available. The use of Employee Self Service (ESS) and Manager Self Service (MSS) functions will also help reduce paperwork as they allow staff to enter data directly into the system rather than completing the traditional forms.

• **Home working** – The increasing use of online technology in HR and payroll administration also enables people to work at home where previously they were needed in the office. Most administrative and reporting functions can now be carried out remotely and whilst continuous home working may be difficult, avoiding the commute for one or two days a week can make a real impact on a company's carbon footprint.

Company wide changes

HR also has an important role to play in encouraging the rest of the business to become 'green' and a number of policies and procedures can be put in place to do just that:

• **Introduce a 'switch off' policy** - One PC left on all day will cost a company about £37 per year. If switched off at night and weekends this drops to around £10 a year and saves enough energy to make 34,900 cups of coffee².

• **Encourage cycling** – Offer employees incentives if they cycle to work. Perhaps offer to subsidise the cost of a bike or give them a cycling bonus.

• **Introduce an environmental policy** – Setting out what a company aims to achieve with regards to cutting carbon emissions not only helps to manage the issue it will also help when tendering for new business in an increasingly green conscious marketplace.

• **Work with experts** – There are a number of organisations which will advise companies on the best way of cutting their environmental impact and help develop an environmental policy. Examples include Envirowise, The Carbon Trust and PURE

• **Involve your IT department** – Technology has a massive environmental impact so ensure all the equipment you use doesn't contain any harmful or toxic components. It is also worth swatting up on the Waste Electrical and Electronic Equipment (WEEE) legislation regarding the disposal of old IT equipment.

• **Discourage business travel** – In the day of the internet, email and video conferencing it shouldn't be necessary to fly anywhere regularly. Encourage staff to avoid long distance travel wherever possible.

• **Revise job descriptions** – Everybody has a role to play so why not incorporate green awareness into job descriptions and appraisal processes.

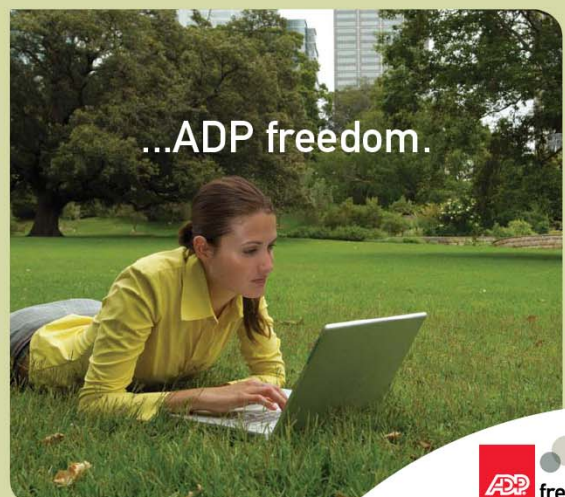
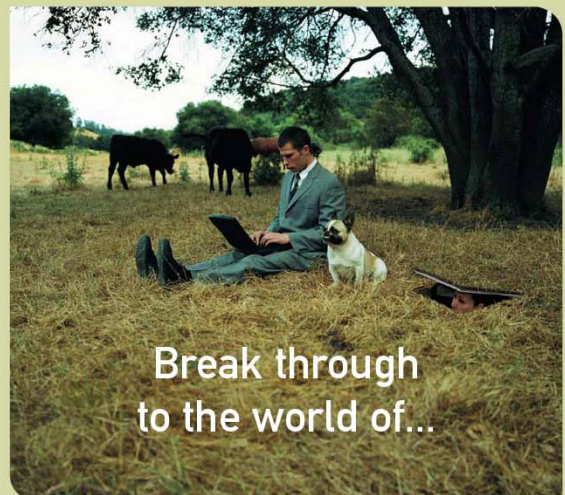
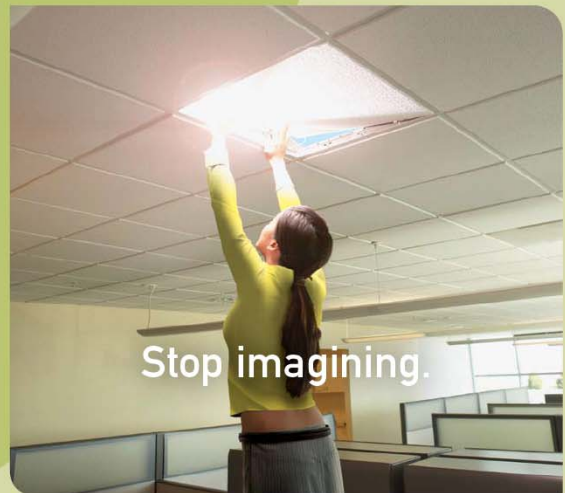
² Research by The Carbon Trust.

- **Recycle** – This should be obvious but just in case! Paper, cardboard, IT equipment, vending cups and toner cartridges can all be recycled.
- **Promotion** – All policies should be communicated clearly and regularly with staff. The internet, electronic newsletters, email, company announcements and representative groups are all great ways of keeping staff informed.

So why wait any longer to start making some changes? HR and payroll professionals are perfectly placed to drive the green agenda forward in companies across the UK and small investments in time, planning and effort will reap big rewards for the future.

With all the advantages and characteristics of modern in-house software, yet delivered as a service based solution, ADP freedom is a unique web-native service alternative which combines HR technology with variable levels of payroll service.

Unlike in-house software or conventional outsource options, where cost or control are often sacrificed, ADP freedom delivers you control, by giving you 24/7 access to payroll and HR information and through such, ADP will undertake any level of payroll service you require which helps free your resources to concentrate on prime responsibilities and achieve company-wide engagement.



www.uk.adp.com 0800 180 4994