

Sustainable development – helping SME's beat the recession

Why going green can help your business

Over the past ten years, the concepts of sustainable development and environmental protection have become an integral part of our lives. Many government agencies and associations have emerged to influence our purchasing decisions and consumption patterns in order to encourage us to be more environmentally conscious.

With hefty fines now on the cards for pollution and environmental damage, businesses need to implement an effective green strategy. James Elkington, managing director of Esker, Northern Europe, looks at how businesses can ensure sustainability is on the agenda without costing the earth.

Initiatives for the SME

Sustainable development is a key term in the ongoing battle against environmental issues. For several years now, the enterprise has been at the heart of this trend. While manufacturers adapt their tools of production to minimise environmental impact, others revise their policies on subcontracting to remove suppliers who do not support sustainable development.

In 2007, small and medium sized businesses were fined £2.4 million for environmental damage and pollution. This cost could have been avoided for many by implementing a few simple changes that consider the environmental effect. There are already several existing initiatives to help SMEs (small and medium sized businesses) take a greener approach to business. For example, the Government has issued a set of guidelines to help companies reduce the environmental impact of seminars, conferences and other events.

But in addition to these aspects, what else can a business do to support environmental initiatives? So far, many companies have developed green strategies by attacking visible parts of the iceberg – water, gasoline, power consumption. All these are crucial but there is a huge amount more that can be done to ensure that environmental impact is reduced, and this includes examining the use of paper.

The role of paper

The role of paper in environmental preservation is widely underestimated. 90 per cent of company transactions end up on a printer, with the average office employee printing six wasted pages everyday – that's 1,410 wasted pages a year. Each paper document generated by a sales transaction creates a multitude of manual tasks that

offer no added value to the organisation. Transportation, printing, storage and distribution can all be cut dramatically by limiting the amount of paper used in the business environment.

Whilst paper is the cornerstone of business management processes (invoicing, order management, contracts etc), it is also an enormous drain on productivity. According to a Gartner study, companies squander around two per cent of sales revenue on internal paper management. By reducing the amount of paper that is used in an organisation, businesses can ensure they are adopting an environmental stance and can dramatically improve internal processes and staff productivity.

SMEs in the UK are already saving near to £60 million per year by keeping up with environmental regulations and, by taking a greener approach, many businesses can increase staff productivity. Many small businesses are often put off implementing a green strategy because of the cost. This needn't be the case and ensuring that an organisation is sustainable can actually have cost saving benefits, as the above statistic indicates.

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