

**Passing
The
Green IT
Buck**

**Independent Market
Research Report**

Summary only

Commissioned by



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1. Summary

Green business?

Green IT policies: [Sections 3.1, 3.2 and 3.3]

- Despite the fact that much has been talked about green IT in the UK, only 21% of organisations have adopted a formal, written policy on what the IT department should be doing to make the organisation more environmentally-friendly.
- Large organisations tend to have done more towards having greener IT and more of them (36%) have adopted a green IT policy, compared to SMEs (16%).
- However, on closer inspection, 61% of green IT policies have not been implemented in full - indeed, 15% of organisations have not even started the implementation process.
- In fact, just 8% of UK organisations have implemented a green IT policy in full.
- Yet further inspection shows that the green IT policies in existence fall short, with very few of them incorporating measures that will make a real difference to the organisation's energy consumption.
- This is illustrated by the fact that, among those with a green IT policy, two measures stand out as the most commonly included:
 - Recycling paper, cans etc (87%)
 - Recycling hardware +/- consumables (79%)
- Indeed, the third most commonly included item is only included in 28% of policies – namely the use of energy-saving light bulbs.
- Other measures are included by 1 in 4 policies or fewer:
 - Increased utilisation of hardware (25%)
 - Using energy-saving hardware and software (25%)
 - Use of virtualisation technology (13%)
 - Consolidation of virtual and actual storage in the data centre environment (13%)
 - Swapping U1 servers for blades (11%)
 - Implementation of digital video communications (11%)
- But 3% have gone to the extreme of including the adoption of solar panels to power the data centre.
- Also, it is interesting to see that only 1 in 20 policies (5%) cover vetting the activities of IT suppliers – and this applies equally to SMEs (5%) and large organisations (6%) alike.
- Furthermore, the majority of green IT policies do not appear to be particularly extensive with only 20% covering 5 or more of these measures.
- Obviously, some of these measures will be irrelevant to some of the smaller SMEs, but nevertheless, they are also scarce among large organisations too.

Potential of Green IT: [Sections 3.4, 3.6, 3.8 and 3.12]

- Among those with a green IT policy, IT decision makers say the biggest wins in terms of energy savings have come from recycling paper, cans etc (83%) and recycling hardware +/- consumables (81%) - but this is likely to be due to the fact that these two measures are the most commonly included measures in UK green IT policies.
- However, more IT decision makers in large organisations with a green IT policy (14%) say the use of virtualisation technology has delivered the biggest wins in terms of energy savings, compared to SMEs (zero).
- In terms of the actual savings made to date, only 12% of those with a green IT policy have quantified any energy savings as a result of the green IT initiatives they have embarked on.
- 19% say it is too early to tell and another 65% admit they do not know what energy savings have been made - 4% admit none have been made yet.
- Nevertheless, the average energy saving is 25%, but this ranges from 2% to 90%.
- But 62% of organisations recognise that savings can be made in the long run from green IT initiatives, and 89% of those without a green IT policy think significant energy savings for their IT department could be made by introducing measures that will lead to greener IT – an opinion that is more pronounced among large organisations than among SMEs.
- But as with organisations that have a green IT policy, those without think the biggest wins will come from basics like recycling paper (80%), recycling hardware +/- consumables (67%) and using energy-saving light bulbs (41%).

Motivation: [Section 3.7]

- In general, organisations seem fairly unmotivated about green IT initiatives with 87% without a green IT policy saying they would create one in response to internal or external pressures.
- Government regulations (66%), if they existed, would be the biggest motivator for this group to start creating and implementing a green IT policy.
- But just 29% would respond and be spurred on by customer pressure.
- Yet almost as many would respond to employee and public pressure (both 27%).
- Suppliers have the least influence, with just 14% saying they would respond to supplier pressure to create a green IT policy.
- And defiant 3% of organisations say nothing would spur them into action to create and implement a green IT policy.

Theoretical government regulations: [Sections 3.5 and 3.9]

- If the UK government were to introduce such green IT measures as regulations, organisations think it would be some time before they were able to comply.
- Among those with a green IT policy, on average, they think it would take them 5 months to be 100% compliant, but even for this group, this ranges from 1 to 24 months, but 64% are confident they could implement all of these measures within less than 12 months.

- But even among those with *fully implemented* policies, they think it would take an average of 3 months to become 100% compliant.
- When it comes to those without a green IT policy, on average they think it would take them 8 months to become 100% compliant, but this could be as much as 7.5 years for some – but the majority (59%) are confident they could implement all of these measures within less than 12 months.
- Large organisations without a green IT policy think it would take them longer to become 100% compliant (12 months on average), compared to SMEs (6.5 months).

Taking responsibility?

