

Sustainability is a Team Sport | The Carbon Compass

Fanny Everard: Welcome to the Business of Travel, the official podcast of the Global Business Travel Association. I'm Fanny Everard sustainability program manager at GBTA, and I'll be your host for today's first episode of the Carbon Compass, a special series of the business of travel podcast focused on sustainability and planet related conversations. In each episode, we will unveil inspiring stories, innovative strategies, and impactful initiatives from our special guests, leaders committed to steering the course toward a more sustainable future for business travel. Together, we will explore, unpack, and demystify the world of sustainability in business travel. Today, I have the pleasure to be with Mike Nicholus. Mike is a global operations environment director for Accenture a 700,000 plus person organization that helps clients solve their toughest challenges by providing services in strategy and consulting, interactive technology and operations. Hi, Mike.

Mike Nicholus: Hi, Fanny.

Fanny Everard: How are you doing?

Mike Nicholus: I am digging being here. This is awesome. I love the notion of, being part of a subseries of things that are talking about planet related conversations. I've got some thoughts.

Fanny Everard: Yeah. I'm so glad we could find the time to sit together. I know you're super busy. Together we'll explore what sustainable business travel means in the context of global sustainability. We'll talk about radical collaboration and what was needed internally to move the needle at Accenture And lastly, we give some insights on what's next, what kind of innovations to watch out for, or look into if our listeners are interested. But before we dive into your work at Accenture Mike, can you tell us a little bit more about your background, where you come from?

Mike Nicholus: Sure thing. So, I'm based in Chicago, and, I grew up here, and, I've been working with Accenture for, around 25 years or so. I started off doing a lot of awesome stuff for our clients. That's where most Accenture what most Accenture people do. But the last 15 years or so, I've been in this gig, which is really directed at having Accenture be my client and making, Accenture more and more sustainable. So, my education is actually in finance from, the University of Illinois. But since then, I've been through some sustainable, development programs with the World Business Council for Sustainable Development and Yale, and I'm part of Al Gore's climate reality leadership corps. So I'm sort of an environmental nut. in addition to being the guy who's actually responsible for fixing this stuff, I have three kids, which are a big

reason that I'm an environmental nut. You start to develop a much longer view of things once you start to have smaller versions of yourself running around. and so, that's sort of me in a nutshell. So I'm a dude in Chicago, but I get to work with my friends around the world. Like you said, 700,000 plus person organization, trying to make things a little bit more sustainable tomorrow than they were yesterday.

Fanny Everard: That's awesome. Actually, it would be helpful to understand what global environment operations director means exactly.

Mike Nicholus: Yeah. This is actually. Sometimes we have hard to explain jobs. Right. I used to work, in a role for our chief diversity officer. It's actually pretty easy to explain, but being the sort of galactic environment person for any company is actually pretty easy to talk about. I am responsible for working with my friends around the world to measure and manage Accenture's environmental impact, to make sure that we are properly, sort of indicating, here's our impact to the world. Here are the things that we impact directly, the things we impact indirectly, and then put programs in place to make that better. obviously, I'm also trying to keep us out of trouble. We have a lot of environmental compliance things we've been paying attention to, and we have iso 14,001 certifications around the world. So keeping us out of trouble is also, very important. But fundamentally, it's around, measuring and managing, the environmental impact of a company that has operations in 50 countries or so, around the. Around the world.

Fanny Everard: And you're a member of the global. Of the GBTA Foundation Corporate Advisory board, which we called Cab. It's a group that lives under the GBTA Foundation Sustainability Initiative. The board is composed of sustainability experts from large multinationals like you that are actively involved in reducing their emissions. From scope three, category six emissions, which, for our listeners that don't know this, is the emissions related to business travel, specifically for the GBTA foundation. These exchanges deepens our understanding of sustainability trends for companies relying on business travel to conduct their business. But for you, Mike, why is it important to be part, in these conversations and participate in sustainable business travel discussions with the GBTA foundation?

