



Article

How Hybrid Organizations Adopt Circular Economy Models to Foster Sustainable Development

Maria Cristina Zaccone ^{1,*} , Cristina Santhià ² and Martina Bosone ³ ¹ ALTIS Alta Scuola Impresa e Società, Università Cattolica del Sacro Cuore, 20123 Milan, Italy² Dipartimento di Economia e Statistica “Cognetti de Martiis”, Università degli Studi di Torino, 10153 Torino, Italy; cristina.santhia@unito.it³ Research Institute on Innovation and Services for Development, National Research Council (CNR-IRISS), 80134 Naples, Italy; m.bosone@iriss.cnr.it

* Correspondence: mariacristina.zaccone@unicatt.it

Abstract: Relying on the hybrid organization literature and the circular economy literature, our study aims at theorizing how hybrid organizations adopt circular economy business models to contribute to sustainable development. Through six in-depth interviews with social entrepreneurs located in different regions of Italy and operating in different industries, we theorize that four aspects are unique to hybrid organizing that adopt a circular economy business model. We find that hybrid organizations foster sustainable development thanks to their ability to develop and maintain relationships with the surrounding organizational realities. Additionally, we find that hybrid organizations contribute to sustainable development thanks to their motivation to guard and watch over the natural environment and human beings. In addition, we find that hybrid organizations foster sustainability by educating, spreading knowledge, and ennobling the human spirit. We therefore present a conceptual model that shows how hybrid organizations that adopt circular economy models contribute to sustainable development. In sum, our findings expand on previous literature, add new knowledge, and integrate fields of research that usually develop in silos.



Citation: Zaccone, M.C.; Santhià, C.; Bosone, M. How Hybrid Organizations Adopt Circular Economy Models to Foster Sustainable Development. *Sustainability* **2022**, *14*, 2679. <https://doi.org/10.3390/su14052679>

Academic Editor: Ioannis Nikolaou

Received: 14 January 2022

Accepted: 23 February 2022

Published: 25 February 2022

Publisher's Note: MDPI stays neutral with regard to jurisdictional claims in published maps and institutional affiliations.



Copyright: © 2022 by the authors. Licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>).

Keywords: hybrid organizations; social entrepreneurs; circular economy; circular business model; sustainable development; environmental sustainability; social sustainability

1. Introduction

The current economic paradigm presents a series of failures that are subjects of abundant and multi-disciplinary literature [1,2]. From a structural lack of social justice to the ecological depredation of our “common home” [3], researchers from different fields have investigated, on one hand, the historical causes that led our societies to this “irreversible point,” and, on the other, solutions and alternatives to move away from a despicable status quo. One of the main issues was identified in the linear nature of the economic model, which has been dominating since the industrial revolution [4,5]. It is based on a growth dynamic of take, produce, use, and throw away, which has increasingly fueled a “culture of waste” [3]. This culture has had strong implications not only at the environmental level—leading to excessive waste production compared to the absorption capacity of the urban system—but also, and above all, at the social level. The unproductive and inefficient pre-economic virtues—such as “kindness, loyalty, humility, mercy, generosity and hospitality” [6]—are subordinate to the mantras of engineering rationality and efficiency. The latter, sustained by the rhetoric of meritocracy [7], commodifies human beings and polarizes them at the two ends of a spectrum. On one end are the capable ones, who deserve and merit jobs, wealth, and social recognition because they fit the expectations of the market, and on the other end are those who—for reasons which most of the time are not even accountable to them—underperform, aren’t capable, who are “waste” because they are not useful to the economic effort. As a result, when profit maximization and other

economic values step over human ones, exclusion, discrimination, and suffering come about. On an international level, the crises we are experiencing can all be traced back to a single cause: the inability and insufficiency of the current economy to evolve according to the rhythms of nature and human needs and the characteristics of an economy that is “devouring natural resources, socially divisive and environmentally hostile” [8]. This conclusion was anticipated with extreme clarity in the encyclical “Laudato Si’” [3], in which the role of culture and the necessity of a cultural revolution are highlighted [9]. This aspect was also stressed at the international level by the United Nations Agenda 2030, COP21, and the New Urban Agenda. Starting from the question “What kind of world do we want to leave to those who come after us?” emerges the necessity to identify theoretical aspects able to translate into action this expected cultural revolution. Alternatives to the paradigm of profit-maximization exist.

