

The Green Rush: how technology investment is key to combating climate change

The pandemic has brought renewed focus on the topic of sustainability. While the COVID-19 lockdowns resulted in a steep dip in greenhouse gas emissions, 2020 was still considered the worst year for climate-related disasters, with record-breaking temperatures around the globe, months of disastrous wildfires that engulfed most of California and Australia, and a record hurricane season in the Caribbean,

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Despite renewed commitments made around sustainability, as seen, for example, at the G7 summit in Cornwall, and substantial global investments made in renewable energy, recycling, public transport and electric vehicles throughout the years, little material progress seems to have been made in averting climate catastrophe.

For businesses, there is a dual implication for this conversation. Recent research by Cognizant's Center for the Future of Work has shown that while some environmental efforts amount to little more than "greenwashing," other businesses clearly see the financial incentives of genuinely participating in the transition to entirely new ways of generating power. Harnessing change has always been a root source of wealth creation. With an existential need for innovation, a new phase of wealth creation now stands before us: "The Green Rush".

Technology will drive change

This new movement will be rampant with technology adoption, with spending on everything from Internet of Things (IoT), to artificial intelligent (AI), smart-grid technologies, big data/analytics and blockchain. This is shown by the fact that 77% of business leaders cited IoT as very important to meeting their sustainability goals, with 72% also believing that smart grids and AI will be key to combating climate change.

A core driver of this investment is companies wanting to gather more effective data on how their existing sustainability initiatives are working. For example, 63% of business leaders already use eco-friendly lighting, and 57% use renewable energy. Through the use of new AI and analytics platforms, they can get more visibility of how these schemes are performing, and make adjustments if needed. These investments in new technology will form a key component of business strategy over the next decade, which will see businesses investing \$3.4T into renewable energy by 2030.

Change is coming, but more clarity is needed

However, not all businesses have started to make these changes. For example, only one-third of business leaders in the US are planning to increase sustainability budgets compared to nearly half in Europe. There are other motivations at play too, with 70% of business leaders viewing sustainability as an investment to help their sales, and 71% seeing it as a way to enhance their brand reputation. Meanwhile, 62% said they are investing in sustainable measures in response to new regulations from governments.

Although it is clear that businesses are moving in the direction of deploying technology to help their sustainability efforts, there are still some barriers that need to be overcome. For example, three-quarters of

senior leaders are still unsure about the return on investment from sustainability initiatives, and 69% also feel that there is a lack of clarity from their C-suite. However, this is likely to change as leadership teams redefine their sustainability strategies and technology emerges that can more accurately show how these schemes can benefit a company.

Business leaders have reached a point where they must accept that they can no longer sit idle. To further protect our planet and our future, technologists, designers, business leaders, activists and all other stakeholders must unite with the absolute interest of the welfare of our planet at the core. The overall effect will create this 'Green Rush' - a concerted global effort to develop solutions to the long-term damage that has already been done to our environment.

Technological advancements such as AI, IoT and smart grid technologies will play an integral role in making businesses more environmentally friendly but shifting mindsets and behaviours will be just as important. And key to this will be the realisation among forward-thinking decision makers that green business is *good* business, both communally and commercially.

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