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ENVIRONMENTAL SUSTAINABILITY

IN IT. BY IT. FOR THE ENTERPRISE STRATEGY, LEADERSHIP AND DIGITAL DECARBONISATION

Discussion Documents

October 23

Environmental Sustainability:
In IT. By IT. For the Enterprise

'Environmental Sustainability: In IT. By IT. For the Enterprise' – a CIONET executive dinner in association with Hitachi Vantara – took place on 28 September 2023 at the Grand Hotel, Stockholm.

In bringing IT and business leaders together in early autumn Stockholm, CIONET and Hitachi Vantara wanted to put an idea to the test. Namely, that the IT department finds itself at the centre of one of the most challenging issues facing 21st Century enterprise. That challenge can be simply put: how do large organisations successfully decarbonise and hit mid-century net zero targets? The answer is far from simple, however.

Consider that according to analysis by McKinsey, enterprise technology accounts for about 1% of total global greenhouse emissions. If that doesn't sound much, then consider too that it equals about half of the emissions from aviation or shipping. Not insignificant, in other words.

We were keen to explore to what extent attendees are involved in sustainability implementation plans. In addition, we wanted to know how they perceive the role of digital technologies as a means of addressing the sustainability imperative, what actions they are taking to address decarbonisation, and what challenges they face in the process.

Opening the discussion, Marco Mancuso, head of strategic collaborations at Hitachi Vantara, described himself as a realist and an optimist on sustainability. Behaviours are starting to change, he said. He noted, for example, that 85% of Hitachi Vantara customers have altered their buying behaviours by adding sustainability into their purchasing criteria.

When it was suggested that sustainability maybe part of the purchasing mix but in most cases it remains insufficiently weighted to make a difference – that price and performance are the only criteria that really matter – another attendee strongly disagreed.

> *"I've been involved in big hardware deals where sustainability was more important than price. I suspect it's different with services – which is much more complex – but with hardware sustainability matters"*

Two big issues face organisations contemplating decarbonisation measures. One is the sheer size of the challenge, often paralysing businesses into inaction. The other – and related – is the lack of standardised carbon emissions measurements. It is not just internal emissions (the most straightforward to track) that need to be measured and compared.
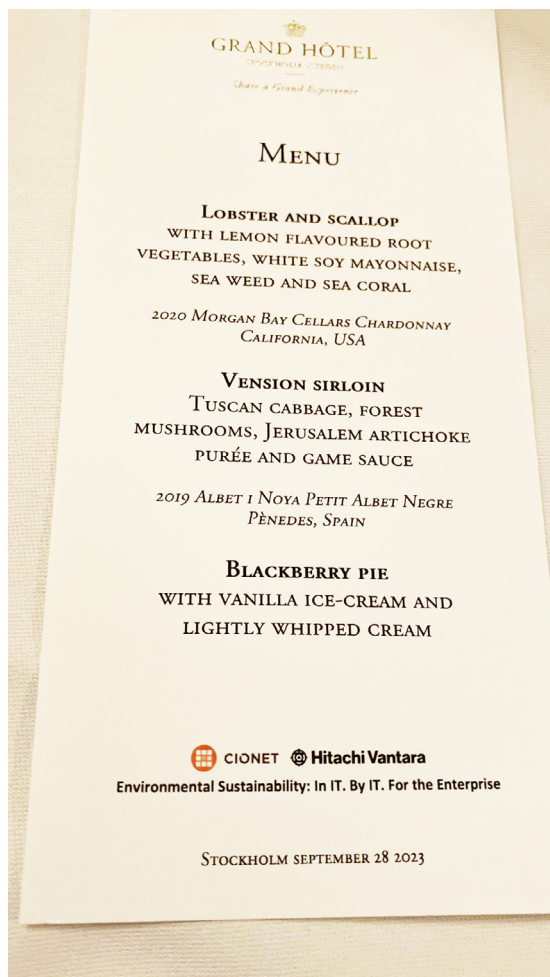
It is those of suppliers, of vendors, and of the lifecycle footprint of devices, infrastructure and hardware. Much of these fall into the Scope 3 Greenhouse Gas Protocol category. Data can be a catalyst for change but until you are able to compare like with like, the power of measurement will remain limited.

Mancuso pointed to the Europe's Digital Passport for electronic equipment that will identify all components and related carbon footprint of a device. The Digital Passport is among a series of efforts by regulators to nudge – as well as compel – behaviour change. The former is more important than the latter, said one delegate who called for a culture change. The delegate said that we spend too much time talking only of capacity, performance, scalability and security, and we fail to talk about environmental impact.

"We need to talk about return on sustainability."

Others agreed with the broad thrust of this argument. More than one attendee suggested that the way past complexity is to simplify the equation. One recalled how he urged his organisation to reduce the overall weight of all the hardware it purchased and owned. While he acknowledged that this was a blunt instrument, his supposition was simple – a "lighter" in-house footprint is most likely to lead to less waste and fewer carbon miles. By setting a tangible target, progress is much more likely than waiting for the perfect metric.

Another suggested that companies introduce a CO_2 statement into their terms and conditions. That would mean every time an employee elects to upgrade their laptop or smartphone, they are fully aware of the environmental impact of such as choice. This is likely to lead to some – perhaps a majority – choosing to defer upgrades until absolutely essential.

As for direct responsibility, most in this group do not have specific obligations for delivering on net zero mandates. Most felt a wider duty, however. Behaviour change is likely to be incremental but each step in the right direction will encourage further steps ain the right direction. As one roundtable attendee observed:

"Sustainability is going from fringe to the core. And it is being driven by end users."

Soon, he suggested, it will be like a "self-playing piano".