

Proposing a Strategic Framework to Accelerate Circular Economic Practices: Strengthening the Willingness to Participate of the Young Generations as Agents of Change

Maya Maria¹, Imas Maesaroh², Ginta Ginting³

Universitas Terbuka^{1,2,3}

Jl. Pd. Cabe Raya, Tangerang Selatan 15418, Indonesia

Correspondence Email: ginta@ecampus.ut.ac.id

ARTICLE INFORMATION

Publication information

Research article

HOW TO CITE

Maya, M., Imas M., & Ginting, G. (2022). Proposing a Strategic Framework to Accelerate Circular Economic Practices: Strengthening the Willingness to Participate of the Young Generations as Agents of Change. *Journal of International Conference Proceedings*, 5(4), 206-223.

DOI:

<https://doi.org/10.32535/jicp.v5i4.1950>

Copyright©2022 owned by Author(s).

Published by JICP



This is an open-access article.

License:

Attribution-Noncommercial-Share Alike
(CC BY-NC-SA)

Received: 01 September 2022

Accepted: 15 October 2022

Published: 15 November 2022

ABSTRACT

Indonesia's involvement in supporting the reduction of greenhouse gas (GHG) emissions (Conference of the Parties-26/COP-26) in overcoming economic, social and environmental problems through low-carbon development, requires the acceleration of the implementation of Circular Economy (CE) practices. Circular Economy (Reduce, Reuse, Recycle, Recovery and Repair) is an alternative to switch from a linear/traditional economy (take-make-dispose). This research is aimed at exploring the extent to which the role of the younger generation (in terms of preferences, mindsets, and expectations) to become agents of change to accelerate the implementation of good practices in the CE. A survey with a descriptive method involving 253 respondents (the younger generation) found that respondents did not mind being agents of change (with the range of answers agree and strongly agree was above 70%) to participate for the success of the CE practices, especially related to the desire to invite others to implement the CE economic practices (87%), willingness to dedicate time to set a positive example and be a part of a community that cares about the practices of CE (84%). The findings of this research are then used as the basis for building a comprehensive CE model to examine its three dimensions, namely: stakeholder management, community engagement, and knowledge creation.

Keywords: Agent of Change, Circular Economy, Community Engagement, Knowledge Creation, Stakeholder Management.

INTRODUCTION

The Sustainable Development Goals (SDGs) and the 26th Conference of the Parties (COP 26), which talks about the topic of global climate change, are entering their respective ten-year periods. Each nation evaluated COP 21 during COP 26 for a critical goal, such as lowering greenhouse gas emissions, promoting the use of more renewable energy, and keeping global temperatures below 2 degrees Celsius (detikNews). At that time, Indonesia committed to making efforts to tackle economic, social, and environmental issues by promoting low-carbon development and the Circular Economy (CE).

CE is an alternative to move from a linear/traditional economy (take-make-dispose) where economic doers keep resources in use, if possible, extract maximum value from use, then recover and regenerate products and materials at the end of each service life (make-use-recycle) (Ellen McArthur Foundation, 2013; Ismulyati, Ngarbingan, & Ginting, 2022; Geissdoerfer, Paulo, Nancy, & Erik Jan, 2017; Mies & Gold, 2021; Su, Heshmati, Geng, & Yu, 2013). CE is an economic system that deals with issues including pollution, waste, loss of biodiversity, and climate change. Every responsible business must take three steps to address potential issues: 1) purchasing supplies and manufacturing 2) using finished products; and 3) gathering and handling trash from consumption.

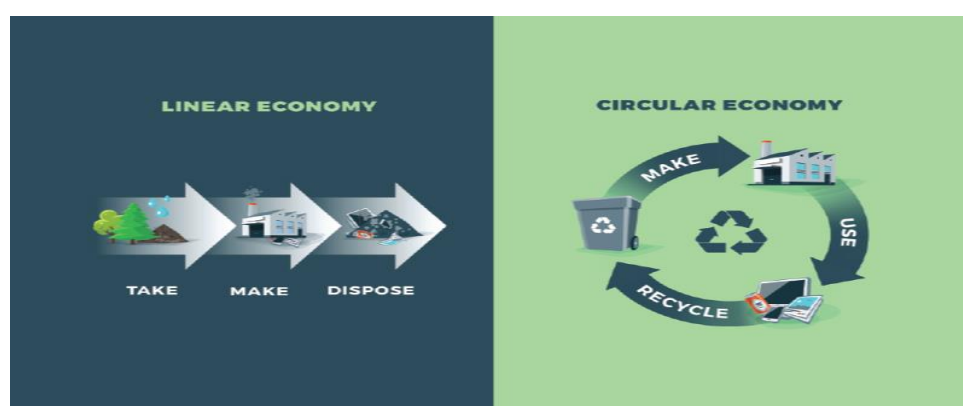


Figure 1. Linear Economy to Circular Economy
Source: Ellen McArthur (2013)

The primary way that the CE concept differs from other concepts is in how resources are used; with CE, raw materials from diverse goods are recycled. Using this recycling, waste, emissions, and wasted energy can be minimized. Some of the important reasons the application of CE has a very important value are reducing waste, increasing productivity, addressing the problem of resource scarcity in the future, and reducing the negative environmental impacts of production and consumption.

Indonesia has included the CE concept into its development vision and plan in order to fast implement economic transformation, particularly to support a green economy. Indonesia's Vision 2045 has elaborated the concept of CE as a future policy. As an initial step in implementing the CE concept, the Indonesian government in collaboration with UNDP prioritizes 5 (five) industrial sectors, namely food and beverage, construction, electronics, textiles, and plastics. In the National Action Plan, the government includes CE in the RPJMN 2025-2029. In the context of implementation, the Ministry of Industry has established 5 main principles of the CE concept, namely Reduce, Reuse, Recycle,

Recovery and Repair. These five principles can be carried out through reducing the use of raw materials from nature (reduce) through optimizing the use of materials that can be reused and the use of materials resulting from the recycling process as well as from the recovery process or by making repairs.



