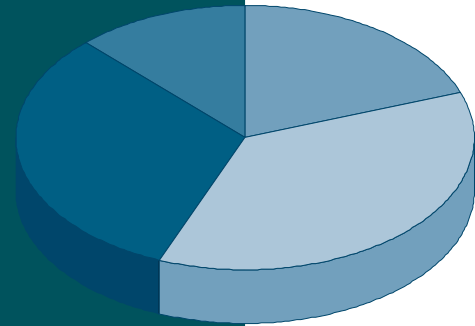




# The BTI Survey of Environmental Management Performance

*2001*



*prepared by*

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## Introduction and Background

### **Environmental Performance – the Road to Competitive Advantage and Business Value**

BTI's research shows that the best performing companies in environmental management have a 60% cost advantage over their competitors in the marketplace. This means that the best performers are saving on average \$26 million per year – some as high as \$80 million or more. The environmental managers who can articulate this type of savings have crossed the bridge to business value. They can communicate the impact of improved environmental performance in terms of dollars and cents. This resonates very well with top management that has been puzzling over the high costs of environmental management. These managers find that they have no trouble integrating environmental management into operations. They get new respect and support from management.

We see CEOs, CFOs, and other top executives increasing the pressure on the environmental department to cut costs and improve the company's overall environmental performance. They see competitors turning environmental management into proactive business strategy that brings results in the marketplace, and want to know why their company isn't doing the same or better.

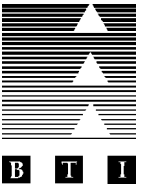
### *71% of Environmental Costs Are Unaccounted For*

Our research shows that a typical company actually spends \$3.41 for every dollar in the environmental budget. The hidden \$2.41 – a full 71% of that company's environmental costs – has huge implications for a company's profit margins, environmental impacts, and overall profitability. The best performing companies are going after these hidden costs to identify them, manage them and eliminate them. They manage and measure with a series of high impact management approaches and protocols designed to give them control and results. They eliminate the obstacle these hidden costs present and leap forward into better environmental performance and business value.

### *Drive Success by Benchmarking Environmental Performance*

This report is designed to help you improve your environmental performance and help deliver business value. The analysis provides you with all of the facts, data, and insight that you need to measure your program. BTI's *Survey of Environmental Management Performance 2001* is the only comprehensive source of operating data and proven best demonstrated practice for environmental management. Evaluate where you stand, and use the data to pinpoint your strengths and opportunities to improve your performance. Build new ideas and best practices into your process and protocols.

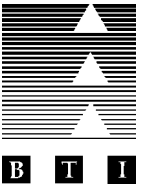
This report presents the results of BTI's *Survey of Environmental Management Performance 2001*. This year's study adds to our database of more than 6,000 interviews with key managers of environmental services. BTI maintains the largest, most comprehensive database in the world on environmental management. Our report *Survey of Environmental Management Performance 2001* draws directly on more than 600 interviews with senior level environmental management executives at large and medium sized industrial companies. Our sample is drawn from the largest industrial companies in the world, from within the following industry sectors:



## **Introduction and Background**

Automotive  
Consumer Goods Manufacturing  
Electric Utilities  
Electronics  
Forest Products  
High Tech Manufacturing  
Metals and Mining  
Oil  
Paper and Paper Products  
Pharmaceuticals/Chemicals  
Transportation

These industries account for more than 70% of all environmental spending in the United States. The interviews were conducted at both corporate facilities and at plant locations.



## Introduction and Background

### How to Use This Report—Making This Report a Powerful Tool

This report is divided into three strategically designed sections. Each section is designed for use on either a stand-alone basis or as part of the continuum of research and analysis included in the report. These sections are:

1. Twelve Steps to Better Performance
2. Environmental Management Best Practices
3. Detailed Benchmarking Results and Analysis

The better performing environmental programs use strategies and tactics not widely in use, yet are bringing big success to those who are using them. Learn about the specific strategies and tactics that are proven to:

- Improve performance
- Boost quality
- Streamline environmental management
- Dramatically lower costs
- Free up your value added resources
- Retain, recruit, and better motivate key employees
- Integrate environmental management into operations
- Deliver business value

You will find virtually all of the recommendations and guidelines you need to learn about best-in-class protocols and practices that improve environmental performance and deliver business value.

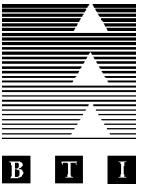
#### 1. Twelve Steps to Better Performance

Examine the twelve highest impact steps you can begin to take now to improve environmental performance at your company. This first section delineates a path for you to use to evaluate your current activities and help improve performance. Each strategy can be implemented individually or as a group. These are all field tested and proven to deliver.

