

## Innovation for the Circular Economy

UGRA\_016144

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Departments	Department of Society, Politics and Sustainability
Teaching Languages	English
ECTS	4
Teacher responsible	Valentina De Marchi - valentina.demarchi@esade.edu

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### Course Goals

The principal goal of this course is to equip you with the concepts, frameworks and tools needed to effectively manage the challenge of circular economy (CE) in your future career. At the end of the course, you will be able to:

- seize the ethical, social and environmental challenges of linear society and understand their interrelation
- understand the role of businesses in society, as cause, victim and solution of these challenges
- learn the drivers of change toward the CE
- understand the role circular value proposition, beyond the business case and define a business model for a CE
- address the tensions emerging between economic and environmental goals with a systemic perspective
- acknowledge how firm's function should be modified to enable a circular transition
- understand the barriers to the CE and how to overcome them

### Previous knowledge

No specific previous knowledge is needed

### Prerequisites

No prerequisites are needed to participate in this course

### Description

### Course contribution to program

We are living beyond the planetary boundaries. The current consumption rate is outrageously unsustainable – for example Europe uses more than 8 giga tonnes (GT) of materials annually – out of the 8 GT, less than half are converted into durable products (stock) such as houses, infrastructure, or consumer products. The majority of materials end up as waste: deposited,

combusted or dissipated – less than 10% is returning back and used in the economy. Extracting, processing, producing and consuming materials and products produces 1/4 of GHG emissions in Europe and 1/3 globally.

Circular economy is suggested to be the solution to those issues, an alternative to the actual linear economy where the value of products, materials and resources is maintained in the economy for as long as possible, and where waste is designed out and minimized. Circular economy has the potential to create positive society-wide benefits – reducing negative impacts in terms of pollution, climate change, biodiversity, or even supporting the development of regenerative solutions; yet also important economic-wide benefits – boosting innovation and growth potential. Indeed, an increasing number of policies are pushing firms to go circular, financial schemes are provided, who favor financing firms that prove to have closed their cycles; and market opportunities develop, as customer and stakeholder scrutiny over firms activities are surging. No industry is exempt from the circular transformation.

But how can firms effectively become circular? What are the challenges that need to be addressed to effectively design out waste and pollution; keep products and materials in use; and regenerate natural systems? How to develop business models who could support such a move? Which firms' activities are affected when moving from a linear to a circular model and how so? This course will provide you with the basic tools to answer this question applying it to the context of the fashion industry, and will make you practice with the problems and the solutions that a firm will need to face in the transition from a linear to a circular model.

## Short description

In this course we are going to assess what are the key environmental challenges that CE transformation should assess, learning the planetary boundaries approach and developing a system perspective.

Furthermore, we are going to define and identify different types of CE business models and to discuss how to transform companies activities toward circularity. Finally we are going to identify the key barriers toward the adoption of CE practices and learn tools to overcome them.

Thus, our goal will NOT be to learn how to develop a detailed technical solution in any of the particular areas described above, but rather to equip you with a general understanding so that as future managers you know what the relevant issues are, you are acquainted with the types of tools and best practices in use, and you can therefore interpret and integrate potential social and environmental challenges into your management practices.

The whole course is going to be focused on the fashion industry, so that you will have the chance to rethink one of the most polluting industry and one on which there is a great transformative potential

## Bibliography

- , It's like a death pit': how Ghana became fast fashion's dumping ground (Newspaper Article)
- , Redesining the future of fashion (Website)
- , Breaking Boundaries, Netflix (Video)
- , Systems Thinking – The New Approach for Sustainable and Profitable Businesses (Website)
- , What is the circular economy? Podcast (Audio Recording)
- , Circular business model design guide (Electronic Article)

## Activities

In-class discussions and debates

In-class discussions and debates

Role-play exercises and simulations

Simulations

Teamwork

Development of a sustainable business model

Interaction with visiting guest professionals

Guest speakers presentations

Case study analyses

Case study: AQUAFIL

## Content

#	Topic
1	The role of business in society: can firms become a force for good?
2	Setting the challenges in context: planetary boundaries, human rights and social in(justice)
3	Why circular economy will become mainstream
4	Innovating for circularity: build your sustainable product!
5	Transforming the business model (I)
6	Transforming the business model (II)
7	Closing the loops in (global) supply chains
8	How to approach the barriers against circularity
9	Engaging for circularity: the role of stakeholder engagement
10	Presentations and key learnings

## Assessment

Tool	Assessment tool	Category	Weight %
In-class analysis and discussion of issues	Your active participation during in-class activities and regular attendance	Ordinary round	20.00%
Individual or team	Individual activity.	Ordinary round	20.00%

Tool	Assessment tool	Category	Weight %
exercises	Reflective diaries: during the last part of the class, you will have the chance to write down the key reflections you learnt during the course, to keep building your circularity diary		
Individual or team exercises	Individual activity. Before some classes, you will have the chance to interactively discuss over the readings with your peers	Ordinary round	20.00%
Individual or team exercises	Teamwork. Developing a sustainable fashion business model. In a small group, you will be required to define a business model to close the loops in the fashion industry. Many of the activities needed to prepare the BM will be started during the class time	Ordinary round	40.00%
Final individual project	Students will have to submit a podcast on a topic assigned by the professor, that will enable to deep dive into what was addressed during the classes. The podcast will last between 15 and 20 minutes. Students shall also share a short synopsis of the podcast	Retake	100.00%

## PROGRAMS

B13-Exchange Program Bachelor of Business Administration (BBA) (Undergraduates: Business)  
B13 Year 1 (Optative)

B13S-Exchange Program Bachelor of Business Administration (BBA) (Undergraduates: Business)  
B13S Year 1 (Optative)

BBA20-Bachelor of Business Administration (BBA) (Undergraduates: Business)  
BBA20 Year 4 (Optative)  
BBA20 Year 2 (Optative)  
BBA20 Year 3 (Optative)  
BBA20 Year 1 (Optative)

BBA23-Bachelor of Business Administration (BBA) (Undergraduates: Business)  
BBA23 Year 3 (Optative)  
BBA23 Year 1 (Optative)  
BBA23 Year 4 (Optative)  
BBA23 Year 2 (Optative)

BITLASI22-Bachelor in Transformational Leadership and Social Impact (Undergraduates: Business)  
BITLASI22 Year 4 (Optative)

DBAI21-Double Degree in Business Administration and Artificial Intelligence for Business (Undergraduates: Business)  
  
DBAI21 Year 4 (Optative)  
DBAI21 Year 2 (Optative)  
DBAI21 Year 3 (Optative)

DBAI23-Double Degree in Business Administration and Artificial Intelligence for Business (Undergraduates: Business)  
  
DBAI23 Year 3 (Optative)  
DBAI23 Year 2 (Optative)  
DBAI23 Year 4 (Optative)  
DBAI23 Year 1 (Optative)

GBL24-Double Degree in Business Administration and Global Governance, Economics and Legal Order (Undergraduates: Business)  
  
GBL24 Year 1 (Optative)  
GBL24 Year 2 (Optative)