Figure 2. Circular Economy Concept
Source: Ellen McArthur, 2013, Kemenperin, 2020

Practically, the challenges and gaps with the current actual conditions will certainly be a great joint work. The five CE practice approaches (5 R) are more geared towards technology and manufacturing change. Consumer acceptance is currently an important issue that must be explored to obtain information on the extent to which they are willing to support CE practices. The successful implementation of CE practices does not only require government and corporate support, but also requires strong support from consumers who are directly involved as end-users. Several research results (Silva, Shibao, Kruglianskas, Barbieri, & Sinisgalli, 2018; Wastling, Fiona, Mariela, 2018; Otero, Pettersen, & Boks, 2018; Kuah 2017; Kirchherr, Denise, & Hekkert, 2017; Nasoha, Ngarbingan, & Ginting, 2022) emphasize the importance of understanding and obtaining information about “consumer/user acceptance and consumer behavior as an important part of the system”. Kuah (2017) recommends digging deeper into consumer acceptance in terms of marketing strategy.... “to promote CE practices in Asia, marketing strategies should be particularly developed to address some common concerns on trust, cost-saving and innovation, brand image..”. According to Chairy (2021), states that the success of CE practice needs to be supported by the role of conscious consumption and the need for consumer education through influencer marketing specialists to have a massive impact. More specifically, Chairy underlined that the younger generation is the foundation to be able to support the success of CE practice in Indonesia.

The findings of a recent study by Boyer, Hunka, & Whalen (2021) emphasized the significance of exploring deeper into the motivators and barriers to engaging in CE practices by considering demographic aspects (identification of customers segment). The demographic aspect that currently becomes the attention of experts is the role of the younger generation who are expected to become agents of change as well as consumers of CE products. The achievement of the SDGs, particularly SDG-12 on sustainable consumption and production (SCP), is important to the younger generation. SDG 12 calls for collaboration approach among supply chain participants, from producers to end users. The primary force behind SCP will be consumers (OECD, 2008). SCP demands

that consumers participate in sustainable consumption patterns, specifically by preserving the environment. SDG no 12 is intended to involve the community as consumers and education about consumption and sustainable lifestyles.

The younger generation becomes the focus to become agents of change because they will play a role as consumers of the future. According to BPS (2020), 144 million Indonesians, or half of the country's population, are considered members of Generation Z and Millennials. Generation Z was born between 1997 and 2015, whereas Millennials were born between 1980 and 1996. These two generations, who were raised in an era of online communication, social media, and mobile devices, represent the future of the consumer e-market (Facebook, WhatsApp, Twitter, Youtube). According to Barbosa, Portilho, Wilkinson, & Dubeux (2014) that young people are the right research targets because they generally get a lot of information or education about the environment and have environmental awareness that is generally better than the previous generation (Gen X and Baby Boomers).

To accelerate the implementation of circular economy practices that involve the younger generation as a catalyst, a comprehensive solution is needed by examining three important perspectives, namely stakeholder management, community engagement and knowledge creation. Based on the results of the preliminary research, the three perspectives will be able to describe the factual conditions in the field to what extent the implementation of circular economy practices, especially among the younger generation.

LITERATURE REVIEW

This study suggests three views that can be utilized as the foundation for developing research models in the future in an effort to determine the best method for gaining acceptability in the form of willingness to engage in the practice of CE. Stakeholder management, community involvement, and knowledge production are the three views.

Stakeholder Perspective: Stakeholder Management

The development of the CE concept is closely related to building relationships with stakeholders in order to meet expectations in a society context. In general, stakeholder theory states that organizations have relationships with parties concerned that affect the survival of the company. Maintaining relationships with stakeholders and balancing the interests of the group are important factors. In the current business context, corporations tend to interact with heterogeneous parties. The challenge is to adapt to different expectations. In such situations, stakeholder management plays an important role in finding out stakeholder expectations for the company and detecting conflicts that are difficult for corporations to detect early. Stakeholder management is still a fundamental concept to answer critical issues that arise due to differences in interests, the formation of networks, distribution of resources, and active collaboration.

Balancing stakeholder interests is not easy, especially due to the formation of stakeholder networks (Rowley, 1997) and multi-stakeholder networks (Roloff, 2008). A company's willingness to meet stakeholder demands depends on two factors, namely, the density and centrality of the network, and it is not enough for the corporation to deal with only one specific stakeholder group (Rowley, 1997). Collaboration and partnership are the keys to success in stakeholder networks. According to Roloff (2008), this situation also applies to multi-stakeholder networks. Corporations need to identify stakeholders that are relevant to the company. Mitchell, Bradley, and Agle (1997) defined

the principle of "Who and What Really Count" by examining stakeholders through three attributes: power, legitimacy, and urgency.

Stakeholder theory (Donaldson and Preston, 1995; Edward, 2004) emphasizes that stakeholder theory is managerial in the broad sense of that term. According to Donaldson and Preston (1995), the manager (the firm) as a central figure is required to make decisions to build good relations and collaborate with stakeholders. Stakeholder modeling proposed by Donaldson and Preston (1995) is based on the argument that all individuals and groups have the legitimacy to participate in companies and that companies benefit from stakeholders. The Donaldson model shows that there are no special priorities, all stakeholders have the same access and position and each will benefit (Figure 3).

