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The Race To Decarbonization: A Spotlight On College And University Campuses

Results From The November 2021 Thought Leadership Paper, "The Race To Decarbonization"

Executive Summary

Many colleges and universities are starting to understand that making sustainability an institutional priority can be a competitive differentiator. Campus stakeholders are prioritizing a range of sustainability initiatives to reduce their institutions' environmental impacts and greenhouse gas emissions, and they're addressing student sustainability expectations. Campus sustainability initiatives often initially focus on reducing energy and carbon emissions, but then extend to include topics such as campus waste, food, and water usage.

Forrester Consulting conducted a thought leadership study commissioned by and developed in collaboration with Johnson Controls to evaluate the progress that sustainability-focused organizations have made in pursuing their goals.

To explore this topic, Forrester conducted a series of interviews and fielded an online survey with 2,348 global sustainability strategy leaders in late 2021. Respondents represented organizations in 25 countries and across 19 industries. Forrester then created a maturity model based on levels of people, process, and technology investments to uncover best practices and benefits that sustainability leaders realize.

For this spotlight, Forrester focused on a subset of 105 global sustainability strategy leaders at colleges and universities with plans to continue offering in-person learning during the next two years.

We found that the institutional benefits of investing in sustainability are immense. At the same time, because scaled sustainability is a relatively new concept, most college campuses have room to grow in navigating the complexities of measuring and reporting on their progress.

Key Findings

Investing in sustainability is now a critical differentiator. Respondents ranked sustainability as a top institutional priority today, and it's the priority that has grown the most in importance during the past two years. The expectations of students is the most impactful driver leading colleges and universities to prioritize sustainability.

Sustainable transformation leads to institutional benefits. Decision-makers reported benefits across the institution as a result of undertaking a sustainable transformation. Respondents reported that top benefits included improved brand reputation, improved regulatory compliance, and reduced waste.

Prioritizing sustainability requires strategic commitment. Sustainability has become a greater focus for colleges and universities, and that has come with lofty goals for reducing carbon emissions. Most campus leaders still struggle with measurement and complexity. Failing to improve on these reporting goals threatens to derail their efforts.

Investing In Sustainability Is Now A Critical Differentiator

Campus decision-makers are starting to understand that making sustainability an institutional priority is not just a compliance requirement — it's a competitive differentiator. In surveying 105 leaders involved with college and university campuses, we found that:

- **Sustainability is a top institutional priority today.** Implementing or maturing sustainability practices ranked as the top near-term priority, ahead of improving both profitability and student experience. It's also the priority that has grown the most in importance during the past two years (see Figure 1).

- **Student expectations are driving the priority on sustainability.** Attracting students who make enrolling decisions based on sustainable corporate values (70%) and integrating sustainable value propositions into the corporate brand (64%) are the top drivers behind the sustainability priority. Comparatively, just 33% of respondents indicated addressing industry or government regulatory requirements is a driver for them to implement or mature their sustainability practices.

2x

Campus decision-makers are twice as likely to indicate attracting students who make enrolling decisions based on sustainable corporate values is driving them to prioritize sustainability compared to just addressing regulatory requirements.

"We [previously] had a climate goal for greenhouse gas emissions reductions of 80% by 2050. We just changed that to carbon neutrality by 2050. What helped us make that decision [was that] we are in the final stages of our energy master plan, and we laid out a roadmap for all the things we have to do."

Vice chancellor of sustainability, university, US

Figure 1

"What are your company's top business priorities in the next 12 months?"

(Rank from 1 to 5, with 1 being most important.)

CURRENT RANK

RANK INCREASE IN THE LAST 2 YEARS

1 **84%** - Implement/mature our sustainability initiatives — **1**

2 **78%** - Improve profitability — **5**

3 **68%** - Improve student experience — **2**

4 **62%** - Accelerate our digital transformation initiatives — **3**

5 **60%** - Improve employee experience — **4**

Base: 105 global campus sustainability decision-makers at colleges and universities that prioritize sustainability
Note: Showing top 5 responses.
Source: A commissioned study conducted by Forrester Consulting, commissioned by and developed in collaboration with Johnson Controls, September 2021

Sustainable Transformation Leads To Institutional Benefits

Undertaking a successful sustainable transformation drives competitive advantage and benefits for all stakeholders. While many campuses are in the midst of a sustainable transformation, respondents have realized or expect to realize benefits across many areas of their business.

