Targeted Messages for Financial Executives

Here are some messages that directly address the goals, challenges, and priorities of your organization’s finance and accounting departments.

### Our organization is already committed to cost-effective freight transportation:

* We are always seeking ways to cut costs and improve efficiency to keep our bottom line secure.
* We have a transportation department that has direct responsibility for our freight decisions.
* Transportation presents a significant opportunity for cost-cutting strategies and environmental benefits.

### However, there are some challenges we need to consider:

* We are not currently tracking or assessing the direct and indirect financial impacts, risks or opportunities of our freight activities.
* We are not able to see opportunities for improvement if we are not measuring and evaluating freight efficiency.
* We may be incurring unnecessary expenses based on inefficiencies and hidden costs of doing business.

### There are ways we can save money from our freight efficiency and environmental sustainability efforts:

* One way to save money, improve efficiency, and produce environmental benefits is to measure, track, and improve the performance of our freight supply chain.
* Freight sustainability strategies save money:
  + Freight efficiency policies cut wasted miles and trips, and that reduces waste costs on fuel and equipment maintenance.
  + Sustainability strategies can increase market demand.[[1]](#footnote-1)
  + Increased productivity can lead to decreased cost.[[2]](#footnote-2)
  + We can avoid future costs from environmental liability and internal ethics challenges.
* Collaborating and partnering with carriers to employ tactics, strategies and best practices to reduce their fuel consumption can help us reduce fuel surcharges.
  + Stock market value can increase with an improved reputation.[[3]](#footnote-3)
* EPA’s SmartWay program is a voluntary partnership that helps us:
  + generate environmental data with scientifically-based methods using EPA emission factors;
  + produce consistent and comparable metrics for freight emissions across all industry sectors;
  + collaborate with our freight carriers and establish shared efficiency goals; and
  + integrate SmartWay environmental data directly into our sustainability, and CSR reports.
* This program saves us the cost of developing an accounting system from scratch.

### We are at risk If we do not address freight sustainability:

* Not addressing freight efficiency and sustainability puts the organization at risk financially:
  + Growing congestion on existing transportation networks may increase costs of shipping/delivering goods.
  + Freight demand is expected to increase significantly on all modes, causing congestion problems and capacity shortages.
  + E-Commerce and last mile transportation challenges can cost us financially and threaten goodwill with local/municipal government agencies and community organizations.
* Climate regulations on freight transportation may threaten our organization if we do not have a strategy in place to address them.
* Having little understanding of our supply chain energy and emissions trends, hotspots and sources leaves us vulnerable to energy price shocks domestically and abroad.
* Our brand may suffer as a result of being seen as inactive/not responsive to the primary concerns in the marketplace.

1. “U.S. and global investors -- especially millennials in their late 20s and early 30s -- are increasingly gravitating toward funds and companies that reflect a broad range of values, including lower environmental impacts, strong human rights records and decent wages for workers. About 71 percent of individual investors say they’re interested in these types of investments, the Morgan Stanley Institute for Sustainable Investing found in a February survey.” <http://www.ibtimes.com/wall-street-meets-climate-change-fossil-free-exchange-traded-fund-2180453> [↑](#footnote-ref-1)
2. “Making Sustainability Work: Best Practices in Managing and Measuring Corporate, Social, Environmental, and Economic Impacts.” Mark J. Epstein and Adriana Rejc Buhovac, 2014. [↑](#footnote-ref-2)
3. “Making Sustainability Work: Best Practices in Managing and Measuring Corporate, Social, Environmental, and Economic Impacts.” Mark J. Epstein and Adriana Rejc Buhovac, 2014. [↑](#footnote-ref-3)