

Green Benefits for all Business

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Many businesses might assume that sustainability, emissions and cleantech are issues for only big corporates and that they do not have time to worry about these 'nice-to-haves'. Small and Medium Enterprises (SMEs) are usually so focussed on ensuring sales, keeping costs down and chasing cash flows that, regardless of personal persuasions, keeping the company afloat rates a long way above saving the environment.

These views are exasperated by two types of media coverage of climate change: the no-hope horror stories inciting paralysing terror; and the 'happy ever after thanks to science' approach offering an effortless solution.

The continual coverage of melting ice sheets, sea level rises, droughts, severe storms and crop failures is essential in providing a context for debate on climate change. However, the tone is often so cataclysmic, so intent on relishing predictions of upcoming disasters, that many people are left with the defeatist attitude 'We have passed the tipping point rendering all action pointless'.

Stories of wonderful 'silver bullet' inventions that will 'solve' the climate change problem are equally as damaging. Tales of genetically modified carbon-munching trees, or dumping iron filings into the ocean allow the listeners to relax and dismiss cautionary news. To those accepting such stories, the problem appears insignificant in the face of man's scientific innovation.

However, if done well, 'green' activities can save money and increase sales for all companies. It does not need to be an extra task needing more management time but rather an excuse to review the business plan and position the company ahead of its competitors and ready for future growth.

There are many people offering to do 'emissions audits' and to provide carbon offsets, and these have their place. Much greater value can be secured however by a business assessing its strategies before adopting the quick fix (and extra costs) of

carbon offsets. There are two key aspects of a business, whether it produces goods or services, that will drive the greatest increase in the bottom line.

Firstly, how can processes be changed to reduce waste and therefore increase efficiency? The waste may be measured in terms of input materials, consumables, utilities (power and water) and even human resources. The solutions might involve installing new equipment, streamlining approvals processes or recycling waste back into the start of the process. For all the inputs and outputs of a business, whatever it may produce, a balance can be drawn up to show what creates value and what creates waste. Waste streams can then either be reduced or beneficially used.

Waste is just a resource to which insufficient imagination has been applied. Once the waste streams are understood then some imagination and innovation can be applied to utilise and create value from some of these resources. These solutions often need external technical and business process advice to overcome the problem of managers 'not knowing what they don't know'.

Secondly, business must look outwards to see what changes are occurring to their business environment. Most importantly, an understanding of how its clients' needs are changing. Large corporates are starting to look at the supply chain emissions of multiple inputs, Governments want to be seen to be procuring sustainably, hotels are assessing the environmental footprint of their menus and householders are increasingly buying 'green'. If a company does not anticipate these changes, it will lose market share. If it continues to ignore them, it will go broke. By moving early, however, it is possible to gain customers and move ahead of competitors.

Over time, sustainability and climate change will change every aspect of how our communities work. This change presents huge opportunities for those willing to grab them. Opportunities to both improve their internal processes and to anticipate the changing needs of their customers. Those that do not evolve and are focussed only on the problems will find themselves left well behind. Which will you choose to be?

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