What Motivates Entrepreneurs into Circular Economy Action? Evidence from Japan and Finland

Savu Rovanto

Assistant Professor, Hitotsubashi University savu.rovanto@r.hit-u.ac.jp

OUTLINE

Circular economy

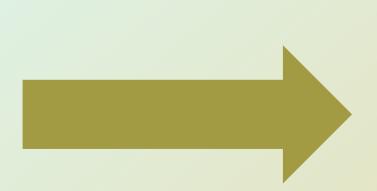
Analysis frame: self-determination theory

Findings about motivations

Findings in context

LINEAR

Take - make - waste



CIRCULAR

Reduce, reuse, recycle, recover



CIRCULAR ECONOMY

Practical approach

4Rs - reduce, reuse, recycle, recover

Aim

Environmental, social & economic sustainability

Systemic approach

Foundation for all activity on micro, meso & macro levels

1 Reduce overall consumption

2 Reuse existing materials & resources

3 Recycle materials into new resources

4 Recover energy through incineration & composting

What motivates entrepreneurs to implement circular economy practices?

How are the motivations reflected in practice in Japan & Finland?

ANALYSIS FRAME SELF-DETERMINATION THEORY

SELF-DETERMINATION THEORY

Amotivation

Lack of motivation

Extrinsic motivation

Motivation sourcing from outside

Intrinsic motivation

Motivation sourcing from inside

Internalization

SELF-DETERMINATION THEORY

Amotivation

Extrinsic motivation

Intrinsic motivation

External

Introjected

Identified

Integrated

Reward Punishment

Reputation Guilt

Path towards a goal

Values assimilated into self

Internalization

SELF-DETERMINATION THEORY

Amotivation

Extrinsic motivation

Intrinsic motivation

External Introjected Identified Integrated

Basic psychological needs

Relatedness

Feeling of belonging & acceptance

Internalization

Competence

Using skills for something meaningful

Autonomy

Acting based of free will

FINDINGS MOTIVATIONS

FINDINGS - MOTIVATIONS

Amotivation

External motivation

Identifed & Introjected motivation

Intrinsic & integrated motivation

Instrumental interest

Genuine interest

FINDINGS - MOTIVATIONS

Intrinsic & integrated motivation

Solving an environmental (& social) issue

Provoking change towards circularity

++++•••

Appreciating what has been created in the past

Solving an environmental (and social) issue



"Achieving a huge economic success isn't the goal, neither is it guiding the way"

FINDINGS - MOTIVATIONS

Identifed & Introjected motivation

Availability & low price of second-hand

• • •

Culture & cultural change

•

Long-term economic well-being

++

Availability & low price of second-hand

"When we have more possibilities for the business, then it is good for the environment.

But honestly, more than 70% is for the business. But not only for the business, I hope"

FINDINGS - MOTIVATIONS

Amotivation

Amotivation to the CE concept

Availability & low price of second-hand

"I do not really want to use these kinds of words, ecology. Because this is not about ecology."

FINDINGS IN CONTEXT

FINLAND

Autonomy: independent & open action based on circular interests

Relatedness: sustainability community & mainstream interest

Basic needs fulfilled through circularity

Competence: acknowledgments for circular expertise

"Responsible design is not a dim star in the sky but the new design standard. Responsibility has become a part of the mainstream"



JAPAN

Fulfilling basic needs through circularity challenging

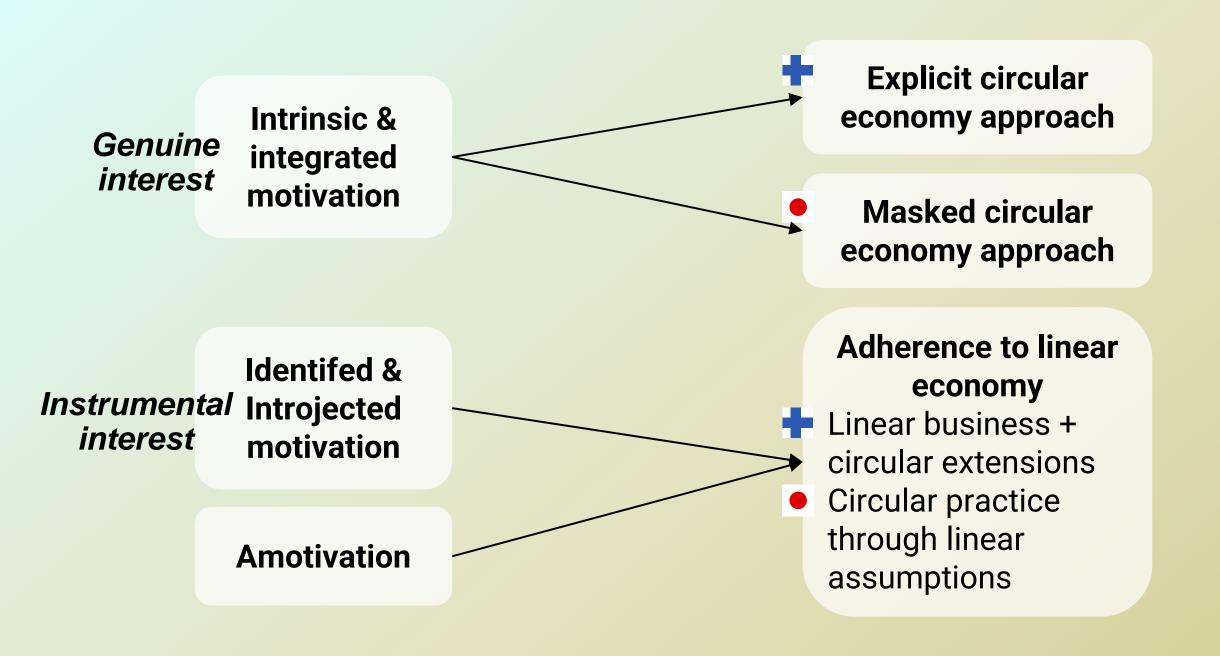
Autonomy: independent action based on circular interests

Relatedness: international sustainability discourse, conflict with society norms

Competence: being able to navigate the challenging environment

"Environmental protection is not so interesting for some people ... We need add-ons, add some fun or joy, feeling, emotion, to our sustainable actions"





HIGHLIGHTS

Contexts influences whether change towards circularity will become a virtuous cycle or stagnate

Influences include e.g. acceptance of grassroot level action, well-being focus, propensity to welcome change

Masked approach a way to navigate conflicts between own motivations & norms in the context

"Circular by coincidence": Advanced circularity is possible without internalized interests

What Motivates Entrepreneurs into Circular Economy Action? Evidence from Japan and Finland

Savu Rovanto

Assistant Professor, Hitotsubashi University savu.rovanto@r.hit-u.ac.jp