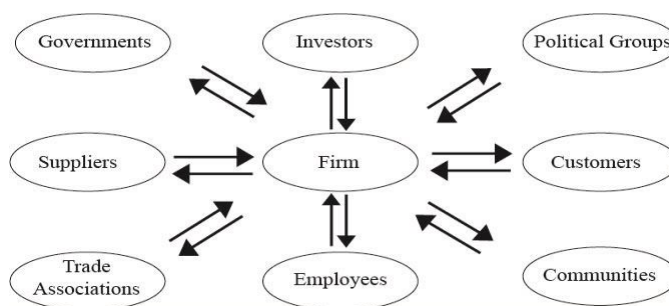


Figure 3. Donaldson's Stakeholder Modeling
 Source: Donaldson and Preston (1995)

Since decisions are made by managers, stakeholders can find out how managers distribute limited resources to stakeholders. This process is known as balancing stakeholder interest. Balancing stakeholder interests is not easy. This step requires a careful evaluation process in order to identify interests precisely. The obstacles in balancing stakeholder interest are resource divisibility and relative stakeholder saliency (Reynold, Schultz, & Hekman, 2006). Resource divisibility theoretically explains that balancing stakeholder interest is a reflection of the fact that stakeholders compete against company resources, whether resources that are related to capital, profits, time, or business. Stakeholders can agree or disagree on how and where company resources should be utilized. Thus, managers must decide how to allocate resources appropriately. Resource divisibility can influence behavior in allocating resources. The easier the resources are shared, the easier it is for managers to distribute to relevant stakeholders, so as to balance the interests of the stakeholders. To determine the right stakeholders whose interests will be accommodated, the opinion of Mitchell et al. (1997) about relative stakeholder saliency explained that stakeholders who have three important attributes, namely, power, legitimation, and urgency, should be prioritized.

The stakeholder approach contributes positively in explaining responsible business practices from the aspect of business sustainability through empirical studies conducted by Campin, Barraket, and Luke (2013). Pederson (2010) proposed a model that is considered appropriate to be used as a reference in balancing multi-stakeholder interest (Figure 4). The modeling illustrates that in order to meet the expectations of stakeholders (consumers, communities, employees, government), good management of internal operations (products/services, environment, and human resources) is required.

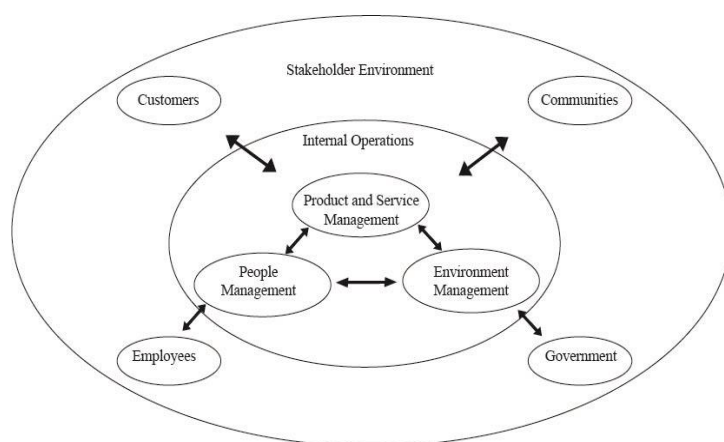


Figure 4. Pederson's Model
Source: Pederson (2010)

Building Engagement with Stakeholders: Empowering Community

The community approach to build social connections becomes an important aspect of the development of Circular Economic concept. The success of Economic Circular is assessed by the usefulness of the program for the communities. So, good engagement needs to be built. Some experts, such as Brodie, Ana, and Linda (2013), Leibtag (2013), Lee, Hyuk, and Jung (2014), Hollebeek (2011), Ginting (2022) stated two important things that need to be considered so that engagement can be built, namely, interaction engineering (participation, connection, intensity) and user experience (emotion, cognition, behavior). Brodie et al. (2013) explained that the engagement process will encourage (See Figure 5): 1) advocating, which is an expression of community members in providing recommendations to other parties to use a company's products or services; 2) sharing, in which community members can share information and knowledge and experience with each other; 3) socializing, in which community members can interact with one another using a community language that can build certain attitudes and norms; 4) co-developing, which is a process in which community members contribute to the organization by providing support and assistance to develop new services and products, and 5) learning, that relates to cognitive competencies and behavioral aspects related to the purchase decision process undertaken.

According to Leibtag (2013), in her article titled "Think Community to Drive Engagement", understanding the community is important to encourage effective interaction between community members. Leibtag (2013) proposes three steps to increase engagement among community members, namely:

- 1) Listen: Find out what the community members are doing related to social media channels they use, such as Facebook, YouTube, email, and website.
- 2) Test: Try different types of content (videos, pictures, articles) to see the response of community members.
- 3) Measure Engagement: Conduct learning analytics to measure the extent to which the effectiveness of the community, for example, by examining the number of followers and the engagement between community members.

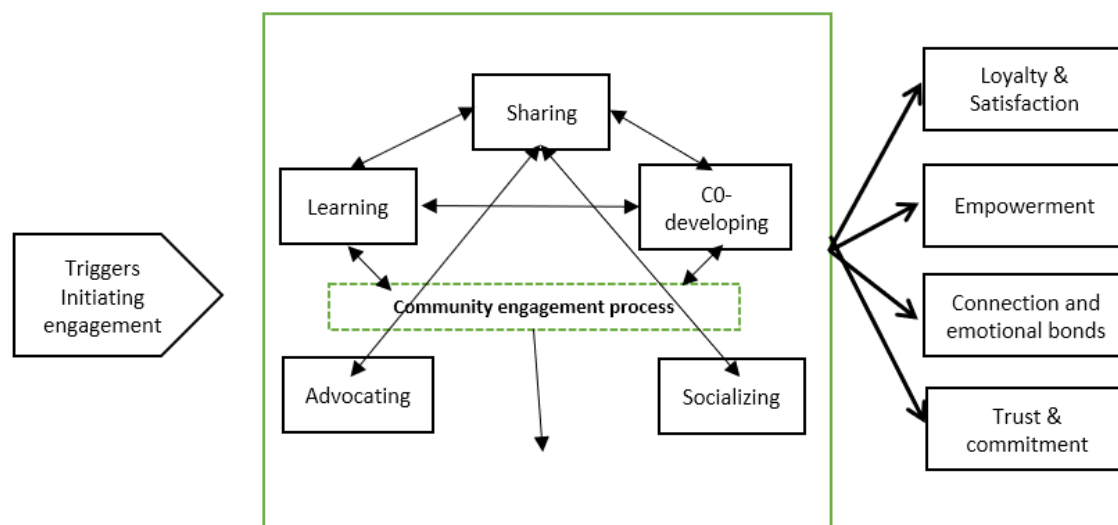


Figure 5. Community Engagement Process
Source: Brodie et al., 2013.