Mike Nicholus: Yeah, I mean, ultimately, it comes down to amplification. And by that, I mean I'm just a dude in Chicago. Right? So there's only so much. If I'm an environmental nut and I want to make the planet better, there's only so much one human being can do in Chicago but that human being leveraging their skills. And by leveraging, I mean that in its purest sort of physics term, right? A lever is a big stick or something, and you can amplify your strength by using a lever, right? That's not how a nutcracker works. Try and crack open a walnut with your hand, you can't do it, but use a nutcracker and you've got leverage. You can do more than you

could on your own. And so working within my company, working with other companies, whether they're our clients or our suppliers or counterparts in the GBTA cab, within the context of a corporate advisory board, I have the opportunity to connect and amplify my own reach, to really understand what others are doing, to find ways to collaborate together, to make our collective voice louder than individually we might be able to do by ourselves. So it's really around sort of that notion of, the whole being bigger than the parts. And I guess it's sort of like the old saying goes, right, if you want to go fast, go by yourself, but if you want to go far, go as a group. And when it comes to environmental issues in general and climate change in particular, we really need to be together.

Fanny Everard: Yeah. And like Accenture always says, we believe every business must be a sustainable business. But actually, can you explain a little bit more what that means? And in particular, in the context of, sustainable business travel, but in the sustainable ecosystem overall, for sure, this is.

Mike Nicholus: Such a critical thing, right? And it comes to how we, again, specific to climate change, right? One of the funny things about carbon accounting, right. One of the differences between financial accounting and carbon accounting, carbon accounting sort of has this notion of shared accountability. When I get in a taxicab and I tell it, all right, take me across town, that taxicab driver is creating scope one, emissions out the back of the tailpipe. But those count as my scope three, emissions, because I said, please take me across town, right? I have a role in that. And that notion of shared accountability is so important when we think about the criticality of how we need to address and solve this sort of existential problem of climate change. We all have to be together. So when we say every business must be a sustainable business, sort of another way to think about that is that sustainability is a team sport. So we need to work together. No one company, no one nation, no one individual can fix this on their own, right? If we would, this would go a lot faster. We necessarily have to work together. And so this idea of, friendly collaboration, that we all need to go to the same place because there is no sort of second backup planet. If we're going to have economic prosperity in the future, that necessarily is going to need to come with economic, pardon me. if we're going to have economic sustainability in the future, we need to make sure that we have environmental sustainability that's going to underpin that.

Fanny Everard: And why is it particularly important for Accenture to talk about business travel emissions, actually?

Mike Nicholus: Well, we are a business to business business, and so our role, we are often working with some of the largest companies around the world, and oftentimes when we are

working with them to help them achieve their awesome business goals, the folks within Accenture that do that aren't necessarily the folks that live right next door to the client. And so we are oftentimes tasking ourselves to travel, to go to where the clients are. And business travel has been key, to our sort of operating model for years. And that's been the case as long as I can remember. A, company like Accenture a professional services organization, again, doing all the things that you talked about earlier with the technology and strategy and operations and all the rest of it. It's very difficult to do those things without business travel. Now, we can be smart about that, and we don't necessarily travel all the ways we might have five years ago or longer, but travel is still critical. And if travel is critical, and if sustainability is critical, those two things cannot be in conflict. We have to figure out ways to make those things harmonize. Right. it's not an either or. We have to figure out how to operate with both.

Fanny Everard: Yeah, absolutely agree. And actually, you mentioned the need for team collaboration within organizations. That's what we, know as the GBTA foundation. You're actually part of the harmonization working group under the sustainability initiative. So you've got that collaboration between different organizations. But can you talk a little bit more about that collaboration within Accenture? How did it start and what did it help you achieve? because, as we know, to be able to develop a sustainable business travel program, you need a lot of stakeholders involved. So can you give us a bit more insight on how that happened for you?

Mike Nicholus: Yeah, there's not one way this happens. but for example, years ago, when we were sort of getting up and running with what does it mean to be environmentally responsible and to have an environment policy and to measure carbon emissions and all the rest of it. so much of this was new. And so connecting with my colleagues, for example, in what we would call mobility, our internal mobility apparatus, these are the folks who, in other organizations might be called travel managers, right. helping them understand that they had a role to play in helping Accenture be a more sustainable business. initially, I thought that was going to be a challenge, right. That, oh, gosh, I'm sort of adding more work to them. But as it turned out, the mobility team, the folks I work with all the time now, really saw this as not something they had to do, but something they got to do. Like, we get to be a part of this thing. We have a hand on the wheel as it is, in terms of how we can influence some travel decisions, some of the travel, avenues and modes of transport and different suppliers that we engage with. And that really reflected their power, right. Our mobility organization, in our organization, and travel managers in particular, have a great deal of power in terms of how they shepherd some of their employee decisions in their organizations and in the context of trying to be a more sustainable organization, that power is really awesome. And as Uncle Ben might have reminded, Peter Parker, right, with great power comes great responsibility. And I think that oftentimes the travel managers I've met with, again, see this not as something they have to do, but something they

