

GREEN IT SAVES THE ECONOMY

An Overview of How Green IT Can Help You Survive the Economy

By Mark Blanke

EXECUTIVE SUMMARY

Saving money is paramount to companies' survival in a down economy! The economic down turn has lowered companies' revenues more than any other time in past years. This has left business leaders with no choice but to reduce costs in an effort to counteract the reduction in revenues while still maintaining profitability. Although companies *can* reduce costs to improve the bottom line, some methods of doing so can have a negative effect on the economy, while others not only reduce companies' costs but also can avoid contributing to or extending the recessed economy.

THE PROBLEM

In an effort to save money and survive this recession, companies have stopped projects, reduced their workforce, and curtailed business functions. Many of these cost-cutting exercises have just transferred the economic issue to someone else with the net affect of weakening the overall economy.

Since laid off employees no longer have an income, they stop spending and, therefore, reduce their contribution to the economy; they buy less, stop paying taxes and start accepting subsidies for sustenance. During a strong economy, enough people are working and contributing to unemployment to counteract this problem. But, when the economy is recessing, as it is now, reducing the workforce only contributes to extending the recession.

Most companies' cost cutting exercises contribute to extending the recession

The same applies to discontinuing projects or delaying purchases. Again, while this may help reduce companies' bottom lines and potentially minimize losses and maintain profitability, it defers the problem to someone else. The companies, from which services or products would have been purchased to sustain these projects, now have declined sales. The net

result is that those companies providing the services or products will be in a position to either lay off workers, thus extending the recession as described earlier, or reduce manufacturing, cascading the problem downstream to other companies from which they would have purchased products or services.

THE SOLUTION

The good news is that there are many ways to reduce costs that do not contribute to extending the recession. Reducing energy consumption and Green IT are just two examples of positive ways to affect companies' bottom lines without contributing to or extending the recessed economy.

Unlike stopping the purchase of products from vendors or reducing your workforce, the reduction of power consumption does not have a negative downstream effect. Although reducing power consumption directly reduces the amount of money spent on power, the utility companies will not reduce their workforce in a direct relationship to the reduction. Why? Most utility companies are struggling to meet demand, and the power grid has been stretched beyond its optimum design for many years. So a reduction in power consumption, especially by businesses, is a blessing in disguise. As simple as it may seem, reducing the use of electricity can save millions of dollars per year and help the bottom-line without hurting the overall economy. It also helps lessen the use of natural resources, many of which are not renewable. It reduces the dependency on foreign oil and the costs and risks associated, such as redirected funds that are currently contributing to the declined economy in the United States.

Unfortunately it is not always so simple to understand how to reduce energy consumption and be effective as a company to reduce utility bills. The principles of Green IT and a clear strategy and approach can help make a significant impact that is sustainable.

Briefly defined, Green IT is the practice of applying strategic and tactical initiatives to pursue maximum efficiency of an Organization's application of Information Technology to limit consumption and

minimize the impact to the environment. Green IT is not just focused on the reduction of power consumption, although that is where most organizations focus their attention.

Recycling is just one great example of how changing the way companies do things can have a positive impact on the economy and environment without affecting companies' bottom lines. In most cases, it costs companies the same amount of money to dispose of something verses recycling. An added bonus is that, at times, companies can even earn

money for the items they recycle. As an example of this principal, let's look at what happens when companies do not recycle their computers. The computers wind up in a dump, where they sit in a landfill forever and contribute to chemical pollution because of some of the byproducts that reside within computer circuit boards and plastics. Additionally, companies typically pay the garbage company in units of volume. Since computers generally take up a lot of volume, the cost for companies to dispose of them can be significant. Now let's look at what happens when a company does recycle. Computer-recycling specialists will often take away companies' old computers for free and, in some cases, even pay for them. These computer-recycling specialists strip down, crush and separate the computer components into their separate materials, such as plastics, different types of metal, etc. Each of these materials has an intrinsic value, can be sold to manufacturers and is reused to build new products. This residual value contributes to the economy and the materials that are reused protect the environment from additional mining or drilling. Recycling is a positive business activity that helps uphold a company's value and is another way to help fend off a declining economic situation.

Identify those areas that have a significant reduction in operational cost areas that:

- 1) do not devalue companies and*
- 2) minimize the impact to the greater economy.*

IN SUMMARY

Reducing energy consumption and recycling are just a couple of the methods to reduce costs, save money, and improve your bottom line, while not contributing to the recession. There are many other ways to reduce waste that can save and divert money to causes that impact the economy and environment less. Just remember, it is not often when you have the opportunity to do the right thing and have it generate the return to the organization as Green IT does. You get to help protect the environment by saving money! It takes discipline and an organized approach to achieve the benefits of reducing waste. OwlPoint, working collaboratively with you, can help you find a clear vision and strategy that will save your business, the economy, and our Earth.

ABOUT THE AUTHOR

Mark S. Blanke is Managing Principal of OwlPoint, LLC. Mark has over 20 years of IT, consulting, and executive experience. Mark is a passionate leader who is thrilled with helping organizations change and exceed expectations. Mark has a proven track record of providing consulting services to various Global 1000 clients and has extensive experience in providing executive leadership, crafting IT strategic plans, developing IT operations methodologies, planning IT security strategies, project managing large-scale IT projects, and developing technology-based business solutions.

Mark specializes in architecting IT Service Management (ITSM) solutions based on the IT Infrastructure Library (ITIL) best practice framework and was a contributing author to the book *Curing the Patch Management Headache*.

Mark has earned the ITIL and SQMF (ISO 2000) Foundation Certificates and holds a Master of Science degree in Telecommunication Management from Steven Institute of Technology as well as a Bachelors of Science in Computer and Information Sciences from Temple University.

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