

## Sustainability in FM - Setting the Scene

Sustainability is an increasingly important issue for many of us, especially in the FM world. Climate change continues to affect our lives as well as the fate of all other species around the planet. According to NASA, it's more than 95% likely that human activity is causing the planet to get warmer.

In 2015, the UN published their 17 Goals to Transform Our World. These Sustainable Development Goals were a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet. They recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection. More important than ever, the goals provide a critical framework for COVID-19 recovery.

These goals have permeated their way through international and government policy and are starting to have a real impact on legislative requirements.

When coupled with the raging fires we see on our screens in Australia, Greece and California, to flooding in Belgium, Germany and China, the very real threat of climate change is becoming evident in our day to day lives.



These changes in both legislative and corporate guidance and in terms of environmental impacts are having a real effect on the workplace and the workforce. The question is who takes responsibility from a corporate perspective to tackle these challenges. Who can lead the way and have a real impact on stopping and reversing the impact of climate change and bringing about a sustainable workplace as part of our wider economy, country and environment?

Many people say that the Covid-19 Crisis gave FM a place at the leadership table, well it's now time that FM cemented their place by taking on the responsibility of workplace sustainability and leading organisations through the built environment challenges that lie ahead.



## What is Sustainability in FM?

With year-on-year growth, the ever-expanding built workplace environment has become the new playground that we live in, work in and play in. Just observe the rate of building development in the quays in Dublin, and the constant movement on cranes on the horizon. This is not unique to Dublin, since the crash of 07 to 09, this has been repeated in cities across the globe as economies have been fuelled by quantitative easing and record low inflationary rates. So how do we now reverse the detrimental impact of this new environment, so that we can stop global warming and the threat of climate change.

Clearly, we need to deal with two issues. Firstly, new developments need to be designed and build in a sustainable manner with a sustainable future, using materials and methods that “do no harm” to the environment. Secondly, we need to look at our current workplace infrastructure, systems and processes and identify ways that we can change how we use and interact with this workplace to eliminate the impact that it has on the environment.

Core to this is understanding the energy & carbon footprint of the built environment and how this is measured. You can manage what you can't measure. There then needs to be clear action plans to reduce and elimination of waste and carbon hungry processes. And finally, there needs to be engagement and communication to drive sustainability change implementation, as people's behaviours have a significant impact on our carbon footprint.

### **Government Targets – FM Industry Threats & Opportunities**

Now is the time for organisations to become part of the solution, to cut down on energy usage, carbon emissions and waste, and contribute to cultivating a sustainable planet. According to the Paris Climate Accord businesses can make a major impact and account for 60% of emissions cuts by 2030.

According to the 2018 BSR/Globescan survey of business leaders in charge of sustainability and corporate social responsibility, on average 79% of respondents said sustainability needs to influence core business activities such as strategy and value creation, however less than 33% of respondents said their businesses are engaging with sustainable strategic planning. This is where government policy comes into play by setting aggressive targets for industry to work to ensure that there is a level playing field from an economic perspective.

The EU aims to be climate-neutral by 2050 – an economy with net-zero greenhouse gas emissions. This objective is at the heart of the European Green Deal and in line with the EU's commitment to global climate action under the Paris Agreement.

In October 2020, the Irish Government published a new climate law, the Climate Action and Low Carbon Development (Amendment) Bill 2020, which committed Ireland to net-zero



carbon emissions by 2050. This framework sets out how Ireland will reduce our greenhouse gas emissions by, on average, at least 7% per annum for the next ten years.

The key features of the Bill are:

- putting our 2050 climate target in law
- carbon budgets including a provision for setting sectoral targets
- annually-revised Climate Action Plan
- strengthened role for Climate Change Advisory Council
- new oversight and accountability by Oireachtas

The Taoiseach, Mícheál Martin TD said:

*"Climate action is a key priority for this government. I welcome the publication of this legislation, which reflects the commitment, ambition and targets set out in the Programme for Government on climate issues. This legislation is truly ground-breaking and will have a transformative impact on our society and economy into the future. Collectively as a people, we must embrace this agenda and work tirelessly to protect and save our planet for future generations to live in."*

But are these measures, too little, too late, and too far down the line?