Today, we are all called upon to change our ways of producing [10] in order to ensure a fair redistribution of wealth [11], reducing the negative social and environmental impacts.

In short, we need a new “hybrid” economy capable of improving the status quo, based on the maximization not only of instrumental values but also of immaterial values linked to man and the natural ecosystem [12]. Nowadays, in fact, there is an increasing number of initiatives whose mission is dual or even threefold: achieving financial sustainability and delivering a positive impact for society and/or the environment [13,14]. These new entities are commonly known as “hybrid organizations,” defined as organizations that “combine institutional logics in their efforts to generate innovative solutions to complex problems” [15] and are gaining worldwide attention since they can embrace the new paradigm—commonly known as sustainable development. Hybrid organizations usually are born from ideas and innovations that challenge the status quo and seek new ways of producing and consuming [16]. However, extant research lacks a deep understanding of how hybrid organizations adopt circular economy models to contribute to sustainable development [17].

To explore this phenomenon, we decided to conduct six in-depth interviews with social entrepreneurs. A semi-structured interview was conducted with the representatives of the hybrid organizations. The data collected through interviews have also been complemented with publicly available information, such as annual company reports or corporate websites, wherever possible. To analyze the interviews, we decided to follow Gioia’s methodology [18]. This approach is indeed widely recognized as a rigorous inductive method to conduct qualitative research. Our findings reveal that four aspects are at the basis of circular economy models used by hybrid organizations to foster sustainable development: *faith*, *care*, *do with*, and *pedagogy*. Our work expands on previous literature on hybrid organizations and integrates this with that of circular economy. The paper is organized as follows. In the next section, we introduce the theoretical background concerning hybrid organizations, social enterprises, circular economy, and sustainable development. We then outline the adopted methodology, explaining the research setting, data collection, and data analysis. Later, we describe our main findings. Lastly, we discuss our results and highlight our conclusions, focusing on their implications for theory and practice. We also review the limitations of our analysis and suggest future research directions.

2. Theoretical Background

2.1. Hybrid Organizations and Social Enterprises

In the last decade, individuals’ awareness of the impacts generated by a firm’s activities increased more than ever. Consumers, investors, workers, institutions, and organizations started to criticize those companies whose behavior was negatively affecting either society or the natural environment. Similarly, other consumers, investors, and social actors started to pay a premium price for those companies whose impact was beneficial for a large group of stakeholders, such as the local community, the environment, and the employees [19]. The expectations for the role of a corporation shifted from a shareholder value-maximization view of the firm to a shared-value view of the firm [20–22]. As a response, several companies

tried to reconcile and balance the expectations of several stakeholders, adopting new policies and practices that are in line with the needs of the planet and people. New organizational models have therefore been created with a mission that is not based solely in profit-maximization; they are oriented also towards a social or environmental mission. These new models are commonly known as “hybrid organizations” [23]. The term “hybrid” comes from the tendency to assume both the typical aspects of a for-profit organization and those of the nonprofit one. Among the different kinds of hybrid organizations, social enterprise is the one that has found the greatest diffusion [24,25]. Research has shown that one of the most difficult challenges that hybrid organizations have to face is the existing tensions and conflicts between financial and the social logic [13,26–28]. These studies have contributed to explaining the levers for developing and maintaining a hybrid nature. They have rarely, however, examined how hybrid organizations apply circular economy models to contribute to sustainable development. Adopting circular economy models is challenging for hybrid organizations because it is likely to trigger internal tensions that may contribute to being unable to achieve both a financial mission and a social or environmental one [19].

2.2. Circular Economy and Environmental Sustainability

In this context, the circular economy is more and more put forward as a model to give substance to the sustainable development concept [29–31], and the circular economy is in line with the manifold objectives of hybrid organizations [32,33]. The circular economy is conceived of as the opposite of the dominant paradigm of the linear economy, built on the well-known extract, produce, use, and dispose process, with the final aim of decoupling prosperity from resource consumption [31]. Therefore, circular business models seek to retain the value embedded into products in the economy for as long as possible [32,34], to ultimately reduce the dependency on virgin resources. The optimization of resource supply and waste assimilation is dependent on closed loop material flows. In that perspective, the development of long-lasting or easy-to-disassemble goods makes the initial design phase the critical one to guarantee minimal product life-cycle impact [35].

