Aligning accelerated digital transformation with sustainability initiatives

How can organizations use technology and partnerships to enhance efforts towards more sustainable business

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70%
of businesses either have a digital transformation strategy or are preparing one

Aligning accelerated digital transformation with sustainability initiatives

The march towards digital business practices has been underway for some time. Even before the pandemic drove businesses to rapidly transition to digital-first remote working, spending on digital transformation initiatives was on the rise, with IDC predicting that over 50% of all IT budgets will be spent directly on digital transformation and innovation by 2024, up from 31% in 2018.[1]

Sustainability has also been high on the agenda for many corporations for the past few years. In fact, a quarter of the world's top corporations have committed to credible climate action by 2030. This is four times the number of companies who made that commitment in 2015 through the Paris Agreement. If this trend continues, it means that 79% of Fortune Global 500 companies could be using 100% renewable power, or meeting a science-based internal emission reduction target, or even achieving carbon neutrality by 2030.[2]

The convergence of sustainability and digitalization provides both challenges and opportunities. The good news is there are many ways to reduce waste and identify energy efficiencies using digital tools, while also attracting investment, customers and employees, and remaining competitive in an adapting workplace.

This guide looks at ways you can use technology and partnerships to align your digital transformation needs with your business sustainability goals.

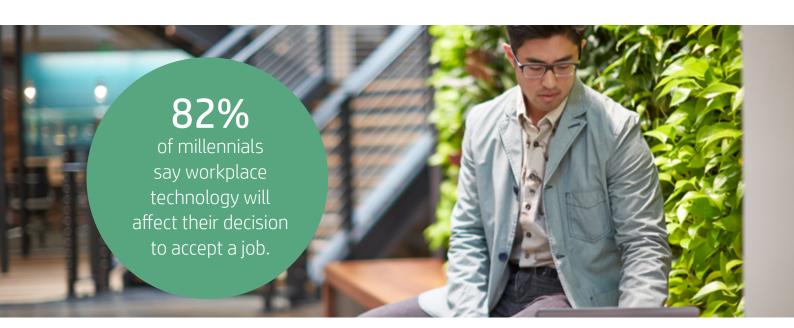# The acceleration of digital transformation – current state of play

Plans for future digitalization have accelerated for many organizations this year as employees work from home on a scale never-before seen. This has resulted in a faster uptake and roll-out of cloud-computing technologies, like video conferencing and other online collaboration tools.

Across industries, organizations will use the lessons learned from this rapid transformation to a digital workplace to reimagine how work is done - and what role offices should play. Predictions are that time spent in main and satellite offices will drop by 12% and 9% respectively, which means bringing forward plans to digitize workplaces are inevitable.[4]

This move to remote workforces is sure to sit well with future generations. Millennials will make up 75% of the world's workforce by 2025 and 82% say workplace technology would influence their decision to accept a new job.[5] Businesses getting on board now are setting themselves up for the future.

88% of organizations are already using cloud infrastructure in some form, while 45% expect to move at least 3 out of 4 of their applications to the cloud over the next year.[3]

82% of millennials say workplace technology will affect their decision to accept a job.

Sustainability in a business environment

Business sustainability recognizes that growth and profitability are important, but it also illustrates that a business is committed to sustainable development; namely environmental protection, social justice and equity, and economic development.

Embracing digital technology and workflows is central to achieving business sustainability goals. There are many environmental initiatives that can be adopted that not only give businesses a competitive edge – they validate that a business is doing their part in the fight against the global climate crisis.

There is strong support for embedding the circular economy model, where products and materials aren't discarded but are pulled back into the business or supply chain and re-used. Reducing waste by using renewable, recyclable or biodegradable resources is a good place to start. In addition, using products that reduce your energy consumption not only lowers CO2 emissions, it also translates directly into helping lower operating costs.

Using new technologies in your supply chain management can also help you achieve your sustainability goals. Nearly three-quarters of companies are now applying technologies or innovative approaches such as big data, supply chain analytics and cloud computing to create new efficiencies and savings to address supply chain sustainability.[6]

However, digitalization is also a driver of resource extraction and rapidly growing toxic and electronic waste. Each year, approximately 50 million tonnes of electronic and electrical waste (e-waste) are produced, but only 20% is formally recycled. If nothing is done, the amount of waste will more than double by 2050, to 120 million tonnes annually.[7] Initiating sustainable business practices is a great way to ensure this accelerated digital transformation has a positive impact both on the business and the planet.