get to do. They get to make these impacts. They get to help innovate and find new ways to help folks travel in more and more sustainable ways. So partnering with folks like that is a real pleasure. Now, sometimes partnership internally can take different flavors. So with the advent of new coming regulations, right, there are new coming regulations around environmental disclosures and the requirements to include some of these non financial metrics in our financial performance. Right. In what public companies would have as their ten k or their other financial, disclosures. That is a very complex thing, right? And so now I'm working with our finance organization. Initially, that comes with a lot of challenges, right. Because I indicated early on, the differences between carbon reporting and finance reporting, there are lots of those differences, not the least of which is that finance reporting is a very mature capability and carbon reporting is not. Carbon reporting has only been around a couple of decades or so, and it is changing, growing, refining all the time. And so you have a situation where, financial professionals in organizations have such a well executed, well defined, beautifully choreographed thing that creates financial results every quarter, every year. And it is gorgeous, right. To see our financial professionals sort of execute that so seamlessly, with oversight and controls and all the rest of it, it's like ballet. It's just beautiful. It's this beautiful, quarterly, recital that is put on. And they're so used to that flavor of dance that suddenly when regulators come in and say, hey, finance, you now have new dancers that are going to be coming in to your, recital. But these are not ballerinas, these are carbon accounting guys, are more like break dancers and everything. They sort of make it up as they go, right, because the stuff is changing and we're doing the best we can. And so that is. Right. from their standpoint, from a financial standpoint, to see this very new domain coming in and sort of sharing your space can be pretty challenging. But again, because we're all sort of going to that same space, that necessary union between economic sustainability and environmental sustainability sort of is forcing these otherwise disparate capabilities to collaborate together. So it really is a team sport.

Fanny Everard: From a business travel professionals point of view, from a corporate manager point of view, what do you think are really important collaborations internally that they should develop in order to achieve those things?

Mike Nicholus: Yeah. Sometimes the environmental folks at organizations can sort of, be partitioned, because they are their own thing, oftentimes early on. And sometimes it's part of a legal group or sometimes it's part of marketing, or sometimes they're sort of put in different places. Right. Oftentimes, hopefully under operations, because this is really critical to how a lot of companies operate. But wherever they are, wherever environmental sustainable professionals end up, organizationally, wherever they are, they. Absolutely. This is so critical in the governance of stuff that happens within these companies. The most successful environmental professionals I've seen are the ones where the governance structure are

necessarily set up to be multifunctional, to have folks from finance and legal and marketing and HR and mobility and operations and all the rest, again, brought together, because this really is not something that should be bolted on, it should be built in. And so those collaborations across those different functions doesn't mean that I'm necessarily, even though my background is in finance, I'm not a financial expert. Right. even though I have some experience in marketing, I am not a marketing expert. I am not an HR expert, I am not a real estate expert. But by connecting with those experts internally, I can make sure that the principles of sustainability are factored into the practical day to day decisions that those folks make. It is absolutely, a necessity that environmental sustainability professionals are connected with all those folks and most critically, with folks in mobility and travel.

Fanny Everard: This is super interesting, and I think collaboration, at every single level of the company, whether big or small, is absolutely crucial to get to the root of the problem, which is climate change, ultimately. But if we're talking about SMEs, imagine a small or medium sized enterprise that doesn't necessarily have that sustainability team that you talk about, but they are a corporate travel manager and they are looking to get started to starting to incorporate sustainability within their company. Do you have any advice on how to get started?

Mike Nicholus: Yeah, I mean, the first place that, if I'm a travel manager in a small to medium enterprise, if I'm a travel manager in that sort of situation, the first place I would go to is sales. Right. I would want to know, what are our customers asking for? Right? Because again, going back to the regulations that are coming, if I have customers that are among these larger organizations that are going to be under state of California climate rules or European Union, CSRD rules, that's the, corporate sustainability reporting directive. If any of those companies are our customers, I would want to connect with my sales organization to understand what are the things that we're being asked to do as we deliver for company x. Right, because again, going back to the notion of carbon accounting, my emissions are your emissions, your emissions are my emissions. This notion of shared accountability and shared expectations up and down a value chain is becoming more and more pervasive. So talking to the sales guys or gals and understanding the expectations of our customers, of our clients, would be the first port of call. Because really, that is going to drive a lot of these decisions, because, if a customer finds something interesting, a lot of companies find that freaking fascinating.