2.3. Circular Economy and Social Sustainability

Even though, originally, the circular economy had been mainly intended to ease the environmental burden of production and consumption processes, the notion of “circularity” may apply to the societal [29,36–38] and cultural dimension too [39]. Indeed, to contribute to sustainable development, the economic, environmental, and social aspects must be simultaneously considered and balanced [30,40–46]. The circular economy aims to be inclusive and participative, as its business models [47] reflect in different ways. First, cooperation within the value chain and the synergic interplay of different stakeholders [31] are crucial for enhancing resilience and low-impact productivity [32]. For instance, business practices as the co-design or the take-back systems require a strong network [47] and customers’ engagement [35] in the value co-creation process [46–48]. Second, collaborative consumption and product-as-a-service models [34] help to promote a more sustainable use of products and to extend the right of access to certain goods to people who were prevented from accessing them. Within collaborative consumption models (such as sharing, lending, renting, etc.), consumers may enjoy the access to a service without owning physical goods. The re-orientation of consumers towards functionality rather than ownership could represent one of the biggest challenges regarding circular business models implementation. Furthermore, several activities related to the circular economy, such as remanufacturing, are labor-intensive instead of resource-intensive [30], possibly leading to increasing job opportunities and capabilities [48,49].

Based on the above, the need emerges to orient investments in implementation strategies aimed at rethinking, according to a circular model, both the behavior of producers and consumers and the relations between them and the space (physical and cultural) in

which they operate, through the definition of new industrial relations, business models, and corporate social responsibility [39,50,51].

2.4. Circular Economy and Encyclical “Laudato Si”

The concept of circularity is strictly related to the one of regeneration, conceived of as the rebuilding of natural capital [34] but also as bringing new life to existing materials and architectures or improving people’s lifestyle and well-being by providing new opportunities. The idea of the circular economy as a regenerative economy is included in one of the most accepted and employed definitions of the circular economy: “an industrial system that is restorative or regenerative by intention and design,” from the Ellen MacArthur Foundation [52]. Different circular economy frameworks are based on the concept of restoration, which is strictly linked to the idea of reversing damage [33] by returning to a previous or original condition [53]. Circular production cycles embed restoration through waste management, repair, and remanufacture, among other things [35]. However, the concept of regeneration goes further, since it is not tied to material or energy recovery, but it entails the improvement “of the entire living and economic model compared to previous business-as-usual economy and resource management” [30].

Indeed, internationally, the circular economy model has been recognized as a means that, by moving beyond a sectoral approach focused solely on waste management, can contribute to the overall organization of the city, its economy, its social system, and its governance to improve urban productivity in multiple dimensions [54–57]. Adopting a circular model of production and consumption allows for a holistic approach to not only minimize environmental impacts from waste generation but also to simultaneously promote quality of life and contribute to innovation, growth [58], and job creation [59,60].

This broad and comprehensive vision of regeneration boosts the design and the implementation of alternative business models focused on the valorization of both discarded material and vulnerable human beings [3]. From this perspective, the paradigm of integral ecology, advocated also by Pope Francis in the recent encyclical “Laudato Si’,” emerges. It includes participation, cooperation, coevolution, and self-organization among its fundamental principles, and it conceives of them as a means to make the evolutionary dynamic of a certain community with local stakeholders and physical context last in time. “Laudato Si’” proposes a definition of sustainable development enriched by a human-centered perspective that entails a reimagining of the concept of development as “integral and human sustainable development.” From this perspective, entrepreneurial activity, whose objective is to produce wealth, plays a fundamental role, especially in terms of the way in which activities are organized and managed. The latter should be oriented towards the common good [61–66] and, more generally, towards improving the living conditions of all, offering even the weakest the opportunity to improve their conditions and explore their potential. The circular model offers a new vision to orient strategies and actions to the common good, assuming that the nature of man is that of *homo socialis* [12], whose realization lies in strengthening the relational ties [67] that make him part of a community.

In this study, we therefore define sustainable development by considering its multiple dimensions, namely the environmental, the social, and the economic. Until a few years ago, sustainability was conceived of only as environmental sustainability; today, scholars also refer to the social and economic dimension. Social sustainability is conceived of as an economic development that considers the fundamental rights of the most vulnerable and disadvantaged. Economic sustainability means economic development able to create wealth and job opportunities.

