



# ENERGY EFFICIENCY: A MORE ATTRACTIVE COST CUTTING EXERCISE?

**John Osborne at BSI Training encourages organisations to think of energy management as business critical for cost reasons but equally important as a means to embed sustainability and change across a workforce...**

Improving energy efficiency within a business can provide a number of real benefits. Not only will it help to reduce impact on the environment, but it will also save money. Why then, do so many companies fail to put sufficient energy management policies in place to improve their effectiveness?

A BSI study revealed that 80% of respondents rated energy management as 'very important', with the key driver being to reduce or control cost, yet 60% didn't have an energy management policy in place. Organisations are clearly talking the talk when it comes to energy consumption, but simply making the right noises isn't enough.

If businesses are to truly cut costs and offset this against less attractive cost cutting exercises then they need to put a clear system in place to manage this. Without a transparent policy to guide businesses forward, how can they even begin to answer those all-important questions...?

- How much energy does the business currently use?
- Who is responsible for managing energy efficiency within the company?
- What are the current issues with your energy consumption?
- How can you improve your energy efficiency?
- Have you identified the areas that need to be improved or completely changed?
- How much energy could you save in the long-term?
- What impact would saving energy have on your business from a financial perspective?

Those businesses that are unable to answer all of these questions have really only scratched the surface of effective energy management (if at all). The likelihood for those that have a clear policy in place is they will have already addressed these questions and will have made the first foot hold into producing a robust framework for making significant and continued improvement in energy consumption. A policy and a tight framework will also allow identification of an organisations' past, present and future energy consumption as well as the development of an energy monitoring process. The BSI report showed that two thirds of respondents did not conduct regular energy audits, nor did they maintain a current energy management policy, both of which compromise the delivery of continual improvement in energy management.

In an effort to make the right noises, some businesses may make minor adjustments to save money, such as ensuring PC monitors are switched off at night and perhaps replacing light bulbs with energy-saving varieties, but is this really enough?

Energy management has evolved into a rather complex arena, covering a multitude of business activities, all of which need to be taken into consideration when bringing about change and improvement. Companies find that additional training and a standardised management system (such as BS EN 16001, the new European Standard for Energy Management Systems) is needed to help them build a framework that will enable them to implement change. But there are a few simple steps you can take in the first instance to get the ball rolling:

- Take regular meter readings, this will help you to understand how much energy your organisation is currently consuming
- Organise thorough inspections of the work premises, this will help you to identify the areas where further savings can be made
- Assess energy consumption levels on current activities
- Talk to employees and get their input on energy waste
- Take into account all energy-related activities under the control of your organisation, for example the energy used to operate machinery and heat buildings.

In taking these initial steps, most organisations will begin to realise the level of energy emissions being needlessly emitted every day. Wasting unnecessary energy is largely due to poor organisation and education; in most cases employees simply don't understand how to make the changes themselves. But ultimately, wasted energy will affect the efficiency and productivity of a business, certainly in the long term.

- Communicate with all the staff, involve them from the outset, and get their feedback and suggestions for improving energy efficiency. The most successful change happens when everyone in the company is onboard.
- Establish clear minimum reduction targets so you have something to measure your efforts against
- Establish reliable ways of measuring consumption/assess on regular bases – energy consumption can fluctuate seasonally depending on weather and productivity
- Establish objectives, implement, monitor and measure, and continually improve.

Once a policy has been created, organisations must implement the behavioural change needed to embed energy efficiency considerations into everyday decision-making and this is by no means an easy feat.

This won't happen overnight, it requires clear planning, perseverance and ongoing support.

## ACTIONS SPEAK LOUDER THAN WORDS

In today's challenging climate, it's clear that businesses can no longer continue to bury their heads in the sand when it comes to energy efficiency. The benefits are now clear to all, but if businesses are to truly reap those benefits, changes have to be made via policies being put into place and improvements carried out and maintained. Those 80% of companies that cited energy management as a key driver for reducing costs should really make their actions speak louder than their words if they are really serious about controlling spend and increasing the overall efficiency of their business. It could also significantly reduce the need to make cuts elsewhere in the business, which in most cases would only damage an organisation's performance.

## MAKING CHANGE HAPPEN

- Build a policy that incorporates the processes and practices you need to improve energy efficiency across the business. This will create a mechanism to turn energy into a key performance indicator
- Get a buy in from senior management – do they really understand the benefits of making this change?

