



Best Practices

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Green Benefits Prove Helpful in a Down Economy

In a down economy, companies are becoming cautious about extras they might have considered benefits, but there are a number of eco-friendly benefits that can contribute to their bottom line.

The "Greening of HR Survey," a January 2009 study conducted by New York-based Buck Consultants, shows that many employers are going green. More than half of surveyed organizations incorporate environmental management into business operations and have a formal green program in place. Nearly 80 percent use webconferencing or teleconferencing to reduce travel expenses, 57 percent offer telework options, and 52 percent offer rideshare programs for employees.

Employers are becoming cautious in this economy about extras they might have considered benefits, but there are a number of eco-friendly benefits that can contribute to a company's bottom line, says Jennifer Woofter, a consultant at Silver Springs, Maryland-based Strategic Sustainability Consultants. For example, Calvert, a Baltimore, Maryland-based investment management firm, buys walking shoes for employees who walk to work. "It's not a significant cost, but it motivates employees to take the extra step in being environmentally friendly," Woofter says.

Many employers believe there is a business case behind offering green programs. According to "The Greening of HR Survey," 47 percent of executives believe these programs help with attracting and retaining top talent, while 30 percent say that such programs drive profitability. Similarly, in the Society for Human Resource Management's 2009 study "Green Initiatives: What Has Changed in One Year," 12 percent of HR managers surveyed say that green programs increase workforce productivity, up from 6 percent who said the same thing in 2008.

In 2005, Meradia Group, a West Chester, Pennsylvania-based management consulting firm with 17 employees, started a \$5,000 incentive for employees who purchased or leased a hybrid vehicle. One employee has taken advantage of the offer, and another employee plans to purchase a hybrid this summer.

CEO Scott Wybranski developed this eco-friendly benefit along with an incentive that encourages employees to take mass transit to client offices. Roughly 75 percent of Wybranski's consultants work off-site at client locations, so he pays 120 percent reimbursement when employees choose mass transit over cars. All of the company's consultants are now using mass transportation, such as the train from Philadelphia to New York.

"I'm trying to create sensitivity and awareness among employees," Wybranski says. But because of the economy, Wybranski—whose firm largely services the investment community—had to temporarily

suspend these benefits in early 2009. He will review the decision quarterly and hopes to implement the benefits again soon.

Paybacks

Woofter says smart companies will focus first on green benefits that make financial sense, such as telecommuting and alternate work schedules. She emphasizes that studies show teleworkers are 15 to 45 percent more productive and have lower rates of absenteeism. "It's a perk for employees with real bottom-line benefits for the employer," she says.

The Brick Cos., an Edgewater, Maryland-based real estate owner and developer with 160 to 300 employees (based on the seasonal nature of its golf courses and marinas), recently awarded an Energy Star appliance to its "Environmental Steward of the Year" for efforts to reduce impact on the environment at work and home. Employees nominate co-workers for their environmental success, and the winner is inducted into the company's Hall of Fame.

Shelly Ford, head people person at the Brick Cos., says the program has generated excitement among employees since the first winner was honored at a staff meeting in early 2009. Winner Brad Vaccarella, customer service associate at the company's Potomac Ridge Golf Course, detailed 27 ways he helped the environment at home, such as installing rain barrels to collect water for landscaping, reducing his energy consumption 17 percent and adding clear plastic over windows to reduce drafts.

Brick employees are committed to helping the organization in its 12x12 Program (reduce energy usage 12 percent by 2012), Ford says. The organization has achieved a 9 percent reduction in energy usage across all of its facilities in just seven months, which averages to more than \$45,000 in savings through January 2009. Ford says the Brick Cos. won't cut its eco-friendly benefits because they are important to the organization. "The payback comes in employee engagement, their commitment to our 12x12 pledge, and the resulting energy cost savings it brings to our company," Ford says.

David Evans and Associates (DEA), an architectural/engineering firm based in Portland, Oregon, with 886 employees across seven states, works to reduce its carbon footprint by 10 percent at each location. Green strategies vary from office to office. In the Portland headquarters, for example, employees get free transit passes as well as an additional \$3 to \$6 a day for using alternative transportation such as carpooling, walking, biking or mass transit for their daily commute. Because of the recession, however, DEA has suspended its commuter cash incentives, but it still provides free transit passes. About 50 percent of its Denver employees use alternative transportation at least three days a week, and 34 percent of its Portland employees do the same.

"Our programs not only give people more flexibility, but they also reduce our carbon footprint, and that's just good business," says Paul Horton, director of sustainability at DEA. "When employees feel good about what they are doing, they feel better about working where they are working."

View a 10 minute video on developing a sustainability strategy at:
<http://odeo.com/episodes/24842262-Build-a-Strategy-for-Sustainability>

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