3. Research Methodology

Since the literature on how hybrid organizations adopt circular economy models to contribute to sustainable development is scant, we decided to adopt a grounded, theory-based approach. This methodology is considered appropriate when there is a need in literature to theorize processes and develop new concepts rather than rely on earlier

theories [68]. As suggested by its originators, Glaser and Strauss [69], we began with inductive data, engaged in simultaneous data collection and analysis, coded data, defined theoretical categories, and checked these categories with more data. To ensure rigor and solidity to our study, we decided to follow Gioia's methodology [18], an inductive approach characterized by three main steps: (i) first-order codes, (ii) second-order codes themes, and (iii) aggregate dimensions. This section proceeds as follows. First, we describe the empirical setting. Second, we describe the processes we followed to collect data. Third, we illustrate how we analyzed the data, moving back and forth from qualitative data to theory.

3.1. Empirical Setting

We decided to collect data starting from social entrepreneurship initiatives located in Italy due the following reasons. First, the Italian business landscape is characterized by plenty of entrepreneurs whose mission is double or even threefold [70]: some of them try to achieve a social and a financial mission, some others have an environmental and financial mission, and the third sector has gained growing importance in the last decade [19]. In Italy there are more than 22,000 social enterprises employing almost 650,000 people, equivalent respectively to 6.3% of institutions and 71.0% of employees in the nonprofit sector. Of these, more than half (57.5%) are social cooperatives, followed by associations, which account for 15.4% [71]. Furthermore, the Italian business landscape is characterized by social entrepreneurship activities that are born from people whose values are based on the Catholic Church doctrine [72].

Secondly, we used the Economy of Francesco's (for further details refer to the following website: <https://francescoeconomy.org>, accessed on 1 November 2020) network of contacts to identify social enterprises to be interviewed. In fact, this initiative gathers not only researchers but also entrepreneurs and change makers whose aim is to startup businesses with a double or threefold mission. We therefore identified nine social enterprises, chosen based on their territorial diversity and the different sectors in which they operate. In fact, our aim was to respect the criterion of both territorial and sectoral heterogeneity, to obtain as complete a picture as possible of the ways in which companies from different sectors and territorial contexts can adopt the circular economy model to meet the various objectives of sustainable development. Such aspects facilitate the adoption of a different lens to study how hybrid organizations adopt circular economy models: under the lens of the Economy of Francesco, a community of people, entrepreneurs, researchers, and change makers who aim to change the current economic models and craft a future that is more inclusive and just.

3.2. Data Collection

The data collection started in November 2020. First, we tried to contact the Chief Executive Officers of nine hybrid organizations located in different regions of Italy. Unfortunately, only six of them accepted the invitation to be interviewed. Fortunately, as we were interviewing the last two social entrepreneurs, we began to hear the same concepts and links between concepts that previous interviewees had been talking about. We therefore thought we had reached data saturation and consequently could proceed with data analysis. All the hybrid organizations included in our sample are in different regions of Italy, namely Emilia-Romagna (Bologna), Campania (Naples), Umbria (Perugia), Tuscany (Lucca), Piedmont (Turin), and Lombardy (Como). In addition, the hybrid organizations included in our sample operate in different industries. Although sampling adequacy is not a relevant issue for qualitative studies [72], we believe that the broad regional and sectoral representation is one of the strengths of our sample. Table 1 reports information related to the hybrid organizations and social entrepreneurs we interviewed.

Table 1. Interview data.

#	Industry	Firm Description	Special Feature	Location	Job Role Interview
1	Manufacturing	Social enterprise producing accessories made of leather and fabric	Recovery of secondary raw materials; craft training for migrants and asylum seekers for employment	Bologna	President
2	Management of a historic site	Cooperative born to restore and manage a historic site in a problematic area of the city	Enhancement of artistic and cultural heritage and strong civil participation	Naples	Marketing Director
3	Agriculture and accommodation	Rehabilitation and employment of people with disabilities	Organic farming; territorial and human valorization	Perugia	President
4	Manufacturing	Social enterprise producing tools and accessories from recycled materials and organizing craft workshops	Up-cycling and cultural exchanges; craft training for migrants and asylum seekers	Lucca	President
5	Tailoring	Social enterprise producing tailor-made suits	Recovery of secondary raw materials cultural exchanges; empowerment of migrant women	Turin	CEO
6	Retail	Store selling past-season items of well-known brands and employing people with disabilities	Social inclusion and employment opportunities for vulnerable people	Como	CEO

