**Circular economy as a source of competitive advantage 2CR**

Material for a Teacher

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**Learning Outcomes**

* The course is designed to increase student’s understanding of the strategies undertaken by corporations to​
* Minimize negative and maximize positive impacts to the economic, social and environmental spheres​
* Mitigate risks and manage under conditions of uncertainty​
* Leverage sustainability and circular economy concerns as a source of competitive business advantage​
* Deal effectively with global circular economy related issues such as resource depletion, climate business and the circular economy

Upon successful completion of the course, the student can​

* Skillfully identify and critically evaluate circular economy strategies​
* Identify and formulate alternative strategic options for a sound competitive strategy supporting the circular economy​
* Analyze, assess, explain and differentiate between strategic and operative circular economy actions and decisions​
* Provide relevant background information for strategic decision making with respect to circular economy topics

**The course will ​**

* Expose students to strategies companies use to innovate, create value and build competitive advantage and give examples of employed circular economy strategies ​
* Challenge students to think critically about the environmental and societal consequences of business decisions and about competitive circular economy strategies​
* Increase the student’s understanding and appreciation of the macro-environmental changes, including trends and megatrends, shaping appropriate Circular economy responses​
* Give the students the opportunity to assess and identify when a company’s efforts in the circular economy are strategic​
* Help the student realize the potential competitive advantage from strategic circular economy business approaches and to understand the role of economic responsibility and profitability as part of a circular economy business

**General**

Build the content and reference material to a learning platform (Moodle or similar). Include the references and learning materials to the platform.

Use stock photos to illustrate the material

The introduction texts and tasks are directed to the student

Readings and learning materials selected 2019

**Introduction (to the student):Trends, mega-trends and circular economy strategies**

To be successful and consistent in adopting circular models, the company must be aware of the operational context. What is happening around the company? Globally? With competitors? We need to understand the huge megatrends sweeping us all; we need to pay attention to the trends that are more local in nature; and we must keep our eyes open for the weak signals that may one day become trends and megatrends. ​

This section focuses on understanding the context and the importance of taking trends and signals into account when planning a circular economy strategy; a corporate responsibility (CSR) strategy or any competitive strategy. The GOAL is for you to understand the trends that are shaping the world and how they relate to running a business. ​

Your TASK is to understand and analyze current trends as well as to gain an understanding of circular economy as a competitive strategy. Tasks are explained in more detail in the respective sections.

**ACTIVITY 1: Trend analysis**

**Task 1: Trend summary (to the student)**

**​**In this section, you are to first answer briefly the questions related to trends and megatrends.​

Please answer the following questions on trends, remember to be brief in your answers, try to keep your answers under 4 pages.

What is Hans Rosling's main message?​

Choose three of the risks presented in the "Global Risks 2018” report (Figure 1. Global Risks Landscape), preferably ones where you do not agree on their position on the matrix. State why you believe they should or should not be positioned where they are and why. Evaluate how those risks could potentially affect the business or the sustainability efforts of a company.​

Study the WBCSD 2050 Pathway to sustainability mural or pages 12-13 of the full report (English version "To a sustainable worlds in 2050”). Where do you feel lies the biggest potential for new business innovations and why?​

Pick one solution from the Sustainia 100 website that you felt was particularly fun, innovative, creative or new; justify your choice.

**Learning materials for task 1**

* Video: Hans Rosling on how the world has changed in 200 years (4:48) https://www.gapminder.org/videos/200-years-that-changed-the-world-bbc/​
* World Economic Forum Global Risk Report 2018 Interactive site http://reports.weforum.org/global-risks-2018/​
* The Edelman Trust Barometer 2018​ https://www.edelman.com/trust-barometer
* ​World Business Council on Sustainable Development. Vision 2050 Report.​https://www.wbcsd.org/Overview/About-us/Vision2050/Resources/Vision-2050-The-new-agenda-for-business​
* PWC Corporate Responsibility Barometer 2018 (Study made in Finland, report in English)​https://www.pwc.fi/en/publications/assets/corporate-responsibility-barometer-2018.pdf
* Sustainia 100- Exploring the sustainable society of tomorrow https://goexplorer.org/
* Back up address for Sustainia site. Easy to read as a magazine https://issuu.com/sustainia/docs/sustainia100\_2015
* Global Opportunities Report 2018 for some ideas on how to turn risks into opportunities https://www.dnvgl.com/about/sustainability/global-opportunity-report/index.html
* Future State 2030: The global megatrends shaping governments. KPMGURL <https://assets.kpmg.com/content/dam/kpmg/pdf/2014/02/future-state-2030-v3.pdf>