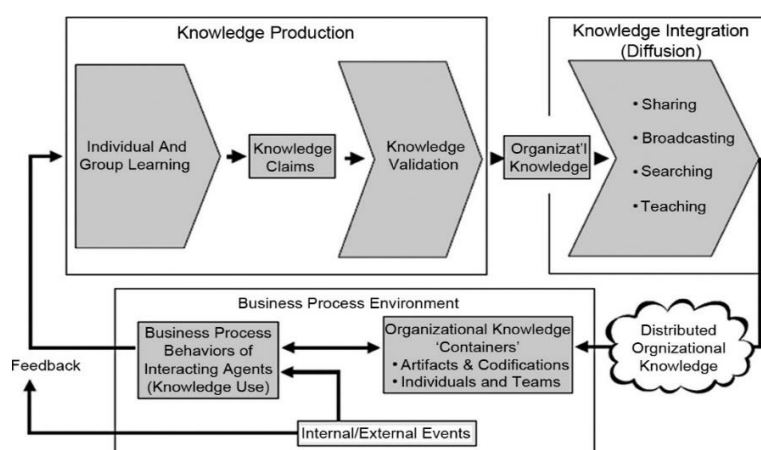
In addition to the interaction aspects, the practice of community engagement, which is more than just community participation, is a collaborative process with partners, known as the concept of collaborative networks. According to Piller, Ihl, C., & Vossen et al. (2011), Bititci, Martinez, Albores, and Parung (2005), and Matos and Afsarmanesh (2005), collaborative network represents a new paradigm in a knowledge-driven society where interactions that occur on a network can provide shared value in several ways, which are: 1) access to new knowledge; 2) sharing risks and resources; 3) sharing expertise, knowledge, and competencies; and 4) overcoming the limitations of internal resources.

Knowledge Creation Perspective

Mattera and Baena (2013), in their empirical research, have proven that stakeholder involvement could encourage knowledge creation, which is innovation that has an impact on social welfare. Mattera and Baena (2013) asserted that by combining stakeholder theory with innovation theory framework, scholar can shed light upon the knowledge-production process, and how it is incorporated to the firm. Stakeholders, in this case, are not only consumers, but also other parties such as NGOs, MSMEs, suppliers, governments, etc., so that there will be an integrated and shared knowledge creation (shared value). Knowledge owned among stakeholders will produce knowledge capitalization, which is a combination of financial and intellectual capital aspects that have an impact on innovation capital. According to KMCI (Knowledge Management Consortium International), the knowledge life cycle in a corporation can result in knowledge integration or diffusion so that sharing, broadcasting, searching, and teaching processes (Figure 6) will occur.

So that innovation can be run optimally, it is necessary to have a strategy to properly manage knowledge transfer process, from initiation, acquisition, transformation to assimilation. Knowledge management has long been developed. Nonaka (1994) explained that the process of knowledge creation in an organization occurs through a conversion process that involves explicit knowledge (ideas, concepts) and tacit knowledge, or knowledge that has been manifested in something, in the form of writings or product prototypes, known as the SECI (Socialization, Externalization, Combination,

and Internalization). The determinants of knowledge management that are commonly used are knowledge acquisition, knowledge sharing, knowledge utilization, and knowledge creation (Mc Shane, 2008; and Nonaka, 1994). Knowledge sharing is a process of exchanging knowledge and together creating new knowledge. Knowledge utilization is knowledge that is applied directly in employee behavior through organizational systems and structures, service improvement, and freedom of application of knowledge. Knowledge creation is an organizational process, related to how knowledge is created by individuals in the organization and is realized as part of the knowledge network within the organization. Knowledge acquisition is the ability to capture information and ideas that come from the environment.



Source: KMCI (www.kmci.org)

Figure 6. Knowledge Life Cycle by KMC

RESEARCH METHOD

This study employed descriptive method to find data factual as preliminary research. In this study, the target population was the younger generation residing in the areas of Jakarta, Bogor, Bekasi, Banten and Depok. Both secondary and primary data were used. Secondary data are references from various sources to identify the factors that influence the formation of agents of change (the younger generation) in encouraging the implementation of CE practices. Primary data come from respondents' responses. Data retrieval technique is done by filling out a questionnaire via Google Form. The questionnaire consists of several indicators which are measured using a rating scale. Sampling was carried out using a non-probability sampling method with the type of sampling chosen was judgment sampling because the researcher determined the criteria for the respondents needed. The data were analyzed descriptively to present the demographic and psychographic data of the respondents to produce consistent data patterns and the results could be studied and interpreted.

To measure the research variables, a Likert Scale was used with a level of agreement in five points: 1 = strongly disagree... 5 = strongly agree

1. Willingness to participate actively is the willingness to be an agent of change to implement CE.
2. Behavioral is approval of environmentally friendly behavior.

RESULTS

A study of 253 participants, including some women (74%), was performed to learn more about the preferences, beliefs, and expectations of the younger generation regarding CE practices and support for RCP. Most responders were between the ages of 21 and 25 (60%) and between 15 and 20 (37%).

Three indicators (Reduce, Reuse, and Recover) are used to evaluate how much respondents approve the CE approach. The responses to the five circular economy practices are as follows:



Figure 7. Reduce Practice

It is to find out respondents' responses to reducing the use of materials from nature. Findings in the field developed that most of the respondents had implemented REDUCE practices, namely: using their own shopping bags (44%), avoiding the use of plastic to dispose of waste (31%) and buying solid products that were not wrapped in plastic

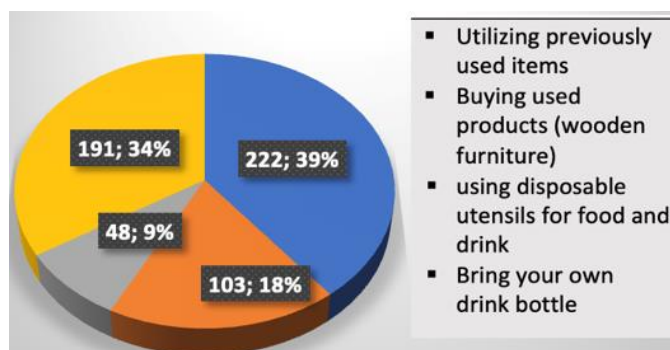


Figure 8. Reuse Practice

It is to find out respondents' responses regarding optimizing the use of reusable materials. Findings in the field indicate that most respondents have implemented REUSE practices, especially related to the use of disposable items (39%) and bringing their own bottles (34%).