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How digital transformation is advancing sustainability goals

Global carbon dioxide emissions are expected to drop between

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this year

Going green is not an aspiration for the future but can be initiated now. Step by step, we are "greening" companies, buildings and cities through digital transformations and technology investments; this could yield up to a 20% reduction in carbon emissions between now and 2030.[8] It's even been estimated that information and communications technology devices, such as IT-enabled smart grids and buildings, have the potential to deliver over $11 trillion in new economic benefits.[9]

Decreasing carbon emission is high on the list of sustainability goals for many organizations and one that can be initiated by embracing relatively simple changes. Measuring, optimizing and reducing resource usage within the office is a great start. The ability for employees to work remotely has already helped reduce carbon emissions. Global carbon dioxide emissions are expected to drop between 4 and 7 percent this year, partly as a result of the reduction in daily commuting, which is the largest reduction during any previous economic crisis or period of war.[10]
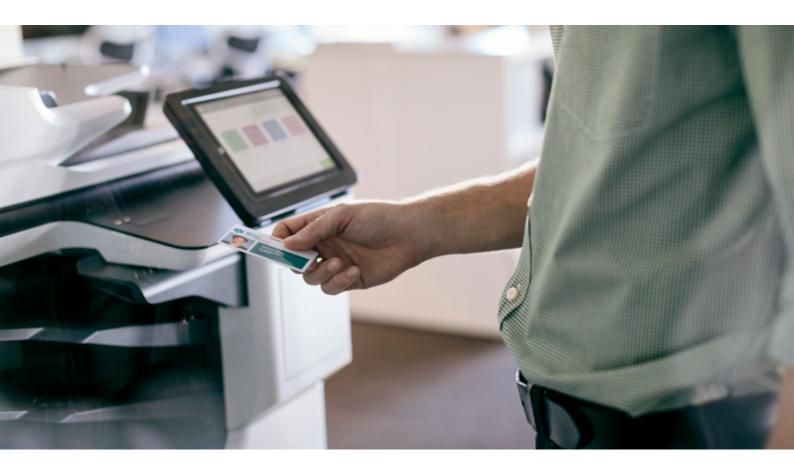
That's great news - but it doesn't mean the fight is over. Sustainability goals are about continuous improvement and should be clearly defined and measurable. With a bigger proportion of the world working from home, they will still need to access the grid to keep the lights on and connect to the internet. Carbon emissions might decline in some areas, but there is still a need for organizations to stay focused on their sustainability goals and look for ways to reduce overall carbon emissions.

One way of doing this is to continue investing in technologies that bridge paper to digital workflows, such as modern printers and scanners. Implementing integrated, enterprise-wide policies to control and manage both paper and digital information is essential. While 44% of businesses have done this, only 15% report that paper and digital workflow integration is very effective.[11] Improving these results is an achievable goal for any business committed to sustainability. The technology exists, what's next is taking the steps to securing a partner that can help.

How can managed services support sustainability goals?

Evidence shows a digital transformation strategy that is geared towards improving process efficiency across both analog and digital information pays dividends. But, despite almost 70% of organizations recognizing digitization as a key element of an information management strategy, businesses remain reliant on paper-based processes. Almost 60% of organizations report that up to 30% of their processes still rely on paper[12], which can cause challenges as work behaviors change in favor of flexible working locations. The need for streamlined workflows has never been more evident.

Transitioning is a challenge. As a result, engaging a partner that can support the entire digital transformation journey by implementing solutions that can be integrated into existing infrastructure is a smart move. Partnering with managed services

will streamline workflows, while providing you with modern devices that are manufactured to the latest requirements to be energy efficient and reduce waste. Partners can provide tools to accurately measure energy and consumables usage, which can highlight inefficiencies and emission reduction opportunities to accelerate the advancement of your corporate sustainability goals.

When selecting a partner, look for recognition and awards for sustainability performance or disclosed sustainability goals when considering new partners.

How can HP help?

HP's Managed Print Service (MPS) creates adaptive workplace solutions to enable business transformation, while also helping customers advance their own sustainability goals. The cloud-led solution integrates into your evolving strategy, empowering productive, work-from-anywhere teams.

HP is recognized as one of the world's most sustainable companies and has received multiple recognitions for corporate social responsibility, sustainability, sustainable supply chain management, and product efficiency. HP employs a Supplier Code of Conduct, uses recycled materials in products, and creates energy efficient technology for their clients.

In addition, HP MPS makes it simple to advance your climate goals with carbon neutral printing. HP's SIRA (Sustainable Impact Reporting & Analytics) platform measures printer fleet performance in real time, continuously unlocking optimization opportunities that help businesses on their way to carbon neutrality.

Find out more about how HP's MPS can help support your business sustainability goals. Speak to a HP representative or visit www.hp.com/go/MPSCarbonNeutral

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