



ICT, SUCCESS AND SUSTAINABILITY

USING ICT TO DRIVE YOUR SUSTAINABILITY STRATEGY

## HOW TO SECURE A LONG-TERM FUTURE

Any leading Australian organisation determined to have a long-term, successful future should be focused on improving sustainability. Organisations should recognise that it is now time to take responsible action and provide solutions that improve three key things: operational resilience, commercial sustainability and environmental sustainability.

No organisation, however, would be interested in introducing sustainable solutions without being able to quantify the environmental, commercial and social benefits.

Discover more about the environmental sustainability strategies and the quantification of commercial and sustainability benefits that can be generated with driving a network-centric information and communication technology (ICT) strategy. There are easy, expedient and cost-effective ways for organisations to reduce energy use and greenhouse gases by adopting ICT solutions, including Telstra next generation networks and existing ICT technologies.

Importantly, Telstra can help you quantify the commercial, environmental and societal benefits which can potentially be realised using ICT as a driver of sustainability strategies through its Return on Investment (RoI) tools.

## SUSTAINABILITY IS A BOTTOM LINE NECESSITY

In the current macro-economic environment it is clear that corporations need to be resilient in managing risk and maintaining a secure operating environment. In addition, they need to ensure business continuity in case of operational failure caused by exogenous factors and still meet commercial commitments to deliver profitable returns. And, now more than ever, corporations need to consider environmental sustainability and the actions needed to reduce greenhouse gas emissions – all while achieving sustainable commercial outcomes that will satisfy customer, community, employee and shareholder expectations.

With the onset of government policy, carbon pricing increasing energy costs and the imperative of maintaining market relevance, credibility and competitiveness, large organisations need to deliver a successful sustainability strategy that visibly contributes to the bottom line. And they are starting to see sustainability as a critical element of their strategic direction, a way of engaging and retaining their employees, and a platform for enhanced shareholder value.

The Carbon Pollution Reduction Scheme (CPRS), proposed to come into effect nationally in 2010, which will place a price on greenhouse gas emissions and ceilings on the amount of emissions that can be emitted by industry sectors, is an important development for Telstra's enterprise and government customers.

## BENEFITS OF A SUCCESSFUL SUSTAINABILITY STRATEGY

With the pressure to be environmentally, commercially and socially responsible while remaining competitive, organisations are looking for solutions that enable them to develop a winning sustainability strategy which helps deliver, rather than compromises, their efficiency and productivity imperatives.

*What if pursuing an energy-saving agenda offered opportunities to fuel growth? What if adopting sustainable initiatives extended beyond reducing an organisation's environmental footprint?*

Well, it's already happening. Cost savings and productivity gains are real, measurable benefits of improved practices. Productivity is generating more from your resources, naturally aligned with sustainability and intrinsic to the use of ICT solutions. Shifting from a product-oriented model to one based on services and flow also offers sustainability and productivity gains for organisations. Extracting more from existing assets rather than multiplying them; centralising; reducing the proliferation of hardware waste – are all achieved through the use of a shared technology platform.

Organisations whose sustainability practices proactively focus on maximising the efficiency, and therefore productivity of their assets will be in a position to satisfy customer needs, increase profits and contribute to the reduction of their environmental footprint – all at the same time.

*The Sustainability Outlook 2009 Report<sup>1</sup>* by UBS Investment Research published the one most frequently asked question from clients: Will the ensuing economic downturn undermine environmental concerns in general and climate change 'reactions' in particular? The answer was unequivocal – sustainability will become more mainstream, the world in the next 15 years will need to structure its growth differently from the last 20 years, and sustainability is becoming increasingly relevant to society, governments, firms, and therefore also shareholders.



## A TRULY QUANTIFIABLE SOLUTION

WWF<sup>2</sup> in 2008 evaluated the role of ICT in meeting the challenge of climate change, and concluded that if ICT was widely used it could help deliver two to seven billion tonnes of greenhouse gas emission reductions annually, simply by scaling up proven, profitable solutions.