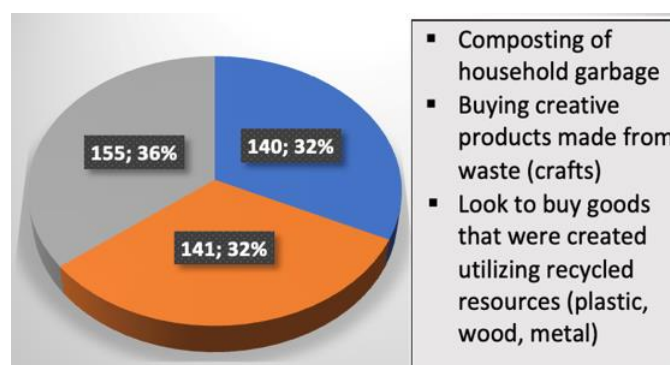


Figure 9. Recovery Practice

It is to find out respondents' responses regarding the use of materials resulting from making improvements. Findings in the field indicate that most respondents have understood RECOVERY practices, especially related to purchasing products resulting from the manufacturing process using used materials (36%).

Seven variables were used in preliminary study to measure respondents' level of desire to engage in activities that would promote the adoption of CE practices (see Table 1)

Table 1. Willingness to Participate to Encourage CE Practices

No.	Statement	Response					Total Total
		1	2	3	4 (Approved)	5 (Strongly Approved)	
1.	I want to encourage people to adopt CE principles.				33%	54%	87%
2.	I'm willing to join the CE caring community.				28%	46%	72%
3.	I'm going to engage in some new conduct relating to CE.				29%	53%	82%
4.	To prevent further environmental harm, I think the objective to urge others to follow CE practices will be successful.				32%	51%	83%
5.	I intend to put in the time and be a role model for creating change using CE practices.				37%	47%	84%
6.	I'm pleased to be a part of a group that helps raise awareness among others about the value of putting CE practices into practice.				30%	54%	84%
7.	I am eager and always willing to participate in CE activities.				31%	52%	83%

Based on the results of the tabulation (Table 1), there are indications that respondents do not mind being agents of change to participate in the success of the CE practice (the range of answers agree and strongly agree is above 70%), especially related to the desire to invite others to implement CE practices (87%), willing to dedicate time to set a positive example and be part of a community that cares about the practice of a CE (84%). The results of the research also indicate that most respondents (88%) strongly believe (range 7 to 10) the positive impact of implementing a CE both economically and preventing environmental damage (See Figure 10).

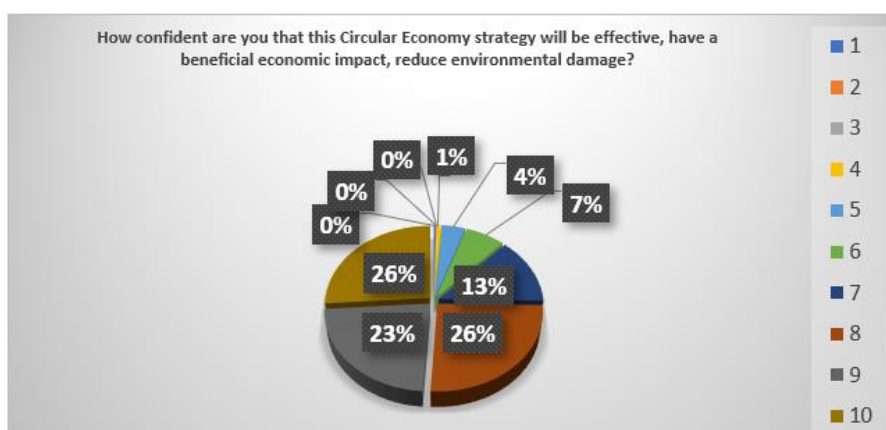


Figure 10. Confidence in the Positive Impact of Circular Economic Implementation

DISCUSSION

Research results (preliminary) on 253 young people to explore the extent to which they are willing to be involved and practice CE in their daily life, it was found that most of the respondents (above 85%) answered agree and strongly agree on the five assessment indicators that reflect behavior in practicing EC, mainly related to the use of materials resulting from the process of retrieving and making improvements, each of which shows the figure of 91%. Regarding the aspect of willingness to participate in practicing CE, there are indications that respondents do not mind being agents of change to succeed in good CE practices (the range of answers agree and strongly agree is above 80%), particularly related to the desire to invite others to implement CE practices, willing to dedicate time to set a positive example and be part of a community that cares about the practice of a CE (84%). The research results also indicate that most respondents (88%) strongly believe (range 8 to 10) the positive impact of circular economy practices.

The following are examples of 2 CE practices initiated by business actors (Lush Cosmetic and IKEA). If innovative ideas like this can be conveyed to the younger generation so that the impact will be greater, of course it will involve the role and support of the community, stakeholders (government, NGOs, academics).

Best Practice: 'Naked' Cosmetics: Lush Campaigns for Free Plastic Packaging

"Lush" a cosmetic company from Belgium, has redesigned several liquid care products in plastic bottles to be sold into solid formulations. The "nake campaign" series that were launched were shampoo, conditioner, bath soap, toner, and deodorant. Currently, about 65% of the Lush product range is 'naked'. Since 2005, Lush has sold nearly 50 million shampoo bars globally, eliminating more than 150 million plastic shampoo bottles. They

also reduced packaging by creating a Lush Labs app that allows customers to access product information such as ingredients or instructions for use, eliminating the need for labeling and packaging (see Figure 11).