An IT issue: [Sections 3.10, 3.11 and 3.12]

- A startlingly low number of IT decision makers think the IT equipment in their organisation is the major producer of CO₂ emissions.
- Specifically, only 14% are definite that the IT department, its data centre and the IT equipment distributed around the organisation are the biggest culprits of producing CO₂ emissions around the organisation - 50% say this is definitely NOT the case.
- A further 8% admit they do not know if this is the case or not and, surprisingly, ignorance is higher among those with a green IT policy (15%), compared to those without (7%).
- But IT decision makers in large organisations (36%) are slightly savvier in this respect than their SME counterparts (24%), with more of them suspecting this is the case.
- It is hardly surprising then that just 13% of organisations say IT has taken ownership of the green IT issue.
- In fact, only 14% say the IT director is driving green IT initiatives and 13% say it is the IT department – just 5% say it is IT suppliers.
- But more of those with a green IT policy in place (31%) think IT is really driving green initiatives in their organisation, compared to those without (17%).
- And, more IT decision makers in large organisations (31%) say an IT-related person / group is driving green IT initiatives, compared to SMEs (16%).

Management's role: [Section 3.12]

- 1 in 2 IT decision makers in the UK (50%) say it is really the CEO / MD who is driving green IT initiatives – and 21% say it is the Board.
- But the second most common response is that employees are really driving this change (27%).
- Large organisations identify more individuals / groups involved in driving green IT initiatives, compared to SMEs, and more large organisations (7%) have a specially assembled project team that is driving the issue, compared to SMEs (2%).

- Indeed, the elevation of this issue to top management is reflected by the fact that only 16% of organisations say green IT initiatives are not taken seriously by top management.
- However, management does not always appear to be putting its money where its mouth is with only 9% of UK organisations having earmarked specific budget to accommodate the necessary changes.

Shifting responsibility: [Sections 3.13 and 3.14]

- Outsourcing key IT functions and processes is a very common practice in the UK, with 73% of organisations handling some of their IT tasks in this way.
- And more of those that have a green IT policy outsource key IT functions and activities (85%), compared to those without (70%).
- But only 27% of UK organisations that outsource always check the green credentials of the third party IT organisations to which they outsource such key IT activities.
- 52% say such credentials are not always checked, and another 21% admit they do not know if they are checked or not.
- And this is irrespective of company size.
- Among the 73% of UK organisations that do outsource key IT functions and processes, 1 in 3 (32%) think this relieves some of the pressure on them and allows them to shift responsibility of green IT issues to someone else.
- And this applies equally to SMEs and large organisations.
- Among those who outsource:
 - Fewer think significant energy savings would come from the use of virtualisation technology, increased utilisation of hardware and the use of energy-saving light bulbs
 - Fewer would respond to public pressure to motivate them to create a green IT policy
 - Fewer say employees are really driving green IT change for their organisation
 - But more admit that the IT department and its equipment are the biggest culprits of producing CO₂ emissions.

2. Research Methodology

2.1 Overview:

This report was commissioned by Bell Micro and details quantitative research with senior IT decision makers in organisations across the UK.

2.2 Quantitative Research

A total of 350 interviews was collected across a wide variety of industry sectors and in organisations of different sizes. All respondents confirmed prior to interview that they were involved at a senior level in the management of the IT systems for their organisation.

A sub-sample of 100 interviews was collected from large organisations with 250 or more employees. All respondents confirmed prior to interview that their organisation had 250 or more employees. Similarly, 250 interviews were collected from SMEs. All respondents confirmed prior to interview that their organisation had between 1 and 249 employees.

2.3 Comparative Analysis:

The findings of this quantitative survey have been systematically analysed and compared according to organisation size. Table 1 below shows the margin of error at a 95% confidence level and Table 2 shows the sub-sample sizes for each organisation size bracket. These tables can be used to determine whether an observed difference between two sub-samples (e.g. SMEs versus large organisations) is a *real* difference or not; in other words, to see if the difference is statistically significant.

Table 2.1: Margin of error at a 95% confidence level:

Sample size	50	100	200	300	400	500	1000
5% or 95%	±6.0	±4.3	±3.0	±2.5	±2.1	±1.9	±1.4
10% or 90%	±8.3	±5.9	±4.2	±3.4	±2.9	±2.6	±1.9
25% or 75%	±12.0	±8.5	±6.0	±4.9	±4.2	±3.8	±2.7
50%	±13.9	±9.8	±6.9	±5.7	±4.9	±4.4	±3.1

Table 2.2: Sub-sample sizes (n) for organisation size:

Organisation size	n=
SMEs (1-249 employees)	250
Large organisations (250 or more employees)	100

This means that for an observed percentage of 5% on a sub-sample of 100 respondents, the *real* percentage could be +/-4.3%, so the *real* percentage could be anywhere between 0.7% and 9.3%. This means that if the survey were repeated under exactly the same conditions, there is a 95% chance of getting a number anywhere between 0.7% and 9.3%. It follows that if 2% of respondents in a large organisation selected a particular answer, compared to

6% of people in SMEs, from a statistical point of view, the observed difference is NOT statistically valid at a 95% confidence level.

Therefore, where any differences exist that are significant at a 95% confidence level and relevant to the overall findings, they are described accordingly in this report.

The interviews were conducted by telephone by Dynamic Markets Limited between 7th and 17th January 2008. Before and during the interviews, respondents were not aware that Bell Micro had commissioned the research.

Throughout this report, where any numbers do not add up to 100%, it is either because respondents were allowed to select more than one tick-box option in the question, or because of minor rounding errors, which should be ignored.

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