#### 2. Environmental Management Best Practices

Uncover twenty-six best practices that companies are using today to reduce costs, improve quality, and eliminate environmental impacts faster. This second section presents proven, best-demonstrated practices in the following areas:

- a. Management strategies
- b. Consultant management strategies
- c. Key performance goals and metrics
- d. Staff management strategies
- e. Environmental strategies for business value



## Introduction and Background

### 3. Benchmarking Results and Analysis

Take advantage of our comprehensive benchmarking results—indicator by indicator. Delve into the detailed analysis to measure your program. Investigate the elements that drive successful environmental programs. See how companies really perform along key dimensions of program management. *Survey of Environmental Management Performance 2001* is the only source to effectively compare your program to others, including your competitors, for:

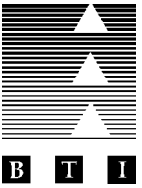
- Operating Parameters and Resource Utilization
- Management Strategies
- Key Performance Indicators, Goals and Metrics
- Environmental Strategies for Business Value
- Governance
- Information Management

Each of these analysis-packed, fact-rich sections is designed to help you understand your program and deliver key steps you can take to improve performance.

#### **Operating Parameters and Resource Utilization**

Get the facts on how environmental programs really perform. This is the most comprehensive list of operating parameters available. Find the points of strength and leverage in your program. Test your resource utilization. Cross-check your program along more than 50 key parameters crossing virtually every aspect of environmental management. These include:

- Staffing and Resource Utilization
  - Full Time Equivalents Managing the Program
  - Full Time Equivalents Managing the Program by Function
  - Years of Experience Managing the Program
  - Number of Projects
  - Number of Projects per Full Time Equivalent
  - Number of Environmental Permits
  - Number of Environmental Permits per Full Time Equivalent
- Spending and Budgets
  - Annual Spending
  - Budget Breakdown by Functional Area
  - Drivers Behind Changes in Environmental Spending
  - Spending per Project
  - Spending per Project Manager
  - Forecast of Environmental Budget Changes
  - Which Environmental Costs Managers Track
  - Who Allocates Costs to Operations
  - How Managers Allocate Costs to Operations
  - Who Allocates Costs to Product Groups
  - How Managers Allocate Costs to Product Groups



## Introduction and Background

We recommend you use this broad data set to:

- Compare your productivity
- Check your spending
- Calibrate your progress
- Measure your leverage and resource utilization against other companies

Use the information to find points of strength and weakness in how your program is structured and organized. Many clients and subscribers calibrate their overall resource pool and budget and use this report's bulletproof information to seek budget changes and redefine strategies to better focus on specific goals.

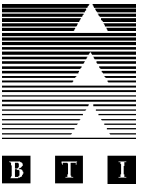
### *Management Strategies*

Evaluate the different management strategies companies use to manage their Environmental Program. Compare your strategy with different approaches to strategic planning, program management improvement, challenges, and cost reduction. Use this analysis to see if there are management strategies you can add, or challenges you can anticipate.

In this section, you can examine:

- Environmental strategies in use today
- Tactics managers use to eliminate key obstacles in managing the program
- Approaches to overcoming the compelling challenges
- Tangible benefits from engaging in strategic planning
- Overlooked tactics to reduce costs in the short term
- Opportunities to dramatically reduce costs
- Steps to lower the cost of compliance
- Indisputable benefits of preparing a business case for environmental management
- Consultant management utilization and management strategies
- Key points for improving performance

We present the virtually all results with specific, actionable recommendations and insights to help you improve your program.



## Introduction and Background

### *Performance Indicators, Metrics and Goals*

The axiom in business is “you are what you measure.” BTI presents the defining analysis of indicators, goals and metrics in use at environmental programs. You get an unprecedented look at how companies measure and guide their success. For example, our analysis include

- Who uses metrics
- Goals used to manage the program
- Indicators and metrics environmental managers find useful and important
- Metrics and indicators environmental managers would like to see
- Learn the power of different types of metrics to communicate with top management
  - Business Value
  - Leading Indicators
  - Trailing Indicators

You also get the most comprehensive list of performance indicators and metrics available. Our recommendations include the only exhaustive, authoritative list of the key indicators in use at the best performing environmental programs in the world.

Use these indicators to:

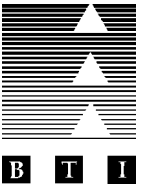
- Improve environmental performance
- Reduce costs while improving outcomes
- Communicate business value to top management
- Motivate and empower key employees
- Get more out of key service providers

### *Governance*

Learn how environmental managers report progress to top management, and to whom. Understand how environmental managers manage the environmental activities performed by the business and operating units themselves. Use this research to examine:

- Organizational strategies
- Reporting Relationships
  - Where the environmental program report
  - Specific information about progress reported to top management

Use to improve relationships and satisfaction with key players. Learn how to use these sometimes challenging relationships to lower your costs and get more done with fewer resources.



