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Magazine Article

Has the Economy Taken the Green out of Green?

No longer immune from economic pressures, some in the cleaning industry are experiencing a downturn. Will the Green cleaning movement be adversely affected as well?

Many jan/san distributors in North America, especially those in the United States, are already feeling the impact of the slowing economy. For decades, the cleaning industry was considered "recession proof." During the roller coaster economies of the 1970s, 1980s, and even into the early 1990s, the perception was that no matter what the economic climate schools, offices, stores, airports, etc. still had to be cleaned.



However, over the past 10 years, this assumption has not held up as well. Although the jan/san industry is not as economy sensitive as the airline or [real estate](#) industry, slowdowns are now being experienced in tough times, just not as significantly as some other industries.

Why this is occurring may be the result of many reasons and circumstances. Unfortunately, many managers in both public and private facilities believe reducing cleaning frequencies or services, switching to less expensively priced supplies and/or cutting back on the purchase of custodial hardware

and equipment are areas they can "safely" reduce when funds are short. However, they remain unaware or ignore how important cleaning is to health, safety and the overall productivity of the facility as well as the protection of the facility's assets such as floors and carpeting.

Whatever the reason, with the current downturn, a new concern is evolving. After several years of unprecedented growth in Green cleaning, will the recession put the brakes on going Green?

The issue centers on costs. According to some distributors, many facility managers still believe that environmentally preferable cleaning products cost more than conventional cleaning products. As a result, in order to keep costs in check, they decide to delay transferring to Green cleaning. While some Green products do cost a little more, many are cost competitive, and with most, the implementation of a comprehensive Green cleaning program actually lowers overall costs over the long term.

End users speak up

Are jan/san distributors correct in believing the economy will slow down the Green conversion? No one knows for sure. Some distributors may be experiencing a slowdown right now, while others are discovering much greater interest -- and sales as well as growth in market share -- in Green cleaning products.

A recent survey by the Ashkin Group, an internationally recognized consulting firm working to Green the cleaning industry, helps provide some insights into this issue. Approximately 5,000 facility managers, manufacturers, distributors and end users that subscribe to DestinationGreen, the monthly newsletter published by the

organization, were asked if they believe the slowing economy would also slow their interest in selecting environmentally preferable cleaning products.

Among the findings:

- Over 62 percent of the respondents believe that the slowing economy might make private businesses hesitant to select Green products. However, the majority also believe that any stall in the private sector may be offset by increased purchases from the government, education and [health care](#) sectors.
- Although the majority of respondents express some concern about the [rate](#) of Green adoption during this economic downturn, the majority do not believe that the slowing economy will have an adverse impact overall on the Green movement.
- Of the manufacturers surveyed, about half report that they do not believe a slowing economy will affect the amount of resources, engineering and time their companies commit to developing Green cleaning products.
- The majority of manufacturers say they do not plan to stop having products Green-certified due to the economic slowdown.
- Of the distributors surveyed, more than 54 percent indicate that to deal with a slowing economy and its potential impact on Green cleaning products, they would more actively promote the benefits of Green over conventional products.

Benefits over costs

I believe this last finding is most significant and the best way for jan/san distributors to work with customers concerned about going Green in a slowing economy. Many of the immediate benefits of Green cleaning are not tangible. It is important for distributors to impress upon their clients that

there are hidden benefits and the most important being improved health that can pay significant dividends.

For instance, studies continue to report that test scores and student attendance are enhanced in those school facilities that are Green and use environmentally preferable cleaning products. Similarly, worker productivity also increases in such facilities, which translates into a cost savings for employers. The critical message for distributors that want to grow sales and market share is that they really need to understand Green -- not just have a general knowledge.

For those distributors working with schools and school districts that are teetering between going Green now or waiting for the economy and their budgets to improve, some strong ammunition that may sway them in the Green direction are studies like Greening America's Schools (<http://www.enviro-solution.com/pdf/O59F9819.pdf>) and similar studies concerning Charles Young Elementary School in Washington, D.C. That school implemented Green cleaning and indoor air quality programs that addressed total environmental quality. Some of the remarkable results reported were:

- School attendance increased from 89 percent to 93 percent.
- Math scores at basic or above levels increased from 51 percent to 76 percent.
- Reading scores at basic or above levels increased from 59 percent to 75 percent.

Similarly, several studies report that when Green cleaning is introduced into offices, there is increased worker satisfaction, improved morale, reduced absenteeism, and increased productivity and efficiency. One study reported that employers may realize a 0.5 percent increase in worker

productivity by incorporating Green cleaning and related environmental measures, which can translate into an annual productivity gain of \$30 billion to \$150 billion.* Further, businesses that become more environmentally responsible indicate that they attract more qualified workers and can use their "Greenness" as a marketing tool, attracting more customers.

There are many things in business that we cannot control. What's important is how we deal with them. A slowing North American economy is nothing any one of us can change, but what we can change is how we market our products, especially Green cleaning products. Stressing the features and benefits of Green cleaning, those that are hidden as well as tangible, is the best way for distributors to help keep their customers' facilities Green, clean and healthy.

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** Government Procurement, October 2004.*