

Abstract

Purpose – A recent study has asserted that businesses need to adopt “eco-advantage”. This paper aims to explore the viability of small and medium enterprises (SMEs) achieving “eco-advantage” by exploring their understanding of sustainability issues, how they adopt and innovate in terms of sustainability and the benefits and obstacles they face. **Design/m**

ethodology/approach

– The research approach is exploratory, comprised of 15 SME embedded cases based in the UK. The cases are participants in short interventions in sustainable product and process design as a part of a university knowledge transfer project, representing the overall case. Cases are based on interviews with company participants and collaborating academics, supplemented by documentary and observational evidence.

Findings

– The results build on the work on “eco-advantage” found in a recent study, highlighting marketing, rather than compliance issues as a catalyst for change. The newly aware SME enters a development process which involves cumulative capabilities, gaining a nascent inner confidence, which includes espousing wider sustainable values.

Research limitations/implications

– The results reveal the scope and challenges for SMEs to adopt more sustainable practices, encompassing innovations and a broad set of capabilities. Further research points to the need to monitor benefits as well as inputs in evaluating sustainability improvements and to consider longitudinal business sustainability issues.

Originality/value

– The paper informs the emerging debate on sustainability in SMEs, providing a rich source of data to enhance the provision of business support and knowledge transfer activities, where a more holistic and customised approach is required to realise the real environmental and economic benefits accrued from implementing sustainable improvements.

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