Novo Nordisk has met the challenge of reducing fleet emissions while keeping drivers happy. By offering incentives for fuel-smart choices and training drivers to operate vehicles more efficiently, Novo Nordisk has reduced its fleet emissions by more than 20%.

Novo Nordisk walks the talk
Sustainability is part of the culture at Novo Nordisk, a healthcare company with global headquarters in Bagsvaerd, Denmark, that is the world leader in the treatment of diabetes. But the company’s commitment to a triple bottom line of financial, social and environmental responsibility sometimes conflicts with the desires of its sales people—who spend a lot of time on the road—to enjoy a big and comfortable but not necessarily efficient vehicle.

That’s the challenge facing Donna Bibbo, Manager of Fleet and Travel at Novo Nordisk Inc., whose job it is to “green” the company fleet. Based in Princeton, N.J., Bibbo is responsible for a fleet of about 2,500 cars in the United States, which are replaced after being driven for three years or 65,000 miles. Drivers average about 2,100 miles of driving per month.

The company has delivered great results during the first half of 2009. Bibbo reports: “For the first 6 months of 2009, our CO₂ emissions are down by 24% over 2008, and down by 21% over 2007 when we instituted our goal of reducing emissions by 5% per year each year through 2012.

“We’ve saved 15,689,033 lbs. of CO₂ over our 2007 numbers in the first six months of 2009 and used 858,787 less gallons of gas compared to our 2007 averages.”

How? Bibbo says that winning support for her effort to green the fleet from top management was not the problem. “We pride ourselves on our triple bottom line philosophy. We operate our company to be financially responsible, socially responsible and environmentally responsible and management walks the talk,” she told Environmental Defense Fund.

Carrots and sticks for fuel-smart choices
The sales people also like that approach, at least in theory: “If you ask them in a survey whether they want to be environmentally friendly, they always say yes,” Bibbo says. “But when they have the opportunity to drive a bigger SUV, they take it.”

Sales reps are permitted unlimited personal use of the company cars, so some want SUVs or minivans to use as family cars.

Novo Nordisk has three different lists of cars that it will purchase—one for sales reps,
Novo Nordisk launched a driver training program that saw immediate results. In the first six months, the fleet’s average fuel efficiency increased 2.6%—avoiding emissions of 700 metric tons of carbon dioxide.

It’s a challenge to align the economic incentive for sales people to operate more efficiently because they are not paying for gas.

Increasing efficiency through driver training

Complementary to the “right-sizing” strategy to reduce emissions and fuel use, Novo Nordisk has also worked with drivers to operate vehicles more efficiently. In 2008, Bibbo launched a driver-training program for more than 2,000 sales people that saw immediate results. In the first six months, the fleet’s average fuel efficiency increased 2.6%—which meant avoiding emissions of over 700 metric tons of carbon dioxide.

As with right-sizing, it’s a challenge to determine an economic incentive that would encourage sales people to operate more efficiently because they are not paying for gas. Novo Nordisk has also found that when gasoline prices rise—as they did in 2008—people drive more miles in their company cars rather than driving their own car.

There’s a balance, Bibbo says, “between hitting our company goals and objectives and keeping the drivers happy. It’s walking a tightrope but we are making definite strides toward achieving a much higher goal than we originally set for ourselves.”

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