

STRATEGIC PLANNING

WHAT IS STRATEGIC PLANNING?



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INTRODUCTION

Watch the video to learn about Strategic Planning.

This video will introduce Strategic Planning and provide examples of it in action. It will explain how Strategic Planning can benefit both customers and manufacturers, and how it promotes sustainability and circular economy.



EXPECTED LEARNING OUTCOMES

KNOWLEDGE	<ul style="list-style-type: none">• Knowledge of the 4 main concepts of the circular economy of the ReSOLVE framework, and the principle of natural capital• Knowledge of the emerging EU strategic and policy framework for the circular economy – green deal• Practical knowledge of strategic planning methods in the circular economy• Practical knowledge of strategic collaboration for circular economy innovation (case study)• Practical knowledge of Moocs and networks for strategic collaboration – closing the loop
SKILLS	<ul style="list-style-type: none">• Describe the strategic goals of a circular economy business• Describe the EU strategic framework and identify its fit with own business priorities• Apply a strategic planning process to create strategic goals for your own business planning• Map key strategic partners for circular economy innovation within your own business
ATTITUDES	<ul style="list-style-type: none">• Aware of strategic circular economy concepts and willing to implement them in strategic planning process• Willingness to incorporate EU strategic priorities into strategic business planning processes• Appreciation of the importance of developing a practical strategic plan that fits within the circular economy• Willingness to engage with strategic partners and networks to collaborate and close loops



SELF-REFLECTION EXERCISE

Welcome! In this quiz, you will face 8 questions that will show you the initial basic knowledge you have about Strategic Planning.

[Click here to be taken to the quiz.](#)



THE CIRCULAR ECONOMY OF THE RESOLVE FRAMEWORK

Iyer-Raniga (2019) documents that Arup and The Ellen MacArthur Foundation have designed the ReSOLVE framework to shift to a circular economy in the built environment. These include Regenerate, Share, Optimise, Loop, Virtualise, and Exchange. Each framework component can be employed within all the hierarchies of the built environment:

- **Regenerate** involves renewing and revitalising natural capital, where safeguarding, restoring, and strengthening the stability of the ecosystem are emphasised.
- **Sharing** suggests increasing asset employment, merging the practice of assets and reusing/acclimating assets.
- **Optimise** comprises improving system performance, preserving the life cycle of assets, reducing the usage of resources, and putting reverse logistics into practice.
- **Loop** links to preserving products and materials in cycles, focusing on inner loops so that manufacturing and refurbishing products and parts and recycling of materials are made precedence.
- **Virtualise** incorporates substituting resource use with virtual use, displacing material products and services with virtual services, superseding physical with virtual locations and providing services remotely. This is where shared business models become specifically crucial.
- **Exchange** regards employing contemporary business models, adjustable design and usage, subletting, and performance-based models to establish adaptable and improved user-focused designs. The exchange further contains employing different material information in buildings, offering service models, and utilising state-of-the-art technology where relevant.



- For more information on the ReSOLVE framework: <https://www.youtube.com/watch?v=JnXawXkZ6Mg>



**EUROPEAN UNION STRATEGIC
AND POLICY FRAMEWORK FOR
THE CIRCULAR ECONOMY –
GREEN DEAL**

According to Norton Rose Fulbright (2021), the European Union's Green Deal is the EU's most important recent development plan to change the EU economy to a sustainable economic model. Directed by Ursula von der Leyen, the Green Deal's goal is to make Europe climate-neutral by 2050, resulting in:

- cleaner environment,
- more affordable energy, smarter transport,
- new employment opportunities,
- and ultimately better life quality.

Firstly, the European Green Deal will consecrate in legislation the climate-neutrality goal. So, whoever is overseeing the European Union between now and 2050, zero-carbon is the primary goal. After this, the European Union Commission will suggest increasing the EU's gas emissions target for 2030. Currently, it is 40%, intending to make that 50-55%. Therefore, by 2030, we must cut back Europe's emissions by up to 55% compared to 1990. The EU may then strengthen other targets and legislation simultaneously. Such as the 2030 renewable energy target, which is presently at 32%. They may likewise place a higher cost on CO₂, reports WindEurope (2020).

On the other hand, they do not wish the European industry to deteriorate from the hands of biased competition if the countries outside of Europe are not doing their bit in supporting climate change, which is why they are setting up an EU carbon border tax on particular imports from countries that are less enthusiastic about climate change (WindEurope, 2020).



