

# Green Chrysalis

## SMEs: Innovation towards Australia's low carbon economy

### Background

Australian businesses are facing dramatically changing operating conditions due to climate change, resource constraints and other sustainability drivers. As a result, companies are facing challenges and uncertainties, but also new opportunities to transform the ways in which they do business to enhance their competitiveness and profitability.

Small and medium enterprises (SMEs) generate 46% of economic output and 42% of employment in Australia, and will be critical contributors to Australia's transition to a lower-carbon and more productive economy. Despite this, we don't know much about how SMEs respond to the 'low carbon economy' nor how their innovative responses are serving to make their businesses more competitive, with new sources of lasting competitive advantage.

**To fill this gap, the Australian Business Foundation has commissioned the Institute for Sustainable Futures at the University of Technology, Sydney to investigate the processes driving innovative SME business activity in response to the new operating conditions and opportunities of the 'low carbon economy'.**

### Project outline

This project is investigating the effects of the low carbon economy on innovation for Australian SMEs.

The research will focus on the following key questions:

- What does the 'low carbon economy' look like in Australia, and what are its key constraints and opportunities for SMEs?
- In particular, how are SMEs transforming themselves to capitalise on the 'low carbon economy'?
- What can we learn about the innovation process and how companies articulate and seek knowledge to provide new products and services demanded by customers in the 'low carbon economy'?
- How can universities and other knowledge providers be better collaborative partners with SMEs to foster innovation from their low-carbon initiatives?

**Business case studies will be the key feature of this research.**

### Involve your business as a project case study

SMEs will be selected to be case studies because they have a story to tell about how they are changing their business in response to the 'low carbon economy'.

Have their new practices resulted in their business being more innovative? If so, did the innovation involve:

- New products or services?
- New ways of dealing with customers and suppliers?
- Different ways of organising and managing people?
- Fresh ways of operating?
- Introducing a whole new business model or suite of offerings to customers?

Companies will be drawn from a wide range of industry sectors, including but extending beyond companies directly supplying 'low carbon' goods and services.

**In short, we are looking for insights on the drivers of innovative business activity that respond to the challenges and new operating conditions of the 'low carbon economy'.**

If you wish to participate in this research, or for more information, please contact:

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