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Author/s:

Pilipenets, O;Hui, K;Gunawardena, D;Mendis, P;Aye, L

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SUSTAINABILITY AND CIRCULAR ECONOMY AS PART OF STRATEGIC GOALS OF BUSINESSES IN AUSTRALIA: PRELIMINARY FINDINGS

Olga Pilipenets*¹, Felix Kin Peng Hui¹, Tharaka Gunawardena¹, Priyan Mendis¹ and Lu Aye¹

¹ Department of Infrastructure Engineering, Faculty of Engineering and Information Technology, The University of Melbourne, VIC 3010, Australia
Email : opilipenets@student.unimelb.edu.au

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ABSTRACT

Sustainability and Circular Economy have been widely discussed among both researchers and industry professionals in the recent years. Although sustainability has been in the attention for numerous years, circular economy is still a relatively new concept. The aim of this study is to identify how Australian businesses are incorporating sustainability and circular economy related goals in their business strategies. To achieve the aim of the study, 22 interviews with industry professionals were conducted. The participants represent a variety of positions within small, medium, and large organisations in the infrastructure sector. Content analysis using NVivo software was applied to analyse the transcribed interviews. This is a work in progress and it presents preliminary findings of the analysis. It was found that although sustainability is incorporated into the company's strategy for almost all organisations. Consideration of circular economy remains unclear in terms of its practical application in businesses. This work is contributing to the body of knowledge by revealing the key issues of why sustainability and circular economy are not considered in strategic goals of infrastructure businesses in Australia.

INTRODUCTION

Sustainability and Circular Economy have received a lot of attention in the recent years since both concepts could apply to all sectors [1]. However, various organisations are still trying to incorporate them into their strategy and operations [2]. Many studies have attempted to explain how these concepts can be adopted to modify current business models [3,4]. Also, several studies have attempted to assess the applicability of circular economy and sustainability in business models in the building sector [5,6]. Although it is a popular topic, there is a relatively small body of literature that is concerned with the practical application of these concepts in organisation's strategy. This work aims to explore whether sustainability and circular economy are considered in the strategic goals of businesses in the infrastructure sector in Australia.

METHOD

A qualitative approach was applied to conduct this exploratory study [7]. Data were collected using semi-structured interviews with 22 engineering professionals, project leaders, and top managers within the infrastructure sector. The organisations include construction, demolition, and engineering consulting companies. The recruitment was implemented via email and LinkedIn channels. Both close-ended and open-ended questions were used. The first question was whether organisations have sustainability or circular economy as part of their strategic

goals. The second question asked whether sustainability or circular economy were incorporated into organisations' mission, vision, or values. This was followed by a discussion on how these concepts are included or why they are not yet considered in the strategic development of an organisation. Interviews were audio-recorded and then transcribed. Thematic analysis was conducted using the qualitative data analysis computer software NVivo.

FINDINGS

The preliminary results show that 90% of the interviewed businesses include contribution to sustainability as part of their strategic goals. Over three quarters of the organisations include sustainability in their mission, vision, or values. In contrast, only 14% of the companies considered both sustainability and circular economy when developing their short-term and long-term strategies (see Figure 1). None of the interviewed organisations incorporated purely circular economy in their strategic goals. An explanation for this might be that there is still no government regulations or industry guidelines encouraging incorporation of circular economy in business operations.

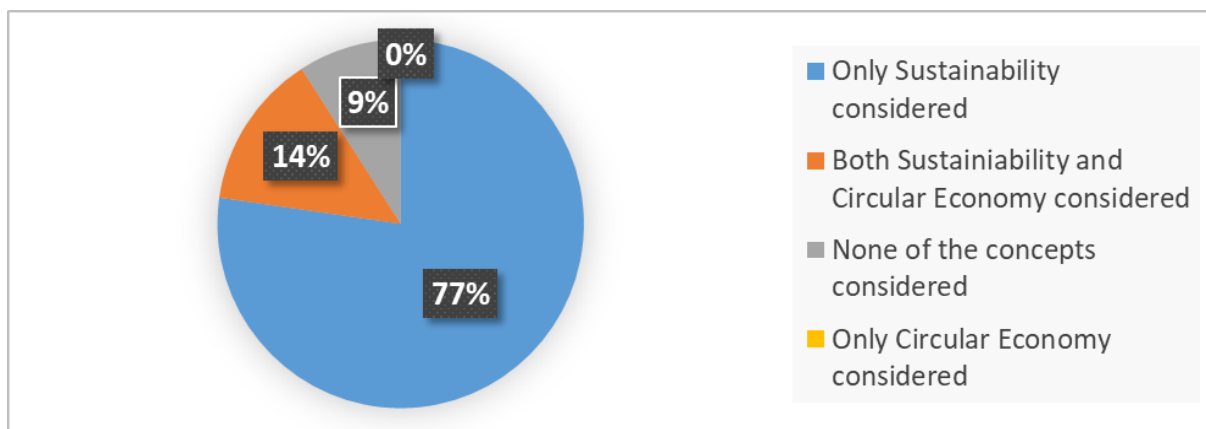


Figure 1. Incorporation of sustainability and circular economy in strategic goals of Australian businesses.

CONCLUSION

The findings of this work provide preliminary insights on the degree to which infrastructure businesses in Australia incorporate sustainability and circular economy concepts into their strategic goals and operations. Although this work is based on a sample of 22 participants, the findings suggest that most of Australian organisations did not incorporate circular economy concept into their strategy, whereas consideration of sustainability is wide spread. Further research have been conducted to identify how circular economy concept can be successfully implemented in organisations of the infrastructure sector.

RESEARCH ETHICS AND CONSENT

This work has been approved by the Office of Research Ethics and Integrity of the University of Melbourne (Reference Number: 2022-24518-30205-3). This study was conducted at The University of Melbourne, Melbourne, Australia between July and September 2022 in compliance with the National Statement on Ethical Conduct in Human Research. All

respondents participated voluntarily. An informed written consent to take part in the research was obtained from each of the respondents prior to the commencement of the study.

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