



# REFRAME

**Circular Economy strategy FRAMEwork  
for sustainable SMEs**

## **IO3: Circular Economy Implementation Framework (CE Framework)**

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SIGMA



## Dimension of CE Implementation

### C. Culture and organization

The organisational culture is defined as the set of shared values, attitudes, behaviours and goals of a firm and its employees. It is a distinctive characteristic that is exhibited in the way colleagues interact with each other, the values they share, and the decisions they make. A craft's culture can be directly cultivated, or it can be the result of collective decisions made. The organisational culture is a key element that determines the success of a transformation initiative. Thus, circular transformation cannot be successful unless it is not embraced by the people involved. Cultivating circular culture can be developed through the embedding of circular principles into the craft's mission and the encouragement of people for circular innovation. The following areas to focus on have been identified as the most critical for the third transformation dimension:

- Vision
- Innovation
- People

#### Vision

The vision statement of a firm explains what an organisation aims to become in the long term. It also describes the main characteristics of how the firm intends to make this happen. Crafts aiming for circular transformation should set a long-term goal for achieving circularity and declare the major milestones. Major milestones would be, for example, procuring 100% circular supplies, reducing the waste produced during operations under a specified threshold, etc. It is clear that once the vision is set and is clear to all stakeholders - customers and employees - then the foundation of change has been consolidated.

#### Innovation

Circular change cannot be accomplished without innovation. By innovation, it is not necessarily meant the technological innovation. Disruptive technologies and technological advancements can very well be accelerators of CE strategies, but real innovation comes from all the methods and actions that facilitate circularity in a craft. Innovative solutions can derive from replacing established linear supplies with circular ones, building products that serve multiple purposes, repurposing waste, etc. Encouraging innovation is a very important aspect of the culture of a craft aiming for circular transformation.

#### People

People working in crafts are the ones responsible to adopt, applying, promoting and suggesting circular strategies in a craft. Therefore, to transform the culture of the craft and infuse the vision of a circular economy into people's DNA, crafts should provide

incentives that encourage circular thinking among its people. In addition to that, a craft may inspire people and help them develop circular awareness by providing training related to circular economy and sustainability.

Business processes involved in operations are the following (Lacy et al., 2020):

- Human Resources to build incentive structures and develop change management programs and communication
- Marketing to communicate company vision and strategy to external stakeholders,
- Design and Development to adapt processes and include circularity to bring circular vision and principles to the company
- Finance to enable investment in innovation