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CEO Spotlight



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Green-IT: Next wave of technology spends?

One can foresee that the next wave of investments in technology will be driven by green technology, with the outsourcing service industry being one of the few to have taken concrete step of adopting Green-IT

Green is no longer a trend but a social and business imperative for corporate entities world over. This has been clearly highlighted by the importance being given to the Copenhagen summit which is currently underway. Apart from participation and an abiding interest in the summit, various governments and enterprises have started taking action oriented measures such as becoming carbon neutral, carbon foot printing etc. Outsourcing has not been an exception, especially with commitments such as those the UK government has made to ensure its IT operations are carbon neutral by 2013. For IT, special guidelines are being followed to keep in mind environment sustainability.

Technology outsourcing is poised to become greempetent (green competent), as revealed by a recent survey. It is expected that by 2009-10, almost all companies that outsource will introduce green clauses to outsourcing contracts. This will necessitate the outsourcing industry to embrace the concept of Green-IT that works on the following principles – increasing energy efficiency, water conservation, recycling/disposal of e-waste, controlling heat and greenhouse/hazardous gas emissions.

The outsourcing industry, in its endeavor to become environmentally responsible, has begun incorporating tangible and quantifiable measures in every sphere of operations and strategic objective. This is exhibited by the latest outsourcing contract that Unisys has signed on where the company will provide a range of IT management services to Unilever by introducing green IT initiatives to support Unilever's carbon emission plans. Outsourcing vendors such as Accenture, CSC, Capgemini, IBM, Oracle, HCL and Wipro are some of the names that have made their mark in the Green-IT initiative.

However, the undertaking of these green initiatives maturing into a sustainable and long term perspective depend in large part on the outcome of the Copenhagen summit. Instead of being a collaborative effort, if the summit is fueled by vested political motives and results in being only a formal treaty, the impetus for this summit will be lost as being a guiding force for governments and corporates to embark upon implementing Green IT changes. Having an equitable responsibility across the stakeholders is key to making initiatives such as Green-IT sustainable and secure.

Outsourcing vendors have invested substantially in going green themselves, and are helping companies across the world in achieving their green objectives. This investment can prove fruitful, profitable and justifiable only if the Copenhagen summit shapes up in a concrete manner. Conversely, companies may give less priority to green initiatives, merely leaving it as a part of their corporate social responsibility. On the flip side, even with consensus and an agreement among world leaders, the success of it would depend on global compliance.

One can foresee that the next wave of investments in technology will be driven by green technology, with the outsourcing service industry being one of the few to have taken concrete step of adopting Green-IT.

However, the Copenhagen Summit will remain the fulcrum for these initiatives to convert into persistent delivery and motivate investors in encouraging this evolution to progress.

If you have any questions or comments about this article please contact at avi@tholons.com