Before starting the full set of interviews, we completed two initial interviews that served as a pilot for narrowing our interview protocol and research focus. We know that bias in qualitative research depends on the instrument with which it is conducted, e.g., by formulating the questions in a questionnaire or an interview in such a way as to guide the respondents' answers. In our case, the interviews were prepared following a structure that, from our perspective, responded to the various aspects that we identified as characterizing the circular economy approach for businesses towards sustainable development (see the questionnaire in Appendix A). However, in all the interviews, after a brief introduction explaining the objective of our research and the context in which it was carried out, our interviewees freely recounted their experiences, and their dialogues were subsequently interpreted and categorized with respect to the various items we had identified as characterizing aspects of circularity and sustainability, considering also the suggestions included in the "Laudato Si'." This approach was very useful, as it allowed us to leave our interlocutors free and autonomous in communicating the information that they considered most appropriate, highlighting aspects that, on the contrary, could have been penalized by following a rigid structure conditioned by our vision.

Each interview was recorded and lasted from a minimum of 45 min to a maximum of 90 min. At the beginning, we asked them to explain the business model adopted, which missions the organization aims to achieve, when the organization was born and how it

evolved over time. We asked if and how the organization is adopting circular economy models to contribute to sustainable development. In line with the suggestions provided by Glaser and Strauss [69], we reviewed and updated the interview protocol. Later, we asked the interviewees to provide us with additional materials (press releases, company presentations, annual reports) with the aim of triangulating the data acquired through interviews and secondary information. An overview of the data sources is given in Table 2. Overall, we adopted an iterative process of simultaneous data collection and data analysis, until theoretical saturation was achieved.

Table 2. Data sources.

Data Source	Type of Data	Use in the Analysis
Public documents	Press release Website contents Social media channels	Familiarization with the business ecosystem and purpose
Interviews	Semi-structured interviews	In-depth understanding of topic of interest
Enterprise documents	Business models Business plans Internal documents	Supporting, integrating, and triangulating evidence from the interviews

3.3. Data Analysis

To ensure rigorous data analysis, we decided to move back and forth between qualitative data and the existing literature on hybrid organizations and the circular economy. In line with Gioia's methodology [18], we analyzed the data following three main steps.

Step 1: Open Coding

We started labeling those sentences able to summarize how the organization adopts circular economy models to contribute to sustainable development. Throughout data analysis, reliability was ensured thanks to three scholars who independently coded the data and only later merged the analyses. As suggested by Miles and Huberman [73], we controlled for intercoder reliability and obtained a score (86%) higher than the commonly accepted threshold (70%).

Step 2: Axial Coding

Our codes were informed by existing constructs in the literature, and we moved abductively, going back and forth between data and theory several times, trying to link emerging themes to existing hybrid organization and circular economy literatures [18]. Next, we clustered conceptually overlapping first-order categories into second-order themes.

Step 3: Building a Grounded Model

Finally, we matched our second-order themes with the theoretical predictions and insights from the research. We reiterated this process until we were able to develop stable aggregate dimensions at an even higher level of theoretical abstraction. We then focused on disentangling the relationships between these aggregate dimensions to build a coherent, grounded model explaining how hybrid organizations adopt circular economy business models and foster sustainability. In the results section, we delve into each of the aggregate dimensions, linking each of them to the related second- and first-order codes. We ultimately conceptualize such aspects as the key characteristics of hybrid organizations that adopt circular economy business models. Figure 1 illustrates our final coding structure.