Telstra can assist enterprise and government customers to understand, assess and realise productivity improvements that could also provide environmental, commercial and employee benefits through network-centric ICT, all while providing peace of mind as a reliable partner.

ICT can offer easy, expedient and cost-effective ways to reduce energy use and contribute to a low-carbon economy, thereby helping to deliver the necessary large-scale energy conservation needed without compromising ongoing productivity.

The benefits can now be quantified for organisations adopting a number of different ICT solutions in the pursuit of their environmental sustainability strategy.

Sophisticated return on investment (RoI) tools can estimate the potential benefits unique to any organisation of using ICT solutions, in terms of reduced environmental footprint, operating costs, increasing employee productivity and improved energy efficiency.

In Telstra's view, organisations can help make the transition towards greater sustainability by adopting one of four key solutions, comprising our next generation networks and existing ICT technologies.



FOUR PRACTICAL, MEASURABLE AND EFFECTIVE NETWORK-CENTRIC ICT SOLUTIONS

The *Towards a High-Bandwidth, Low-Carbon Future* report<sup>3</sup> concluded that if one third of Australian business travellers replaced just one trip with video conferencing, the avoided cost of air travel would be \$2.2 billion each year, with 960 million litres of aviation fuel also being saved.

## VIDEO CONFERENCING

Australia's geographically dispersed business networks require considerable interaction between remote teams, largely by means of long-distance or short-duration air travel – travel that is both energy intensive and time inefficient.

An alternative to business travel is video conferencing which, by incorporating audio, video and computing, allows employees in different locations to interact face to face, in real time during secure transmissions. Solutions can range from the webcam located on a desktop personal computer to high-definition video conferencing rooms ideal for smaller meetings or telepresence set-ups better suited to larger groups.

In addition to improving employee productivity, substituting just some business travel for video conferencing could help reduce an organisation's operating costs and greenhouse gas emissions, increase its agility and speed to market and generate strong returns.

## TELEWORKING

Teleworking (also known as telecommuting or flexi-working) enables employees to split their working time between the office and another working location. It is fast becoming a norm for Australia's increasingly mobile workforces.

Improved employee flexibility, the ability to access information on the go and productivity gains are just some key benefits, with global studies showing both employees and employers as beneficiaries of off-site connectivity through ICT.

Utilising teleworking-enabled workforces, organisations are beginning to realise savings on typically burgeoning property-related costs, including reduced office space requirements and associated electricity costs.

*The Towards a High-Bandwidth, Low-Carbon Future report<sup>4</sup> concluded that teleworking could reduce office space demands by 15 per cent, which has significant potential for energy savings in commercial workplaces.*

## WEB CONTACT CENTRES

The web contact centre – a secure, virtual contact centre hosted by a telecommunications provider – is an alternative to the traditional centralised model. This low overhead business model relies on a personal computer, phone line and suitable internet access to enable employees to work remotely and flexibly.

Web contact centres enable organisations to develop flexible contact centres suited to the underlying demand, without the cost and lag of developing new physical facilities or ongoing service management, resulting in reduced initial capital outlay and lower ongoing operating costs.

Web contact centres:

- are able to be quickly deployed
- help avoid the need to purchase or manage on-site equipment and infrastructure
- are provisioned on a cost-effective usage-based model.

Network hosting offers built-in business continuity capabilities; secure, carrier-grade infrastructure; and customer interaction via voice, email, web chat and fax – a set-up that minimises the need for systems integration.

And by enabling access to previously untapped workforce segments, such as the semi-retired, the mobility-restricted and parents with young families, web contact centres may also assist employers to efficiently manage peaks and troughs in demand.

## FLEET AND FIELD FORCE MANAGEMENT

Fleet and field force management enables organisations to:

- automate, streamline and mobilise field processes while optimising resource allocation
- use customised and integrated tools for travel to be undertaken more efficiently
- improve data communication within their field force.

Leading technology combining GPS, GSM and wireless business capabilities can dramatically increase workforce productivity and performance.

Benefits include:

- efficiency gains and competitive differentiation by eliminating manual and paper-based processes
- giving the field force more visibility of customer, product and pricing data to achieve greater responsiveness
- an enhanced focus on activities that drive real revenue outcomes.

