

PRELIMINARY REPORT USER NEEDS ANALYSIS



CLEAR

Circular Economy Adult Training
ToolBox – Knowledge ReUse

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Executive summary

The needs and analysis performed in the partner countries to help identify the training needs on the circular economy servitisation model of both trainers and learners. Servitisation is one aspect of CE which SMEs are not well aware of and this IO aims to raise awareness to allow shift to services.

Desktop & field research on needs analysis & existing users' needs, pedagogical models & non-formal training, entrepreneurial practices, use of the Circular Economy servitisation, adult training programmes, training tools used, etc. developed by all the partners in order to provide feedback from their countries. Jaume I University has been the responsible for preparing the questionnaires, sending them to the partners and collecting the completed questionnaires from the workshops or interviews organised in each country with target group members & stakeholders. (online tools used).

The partners worked on the specific research in order to provide feedback from their countries under the auspice of Jaume I University.

All partners collected the results and the IO leader will collate into one common report with an executive summary.

Institution	SME	Trainers	Learners
SPI	1		2
UJI	1	2	3 focus groups
GIJON	1		2
GREECE	1	1	

Staff (SME), expert,

The staff of companies that have been interviewed have been already from the third sector (services).

- Well-being monitoring solutions (SPI)
- Web-based software (UJI)
- Energy consultancy (GIJON)
- Business accelerator (GREECE)

The term “Circular Economy” was generally known:

- associated to the principle of closing the loop that till now, ended by the disposal of the waste.
- The improvement of resources, that is; reducing, reusing and recycling
- Economic model that decouples economic growth and development from the consumption of finite resources (GREECE)

The concept of “servitisation” was not precisely known, but staff could relate it to moving from product to service, and prioritize services or supplies leasing versus buying. GREECE seemed to have a very good idea of those concepts, being the outcome of the industry the service, rather than one-off sale.

All SME are currently offering services, so from their understanding they are already in the circular economy and servitisation business model. Still, after explaining how this business model is implemented, there are some misunderstandings. First about providing a solution and later a service, later of providing more value to the delivery of the main product (a software service) than to the maintenance (long term service).

The idea of circular economy is understood from the perspective of reusing hardware or software pieces.

All SME are interested on the idea of improving their business model by offering services that provide an increased value to their customers. All SME are mainly focused on services. Still the idea of servitisation and circular economy remains unclear for the SME and sometimes with difficulties for implementing:

- How to reuse hardware and provide it as a service when people do not like things already used.
- Services are seen by the customer as a maintenance fee, not a value-added-service (related to online website design). Perhaps the mistake has been that the company could not make that view clearer.

Some advantages are remarked:

- Customers do not have to spend a lot of money for one single product, only a renting during the period of time they need it. This increase the competitiveness of the business.

SME include the customers in the user needs analysis phase of the product development (SPI and UJI) or in the testing (GIJON, GREECE)

SME only include Seniors during product or service development they are their target (SPI), although they would be willing to include them in some phases of the service design, and sometimes considering this participation very important (GREECE).

About training. All SME acknowledge of the need of training; it can increase the competitiveness of the company and offer of more value to their customers. GREECE suggested the topic “How to use and measure the benefits of servitization on existing business”

The skills are:

Learning unit proposed	Comments
Introduction to Circular Economy-	Yes, the organizations have to adapt to this model Yes (2)
Introduction to Servitisation	Yes (2)
Shift towards services (making business open new services in the market)	New business models Suggestions or ideas
Consumer changing behavior – shift towards services (increasing the demand)-	It is not easy to change consumer behavior. Yes
Involving seniors in any phase of this strategy, as in the design, as consumers....-	It is essential
Quality framework for Circular Economy.	It depends Yes (2)
The Servitization Business Model	It is essential to find new business models in this area so that consumers are willing to join Yes (2)
Other...	How to use and measure the benefits of servitisation on existing businesses (GREECE)

Generally, SME does not work with distributors (only as supplier), with following exepcitons:

- GIJON, but they think it would be difficult to involve in this model.
- GREECE, yes very actively, as multipliers.