Figure 11. Lush Campaigns

Circular Furniture and Homewares: IKEA. The Swedish furniture company IKEA also applies the concept of circular furniture, where 60% of its furniture series uses renewable materials, and more than 10% contains recycled materials. The goal is to make the product 100% free from harmful waste. IKEA uses only materials that can be renewed or recycled until 2030. IKEA's strategy is to help customers reuse their products. IKEA now offers parts and supplies to extend product life and sells used furniture in-store and introduces a buy back scheme. Customers get online deals on their old furniture, return the item to an IKEA store and get a refund card to spend on new IKEA products (see Figure 12).



Figure 12. IKEA

To accelerate the implementation of CE practice, it is necessary to build a comprehensive model. This paper proposes to practice circular economics by using a study of 3 perspectives, namely: stakeholder management, community engagement and knowledge creation

Stakeholder Management

In the EC context, the success in the implementation needs to be supported by active collaboration with stakeholders such as government, corporation, NGO, and customer

(user) (Donaldson & Preston, 1995; Pederson, 2010). In the CE implementation government as primary stakeholder must build active collaboration to create network capital. Network capital consists of strategic and calculative relations and network held government and can be used to access resources owned by the other parties or partners based on logical, professional, strategic, and calculative principles (shared value). The main stakeholder for the success of CE practice is the government by facilitating programs for the younger generation as well as being a mediator in building networks with the public, business people, Universities and NGOs.

Community Engagement

In the CE context, implementation can be optimized through engagement with the community that has a strategic essence for building social connections among community members. Building community engagement is not easy. To build a community must implement an effective engagement strategy (Minsker, 2014, Brodie et al., 2013). By using collaborative networks, there will be an acceleration of innovation through sharing and contributions among individuals and collective development (Mircea, 2015; Xiaomi, Deng, Chao, & Bai, 2014). According to the Service Dominant (S-D) logic paradigm (Vargo & Lusch, 2008; 2016), collaboration with the community can encourage co-creation and joint creation in the value chain. For this reason, the Government together with other stakeholders (business actors, NGOs, academics) facilitate the growth of a community that drives circular economy practices in the younger generation (role model). Building community effectiveness can take advantage of influencers and advocacy consultants.

Knowledge Creation

In the context of the CE, implementation can be optimized through stakeholder collaboration by leveraging open source to encourage knowledge exchange. Mirvis, Herrera, Googins, and Albareda (2016) suggest that for the CE concept to be applied, knowledge exchange should be internalized in value chain enhancement and community improvement to accommodate markets, opportunities, cultural understanding, and reputation or image. Then, the knowledge exchange intended for the improvement of society is to develop product ideas, increase the spirit of innovation, build bonds with social innovative networks, and generate social solutions, social legitimacy, and licenses for enterprise growth. Collaboration between stakeholders in this case is the younger generation, especially with businesspeople, NGOs, the government so that there is an exchange of knowledge so that creativity can be obtained to support the implementation (best practice) of a circular economy. The presentation of 3 perspectives to be able to build DC good practice modeling can be described as follows (Figure 13).

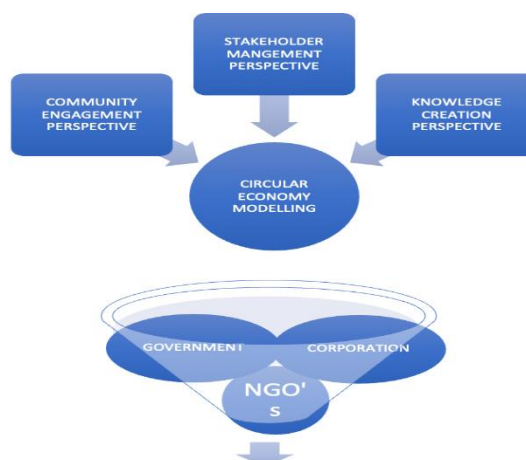


Figure 13. Framework Circular Economic from 3 Perspective Framework

Three perspectives emphasize the importance of stakeholder collaboration to encourage the implementation of CE practices where the center point is the younger generation. The new thinking framework or perspective integration of CE can be used as a basis for proposing modeling in order to answer research gaps and build CE concepts that can accommodate the demands of the stakeholder, or in this case, the community (younger generation) to play a role in accelerating the implementation of CE practices. CE Modelling can be viewed from 3 integrated perspectives, namely: stakeholder management, community engagement, and knowledge creation. In term of stakeholder, relevant primary and secondary stakeholders need to be analyzed to understand their expectations. in the CE practice case, is to manage stakeholders (networks, interests, and resources) to build network capital (Huggins, 2010; Mitchell et al., 1997; Pederson, 2010; Reynold et al., 2006; Rowley, 1997). Then, strategic considerations must become a concern is building connectivity through strategic collaboration communities (Brodie et al., 2013; Matos & Afsarmeth, 2006; Pederson, 2010; Piller et al., 2011; Vargo & Lusch, 2016). Building community engagement and creating stakeholder collaboration can create knowledge exchange that intended for societal enhancement is aimed at developing product ideas, enhancing the spirit CE, building bonds with socially CE networks, and producing social solutions and social legitimacy (Mattera & Baena, 2013; Mirvis et al. 2016).

The three perspectives can be used as an important pillar in encouraging the sustainability of conscious agents of change in the CE context. To encourage action on the sustainability conscious aspect, it is necessary to consider several important aspects such as: the role of the younger generation, economy, social and environment. Conducting best practice CE can encourage behavioral aspects such as intentions, behavior, willingness to participate and actual behavior among the younger generation so that it has a massive impact because they will only become economic actors in the future where their lives and welfare are strongly influenced by concerns about current good practices (Kuah, 2017; Wastling et al, 2018; Otero et al, 2018, Fishbein & Ajzen, 2011; van Stekelenburg & Klandermans, 2017).