The top reported benefits were improved brand reputation (83%), improved regulatory compliance (82%), reduced waste (81%), and improved efficiency (80%) (see Figure 2).

Figure 2

"Which of the following benefits have you already realized, or do you expect to realize, from pursuing your sustainability goals?"

Improved brand reputation

83%

Improved regulatory compliance

82%

Reduced waste

81%

Improved efficiency

80%

Base: 105 global campus sustainability decision-makers at colleges and universities that prioritize sustainability
Note: Showing "This is a benefit we expect to realize" and "This is a benefit we have already realized" responses combined; showing top 4 responses.
Source: A commissioned study conducted by Forrester Consulting, commissioned by and developed in collaboration with Johnson Controls, September 2021

More than eight out of 10 campus decision-makers reported **improved brand reputation** (83%), **regulatory compliance** (82%), and **reduced waste** (81%) as a result of sustainable transformation initiatives.
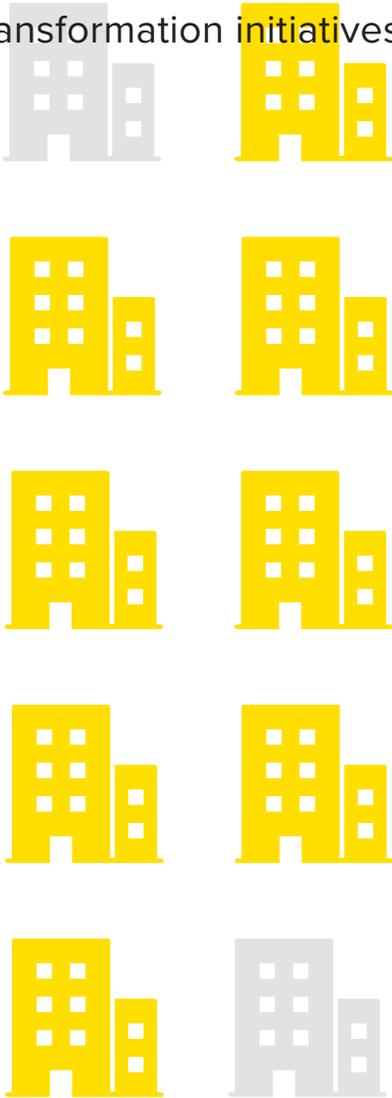
Prioritizing Sustainability Requires Strategic Commitment

While sustainability initiatives have grown in importance for college and university campuses, so too has the importance of executing upon sustainability goals. Campus decision-makers reported facing many challenges that threatened to derail their efforts:

- **Campuses are setting lofty sustainability goals.** More than one-quarter of respondents (27%) indicated they plan to reduce energy consumption across their portfolio of buildings by at least 50%, while 20% have set the same goal across the entire institution (see Figure 3). What's more, the average reported target date for meeting these sustainability goals is 2023, a full year sooner than the average across all surveyed industries.

- **Most struggle with measurement.** Just 11% of campus decision-makers indicated they are using environmental, social, and governance (ESG) reporting software today. Half (50%) reported struggling with internal alignment on how and what to track, while having siloed data (40%) and lacking the data altogether (39%) were other common pain points.

- **Complexity makes scaling difficult.** Campus respondents reported struggling to understand and prepare for changing policy requirements (39%) and scaling sustainability initiatives (37%) as the top obstacles hindering their ability to achieve

