

Chapter 14

Non-financial considerations

OBJECTIVES

- Understand the written and unwritten “rules of the game” at the host company.
- Develop non-financial arguments for energy efficiency investments relevant to the host company.

OVERVIEW

Each company has a different set of policies, personalities and decision-making processes. Some of these are formalized and in writing, others are cultural and unwritten. The more these elements are understood, the higher the likelihood a successful case for energy efficiency investments can be made. Unwritten company policies and processes can usually be learned through careful observation during meetings as well as by having candid conversations with trusted contacts.

There are a number of powerful arguments for making improvements to office space that have nothing to do with finance. It is frequently noted by people in the field that “no one asks for the payback period of carpet.” Non-financial arguments must connect with the host company’s goals and values and appeal to the emotions of the decision maker. Some of these arguments may include:

- Higher quality office environment (better lighting, air quality).
- Higher worker productivity and morale.
- Reduced absenteeism.
- Easier to recruit and retain skilled labor.
- Meeting or anticipating regulatory requirements.
- Adopting industry best practices.
- Public relations.
- Demonstration of leadership on environmental stewardship.

Even with an airtight business case, energy efficiency investments may not take place. In Chapter 4, several barriers to investments were discussed. One needs to address the organizational issues of scarce resources, language barriers, coordination challenges, and accountability.

In essence, who are the people responsible for the actual work and do they have the motivation and resources to accomplish it?



INFORMATION GATHERING GUIDE

- What are the host company's general corporate goals?
- How is the host company run? Is the company an autocracy, bureaucracy, or technocracy?
- What behaviors does the host company value?
- Obtain a copy of the organizational chart—understand who is responsible for what.
- For each type of investment:
 - ✓ Who needs to approve it?
 - ✓ Who can say no?
 - ✓ Who benefits?
 - ✓ Who is responsible for implementation?
 - ✓ What motivates this person?
- What is the process for getting new investments approved?
- Talk to other people in the office who were successful in getting things approved.
- Are there upcoming meetings where energy efficiency issues can be brought up and discussed?
- Are employees satisfied with current lighting and office temperature maintenance?
- What energy efficiency investments have industry peers made?
- Has anyone at the host company championed energy efficiency initiatives recently?
- Of those who have demonstrated interest in energy efficiency, who is in a leadership position in the host company?
- How might energy efficiency investments help meet other corporate goals?