On top of that, there will also be a new EU Industrial Strategy. The priority of the Green Deal is climate neutrality by 2050, but to accomplish that, we must achieve this by 2030. Therefore, the EU Commission will centre strongly on enforcing the 2030 National Energy and Climate Plans. And, to help steer the whole energy shift and to assure that it's a proper transition that leaves no one out, the Commission has tabled a Sustainable Europe Investment Plan with over €1 trillion (Norton Rose Fullbright, 2021, WindEurope, 2020).



**PRACTICAL KNOWLEDGE OF
STRATEGIC COLLABORATION
FOR CIRCULAR ECONOMY
INNOVATION (CASE STUDY)**

According to the Responsible Business Alliance (2019), Cisco and other companies place a reliance on natural resources to produce and export their products. Although, the predicted end of the potential accessibility of essential raw materials will spawn a huge business continuity threat if companies resume operating as expected.

Cisco sets out to lead in the transition to a circular economy, and in 2018, they instituted a new, enterprise-wide circular economy program. The company's contemporary strategy advances from how it designs, produces, and supplies its products, to how it values the assets it has and remakes them into new products. Furthermore, the company assimilates that it can generate change exceeding its own borders by letting existing and potential customers employ its technology to model their sustainable solutions (Responsible Business Alliance, 2019).

The company has set driven objectives and dedicated the critical resources to make significant advancements in decreasing its environmental influence and promoting a circular economy. Cisco is pushing circular benefit through a string of enterprises, which include:

- closed-loop plastics and waste-free processes,
- augmenting recycled content in products and packaging,
- balancing and segmenting parts,
- and conducting and assessing value from current solutions (Responsible Business Alliance, 2019).

The path to a circular economy cannot be cemented by Cisco single-handedly. The company is devoted to working together with its suppliers, partners, counterparts, and the communities it helps to accomplish this concept, globally and locally.

The Responsible Business Alliance (2019) continues by saying that the company is centred on increasing the adoption of circularity with the goal of:

Cisco's circular economy endeavours are concentrated on five major areas:

- separating business development from the use of limited resources,
- devising waste out of the system,
- and shifting to renewable energy.

The company operates to implant circular economy-driven methods and business models in its own internal and extensive operations: promote circular economy for its consumers and engage in the larger ecosystem to progress the circular economy across enterprises and sectors.

The Responsible Business Alliance (2019) reports that Cisco's circular economy initiatives are centred on five main areas:

1. Circular Design
2. Circular Operations
3. Circular Consumption
4. Circular Solutions
5. Ecosystem Leadership



Cisco's circular economy program works with a reliable program management office below the executive sponsorship of the Senior Vice President, Supply Chain Operations. The group operates multiple levels of governance bodies and cross-functional working groups to set up and execute its programmatic objectives and strategic preferences. The team likewise works together broadly with industry bodies, peers, suppliers, and other stakeholders to promote the circular economy (Responsible Business Alliance, 2019).



The background is a solid teal color with several large, overlapping, curved shapes in a slightly darker shade of teal, creating a modern, abstract design.

STRATEGIC COLLABORATION – CLOSING THE LOOP

Circular economics demands strategic thinking: businesses should not concentrate on individual financial profit anymore but on developing the whole system. This calls for collaboration between and within businesses (Het Groene Brein, 2022).

Het Groene Breine (2022) argues that collaboration between and within businesses is especially necessary for a circular economy because actors are more reliant on one another and can profit more from modernised collaboration. If the cycle of a chain with several businesses is closed, this conveys that the businesses are reliant on each other for their raw materials. The whole chain deteriorates as a result if materials forfeit their value in one chain step so that expenditures, benefits, and risks are appropriately communicated. Furthermore, within a business, business units must work more collectively to make sure that the source and value of raw materials stay attributable.

For more information on the importance of strategic collaboration along with some examples:



SETTING UP A STRATEGIC PLANNING PROCESS

According to the Lucid Content Team (2022), before you form the strategic planning process, it is critical to go over some steps to set you and your business up for success.

1. **Establish Your Strategic Standing:**

This stage forms the basis for all work moving onward. You must know where your business is currently to understand where and how you need to go going forward. Utilising resources such as a SWOT analysis is a great tool in determining where your business is currently and how you can improve upon this to support the circular economy. This approach can be employed frequently to see if or if not, your business is reaching its set goals and objectives.

2. **Set Up Your Goals:** Decide goals that will support you in reaching your goals. Your objectives should match your business mission and concept.