Fanny Everard: Yeah, that's super useful information. Just gathering information first, knowing who you're talking to and then getting started. And we actually, have plenty of, resources on the GBTA foundation website if people are interested to dig deeper into that collaboration aspect. So, Mike, when you think about the future of business travel, what are you excited about?

Mike Nicholus: it's funny because, oftentimes, myself and my counterparts in other companies, when we think about the future, we are not always excited because we see the data coming in. We know that the year 2023 was the hottest year on record ever by a lot. We know that climate scientists are telling us we need to stay below 1.5 degrees of warming, above preindustrial times, and we're north of 1.4 right now. At least we were in 2023. So, spoiler alert, we're not doing so great. And when we think about the future, it is often the case that sustainability professionals can have a little bit of climate dread, right. but I think that there are indications of optimism. There is a real cause for hope, particularly in the travel space. And if we think about it, if we think about, ground transportation starting there, we have made such strides in recent years in terms of being able to get from point a to point b without stuff coming out of the back of the tailpipe. And recent advances in solid state batteries and the rest of it are really bringing that more and more, to be the de facto default, five years from now, ten years from now, in terms of ground transportation. So that's good news. We're seeing, obviously, signs with electrification, right, that how electricity will be created, is becoming more and more renewable, not only because of the conventional renewables we have today, but we're also seeing advances now finally in nuclear fusion, right, where we can finally create sort of carbon free energy, without having to delve any deeper into fossil fuels. Those are excellent things moving forward. Now, the big ones, as we think about travel, are sort of the hard to abate sectors, right? Everything I've talked about with ground transportation and electricity, those are great if you're a rental car company or you are part of the hospitality sector, right? Those are big elements, significant aspects of your environmental impact. But what about air travel, right? This is really hard to do. And it reflects, even in the Paris agreement, when countries were coming out with all their individually determined contributions, how we were going to contribute to these, climate mitigation activities. Very few, if any, countries even mentioned, let alone had targets around aviation, right? Does it count if it starts here and ends there? Does it count if the airline has the profits here? Where do we count this stuff? Oh, my gosh. This is everywhere. And what it comes down to is it's everyone's problem. We need aviation, right? Aviation has brought the world together. So from a capital S sustainability standpoint, social sustainability, economic sustainability, we need aviation to bring us together, to keep us together. Because when, especially international travel, increases perspective and engagement and compassion and cultural understanding, this is critical as we move forward, even as we're trying to solve for environmental sustainability and the advances that we're now seeing, with respect to sustainable aviation fuel, these are very exciting, right? Is that going to be the thing that solves it? Is going to be some advance with hydrogen? I don't know. But I do know that we're taking some great strides forward. Right? When I started with Accenture cell phones were the size of a brick, and they cost \$6,000. Cell phone technology advanced very quickly, and now we all have one. And, my goodness, they got AI and all the rest of it, that we've seen massive strides in technology advances. And so as much as the industrial revolution and technology got us in this mess, maybe technology can help get us out. And so some of those

advances are very, very exciting and really significant signs of hope and optimism as we move forward. And I think that those folks who have, their hands on the gears of mobility and travel really have an enormously important role to play in making sure that stuff works.

Fanny Everard: Yeah. And thank you so much for actually mentioning the capital S, of sustainability, because when we talk about sustainability, it's not only environment, and that's very important to mention social issues and considerations are absolutely, key. so when we think about the future and the road ahead, let us not forget that to be fully sustainable, we need to integrate social aspects, in everything we do, for sure. Mike, thank you so much for your time today. These were amazing last words. I'm so enthused by your way of seeing the future. It's always a pleasure to talk to you and to learn from you.

Mike Nicholus: Thanks, Fanny. It was my pleasure. This was a lot of fun.

Fanny Everard: Yes, it was. Thank you, Mike. You have been listening to The Business of Travel, the official podcast of the Global Business Travel Association. For more information about GBTA and its work, visit gbta.org and be sure to rate and review us wherever you get your. Until next time, thanks for listening.