Crisis situations need emergency interventions if they are to be tackled effectively. 2050 targets place the problem at the next generations door, not ours. Is it all lip service, are organisations writing Corporate Social Responsibility Policies as part of their PR and brand agenda with no real intent on changing their operating model, unless there is a perceived sales benefit?

#### What are the benefits of sustainability?

"Reduction in energy consumption, productivity increases, waste reduction, and many other beneficial effects of sustainability can be quantified and presented to an organisation's leadership in order to defend sustainable practices and their positive effect on the bottom line" (Hodges, C.P., 2005). And this is only half the benefit, since 2005 employees have become extremely connected and concerned with their corporate identity and now often decide on their career paths based on the core values and policies of their employers. Based on the *Stanford Social Innovation Review* in 2016, by Encouraging employees to speak up and share their thoughts about how your business can become more sustainable leads to both sustainability and profitability, and can improve "employee retention, productivity, and overall engagement" (Polman, P., & Bhattacharya, C.B., 2016)

Clearly, the benefits of employee engagement are only relevant to those firms that place a value on their employees, that see their employees as valuable assets that deliver customer focused solutions. So does this work in the FM industry where average salaries are on the low end of the employment spectrum, margins are tight, and investment in people is limited.

## Eight Ways to Engage Employees in the Company's Sustainability Journey

- Define the company's long-term purpose
- Spell out the economic case for sustainability
- Create sustainability knowledge and competence
- Make every employee a sustainability champion
- Cocreate sustainable practices with employees
- Encourage healthy competition among employees
- Make sustainability visible inside and outside the company
- Showcase higher purpose by creating transformational change

Organisations must now take a long-term view of most sustainable practices and carefully evaluate sustainable alternatives to traditional methodologies.

Brand Image, Corporate Social Responsibility, Once the life-cycle investments, total cost of ownership and HR/investor retention must be considered, so that an organisation can develop a much clearer picture of the costs and benefits of sustainable practices.

### Starting with a Plan

How do Facilities Management teams incorporate sustainability into their day to day normal routines? The key is to start with a plan.

Every organisation is now setting out strategic objectives around sustainability. These need to be translated into policies, procedures and practices if there are to be implemented into real and tangible actions. One potential roadmap to implementation is through the adoption of S.I. No. 426/2014 - European Union (Energy Efficiency) Regulations or for bigger organisations ISO 50001.

ISO 50001 is an International Energy Management System (EnMS) standard. Originally published in 2011, it was the first global Energy Management system standard based upon a range of regional and national standards. ISO 50001 provides organisations with a single, harmonised standard with a logical and consistent methodology for identifying and

implementing improvements in energy performance. ISO 50001 has been designed for implementation by any organisation irrespective of size, sector or geographical location.

It focuses on continual improvement in energy performance with significant emphasis on the involvement of leadership and employees.

It's benefits of implementation of an effective EnMS help to drive energy improvements across the organisation.

Benefits include:

- Helping organisations to make better use of energy-consuming assets
- Greater transparency and communication about management of energy resources
- Promoting energy management best practice
- Making it easier for facilities to evaluate and prioritise the implementation of energy-efficient technologies
- Providing a framework for energy efficiency throughout the supply chain
- Reduced Green House Gas emissions.



The challenge now is to integrate sustainability within Facilities Management as the natural owner of the sustainability deliverable within the organisation. This will take leadership and commitment from the FM industry, and a robust review of outsourced contracts and investment in change. Will the FM industry be found wanting?

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## **Appendix**

Hodges, C.P., 2005. A facility manager's approach to sustainability. *Journal of facilities management*.

Polman, P., & Bhattacharya, C.B., 2016. Engaging Employees to Create a Sustainable Business, Stanford Social Innovation Review (Fall 2016)