

## Going the Extra Mile: Circular Economy motivations in pioneering Finnish companies

Mira Valkjärvi (1)\*, Katariina Koistinen (1, 2), Satu Teerikangas (1, 3), Marileena Mäkelä (4, 5), Tiina Onkila (4), Milla Sarja (4)

(1) Management and Organisation, Turku School of Economics, University of Turku, Turku, Finland Email: mira.h.valkjarvi@utu.fi

(2) Sustainability Science and Solutions, LUT University, Lahti, Finland

(3) The Bartlett School of Sustainable Construction, University College London, London, United Kingdom

(4) Jyväskylä University School of Business and Economics, University of Jyväskylä

(5) School of Resource Wisdom, University of Jyväskylä, Jyväskylä, Finland

\* corresponding author

Business as usual coupled with the increasingly alarming state of the natural environment call for action. The linear models and strategies utilized have come under scrutiny and a shift towards a more natural based system has been suggested, namely Circular Economy (Pearce & Turner, 1990). Yet the roots of the term, stemming from industrial ecology, have left behind a field that focuses highly on recycling and waste management (Andersen, 2007). This paper aims to bring the company focus into the picture, discussing how CE could be the driving economic model and desired strategy to achieve competitive advantage. Thus, this study aims to answer the research question “*Why do Finnish companies adopt Circular Economy practices?*”. The question aims to understand the motivations behind organizations’ CE strategies. Therefore, the study will view an organization as a collective of individuals working together to achieve a common goal and examine the field through motivational theories. Specifically drawing from theories such as self-determination theory (Ryan & Deci 2000), expectancy theory (Vroom 1984) and motivation-hygiene theory (Herzberg, Mausner and Snyderman 1959), this article aims to build a framework for organizational motivation. As such an exploratory and holistic case study approach is utilized (Yin 2017). Data is collected in the form of semi-structured in-depths interviews and data analysis applied a thematic approach with data and theory driven coding methods. The results of the empirical research suggest that companies experience both intrinsic value-based motivational factors and extrinsic challenge-based factors. Intrinsic value-based motivations include: ideology, pioneering, profitability, logic and answering customer needs. Extrinsic challenge-based factors include: force, culture, society and infrastructure. The findings together with the reviewed literature acted as a starting point to build a framework of organizational motivation in CE. These findings contribute to the literature of CE to build a basis for CE motivation for companies, which answers to the calls for more managerial level research. In turn, this study yields managerial contributions as cases with proven track records in the transition to CE that will justify others to follow in tow.

**Keywords:** Circular Economy (CE), motivation, Finnish companies

### Reference

- Andersen, M. S. (2007) An introductory note on the environmental economics of the circular economy. *Sustainability Science*, Vol. 2 (1), 133-140.
- Herzberg, F. – Mausner, B. – Snyderman, B. (1959) *The motivation to work*. Wiley, New York.
- Pearce, D. W. – Turner, R. K. (1990) *Economics of natural resources and the environment*. JHU Press, Baltimore.
- Ryan, R. – Deci, E. L. (2000) Self-determination theory and the facilitation of intrinsic motivation, social development, and well-being. *American psychologist*, Vol. 55, 68-78.
- Vroom, V. H. (1984) *Work and Motivation*. John Wiley & Sons, New York.

Yin, R. K. (2017) *Case study research and applications: Design and methods*. SAGE Publications, Thousand Oaks, CA.