

The Role of Conferencing and Collaboration in Helping Companies to Meet the Green Agenda

Abstract

Business-related travel is widely recognized as a major contributor to greenhouse gases, but to date little action has been taken by corporations to significantly reduce this source of emissions. In part, this may be due to the undeniable benefits of 'face time' with customers and colleagues; although, increasingly there is evidence to show that this is not a critical factor in the majority of meetings¹. AT&T believes that face-to-face meetings are often only required when there is a social element as part of the encounter, such as in the initial creation of personal relationships, or where there is a conflict situation that needs to be addressed. This paper examines the current costs of business-related travel and makes the case for a new attitude towards workplaces and meetings that will help businesses meet CO2 reduction targets while at the same time cutting costs and improving employee satisfaction and productivity.

The True Cost of Travel

Travel to and from work is rarely seen as having a bottom-line impact on a business because the employee usually foots the bill. But the daily commute carries a number of hidden costs, including:

- The loss of potentially productive time²
- Increased employee stress³
- Higher pay demands from having to factor the cost of travel into living expenses

Even without taking these hidden costs of commuting into account, the direct costs that businesses have to bear as a result of meeting-related travel alone should be enough to spark a search for cheaper, more efficient alternatives.⁴ There are also productivity and ecological benefits to be had from empowering employees to eliminate unnecessary 'micro travel', whether it is a 30-minute walk from one building to another, or a drive across town for a one-hour meeting.

The Virtual Traveler

Research by AT&T has shown that European business leaders believe more than 77% of their current meetings do not need to be face-to-face and could equally be conducted using appropriate technology, such as conferencing and collaboration systems.⁵

The research also shows that following a green agenda could improve staff motivation, with 57.5% of respondents saying they would feel more motivated about coming to work if they felt personally empowered to make choices that would reduce carbon emissions.⁶

Clearly not all business travel can be eliminated through technology, but scholarly research at Lund University shows that, "even a very limited substitution of business travel...leads to an overall reduction of CO2 for an organization." The same study reports that, "on average 64% of conferencing users experienced that the application substituted either their own business travel (45%) or travel for someone else (19%)."

The cost and environmental benefits of conferencing and collaboration have been borne out in a large number of organizations. From 1997 to 2002, for example, Telia Group experienced a three fold increase in the use of audio conferencing, along with a substantial decrease in air travel. In addition, 45% of teleworkers in the organization reduced their overall travel. The Lund University study concludes, "the possible savings in travel expenses, including substantial time savings, can result in a very short payback time."⁸

In actual fact, though, this 2002 assessment does not take into account the significant advances that have taken place in conferencing and collaboration over the last five years. From early, expensive videoconferencing systems, the technology has moved onto more

widespread, per minute priced audioconferencing and, more recently, integrated video, voice and data collaboration systems that take advantage of converged IP networks to offer 'as much as you can eat' at a flat rate. This means high-quality conferencing and collaboration systems can now be given cost-effectively to everyone in an organization, making it a 'birthright tool' like email and empowering staff to make their own decisions about when and how often they choose to travel.

This was the experience at Metso, an engineering and technology company with more than 20,000 employees that saved US \$4.2 million by adopting the Interwise Connect (now AT&T Connect) conferencing and collaboration system in 2005.⁹ In a similar vein, HP claims its Global Telework Program, which allows 11,400 employees to work from home, saves 57 million miles of travel and 24,000 tons of CO2.¹⁰ More evidence that saving the planet will not cost the earth comes from Lord Adair Turner, former director general of the UK industry body CBI, who estimates that 10% of measures that could cut carbon emissions could potentially make money for the business.¹¹

Lord Turner's views are supported by a glance at the financial improvements seen by companies that have vigorously pursued green agendas. DuPont, for example, saved \$2 billion by reducing energy consumption 7% below 1990 levels. BP increased its valuation by \$650 million thanks to improvements in efficiency and energy management. And Bayer was able to grow production by 22% and avoid \$850 million in investments simply by boosting energy efficiency.¹²

What to Do

Environmental considerations provide a powerful, but far from unique, argument for providing advanced conferencing and collaboration tools across your organization, if they are not already offered. The conferencing industry has developed a wide range of service and pricing packages, but AT&T believes that for the optimum level of empowerment everyone in the business should have access to all possible conferencing and collaboration elements, including video, audio and web-based collaboration tools.