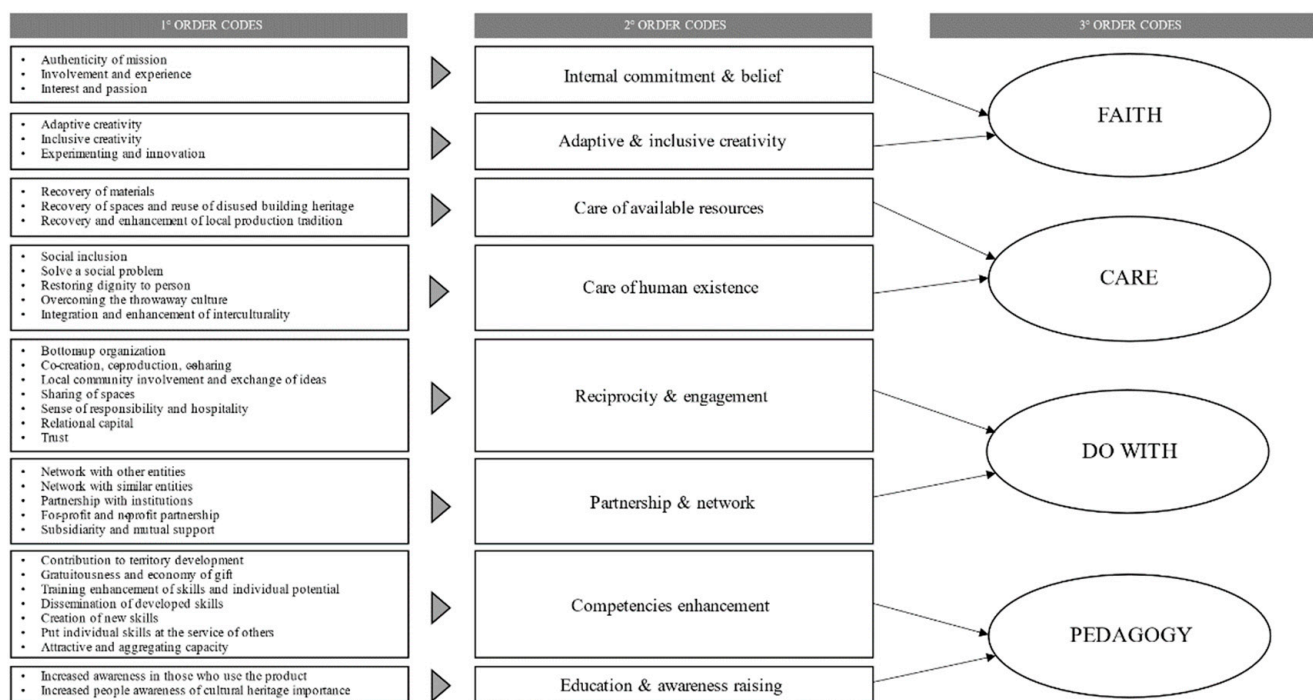


Figure 1. Data structure.

4. Results

We conducted this study to understand how hybrid organizations adopt circular economy models to foster sustainable development. Our findings are organized according to the coding structure in Figure 1, which groups eight second-order themes into four aggregate dimensions representing the four main aspects that characterize hybrid organizations that adopt circular economy models. To better understand the complexity of our findings, in the following subsections, we comment on the three levels of codes of our theoretical model, complementing the key figures with a deeper narrative of our observations. In line with Pratt [74], we support our interpretations with selected quotations available upon request.

4.1. Faith

Faith is the first characteristic inherent in social entrepreneurs who adopt circular economy models. The concept of faith comes from the following first- and second-order concepts that we heard during the interviews: involvement and experience, personal belief, commitment, consistency over time, and adaptive and inclusive creativity [75]. A first distinctive feature of these organizations is the strong link between the personal lives of the leaders and their commitment within the organization itself. Indeed, a great number of the interviewees created the organizations following personal, private experiences or previous work experiences on similar issues. For instance, all three of the organizations working with refugees and asylum seekers (Firms #1, #4, and #5) originated after previous experiences of reception of migrants, during which the challenge of training and creating job opportunities for these vulnerable people was recognized. In the other cases (Firms #2, #3, and #6), it was a particular episode or life condition that motivated the establishment of an association or organization with a related subject. The overlapping of personal and working duties and responsibilities, which we summarize in *internal commitment and belief*, is a strong factor of success, as the personal beliefs are reflected in the corporate vision and operations, strengthening the conviction and the dedication of other people involved [70,76]. The value of consistency is illustrated in the following quotation by the CEO of a hybrid organization we interviewed:

“You work within a complex system; for that reason, you must be stubborn, convinced of your value, of what you do. You’ll have to deal with any kind of

person. [...] Evidently, it is difficult. I think it takes determination and awareness of what you represent and of your importance. [...] Who works with you must understand who you are and choose to embrace your project” (Firm #1).