All SME think that there will be advantages if they move towards servitization. Following barriers have been identified so far:

- The customer prevention to use already used hardware or to buy supplies.
- Not capacity to access the production phase of the product they are serving

Trainers

UJI1 and UJI2 trainers currently are offering courses and educational activities to senior learners, they are from the Humanities and Business area. Those both trainers ideas have been separated using UJI1 and UJI2 as their perspectives are different and has not been possible to integrate them.

Senior are at least 55 years old and the main interest is to be updated in an always changing society, access to scientific knowledge, become active citizens, and to be integrated.

- UJI1: teach F2F, although, materials are available online.
- UJI2: With an active methodology, complementing the delivery of theoretical concepts with the participation of students, providing their vision and experience. Promoting mutual learning.
- GREECE: F2F

GREECE trainer area is on sustainable development and social economy and entrepreneurship. Their trainees are students and adults (18-65)

Their knowledge on Circular Economy is very general and is influenced very clearly from their area of knowledge or topics they teach

- UJI1: related on the business ethics knowledge area, acknowledging that nowadays can be outdated.
- UJI2: Circular Economy as a continuous flow of knowledge that guarantees the learning among the students and also towards the trainer.
- GREECE: focused on sustainable development and green entrepreneurship, not specialized topics.

UJI1 and UJI2 do not know what Servitisation clearly means, apart what that single word can mean. After explaining, and relating it to Circular Economy idea, it seems clear that both concepts are very linked, but from a holistic perspective: applying the servitization during all the product development, till the use and including recycling.

From the interview extract, it is not clear if the trainer understand the concepts behind the CLEAR project.

The UJI2 trainer has adopted the idea of circular economy and servitization inside the educational center, not as a business model, but as an educational model. UJI2 understands "service" as social responsibility in any of our relations, social participation, and active citizenship. All the training received by the learners should be service-oriented, exploiting it by other people, so everybody can benefit of development of individuals.

The GREECE trainer seems to have the concepts clearer "Servitization is the delivery of a service component as an added value, when providing products. Instead of just

selling a product, the company offers a holistic service to the customer. This may require to change the approach of the typical business model and to redefine the added value provided to the customer”

UJI1 is not convinced about the interest of the students about Servitization, only if that topic is correctly addressed, as a reflective seminar, or workshop. UJI2 is strongly convinced that learners could be interested. UJI2 keeps focusing on the educational context, therefore the servitization and circular economy should be understood as a teaching methodology, that promotes sharing and using the senior learners’ knowledge.

From the perspective of GREECE, the trainers would be highly interested on the topic

Regarding the question if SME could be interested in servitization business model:

- UJI1: SME have not the necessary knowledge and resources for this model. Locally is it is being offered by NGO
- UJI2: Yes, otherwise they could be losing opportunities. SME should not be based on old principles. The organization should be based on the present circumstances and needs.

Regarding the question if SME could be interested in adopting Circular Economy principles, the opinions are the following:

- UJI1: There is a great lack of knowledge among the SME, although they are applying that concepts intuitively. Guidance and help should be provided to lead and manage their company under those principles.
- UJI2: Understanding the circular economy as dynamic exchange between all agents involved in a business that generate positive results.
- GREECE: yes, as far they find out economic benefits it can provide.

Following are the comments related to the learning units proposed

Learning unit proposed	Comments
Introduction to Circular Economy	Yes (3)
Introduction to Servitisation	Yes (2)
Shift towards services (making business open new services in the market) -	Yes
Consumer changing behavior – shift towards services (increasing the demand)	Yes (2)
Involving seniors in any phase of this strategy, as in the design, as consumers....	Yes (3)
Quality framework for Circular Economy.	Yes
The Servitisation Business Model	Yes (2)
Other...	

UJI1, GREECE: have never involved seniors in business training or exchange of know-how

UJI2: Yes; involving trainers, learners, third-parties (social agents, stakeholders, decision makers, media organizations) in the knowledge development.

Seniors

2 seniors interviewed were learners in universities of the third age or other non-formal courses (SPI1 and SPI2), 2 are not currently attending a course (GIJON1, GIJON2)

They all had a high qualification and professional experience, furthermore GIJON1 has extensive business experience.