Figure 3

Long-Term Goals For Reducing Carbon Emissions/ Energy Consumption
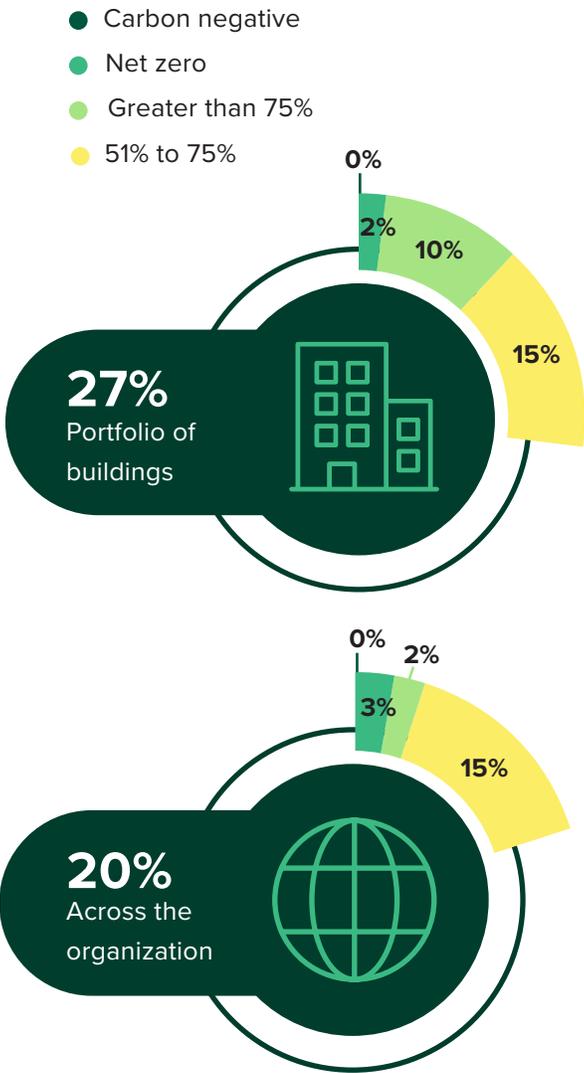
● Carbon negative
● Net zero
● Greater than 75%
● 51% to 75%

27% Portfolio of buildings

0%
2%
10%
15%

20% Across the organization

0%
2%
3%
15%

sustainability goals. Twenty-seven percent indicated they lack external partners to help them with these pain points.

- **Failing to deliver on goals threatens to derail sustainability efforts.** The top risks associated with failing to improve sustainability were negative impact on investor funding (52%), fines and compliance issues (48%), poor employee attraction and retention (47%), and decreased student trust (46%) (see Figure 4).

More than 25%

of campus decision-makers said their institution has committed to cutting carbon emissions by at least half by 2023, yet many still struggle to measure their efforts, and just 11% use ESG reporting software today.

Figure 4

"Which of the following are risks associated with failing to improve sustainability at your company?"
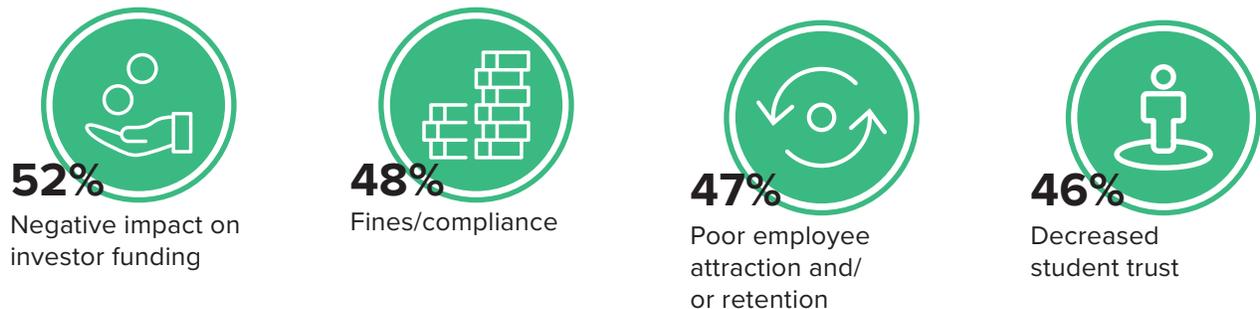
52%
Negative impact on investor funding

48%
Fines/compliance

47%
Poor employee attraction and/ or retention

46%
Decreased student trust

Base: 105 global campus sustainability decision-makers at colleges and universities that prioritize sustainability
Note: Showing top 4 responses
Source: A commissioned study conducted by Forrester Consulting, commissioned by and developed in collaboration with Johnson Controls, September 2021

"I drafted a memo to the chancellor saying: 'I don't think we should jump on the bandwagon. It would be disingenuous because I have no strategy.' . . . [The chancellor] agreed [and said] he didn't want to just make another statement; he wanted to actually have a plan to get us there."

