Environmental and Social Responsibility in Small Business

Professor Bobby Banerjee and Dr Fernanda Duarte from the College of Business are researching what challenges and opportunities arise from including social and environmental issues into the business plans of small and medium scale enterprises. This research is funded by the Australian Research Council Linkage program in partnership with Business Associates Network.

‘Small to medium size enterprises (SMEs) are an important aspect of Australia’s economy and like larger corporations, SMEs have a significant impact on both the environment and on society,’ explains Professor Banerjee. ‘In western Sydney, SMEs account for roughly 90 per cent of the 60,000 operating businesses. The aim of this study is to generate new knowledge about how SMEs in western Sydney are engaging in corporate social responsibility – that is how businesses manage themselves in order to have a positive impact on society and the environment. We will also identify if more education and training is needed in this area.’

A sample of 15 SMEs based on industry type (eg, communications, service, biotechnology, etc) will participate in the first phase of the study. Interviews will be conducted with all relevant stakeholders from each SME (including: owners, employees, customers, suppliers, etc.), with the focus being on what the SME is doing to address their environmental and social responsibilities, what motivates these actions and what barriers SMEs face in addressing environmental and social concerns. Based on these findings, three case studies will be developed to investigate best corporate social responsibility practices for SMEs. Lastly, a survey will be performed with approximately 1000 SMEs across western Sydney in order to assess the level of corporate environmental and social responsibility related behaviour and the impact it has on business and society. This range of data will provide a comprehensive picture of corporate social responsibility within the SME sector.

The practical benefit of this research is its potential to encourage and create environmentally and socially responsible businesses throughout western Sydney. This will allow SMEs to identify best practices that contribute to creating an environmentally and socially sustainable workplace, as well as provide considerable economic and social benefits to Australia as a whole.

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Contact Details: b.banerjee@uws.edu.au
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