

Between Circular Paralysis and Utopia: Organizational Transformations towards the Circular Economy

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Submissions Deadline: September 1, 2023

Topic of the Special Issue

The circular economy has become popular over the past decade, among academics, policymakers, and practitioners, as a concept to address sustainability challenges such as resource scarcity, environmental pollution, plastic waste, and the climate emergency in a strategic manner (Ellen MacArthur Foundation, 2012; Kirchherr et al., 2017; Salmivaara & Kibler, 2020). For companies, the circular economy entails transforming production, supply chains, and business models from linear to circular, and transforms waste and excess resources into valuable new materials and products (Geng et al., 2019; Lüdeke et al., 2019). While the circular economy might be considered a new concept, it has strong foundations in previous work on pollution prevention, recycling, waste management, cradle-to-cradle, and the management of natural resources (Blomsma & Brennan, 2017; George et al., 2015).

With over a decade of excitement about the topic, the circular economy is gradually becoming embraced by the business community. There are myriad start-ups that pioneer circular business models, large fashion brands using plastic waste to make new shoes and clothing (DiVito et al., 2022), and companies from industries as diverse as furniture, consumer electronics, and automobiles trialling new circular business models (Bocken & Konietzko, 2022; Frishammar & Parida, 2019). At face value there seems to be an abundance of ways for companies to adopt circular principles and develop a concrete business case based on those principles.

However, no matter how good companies are at showcasing their circular initiatives or discussing the merits of the circular economy, the reality is that only a limited percentage of products and materials is recycled, let alone reused, refurbished, or repaired (Lüdeke et al., 2019). Moreover, despite many claims and well-meaning attempts towards circularity, the use of plastic has risen while recycling rates have deteriorated (Greenpeace, 2022). While some European countries provide more institutional support for circular economy initiatives, including the Finnish Industrial Symbiosis System (Patala et al., 2022; Ranta et al., 2018), organizational efforts to implement wide-sweeping circular business models and ecosystems are limited and the transition pathways are beset with tensions (Hahn et al., 2014).

The barriers to pursuing circular economy models are numerous. For instance, companies cannot become circular on their own, but need to rely on a well-functioning circular ecosystem (Parida et al., 2019). These ecosystems often depend on public sector involvement (Patala et al., 2022). In addition, customers are generally unwilling to pay price premiums for circular products (Pretner et al., 2021). Moreover, the impacts of circular initiatives on achieving sustainability ambitions such as the Sustainable Development Goals are unclear.

Research and practice need to stray away from circular utopia and circular paralysis and move towards “real utopias” (Gümüşay & Reinecke, 2022), that is, organizational realities that are transformative from the present, but still achievable. For these reasons, a pervasive and truly impactful circular economy remains more a “circular utopia,” both across developed and emerging markets.

The main objective of this special issue is to find ways to go beyond “circular utopia” and “circular paralysis” towards “strong sustainability” and “strong circularity.” We invite scholars to investigate how organizations can transform towards the circular economy and what the impacts are of doing so. How do we go from the visionary umbrella concept of the circular economy to strategic organizational transformation that contributes to a successful sustainability transition that addresses challenging climate, resource, and societal issues?

Types of Submissions Solicited

We welcome theoretical and empirical papers that address the following research topics (Please note: The following lists and topics are exemplary and non-exhaustive).

Organizational Transformations

Most companies still operate in a largely linear economy manner, pursuing business models that are focused on fast-paced consumption, products with a limited lifetime, and little end-responsibility for reuse and recycling. Companies have started transforming their business models but encounter barriers at the institutional, strategic, and operational level, affecting their ability to be successful (Bocken & Geradts, 2020).

- How can an individual company make the transition towards the circular economy?
- What are the strategies, capabilities, and approaches that companies need to adopt?
- How can managers experiment with, and scale up circularity in their companies?
- What are successful cases of organizational transformations, and what predicts success versus failure?

Collaborations and Ecosystems

Companies that seek to transition to a circular economy encounter issues that are beyond their expertise and control and require a negotiation of organizational boundaries (Parida et al., 2019). For example, nature regeneration is increasingly becoming an issue of interest in established companies, seeking to secure their future raw material supplies while addressing increasing customer concerns (Hahn & Tampe, 2021). Furthermore, issues around product take-back and recycling involve a prolonged relation with the customer or collaboration with other actors to retrieve products for reuse and recycling.

- How can companies strategically collaborate for the circular economy to address issues beyond their direct control, such as nature regeneration?

- How can companies renegotiate their boundaries with suppliers, customers, and other (new) partners including the public sector and non-governmental organizations (NGOs) to develop new circular supply chains and business models?
- How can organizations more broadly make strategic decisions about open and closed innovation for the circular economy?
- How do novel circular ecosystems emerge and to what extent can these be orchestrated?

Strong Sustainability and Impact

While the circular economy the attention of business, policy makers, and consumers, this opportunity should not “go to waste” by focusing on innovations with a limited impact on resource use and climate change. Hence, a deeper understanding of the impacts of circular economy cases, and approaches to determine this success are needed.

- What are successful cases of circular economy in established organizations that deliver sizable impacts to the natural environment?
- How have companies successfully made the business case for improving societal and environmental value?
- How can negative rebound effects be avoided in the development of circular innovations in organizations, and positive impacts anticipated?
- Which tools, methods, and approaches may be adopted to guide and measure positive impact in an organizational impact, related to the circular economy transformation?

The Twin Transition: Circular and Digital

The circular economy and the digital transformations are occurring in parallel and synergies are needed for a positive transition to address global challenges. The European Commission has described this as a “twin transition” where the sustainability transition and the digital transition would need to reinforce one another (European Commission, 2022). Yet, it is well known that digitalization can have unintended consequences (Bohnsack et al., 2022), such as the use of significant amounts of energy. It is therefore important to understand how digital technology can drive a successful circular economy, for example, through enabling collaboration, resource exchanges, and digital platforms for reuse and recycling (Blackburn et al., 2022):

- How can organizations strategically adopt digital technology to accelerate their internal circular economy transition?
- How can digital technologies and digital platforms enable collaboration and circular economy ecosystems?
- How can digital technology enable “circular economy leapfrogging,” especially in the Global South?
- What are the downsides of digital technology as it comes to circularity, and how to overcome those downsides?

Theoretical contributions and empirical cases, including action-based approaches, are encouraged. Interdisciplinary approaches with a strong theoretical foundation but intersecting with fields such as design, engineering, policy, and sustainability sciences are also encouraged.

Submission Process and Deadlines

- Authors should submit their full manuscripts through ScholarOne Manuscripts by September 1, 2023, through <http://mc.manuscriptcentral.com/oe>

- *Important: Be sure to specify in the cover letter document that the manuscript is for the special issue on “Between Circular Paralysis and Utopia.”*
- Manuscripts should be prepared following the *Organization & Environment* author guidelines, available at <http://oae.sagepub.com/>
- After an initial screening by the guest editors, all articles will be subject to double-blind peer reviewing by a minimum of two anonymous referees and editorial process in accordance with the policies of *Organization & Environment*.
- To help authors prepare their manuscripts for submission, the guest editors will organize a dedicated online workshop taking place on May 9, 2023. Authors are invited to present and discuss their papers during the workshop. Presentation of a paper at the workshop is not a precondition for submission to the Special Issue. More information on the workshop can be obtained from the guest editors.

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