## Introduction and Background

### *Information Management*

Our research shows that environmental managers spend more than 66% of their time on information management (see page 103 for the details). Information management is one of the defining tools and skill sets that enable dramatic savings. See how companies use information management tools and see how some tools increase productivity five fold.

You can learn about:

- Number of project management systems in use
- Who's using dedicated project management tools
- Knowledge management strategies
- Information and data attributes behind knowledge management strategies
- Consultants' role in information management
  - Many companies have their consultants maintain some or all of their key information
  - Shared access and systems delivers better quality at lower costs
- How dedicated project management tools deliver five times the productivity as other tools

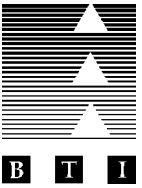
Use this analysis to boost your productivity while improving quality and your process at the same time.

### *Innovative Yet Proven Strategies and Tactics Proven to Reduce Costs and Improve Environmental Management*

Your *Survey of Environmental Management Performance 2001* is chock full of recommended actions, strategies, and tactics. You also get our unequivocal viewpoint on the current strategies companies are using and the impacts of these strategies on environmental management. BTI is the only source to focus on environmental management as a source of competitive advantage and business value. Put these proven recommendations to your immediate, tangible advantage.

### *Telephone Support*

Each and every *Survey of Environmental Management Performance 2001* comes with unlimited telephone support. We encourage a dialogue with all our clients, and are dedicated to helping them get maximum benefit from this report. Please call us at (617) 439-0333 or send us an email at [info@bticonsulting.com](mailto:info@bticonsulting.com). You will find us responsive, helpful, and to the point.



## Introduction and Background

### BTI — Who We Are

The BTI Consulting Group offers the most compelling research, analysis, benchmarking, and consulting to three main complementary constituencies:

Environmental Managers  
Environmental Services Providers  
Information Technology Companies

BTI boasts the largest knowledge base of environmental management practice, environmental information systems and environmental services market trends in the worlds. BTI's research and insight is based on more than 6000 interviews with key environmental services managers.

BTI has benchmarked environmental management at more than 250 of the world's largest and best run companies, pinpointing their strengths and weaknesses, quantifying the benefits, and delineating competitive position.

BTI has also advised virtually every major environmental consulting firm and information technology service provider serving these markets and is working with a growing number of Internet start up and spin-offs serving the environmental management community.

BTI works with the world's leading industrial companies to provide research, insight, and advice on:

- Environmental Management Strategies
- Environmental Information Strategies
- Improving Environmental Performance
- e-strategies for Environmental Management
- Benchmarking Environmental and Remediation Management
- Best Practices for Environmental Management
- Best Practices for Remediation Management
- Strategic Sourcing Strategies
- Environmental Cost Definition
- Creating Business Value through Environmental Management

BTI helps the world's major environmental services consulting firms sell to these companies, and provides advice, assistance, and market research for:

- Business development
- Customer satisfaction
- Client retention strategies
- Strategic planning



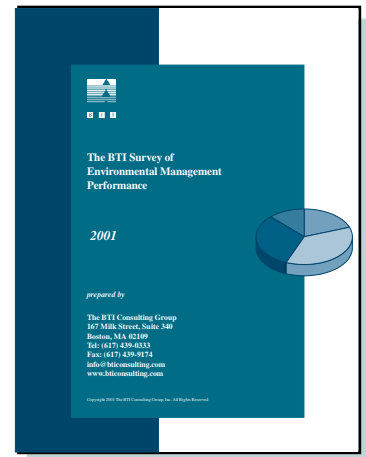
## Introduction and Background

- New service development and deployment
- e-strategies
- Market research and development
- Providing Client Education Tools

BTI prides itself on a direct, no-nonsense delivery of critical, high-impact information that drives competitive advantage to allow its clients to thrive in the face of brutal competition and maturing markets. The BTI Consulting Group (BTI) is based in Boston, MA, and can be reached at (617) 439-0333.



All New for 2001! The 12th Annual BTI  
**Survey of Environmental Management Performance**



**How Environmental Programs Perform — Operating Parameters and Resource Utilization**

Find out how environmental programs really perform. Draw from the most comprehensive list of more than 20 key environmental management operating parameters available. Take this powerful knowledge and uncover the points of strength and leverage in your programs. This 110-page report will show you how to improve performance, boost quality, and lower costs.