This statement introduces the challenge of working in an economic system that rewards efficiency and self-interest for these organizations, which rely on the threefold creation of value (the environmental and human ones, other than the economic) and its reallocation among all those who take part in the process. The ambition to be consistent over time, despite the overwhelming market mechanisms, falls within our idea of *faith*. Interestingly, the legal form adopted by the organizations is one of the foremost means to ensure consistency with the original aspirations and purposes of the organization itself. Indeed, our sample consists of social enterprises and cooperatives for which the reinvestment of profits is mandatory and is considered by our respondents to be the primary means to make the organization develop and flourish. According to our results, the abovementioned *involvement and experience* and *interest and passion*, typical characteristics of the leaders of the organizations under study, translate into innovative and creative solutions from which the achievement of final objectives derives. As shown in Figure 1, two dimensions of creativity, identified as *adaptive and inclusive creativity*, emerged from our data. By *adaptive creativity* we mean the capability to solve problems, to exploit available resources in a clever and original way, and to experiment with new solutions. This propensity for innovation is complemented by *inclusive creativity*, which recalls the focus of these organizations on social and cultural inclusion. Two quotations from our interviews are of relevance:

“Suppose we have to buy a lace; our corporate ethic forces us not to include that lace [in the final product]; we have to adapt the design according to what we already have, or we can collect” (Firm #4).

“It is not true that a boy is not able to perform a certain activity. If you adapt the context or the procedure, that boy will be able to perform the activity, and he will surprise you!” (Firm #6).

These are clear examples of *adaptive* and *inclusive creativity*, respectively. From one side, the focus on material circulation contributes to reducing the environmental load of manufacturing processes and consumption; from the other side, the focus on inclusion meets the challenge to combat inequalities and discrimination.

4.2. Care

Care is the second characteristic inherent in social entrepreneurs who adopt circular economy models. It is the driving force behind the establishment and the commitment of all the organizations considered in our study. From every interview, a twofold purpose emerged: promoting human development together with environmental, spatial, and cultural development. Our findings are in line with previous literature showing that hybrid organizations are effective in achieving sustainable development goals [77]. More specifically, the hybrid organizations included in our sample contribute to sustainability via the recirculation of products and materials and of knowledge and competences. It is worth noting that four out of six respondents stressed the importance of the local environment where the business was started. Firms #1 and #4 (both manufacturing activities) placed their operations in abandoned factories that had been key players in the local development. The fact that past and present are physically woven together in the architectural heritage is not just a symbolic choice [78]; rather, this is the first step in giving new life to historic buildings and, hopefully, to the entire industrial area, in line with the regenerative character of the circular economy [37]. Avoiding new constructions meets the environmental sustainability criteria of reduction in virgin materials use and soil consumption. In the same vein, the final products (Firms #1, #4, and #5) were created by reusing discarded materials, secondary raw materials, or waste, with the final aim of minimizing the negative environmental impact of the production process. This is particularly meaningful in terms of identity and communication. *Recovery of spaces and reuse of disused buildings* and *recovery of materials*

are two of the insights falling within the second-order dimension named *care of available resources*. However, the awareness of cultural heritage is not limited to the physical assets; on the contrary, it encompasses the know-how and the manual skills of the local craftsmen. All the production companies included in our sample enhance the rediscovery of qualified artisanship, bringing together different cultures and backgrounds. *Care of human existence* is undoubtedly the core mission of all the hybrid organizations participating in the study. In most cases, the latter seek to overcome the structural limits of the public sector and serious social difficulties. For example, the organizations working in the manufacturing sector (Firms #1, #4, and #5) answer to the need of education and re-employment, whereas Firms #3 and #6, both involved with people with disabilities, compensate for the absence of care facilities and professional opportunities. The business concept itself emerges after having observed the contingent situation, as this quotation from Firm #1 suggests:

“There was frustration. We looked around to understand what opportunities of practical work we could provide to people who stayed in the reception centers for long.”

These are people who need guidance and assistance to rediscover themselves and their place in society. Firm #4 (a social enterprise employing craftsmen who lost their jobs or fled their home countries) clearly illustrates the limits at a social and political level and their orientation by stating the following:

“I had the strong desire to set up a business and challenge the cooperative concept. At the regulatory level, according to the law of 1991, the target of cooperatives B is disadvantaged groups. So, it is a very specific category. However, in my opinion, our society is a living society; it’s moving, it’s changing, it’s not enough to take a picture of the society in 1991 and pretend that it is still the same. [...] Setting up a social enterprise meant assuming responsibility, taking care, reflecting upon people who may have difficulty—even just for a limited period of their life—and they need to be supported and enhanced. I have always been afraid of the idea that the label “disadvantaged” is a lifelong label. I cannot deal with people who will be classified forever as ‘disadvantaged.’ This is a journey; the journey must be appreciated. It is our task to take care of these people and give them a chance to ‘climb a step’ and improve their life perspective.”