Additional benefits of on-demand, real-time visibility include near real-time communication with employees and reduced downtime, fewer service interruptions, improved customer satisfaction, as well as reduced fuel consumption and vehicle maintenance with its associated environmental advantages. And, with enterprise mobility solutions, organisations are able to maximise their investments in existing enterprise applications by extending them to the mobile workforce.



There is growing evidence that organisations delivering better-than-average societal and environmental outcomes can produce better financial results<sup>5</sup>

A 2008 international KPMG survey<sup>6</sup> of corporate responsibility reporting found that 48 per cent of G250 companies saw new business opportunities associated with addressing climate change-related risk.

## CALCULATING RETURN ON INVESTMENT

Our RoI tools can apply inputs and assumptions relevant to your organisation to produce a report setting out the indicative net present value cost savings that your organisation might have the potential to unlock, and the potential environmental and societal benefits your organisation might realise with the use of one of our network-centric ICT solutions.

The types of savings and additional benefits outlined in the table below are examples of some of the savings and benefits that organisations could realise by implementing a network-centric ICT solution from Telstra. The actual savings and benefits your organisation could realise will depend on your organisation.

## A CASE OF NOW

As the issue of climate change becomes an increasing focus of government, and public and industry concern, savvy organisations are recognising the imperative of having an effective sustainability strategy.

Impending regulatory requirement for organisations to measure and report on their greenhouse gas emissions, combined with corporate social responsibility expectations and current global economic pressures, pose an immediate challenge for many Australian organisations. Fulfilling these responsibilities while remaining operationally strong and competitive is top of mind for senior executives.

Taking mitigating action by investing in technologies that could help reduce carbon footprints, such as network-centric ICT, will be central to achieving real, quantifiable sustainability and productivity inroads. Telstra's next generation networks and existing ICT technologies, with demonstrable return on investment, can easily be built into the environmental sustainability strategy of our customers in the enterprise and government market – and act as a competitive enabler for continued growth in the new low-carbon economy.

	Quantifiable savings	Additional benefits	Costs
Video Conferencing	<ul style="list-style-type: none"> <li>• Reduced travel and accommodation costs</li> <li>• Reduced fuel costs</li> <li>• Carbon-pricing costs</li> </ul>	<ul style="list-style-type: none"> <li>• Higher employee engagement and retention</li> <li>• Productivity gains through valuable time savings</li> <li>• More immediate decision-making</li> </ul>	<ul style="list-style-type: none"> <li>• Video equipment</li> <li>• Room refurbishment</li> <li>• Data transmission</li> <li>• Equipment maintenance</li> <li>• Electricity costs</li> </ul>
Teleworking	<ul style="list-style-type: none"> <li>• Reduced office footprint</li> <li>• Reduced energy usage and carbon-pricing costs</li> </ul>	<ul style="list-style-type: none"> <li>• Higher employee engagement, retention and productivity</li> <li>• Opportunities to take advantage of broader talent pool</li> </ul>	<ul style="list-style-type: none"> <li>• Cost of employee remote working equipment</li> <li>• Ongoing communication costs</li> </ul>
Web Contact Centres	<ul style="list-style-type: none"> <li>• Reduced office footprint</li> <li>• Reduced infrastructure, energy usage and carbon pricing costs</li> <li>• Increased productivity</li> </ul>	<ul style="list-style-type: none"> <li>• Higher employee engagement and retention</li> <li>• Strong security and protection of company information</li> <li>• Potential to grow or contract with market demands</li> <li>• Access to non-traditional employees</li> </ul>	<ul style="list-style-type: none"> <li>• Cost of employee remote working equipment</li> <li>• Ongoing communication costs</li> </ul>
Fleet and Field Force Management	<ul style="list-style-type: none"> <li>• Reduced fuel consumption</li> <li>• Less distance between jobs</li> <li>• Less re-entering of job data</li> <li>• Greater productivity</li> </ul>	<ul style="list-style-type: none"> <li>• Greater customer satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Vehicle and/or workforce equipment fit-out</li> <li>• Ongoing communication costs</li> </ul>

## ABOUT TELSTRA

Telstra is a leading provider of network-centric communication and managed services to large enterprise and government organisations in Australia and around the globe. Telstra serves more than half of the world's top 500 companies through its international operations that facilitate access to over 240 countries and territories.

