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What is the Return on  
Investment of “Going Green”

# WHAT IS THE RETURN ON INVESTMENT OF “GOING GREEN”?

Spring is often a time of year during which businesses and individuals make efforts to improve their sustainability. Earth Day is Wednesday, April 22, and it brings attention to the impacts that businesses have on the environment. Businesses that are involved in logistics, supply chain, or deliveries of any kind can be especially impactful on green movements, as they are the ones involved with moving the food chain and ensuring that customers receive their items in an efficient manner.

What many don't know is that making changes to your business practices with a focus on sustainability can have significant returns on those investments. It is important to strive for sustainability, not only for the environment and because it makes you feel good, but because it can help your business's bottom line.

Within any workflow, there are usually opportunities to improve efficiencies and reduce costs and waste. But where do you begin when deciding on what to change? Experts say that you should begin by evaluating and assessing your current practices, and start with the changes that require the smallest change and buy-in from your employees. Examples of this are adopting digital file-sharing practices to reduce printing and paper consumption, or swapping light bulbs for more energy-efficient options. As the business demonstrates success in the small changes, bigger ones become easier to tackle.

## What are the benefits of making Green changes?

### Reduced overhead costs.

Energy Star reports that energy-efficient lightbulbs can use up to 90% less energy and last up to 15 times longer. According to a major printing company, a single color page can cost an organization approximately \$0.20 each, and a black and white page averages about \$0.07 each. These costs add up quickly if employees are printing frequently. A study by Gartner found that a company can spend 1-3% of its annual revenue on printing. Reducing printing doesn't just save paper, it saves money as well.

### Better productivity.

Changes aimed at improving sustainability are also changes that improve the efficiency of different business processes. For example, if your business was to adopt a logistics or project management tool that helps to cut down on printing costs employee productivity will also increase. Dispatching tools with route optimization reduce driver mileage and time and increase the number of stops a driver can make within a given time period.

**EARTH DAY IS  
APRIL 22**



### **Increase revenue.**

One study conducted by the University of Notre Dame examined the revenues of different branches of a bank, some with sustainability certifications and some without. The researchers found that the branches with the certifications tended to generate higher revenues than those without.

### **Reduce Carbon Footprint.**

There are many Carbon Footprint calculators available, and most of them take into account the miles you travel, and the frequency with which you have orders delivered. Companies who deliver products can utilize tools that create optimized routes to make a significant impact on the carbon footprint of vehicles. Optimizing a route using advanced algorithms means that delivery drivers travel the shortest distance possible. This saves time, money, and leaves the smallest possible footprint.



### **Be a champion for the planet.**

While “going green” isn’t a new concept, many businesses have been slow to take up the mantle to drive sustainability forward. Tackling this very important issue can make your business a leader and champion of sustainability in your field. Your business’s success may help encourage others to make similar efforts to be better stewards of the planet.

When making changes for sustainability, it’s important to remember that even the smallest seeming changes can make big impacts over time. Changing the signage over your recycling bin, swapping standard light bulbs for energy-efficient ones, or encouraging employees to print as little as possible will all have significant returns if you allow the time. But it is also important to remember that committing to sustainability takes more than talking about change. A business should encourage and support a culture that values sustainability. If this can be achieved, the impacts will be much greater.