**Additional materials – Strategic CSR**

* Michael E. Porter (interview), “The Five Competitive Forces That Shape Strategy,” Harvard Business Review, June 30, 2008 (13 minutes),​ http://www.youtube.com/watch?v=mYF2\_FBCvXw​
* “Tobacco,” Last Week Tonight with John Oliver, HBO, February 15, 2015 (18 minutes), <https://www.youtube.com/watch?v=6UsHHOCH4q8>​ A look at the tactics employed by the tobacco industry to continue growing its revenues while preventing authorities from regulating its packaging. This is a good example of an industry that has passed its CSR threshold.​
* “What Is Strategy?” Brigham Young University, July 27, 2012 (9 minutes),​http://www.youtube.com/watch?v=4D\_Yuif1C1c​
* “TOMS Shoes: Why Buy One, Give One Companies Don’t Help Anyone,” TruTV, September 25, 2015 (4 minutes): https://www.youtube.com/watch?v=hX0g66MWbrk​ This video is a good example of why for-profit firms create more value than charitable organizations and, as such, why philanthropy is not a central part of strategic CSR.​
* Intersections: Management and Capitalism, “Business as a Moral Endeavor,” September 7, 2014 (10 minutes), <https://www.youtube.com/watch?v=EseNAh9UwjI>​
* John Mackey, “What Is the Purpose of Business?” Conscious Capitalism (6 minutes), <http://www.consciouscapitalism.org/content/john-mackey-what-purpose-business/>

**ACTIVITY 2: Mind map**

**Task 2. Mind Map**

The main goal in this section is to get a good understanding of what is a circular economy strategy. Read the paper,” Thibaut Wautelet. 2016. Circular Economy as part of the corporate strategy: Competitive advantage or contemporary trend?” and watch the two linked videos (TEDtalks) below; one is about cradle to cradle strategy by Stef Kranendijk and the other is about system perspectives by Ella Jamsin. Your task is to draw a mind-map of what is circular economy and what are the benefits of adopting a circular economy strategy for companies. ​

Add to your mind-map a company that has transitioned from a linear to a circular model and explain the key actions they do differently now compared to before, especially from the strategic and competitiveness perspective. You also need to highlight the benefits or challenges the company is experiencing after adopting a circular economy strategy. You can hand in your work either as a picture (.png, .jpg) or as a pdf or a presentation format

**Activity 2 Learning materials**

* The Power of Circularity | Dame Ellen MacArthur

https://www.youtube.com/watch?v=nh8-fBpm0v8

* Opportunities in a Circular Economy

https://www.youtube.com/watch?v=7Z8DciH5Zgw

* Circular economy: the business case

https://www.youtube.com/watch?v=x5-Eu06p60M

* Thibaut Wautelet. 2016. Circular Economy as part of the corporate strategy: Competitive advantage or contemporary trend? Working paper.​
* https://medium.com/circulatenews/circular-business-advantage-what-organisations-need-to-know-c7ae1954cc46​
* https://www.criticaleye.com/inspiring/insights-servfile.cfm?id=4378​
* https://sustainiaworld.com/the-knowing-doing-gap-of-circular-economy/ ​
* <https://www.sitra.fi/en/publications/shift-workbook/>
* Cradle to cradle strategy: transition to circular economy. TED Talk by Stef Kranendijk​
* https://www.youtube.com/watch?v=l\_U9jhA-9jw​
* Circular economy -- system perspectives for a new enlightenment. TED Talk by Ella Jamsin​
* https://www.youtube.com/watch?v=ucTiaS7kh2k

**Examples of strategic circular economy companies/ case studies**

* https://www.ellenmacarthurfoundation.org/case-studies ​
* http://www.circulary.eu/ ​
* https://www.sitra.fi/en/news/most-interesting-finnish-companies-circular-economy/