3. **Cultivate a Plan:** Now that you have your end goal, you must develop your strategic plan to attain them. Employing tools such as timelines, responsibilities, and strategy mapping is a practicable method to picture your whole plan. Strategy mapping makes it straightforward to view business processes and pinpoint gaps for progress.





4. **Carry Out and Oversee the Plan:** When you are aware and sure of the plan, you are prepared to apply it to your business. Everyone in your business and associated must be aware of the plan. To manage the plan, regular reviews help keep your business on the right path.
5. **Review and Revise the Plan:** The final phase of the plan is to review and revise your strategic business plan. This allows you to re-evaluate your priorities and adapt to the successes and failures within your business.

FINAL ASSESSMENT TASK

Title of the Task:

Strategic Planning

Aim of the Activity:

This activity seeks to allow innovator entrepreneurs completing this EduZine courseware the opportunity to develop a strategic plan for their own businesses to define their position in the circular economy.

You are a business owner that has decided that they want to make their business more sustainable to promote the circular economy. To do this, you must develop a strategic plan to implement into your business.

Time Required:

Participants will need 2-3 hours to achieve this task.

Materials Required:

A copy of the NOISE analysis template can be downloaded for free: <https://slidemodel.com/templates/noise-analysis-powerpoint-template/>

The NOISE Analysis can be conducted, via hard copy or online using a laptop, tablet, or smartphone.

A free template of the Strategy mapping can be downloaded for free: <https://cloud.smartdraw.com/editor.aspx?templateId=5def4c5d-5fc7-4e3b-b056-af30d3cfaee5&noro=1&nsu=1>

The Strategy Mapping can be completed, via hard copy or online, using a laptop, tablet, or smartphone.



Steps to Complete the Task:

- **Step 1:** The first step is to carry out a NOISE (Needs, Opportunities, Improvements, Strengths, and Exceptions) analysis for your business. This will allow you to see what position your business is currently in and how to move forward to promote a circular economy.
Look at things you are currently doing in your business that help promote the circular economy, things that your business are maybe not doing to help the circular economy, the opportunities to fix these, and what is maybe preventing you from achieving these.
- **Step 2:** Now that you have completed your NOISE analysis, it's time to decide your business goals to achieve a circular economic business. For example, increasing waste management at the end of your business year. Remember, your business goals should correspond to your business' end goal of promoting a circular economy.
- **Step 3:** After deciding your goals, it's time to develop your strategic plan! Think about the course of action to attain these goals. It might be beneficial to use a timeline, a list of responsibilities to carry out, and strategy mapping to help you complete this step.
- **Step 4:** Do you notice any gaps in your business that you can maybe work on to promote the circular economy?
- **Step 5:** Once you have your strategic plan ready to go, how are you going to ensure that it is carried out and **managed?**
- **Step 6:** How do you intend to evaluate your business's strategic plan and its endeavour to support the circular economy?



Are you ready to show what you have learned from the EduZine? Do you feel you know more about Strategic Planning now than when taking the self-reflection quiz at the beginning? Once you have read all the articles in the EduZine, you will have no problem completing this quiz.

<https://forms.gle/Eea53TVy7rBryFx7A>



FURTHER READING AND RESOURCES

Strategic Planning

<https://www.techtarget.com/searchcio/definition/strategic-planning#:~:text=Strategic%20planning%20is%20a%20process,can%20reach%20its%20stated%20vision.>

Circular Economy Strategy

<https://www.anthesisgroup.com/circular-economy/>

The ReSOLVE Framework

<https://skillcircle.eu/en/learning-platform/2/7/25/the-resolve-framework#:~:text=What%20is%20Circular%20Economy%3F&text=The%20ReSOLVE%20framework%2C%20developed%20by,Loop%2C%20Virtualise%2C%20and%20Exchange.>

A European Green Deal

https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en

The EU Green Deal – How will it impact my business?

<https://www.cbi.eu/market-information/eu-green-deal-how-will-it-impact-my-business>

3 ways we can collaborate better for a stronger circular economy

<https://www.weforum.org/agenda/2022/05/3-ways-we-can-collaborate-better-for-a-circular-economy/>

Collaboration as an Enabler for Circular Economy: A Case Study of a Developing Country

https://eprints.whiterose.ac.uk/144152/1/SUBMITTED%20VERSION_COLLABORATION%20AS%20AN%20ENABLER_FEB%202019.pdf

What is strategic planning? 5 steps and processes

<https://asana.com/resources/strategic-planning>





LEARNING CIRCLE



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