

Chapter 29

Leadership to Cultivate the Circular Economy

Damini Saini

 <https://orcid.org/0000-0001-5734-5067>

Indian Institute of Management, Raipur, India

Juhi Agarwal

 <https://orcid.org/0000-0001-9768-440X>

Techno Institute of Higher Studies, Lucknow, India

ABSTRACT

A business meets the need of the present world and the environment without compromising the requirement of the current scenario, that is, sustainability of the resources. Everyone affects the sustainability of the marketplace and the Earth in some way or another. Sustainable development within a business is able to create value for customers, investors, and the environment. This naturally involves taking a long-term perspective and balancing economic, environmental, and social impacts of business. In today's business environment, it is highly important that organizations develop and adhere to the appropriate policies and systems that create a sustainable future for the world. The purpose of this chapter is to highlight the circular economy and the critical role leadership will play in it. The authors describe the circular economy and its major concepts and approaches along with its background. Further, the major challenges and encounters of leadership in a circular economy are also discussed.

INTRODUCTION

The world population is standing at around 7.5 billion as of April 2019, according to recent statistics, out of which, India alone is contributing approximately 17.9% in the total population. Together, we have reached at an alarming situation where the bearing capacity of our planet has jeopardized to the extent that if immediate panacea is not looked out, the reverberations will be unendurable. The rate of consumption is far beyond the regenerating capacity of the planet. The continuous increase in the physiological needs of the humans has put the business organizations under immense pressure to provide them with their

DOI: 10.4018/978-1-7998-5116-5.ch029

Leadership to Cultivate the Circular Economy

necessities at the right time and right place. The notion of take-make-consume-waste, as followed by the majority of people, is one of the main reasons behind the destructive use of the limited resources. The Millennium Ecosystem Assessment 2005, as given by the Ellen MacArthur Foundation (2013), says that fifteen out of the recognized twenty-four ecosystem services (i.e. processes of nature that support human wellbeing) are used in an unsustainable manner and are being depleted. Thus, continuous measures at global, institutional and individual level have to be taken up for the sustainability so as to ensure that there are no pernicious consequences in near future. This realization has led to the emergence of the concepts like Circular Economy, sustainable development, resource planning and management, triple bottom line, Reuse-Reduce-Recycle and many more, keeping aside the old school of thought, like Linear Economy. Where Linear Economy works on the simple principle of gratification of needs, Circular Economy takes into consideration the environmental sustainability as well.

Circular economy is the major focus of this chapter. The chapter will be talking about the how the leadership impact upon circular economy. We will try to focus sustainability first which is again a very popular and important expression these days. Then we will relate it with economy and will move forward to linear and circular economy. Finally, we will discuss that how leadership can be helpful in establishing circular economy in countries.

Sustainability

The word sustainability is derived from the Latin *sustinere* (*tenere*, to hold; *sus*, up). Various dictionaries postulate various different meanings for *sustain*, the main ones being to “maintain”, “support”, or “endure”.

Sustainability serves as a preservative material which preserves the pleasant and delicious recipe of economic jam all around economic enterprises in its profitable state for both producer as well as consumers. Containers play an important role in keeping them quite in act and fresh fit to consume to fixing any date of expiry on the product. So we can say that ethics and sustainability can be seldom the two sides of current coin.

Corporate sustainability is a business approach that creates long-term consumer and employee value by not only creating a “green” strategy aimed towards the natural environment, but taking into thought every dimension of the surrounding of business as how a business operates in the social, cultural, and economic environment. Corporate sustainability also express approaches to build a company that cultivates permanence through transparency and proper employee development.

The term ‘sustainable development’ was coined by the 1987 report ‘Our Common Future’ by the World Commission of Environment and Development (WCED) (Redclift, 1989, p.365 ff.; Palmer, 1992, p.1011 ff.).

The growing concern for environment, resources and social equity in the 1980s led to the emergence of the concept of sustainable development (Hunter, 1997; Mowforth & Munt, 2009), which was defined as ‘development that meets the needs of the present without comprising the ability of future generations to meet their own needs’ (WCED, 1987: 43) by the ‘Brundtland Report’.

It is a constant horizontal graph line of output must be maintained at all cost. The concept of sustainability had been in the all the field of human activities since time. Immemorial in the field of health, wealth, name, fame, sovereignty, command, kingdom, sports and lastly in spiritual achievement as well. The champions in the above field tried their level best to standard and their level forever. Its common when the aims and targets are high, simply achieving is not enough. achievement is only the starting for output for which so mush labor, planning has been put in the crop is ready for harvesting. the desired

10 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/leadership-to-cultivate-the-circular-economy/256119

Related Content

Rising Economic Powers among Economies in Transition: Is There Enough Space on the Global Market?

Vasily Erokhin (2016). *Global Perspectives on Trade Integration and Economies in Transition* (pp. 1-25). www.irma-international.org/chapter/rising-economic-powers-among-economies-in-transition/156961

Adaptation of the Russian Food Market to the Contemporary Geopolitical Challenges: Bans vs Liberalization

Ivan Ivovga (2016). *Global Perspectives on Trade Integration and Economies in Transition* (pp. 185-211). www.irma-international.org/chapter/adaptation-of-the-russian-food-market-to-the-contemporary-geopolitical-challenges/156970

Consumer Social Responsibility (CnSR) in the Circular Economy of Global Value Chains: What Does It Mean, and Why Does It Matter?

Guli-Sanam Karimova and Stephen Arthur LeMay (2022). *International Journal of Circular Economy and Waste Management* (pp. 1-19). www.irma-international.org/article/consumer-social-responsibility-cnsr-in-the-circular-economy-of-global-value-chains/302207

Forecasting Practices in Textile and Apparel Export Industry: A Systematic Review

Adeel Shah, Rizwan Matloob Ellahi, Urooj Nazir and Musawir Ali Soomro (2022). *International Journal of Circular Economy and Waste Management* (pp. 1-17). www.irma-international.org/article/forecasting-practices-in-textile-and-apparel-export-industry/288501

Using Mutual Information to Analyse Serial Dependence: The Effects of COVID-19

Andreia Dionísio and Paulo Ferreira (2021). *Handbook of Research on Financial Management During Economic Downturn and Recovery* (pp. 411-427). www.irma-international.org/chapter/using-mutual-information-to-analyse-serial-dependence/279459