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Boardrooms in the dark over energy, says new research from Siemens

One in three (31%) of those responsible for energy management in UK businesses say that the issue is not being taken seriously by their organisation, according to a new report published today by Siemens.

The Siemens Green League report, which reflects the views of 600 businesses, reveals a mismatch between the views of the board and their energy managers, with the boardroom much more confident about its efforts in energy management than those operating at the 'coal face'. 83% of board directors believe that their organisation is, in fact, serious about energy management.

As a significant area of cost for UK businesses, it was surprising to find that more than a quarter (27%) of board directors did not know what their energy bill was, while one fifth (18%) admitted they did not know what their investment in energy management would be over the next three years.

Almost one in three (30%) board directors blame a lack of perceived return on investment for preventing a commitment to energy efficiency measures, while nearly one in ten (9%) said they cannot afford to invest in energy management projects.

The lack of focus on energy management at board level was highlighted further by an absence of dedicated resource both in terms of people and investment. Nearly half (43%) of energy managers admitted to only spending up to 10% of their time on energy management, with other duties such as health and safety and facilities management taking up the bulk of their time.

On the positive side, 70% of businesses are planning investment in energy efficiency projects in the next three years. Food and automotive manufacturing organisations

demonstrated the strongest commitment to energy management in terms of their knowledge and attitudes, current behaviours and investment plans.

Juergen Maier, MD of Siemens Industry Sector in the UK and Ireland, commented: “These results do give cause for concern. Not only is the UK subject to strict legislative carbon reduction targets, but many businesses are neglecting the impact that effective energy management can have on the bottom line. With significant costs attached to energy and indicators suggesting that high energy costs are here to stay, it really is in the interest of all businesses to take energy management seriously and look at the potential savings that can be achieved.

“It is, however, great to see manufacturers coming out so positively in this research. As an energy-intensive sector that has been governed by legislation for some time, there will be numerous examples of best practice across our industrial base that other sectors can adapt for their own organisations and reap the benefits.

“It is important to note that the research does highlight evidence of good work being done by companies of all sizes across all sectors, but the overriding message is the need to do so much more. Now is the time for action or businesses risk falling behind in an increasingly competitive global marketplace.”

Ends

Notes to editors:

About the research:

The research was conducted by telephone among a sample of 600 businesses. Respondents can be broken down as follows:

- 100 Board level
- 100 Financial Directors (specifically)
- 100 Energy Managers
- 300 Senior Manager and above

About Siemens in the UK

Siemens was established in the United Kingdom 169 years ago and now employs 12,972 people in the UK. Last year’s revenues were £4.4 billion*. As a leading global engineering and technology services company, Siemens provides innovative solutions to help tackle the world’s major challenges, across the key sectors of energy, industry, infrastructure & cities and healthcare. Siemens has offices and factories throughout the UK, with its headquarters in Frimley, Surrey. The company’s global headquarters is in Munich, Germany. For more information, visit www.siemens.co.uk

** Data includes intercompany revenue. Data may not be comparable with revenue reported in annual or interim reports.*

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