Conferencing and collaboration can be a particularly useful tool for helping to give staff the opportunity to reduce travel, should they wish, since it allows employees to hold productive business meetings while still encompassing many elements of the interaction that would occur in a physical encounter.

It is possible to provide all this at relatively low cost with a flat-rate pricing package that allows for unlimited usage, which will mean the organization will not be penalized for widespread use and adoption and will therefore be able to reap the greatest benefits, both in terms of productivity and the environment.

Carbon Cuts in Action

The areas where conferencing and collaboration systems can have a positive impact on the level of travel required by an organization are many and varied.

To take some examples:

Training and Certification

Training for new hires, product rollouts and sales forces, and all large training events that may require flights or other extensive travel, can be effectively delivered via conferencing. The petroleum and energy industry supplier Halliburton, for example, used conferencing to carry out training associated with a global SAP implementation, halving the roll out time and saving \$1.8 million in the process. The IT storage business EMC, meanwhile, held its entire 2007 sales kickoff meeting, comprising several hundred sales team members, on an AT&T conferencing platform.

And Avago, a semiconductor manufacturer, has used conferencing to eliminate the need for travel in certifying 800 partner representatives around the world. An added bonus of conferencing and collaboration is that material can be recorded and stored for later re-use, so a trainer only needs to give one session in order to reach an entire staff and employees can learn when and where it suits them best.

Human Resources

As with training, many types of communication that may previously have required face-to-face meetings, from company-wide briefings to team cascade sessions, can now be carried out more quickly and efficiently through conferencing. Typical applications include remote interviews, giving the business access to a wider pool of talent and shortening the time to hire, and ongoing management communication and employee development, where people in remote locations can more easily be connected to expertise and leadership which is not available locally. A further benefit of widespread conferencing use is that it allows management to demonstrate that the business is taking action to cut carbon emissions, which is increasingly becoming an important differentiator for employees, shareholders and customers.

Sales

Using conferencing and collaboration, where appropriate, to communicate with clients makes it possible to fit more sales calls into a day, streamline customer interactions, increase the number of qualified opportunities and shorten the sales cycle, all helping to increase profits. The immediacy of conferencing – being able to set up and hold a meeting in minutes – can result in improved levels of customer satisfaction and lower operational costs, with the potential for business travel budgets to be freed up for use elsewhere or contribution to the bottom line.

Meetings

The benefit of substituting face-to-face meetings (where appropriate) with conferencing sessions does not just extend to eliminating the need for travel. Another major bonus is that sessions can be much more fluid in nature, with participants being brought in and out as needed in order to make the most efficient use of time and potentially include people who might not have otherwise been able to attend.

Marketing Seminars

Freudenberg, a group made up of 441 companies in 55 countries, holds annual Innovation Days where a core of staff and customers attend in person, but hundreds of others are present virtually, over an AT&T conferencing link that features simultaneous translations in three languages.

It should be emphasized that virtually every one of the measures outlined above will not only have a positive impact on carbon emissions, but will also improve financial performance.

Getting Started

Given the wide range of potential carbon-reducing applications for conferencing and collaboration, it is worth creating a checklist of activities for review, including micro-travel, training, marketing meetings and so on. This should make it easier to prioritize areas in which conferencing could make the biggest initial difference, in terms of carbon reduction, time/cost savings or other benefits.

Experience has shown that bringing about the culture change required for the most effective adoption of conferencing can be helped through incentives and it might therefore be a good idea to plan internal marketing initiatives to promote the uptake of the technology. This might include, for example, prizes for the greatest number of trips saved, case studies showing the work/life balance benefits of less travel and, particularly, demonstrations of commitment from senior executives.

Conclusion

Whether you believe global warming is a clear and imminent danger or a load of hot air, the fact is that it is now a reality for business because of the serious impact it is having on consumer perceptions and government regulations. Rather than duck the issue, as has largely been the case so far in the corporate world, enterprises should recognize the green agenda as an opportunity to overturn costly, inefficient working practices and build a competitive advantage based on technologically-enabled customer and employee satisfaction.

Business travel is one of the most conspicuous sources of CO₂ emissions created by knowledge workers and yet is one which can easily be reduced through the widespread deployment of flat-rate enterprise conferencing and collaboration systems. In the carbon-conscious world soon to come, ignoring the potential of conferencing and collaboration is likely to be unforgivable.

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