Telstra offers superior value for money through its range of award-winning, world-class products and services that are underpinned by the next generation Telstra Next IP™ network and Next G™ network – fully owned and managed based on the stringent quality standards of Australia's largest network manager. Telstra's solutions are developed and tested in close cooperation with partners such as Cisco, Microsoft, Ericsson and Alcatel, and designed and deployed for customers by Australia's largest and most qualified professional network services organisation.

Telstra's service to enterprise and government customers is internationally recognised for its high quality, including full International Customer Service Standard (ICSS) certification, backed by Telstra's customer service commitments, and delivered by Australia's largest and most qualified field and technical workforce with a culture of continuous improvement.

Telstra is a financially strong and reliable partner for large enterprise and government organisations that cannot afford downtime and use ICT solutions to improve productivity and drive growth in a sustainable way.

In the quest to reduce its own greenhouse gas emissions, Telstra has taken a leading position in Australia by demonstrating that corporate energy efficiency targets can be achieved. Telstra's own Communications Technicians Vehicle fleet (one of the largest in Australia) has been enabled with field force management solutions to help reduce carbon output, and has contributed to a 20 per cent improvement in productivity and fuel savings of around eight per cent.

Another of Telstra's business units – Network Construction – was the first group to estimate and compile a greenhouse gas (GHG) inventory. Also, Telstra has developed the first of a number of Lifecycle Assessment (LCA) models to quantitatively determine the carbon footprint of Telstra products in the infrastructure of our enterprise and government customers which involves working with Telstra's suppliers as well. These LCAs have also been applied to Telstra's own online billing and teleworking products. Externally, the Dow Jones Sustainability Index rates Telstra's performance against the world's top 40 telecommunication companies in energy efficiency at 82 per cent<sup>7</sup>.

This is more than double the average score for this dimension of environmental performance. Telstra is also a leader on the Carbon Disclosure Project's Climate Leaders Index and has submitted publicly-available responses continually since 2003. In 2008, Telstra was a Key Steering Committee member of CEO Climate Policy Recommendations to G8 Leaders.

**FOR DETAILED EXPLORATION OF HOW TELSTRA'S RoI TOOLS CAN DRIVE YOUR SUSTAINABILITY STRATEGY, VISIT: [TELSTRA.COM/ENTERPRISE/SUSTAINABILITY](http://TELSTRA.COM/ENTERPRISE/SUSTAINABILITY)**

**TO FIND OUT MORE, CONTACT YOUR TELSTRA ACCOUNT EXECUTIVE OR CALL 1300TELSTRA (1300 835 787)**

<sup>^</sup>Telstra's RoI tools provide information about the possible benefits of adopting Telstra's ICT solutions and are based on a number of assumptions. These assumptions may not be correct for your business and the potential benefits outlined in each report will be indicative only. 1. UBS Investment Research (December 2008). SRI & Sustainability Outlook 2009. Julie Hudson & Shirley Morgan-Knott 2. WWF (2008) 'From Fossil to Future with Innovative ICT Solutions: Increased CO<sub>2</sub> Emissions from ICT needed to save the climate' 3 & 4. Climate Risk. (2007). Towards a High-Bandwidth, Low-Carbon Future: Telecommunications-based Opportunities to Reduce Greenhouse Gas Emissions. Commissioned by Telstra. 5. AMP Capital Investors (2006). SRI managers continue to beat the benchmark. SRI research update, June 2006, 2-3. 6. KPMG. (2008). International Survey of Corporate Responsibility Reporting 2008. 7. [telstra.com.au/abouttelstra/csr/docs/report\\_telstra-benchmark-report-2008.pdf](http://telstra.com.au/abouttelstra/csr/docs/report_telstra-benchmark-report-2008.pdf)