

Collaboration –the prerequisite for the transition towards Circular economy

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We live in the time of crisis. Anthropogenic actions have caused significant environmental degradation, and now we are realising that our society faces challenges due to the neglect. Sustainable solutions that lessen the negative effects and carry us after the crisis abate, are needed. Circular economy (CE) can align sustainability and economic benefits in business practises, however to function CE requires changes in current systems. (EMF, 2020) It has been acknowledged that collaboration is central in prospering CE activities (Ruggieri et al., 2016). Therefore, more knowledge on companies in CE collaboration context is needed.

This paper focuses on CE collaboration by business organisations. The way businesses form, utilise and benefit from the collaboration is studied. To form flourishing collaboration, it is important to recognise relevant stakeholders. Therefore, this paper explores the evolution of stakeholder relationships in CE business. The central research questions are:

1. How collaboration is formed and utilised?
2. How collaboration benefits the participants?

The key concepts are circular economy and stakeholder theory. CE practises are viewed from intercompany level, whereas stakeholder theory provides understanding on why and how the interaction between businesses is taking place and how it affects the participating organisations (Freeman, 1984). A qualitative content analysis of 60 semi-structured interviews from Finnish CE forerunner organisations is applied.

The preliminary findings show that two parallel forms of collaboration exists. First, some contexts allow that existing stakeholder relations are being altered to serve the CE align practises, e.g. reaching further down the value chain to create reverse material flows. Second, occasionally a functioning CE requires scouting for new openings. This means finding new partnerships outside the existing stakeholder networks. The findings contributes to the CE literature by addressing potential sources for CE collaboration.

References

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