Vice chancellor of sustainability, university, US

Key Recommendations

Sustainability initiatives are becoming a key priority for decision-makers at universities and colleges of all types and sizes. In many countries, colleges, universities, and community colleges are tasked with contributing to governmental sustainability goals, addressing increased student sustainability expectations, integrating energy-efficient practices, and addressing energy-crisis challenges in relevant regions. To address these mounting pressures, college and university stakeholders should:

Assess your sustainability priorities to align with global and institutional priorities.

A comprehensive sustainability assessment requires you to consider your institution's contribution to sustainability across a wide array of initiatives. Key initiatives will align with managing factors impacting sustainability including electricity consumption, greenhouse gas emissions, water usage, and waste disposal. These sustainability initiatives are often used to improve brand reputation, address regulatory compliance, and reduce waste. Considerations should also be made for initiatives that encourage student behavior changes and increase broader academic community involvement.

Evaluate the optimal roadmap to achieve your institution's sustainability goals.

As a sustainability decision-maker at the college or university, you must collaborate with stakeholders across the university community to establish the roadmap and path forward for sustainability at your institution. For many colleges and universities, the sustainability journey begins with requirements to comply with state regulations or institutional priorities. Campuses can implement lower cost efficiency upgrades, employ awareness building strategies around energy usage, and use behavior changing tactics that offer the opportunity for increased student and community member involvement.

Measure the benefits and impacts of your sustainability activities.

Identify metrics and methods to assess the impact of your institution's sustainability initiatives. Factors to measure include reduced operating costs from efficiently using energy, power, lighting, and water and from recycling waste materials. It is important to identify opportunities to communicate with the academic community and reinforce the role they have in meeting identified sustainability goals. It is also important to assess opportunities to leverage certified and trusted sustainable partners that meet relevant requirements for measuring your institution's sustainability initiatives and use of sustainable technologies, products, and materials at your institution.

Appendix A: Methodology

This study was commissioned by Johnson Controls and conducted by Forrester Consulting. Johnson Controls collaborated on the survey questions and design, but Forrester retained final editorial control. For this study, Forrester conducted an online survey with 105 global sustainability strategy leaders to evaluate the progress that sustainability-minded institutions have made in achieving their goals. Survey respondents included directors, vice presidents, and C-level executives in IT, operations, sustainability, governance, risk, compliance, facility management, and commercial real estate roles who work at colleges and universities with plans to continue offering in-person learning during the next two years. The study began in August 2021 and was completed in September 2021.

To read the full results of this study, including best practices from sustainably engaged organizations, please refer to the Thought Leadership Paper commissioned by Johnson Controls titled, "The Race To Decarbonization."

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Appendix B: Demographics

NUMBER OF EMPLOYEES

500 to 999	**18%**
1,000 to 4,999	**70%**
5,000 or more	**12%**

RESPONDENT LEVEL

Director	**46%**
Vice president	**37%**
C-level executive	**17%**

RESPONDENT CAMPUS SUSTAINABILITY RESPONSIBILITY

I am the final decision-maker in this area.	**72%**
I influence decisions in this area as a primary part of my job.	**28%**

INDUSTRY

Secondary (college/university) education	**100%**

RESPONDENT DEPARTMENT

IT	**27%**
Operations	**20%**
Sustainability	**27%**
Facility management	**14%**
Governance, risk, and compliance	**2%**
Commercial real estate	**10%**

LEVEL OF SUSTAINABILITY IMPORTANCE

Very important	**52%**
Important	**42%**
Somewhat important	**6%**

CAMPUS LOCATION*	
Australia	**34%**
Brazil	**33%**
Canada	**21%**
China	**47%**
France	**35%**
Germany	**29%**
Hong Kong	**33%**
India	**33%**
Indonesia	**33%**
Ireland	**32%**
Italy	**28%**
Japan	**38%**
Malaysia	**30%**

CAMPUS LOCATION CONTINUED	
Mexico	**35%**
The Netherlands	**31%**
New Zealand	**32%**
Qatar	**24%**
Singapore	**28%**
South Korea	**29%**
Spain	**24%**
Switzerland	**29%**
Thailand	**24%**
United Arab Emirates	**27%**
United Kingdom	**23%**
United States	**18%**

* Note: Some institutions have campuses in more than one country.

Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

"Guide Your Sustainability Program With The Forrester Sustainability Maturity Model,"
Forrester Research, Inc., October 25, 2021
"Embrace The Green Business Opportunity," Forrester Research, Inc., March 30, 2021