Based on explanations above, there are two propositions can be formulated:

Proposition 1: stakeholder management, community engagement and knowledge creation should be considered as three important pillars that have impact on developing sustainability conscious agents of change.

Proposition 2: Building a sustainability conscious agent of change among the younger generation that provides social and economic benefits as well as the environment can be used as the basis for encouraging behavioral aspects (intention – behavioral – actual behavior) and willingness to participate.

These two propositions are the basis of this paper to propose a CE conceptual model that can become a reference for research development and the development of CE concept or theory in the future (Figure 14)

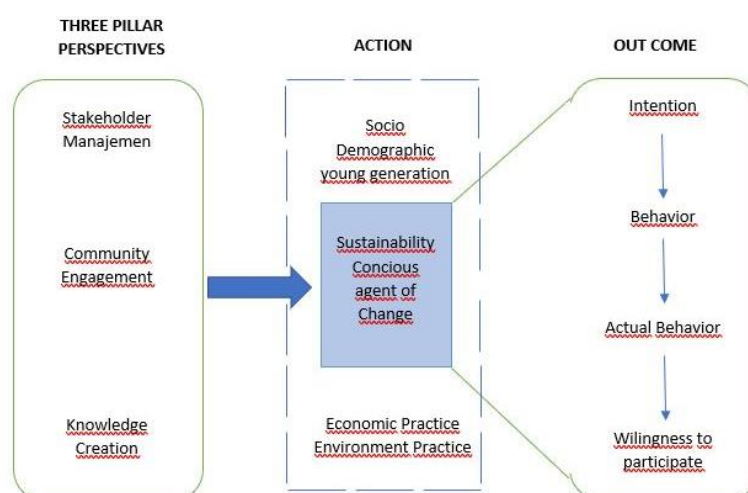


Figure 14. Proposing Comprehensive CE Modelling

CONCLUSION

The problem raised in this paper is based on the phenomenon that the implementation of the CE concept has not been optimal, which has not had a positive impact on the sustainability of environmental protection. Involving the younger generation as agents of change related to behavioral aspects and the willingness to participate in campaigning for CE good practices is one of the important solutions to get a massive impact. In essence, there will be an acceleration of the implementation of good CE practices in the younger generation community through the support of important stakeholders (government, business actors, NGOs, academics). Stakeholder collaboration and constructive community involvement among the younger generation will be able to encourage knowledge creation to seek important breakthroughs in the successful implementation of CE. The results of a preliminary study of 253 respondents (the younger generation) who can explore two positive things, namely aspects of behavior and willingness to participate, show their concern for the implementation of CE practices. This paper provides insight into the scientific development of the CE concept by proposing a modeling based on 3 perspectives (stakeholder, community, and knowledge creation) so that it can become an important pillar to encourage agents of change aware of sustainability among the younger generation.

ACKNOWLEDGEMENT

The research as funded by Research Grant of Universitas Terbuka.

DECLARATION OF CONFLICTING INTERESTS

To strengthening the willingness to participate of the young generations as agents of change in implementing circular economy practices.

REFERENCES

- Barbosa, L. , Portilho, F., Wilkinson, J., and Dubeux V. (2014). Trust, participation and political consumerism among Brazilian youth. *Journal of Cleaner Production*, 63, 93-101.
- Bititci, U.S., Martinez, V., Albores, P., & Parung, J. (2005). Creating and managing value in collaborative networks. *International Journal of Physical Distribution and Logistics Management*, 34(3), 251-256.
- Boyer, R., Hunka, A. D. & Whalen, K. A. (2021). Consumer demand for circular products: Identifying customer segments in the circular economy. *Sustainability*, 13(22), 12348. doi:10.3390/su132212348
- BPS. (2020). *Hasil sensus penduduk 2020*. Retrieved from <https://www.bps.go.id/pressrelease/2021/01/21/1854/hasil-sensus-penduduk-2020.html>
- Brodie, R. J., Ana, L., & Linda, H. (2013). *Consumer engagement in a virtual brand community: an exploratory analysis*. *Journal of Business Research*, 66, 105-114.
- Campin, S., Barraket, J., & Luke, B. (2013). Micro business community responsibility in Australia: approaches, motivation and barriers. *Journal Business and Ethics*, 115, 489-513.
- Chairy. (2021). *Imagining the post-pandemic era: The roles of conscious consumption and influencer marketing in fostering circular economy*. Professorial Inaugural Speech, President University.
- Minsker, M. (2014). *CRM Evolution 2014: Customer engagement is the future CRM*. retrieved from <https://www.destinationcrm.com/Articles/CRM-Insights/Insight/CRM-Evolution-2014-Customer-Engagement-Is-the-Future-of-CRM-99263.aspx>
- detikNews (2021). COP26 Adalah pertemuan perubahan iklim, apa saja hasil yang diharapkan?. Retrieved from <https://news.detik.com/berita/d-5791362/cop26-adalah-pertemuan-perubahan-iklim-apa-saja-hasil-yang-diharapkan>
- Donaldson, T., & Preston, L. E. (1995). The stakeholder theory of the corporation: Concepts, evidence, and implications. *Academy of Management Review*, 20(1), 65-91.
- Ellen MacArthur Foundation. (2013). Towards the circular economy, opportunities for the consumer goods sector. Retrieved from <https://ellenmacarthurfoundation.org/towards-the-circular-economy-vol-2-opportunities-for-the-consumer-goods>
- Fishbein, M., & Ajzen, I. (2011). *Predicting and changing behavior: The reasoned action approach*. New York (US) and London (GB): Routledge.
- Edward, F. R. (2004). The stakeholder approach revisited. *Zeithschrift fur Wirtschafts*, 5(3), 228-254.
- Ginting, G., Dewi I, J. (2022). Reformulating a market-driven strategy of community-based tourism destinations Post-Covid 19 pandemic: Evidence from Indonesia. *Ilomata International Journal of Management*, 3(3), 298-318. doi:10.52728/ijjm.v3i1.302
- Hollebeek, L. (2011). Brand customer engagement: Exploring the loyalty nexus. *Journal of Marketing Management*, 27(7), 785-807.