*Some topics include:*

- **Staffing and Resource Utilization**
  - Full Time Equivalents Managing the Program
    - Corporate Environmental Staff
    - Plant Environmental Staff
  - Plans to Add Staff
  - Projects Per Full Time Equivalent
- **Spending and Budgets**
  - Annual Spending
    - Corporate vs. Plant
  - Forecast Changes in Spending
  - Drivers Behind Changes in Spending
  - Spending per Full Time Equivalent
  - Spending per Environmental Project
    - Corporate vs. Plant
  - Costs Environmental Managers Track

**Management Strategies**

Assess the various management strategies companies use to manage their Environmental Programs. Evaluate your strategies and see how they stack up. Use this analysis to determine if there are new management strategies to add or challenges to anticipate.

**Performance Indicators, Metrics, and Goals**

Get a compelling view of how companies measure and guide the success of their environmental programs. BTI presents this unique analysis of performance indicators, metrics, and goals used by environmental managers today.



**Environmental Business Value Strategies**

This marquis analysis reports what your competitors are doing to use environmental management to generate business value for their companies. See how managers help customers and suppliers, and accelerate time to market.

**Governance**

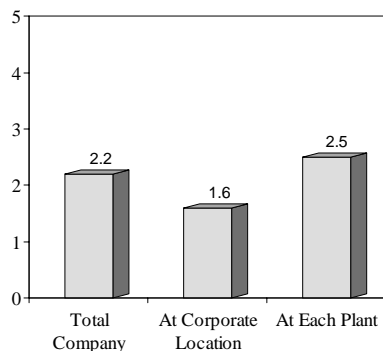
Find out how companies report environmental progress. Understand the relationship between your corporate and operating units.

**Information Management — Tools and Strategies**

Our research shows that environmental managers spend more than 66% of their time on information management. Look for tools and skills to lay out significant cost savings. Provide your environmental managers tools to generate dramatically higher levels of productivity.

*Sample results and analysis...*

*Number of projects per full-time equivalent, p. 48*



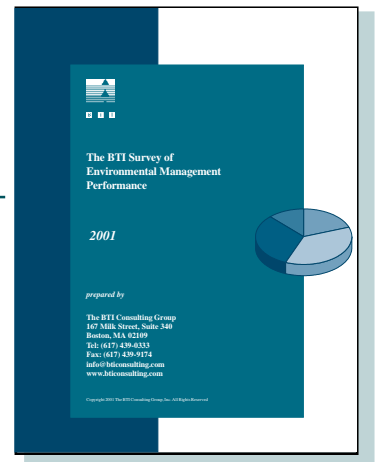
- **Permits**
  - Number of Environmental Permits
  - Impacts of Permit Capacity on Operations
  - Costs of Permit Capacity Impacts

A newly released, up-to-date publication, *The BTI Survey of Environmental Management Performance* presents you with virtually all of the data, facts, perspectives, and analysis you need to measure your environmental program against the most comprehensive source of environmental management operating data, spending, staff, and resource management and business strategies in the world. Draw from our unique database of over 6,000 interviews with key managers of environmental services at the largest and best run industrial companies — updated continuously over the last 11 years.

*Ordering information on the other side.  
 Call (617)439-0333 for more information.  
 Or visit us at [www.bticonsulting.com](http://www.bticonsulting.com).*



All New for 2001! The 12th Annual BTI  
**Survey of Environmental Management Performance**



The BTI *Survey of Environmental Management Performance 2001* is the environmental professional's **must-have resource** to understand environmental management performance. This timely report is based on more than 600 interviews with the world's largest industrial companies. The survey provides environmental managers with tools and guidelines to assess their strengths and weaknesses and uncover new solutions and ideas. This report is the definitive tool to evaluate, calibrate, and assess operating performance, resource utilization, spending, and improved environmental performance.

**Twelve Steps to Better Performance**

Evaluate the twelve highest impact steps environmental managers can take today to improve environmental performance. Demonstrate value with proven-to-deliver strategies to increase performance dramatically.

**Environmental Management Best Practices – Proven and Implementable Now**

Assess twenty-six best practices in environmental management that companies use now to reduce costs, improve quality, and create business value. Find the performance goals and metrics proven to drive success. Uncover best demonstrated practices in managing consultants, program management, environmental business strategies, and staff.

The BTI *Survey of Environmental Management Performance 2001* is the only reference tool you need. BTI's report delineates exactly how remediation programs perform, measure themselves, and manage themselves. Join more than 500 of the world's largest and best run industrial companies that rely on BTI's research, insights, and benchmarking experience to help them measure and improve environmental performance, including 60 of the *Fortune* 100 companies. **Call us or fax your order today!**

**YES**, I want to order The BTI *Survey of Environmental Management Performance 2001* for \$1,600 plus shipping.

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 167 Milk Street, Suite 340

Overnight my copy of The BTI *Survey of Environmental Management Performance 2001* to:

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