The topic about circular economy and servitization is not clear (SPI1, SPI2). The most related words they told was: relating economy to money, something circular. All interviewees tried to explain what it could be about.

After explaining, in general terms for them is easy to understand, they could associate to what they have heard on the news, ads, family, etc.

They consider it beneficial generally, linked with following ideas:

- Reducing waste and promoting a green environment
- Repairing equipment or the one that is obsolete, give to any ONG

This indicate that circular economy and servitization is a complex concept, and more effort than a simple explanation should be made.

GIJON1 know what Circular Economy was and about Servitization, GIJON1 learnt it when hearing on the media; now owing the product but benefiting the service it provides.

There were doubts about servitization; its application and utility, for example:

- There must be a clear proof that renting something is economically feasible. Example of laundries, which require not only money when you use that service but also having to carry all the clothes outside your home.
- If you buy a product, then you take more care of it, if you have it borrowed then people tend to spoil it.
- People need to buy something to show it to others, as a way of external sign of status.
- People will only use a service instead of buying a product if it is not only economically advantages, but also easily available, fast, and easy to use.

Senior learners know that market is shifting toward services but in a very general way, as they heard something in the news, family, and other contexts. Also, not about "servitization" exactly, but about new consumer trends, observation of ads and evolution of economy.

Still, this change towards services is very low; people will not change their costumes in short term.

Everybody was willing to learn more about the topic and be part of it, the main reasons they provide was because of intrinsic motivation with following main reasons, in this order;

- Senior citizens feel on the duty of being aware of new trends with the main aim to feel included, acknowledging that this is already happening with a critical attitude (with or without being willing to be part of it)
- Senior citizens wish to learn about what is happening nowadays (curiosity)
- As senior learners that are already involved in educational programs, are always willing to learn about interesting topics.

There is a strong sense of recycling or finding new uses of products. Typical uses go from recycling paper, plastic or glass, but with some cases also:

- Cleaning with not chemical detergents (environmentally friendly) when possible
- Cleaning clothes with clothes
- Reusing plastic supermarket bags
- Composting

All learners responded yes to sharing their experience with companies, with positive attitude, sharing ideas, some of them with comments; depends of availability (time required and distance)

All learners agree about testing products or services. Some added conditions:

- There is not any cost form them
- That the service is useful for them
- If fulfils ethical issues
- Depending on the case (first knowing the precise product or service)

GIJON1 showed a very positive attitude for being part of this shift, promoting change, exchanging know-how or testing.

Conclusions

Companies are offering nowadays services, but the business model is mixed without making full advantage of servitization. The concepts are generally not clear and we suggest to introduce the concept of servitization understood as a business model change, not only about offering services.

There is a positive attitude for staff training and the involvement of seniors in the business model design, and sometimes it is even considered crucial from two perspectives; they can be customers but also because of their life experience. For young students (some organizations work with learners in business and entrepreneurship topics), servitization and circular economy courses and competences would be highly appreciated. The CLEAR project should have in mind those different target groups.

The main difficulties companies have to shift towards servitization are the customers. We propose to provide examples and scenarios for a mind-change in customer, thinking on the fact that this business model can benefit them in two ways: being cheaper, and offering long-term added value.

When staff or trainers were asked about examples or ideas about where/how the servitization could be applied in the circular economy context, replies were short or very broad. Therefore, from this user needs analysis, not any study cases can be proposed, anyway, following are the topics introduced:

- New business opportunities for the reuse of books, DVD or VHS tapes, clothes.
- Sharing cars
- Supplies leasing
- Knowledge management (from seniors learners)

About topics that should include the course curricula, following is the summary:

Learning unit proposed	SME	Trainers
Introduction to Circular Economy-	3	3
Introduction to Servitization	2	2
Shift towards services (making business open new services in the market)	2	1
Consumer changing behavior – shift towards services (increasing the demand)	2	2
Involving seniors in any phase of this strategy, as in the design, as consumers....-	1	3
Quality framework for Circular Economy.	3	1
The Servitization Business Model	3	2
Other...		

Other topics suggested:

- How to use and measure the benefits of servitisation on existing businesses