- Huggins, R. (2010). Network resources and knowledge alliances: Sociological perspectives on inter firm network as innovation facilitators. *International Journal of Sociology and Social Policy*, 30(1), 515-531.
- Ismulyati, S., & Ngarbingan, H. K., & Ginting, G. (2022). Modeling of co-creation in adventure tourism: Empowering the role of customer participation to strengthen behavioral intention (Best practice: Tourism village Nglangeran-Gunung Kidul DIY). *Journal of International Conference Proceedings*, 5(2), 626-637. doi:10.32535/jicp.v5i2.1762
- Kirchherr, J., Denise, R., & Hekkert, M. (2017). Conceptualizing the circular economy: An analysis of 114 definitions. *Resources, Conservation and Recycling*, 127, 221–232
- Kuah, A. (2017). Circular economy and customer acceptance: An exploratory study in Southeast Asia. *Journal of Cleaner Production*, 247, 119097.
- Lee, D., Hyuk, S., & Jung, K. (2014). The impact of online brand community type on consumer's community engagement behaviors: consumer created vs marketer-created online brand community in online social-networking web sites. *Journal of Cyberpsychology, Behavior and social networking*, 14, 59-63
- Leibtag, A. (2013). *Think community to drive engagement*. E Content.
- Geissdoerfer, M., Paulo, S., Nancy, M. P. B., & Erik Jan, H. (2017). The circular economy – A new sustainability paradigm?. *Journal of Cleaner Production*, 143, 757–768. doi:10.1016/j.jclepro.2016.12.048.
- Matos, L. M.C., & Afsarmanesh, H. (2005). Collaborative networks: A new scientific discipline. *Journal of Intelligent Manufacturing*, 16, 439-452.
- Mattera, M., & Baena, V. (2013). The key to carving out a high corporate reputation based on innovation: corporate social responsibility. *Social Responsibility Journal*, 11(2), 221-241.
- Mc Shane, S. L., & Von Glinow, M. A. (2008). *Organization behavior: Emerging realistic for the workplace revolution*. Irwin: McGraw Hill.
- Mies, A., & Gold S. (2021). Mapping the social dimension of circular economy. *Journal of Cleaner Production*, 321(2), 128960.
- Mircea, M. (2015). Collaborative networks: Premise for exploitation of inter-organizational knowledge management. *Journal of Informatica*, 19(2), 34-45.
- Mirvis, P., Herrera, M. E. B., Googins, B., & Albareda, L. (2016). Corporate social innovation: How firms learn to innovate for the greater good. *Journal of Business Research*, 69(11), 5014-5021.
- Mitchell, R., Bradley, K., & Agle, R. (1997). Toward theory of stakeholder identification and salience: Defining the principle of who and what really. *Journal of Management*, 6(7), 89-96.
- Nasoha, M., Ngarbingan, H. K., & Ginting, G. (2022). The power of community engagement for delivering co-creation value (Case: Paguyuban Sentra Industri Tempe Sanan-Malang Jawa Timur). *Journal of Community Development*, 5(3), 72-83. doi:10.32535/jcda.v5i3.1844
- Nonaka, I. (1994). A dynamic theory of organisation knowledge creation. *Organization Science*, 5(1), 14-37.
- OECD (Organisation for Economic Co-operation and Development). (2008). *Promoting Sustainable Consumption – Good Practices in OECD Countries*. Paris (FR): OECD Publication.
- Otero, C., Pettersen., & Boks. (2017). Consumer and user acceptance in the circular economy: What are researchers missing. *Proceeding-Plate Conference, Delft University of Technology*.

- Pederson, E. R. (2010). Modelling CSR: How manager understand the responsibility of business toward society, *Journal of Business Ethics*, 91, 155-166.
- Piller, F., Ihl, C., & Vossen, A. (2011). A typology of customer co-creation in the innovation process. SSRN. doi: 10.2139/ssrn.1732127
- Reynold, S. J., Schultz, F. C., & Hekman, D. R. (2006). Stakeholder theory and managerial decision-making: Constraints and implications of balancing stakeholder interests. *Journal of Business Ethics*, 64(3), 285-301.
- Roloff, J. (2008). Learning from multi-stakeholder networks: Issue focused stakeholder management. *Journal of Business Ethics*, 82, 223-250.
- Rowley, T. J. (1997). Moving beyond dyadic ties: A network theory of stakeholder influences. *Academy of management Review*, 22(4), 887-910.
- Silva, F. C., Shibao, F. Y., Kruglianskas, I., Barbieri, J. C., & Sinisgalli, P. A. A. (2018). Circular Economy: Analysis of the Implementation of Practices in the Brazilian Network. *Revista de Gestão*, 26(1), 39-60.
- Su, B., Heshmati, A., Geng, Y., & Yu, X., (2013). A review of the circular economy in China: moving from rhetoric to implementation. *Journal of Cleaner Production*, 42, 215–227. doi:10.1016/J.JCLEPRO.2012.11.020
- van Stekelenburg J, & Klandermans, B. (2017). *Individuals in movements: a social psychology of contention*. C. Roggeband, & B. Klandermans (Eds), *Handbook of Social Movements Across Disciplines*. New York: Springer.
- Vargo, S. L., & Lusch, R. F. (2008). Evolving to a new dominant logic for marketing. *Journal of Marketing*, 68 (1) 1-1.
- Vargo, S.L., & Lusch, R.F. (2016). Institution and axioms: An extention and update of Service Dominant Logic. *Journal of the Academic Marketing*, 44(1), 5-23.
- Wastling, T., Fiona, C., & Mariela, M. (2018). Design for circular behaviour: Considering users in a circular economy. *Journal Sustainability*, 10, 17-43.
- Xiaomi, A., Deng, H., Chao, L., & Bai, W. (2014). Knowledge management in supporting collaborative innovation community capacity building. *Journal of Knowledge Management*, 18(3), 574-590.