Firm #6, which is part of a large international program, is engaged in the selling of past-season items of well-known brands. Furthermore, in this case, the circularity of existing goods (the unsold merchandise) contributes to the achievement of a considerable environmental benefit, and the employment of people with disabilities facilitates their social inclusion. Interestingly, the mission of one of the case studies analyzed (Firm #2) is reviving the artistic and cultural heritage of a historical district of the city characterized by profound socio-cultural inequalities; therefore, it is grounded in the restoration and promotion of existing buildings and artworks. Once again, the tangible valorization of assets is accompanied by the human one. Indeed, people involved in the project are young inhabitants who lived in precarious conditions and now have the chance to work in their native city and contribute to the city’s productive system preserving its cultural identity [78]. Our findings are consistent with those of Walker et al. [36] and Mies and Gold [37], who demonstrate how circular economy models can support people who have been distant from the labor market for a long period in their reintegration into the labor force.

Care is the primary means to overcome the “culture of waste.” The dominant economic model is based on the “throw away” culture that has resulted in serious problems, such as the disposal of an impressive number of wastes and the unrelenting extraction of raw materials. Furthermore, the same way of thinking has permeated society, where people who are no longer productive are considered “unworthy,” thus leading to dramatic levels of unemployment, poverty, and increasing migration flows. Our findings show that hybrid organizations are inclined to cope with social and environmental issues and that they are effective in implementing circular business models to reach their goals.

4.3. Do With

Do with is the third characteristic inherent in social entrepreneurs who adopt circular economy models. The cooperation with other economic actors and institutions and the engagement of employees and consumers is what we refer to as *do with*. *Do with* means conceiving and building a project together. People involved in the conceptualization of the activity are first those involved in its realization: the employees. Firm #4 names “collaborative planning” the process of co-design of the final product, stressing the relevance of the *relational capital* as a key production factor [67,77,79]. All the organizations try to establish a close relationship with the customer with tailor-made products (Firms #1, #4, and #5), accommodation facilities (Firms #2 and #3), and on-site experiences (Firms #2, #3, #4, and #5). Customer involvement and product customization are ways to increase trust, loyalty, and consciousness [37].

“Customers live an experience on-site, and this enables them to build a relationship that gives the impression of care, of being part of a pattern of an inclusive and cohesive society” (Firm #5).

The dimension *care* already emphasized the significant role of the territory [78] and of the local community, referring to their historical and evocative value. The *do with* dimension sheds light on the relationship established between the hybrid organization and the community that welcomes it [36]. Several case studies report that local citizens appreciate the presence of the organizations under discussion for several reasons, such as the promotion of innovative activities and the recovery of abandoned industrial and urban areas, among others.

The alignment of sustainability goals and stakeholders’ expectations enables the building of *partnerships and networks* among hybrid organizations and other entities [80]. In particular, *partnerships with institutions* are crucial, especially in the initial phase. Those organizations addressing social issues (Firms #1, #3, and #5) or preserving and enhancing the common good (as with the architectural and cultural heritage in case of Firm #2) have coordinated their early activity with local institutions. Drawing attention to Firm #1, we can see how participation in a UN program has developed into an international and long-lasting relationship with a multitude of production companies and social actors. Another successful case is the one of Firm #2: a network of cooperatives led them to be awarded with an artistic–historical tender by a private foundation and start the entrepreneurial project. Generally, we can assume that institutional partners perceive the collective interest of the hybrid organizations, and, therefore, they are willing to support them. According to our findings, collaborations with the private sector (*for-profit and nonprofit partnership*) become crucial, especially in the expansive phase. Social enterprises are compelled to make profits through their core activity to reach the required economic sustainability. It is in terms of a dual direction strategy that Firm #1 (working in the fashion industry) has developed its relationships with notorious global brands, most of which belong to the same industry. From one side, it collects processing wastes of production chains (mainly leftovers of leather), which would otherwise be disposed of; from the other side, it supplies the same businesses with semi-finished and final products. Similarly, Firm #5 (tailoring) creates limited-edition collections of clothes and accessories by recovering high-quality textiles from prestigious fashion brands. According to our results, hybrid organizations integrated in the supply chain of well-established businesses strengthen their financial profitability while maintaining and spreading the circular business model. Interestingly, Firm #6 (a retail shop) was born from a partnership with a multinational enterprise (MNE). In this case, the partnership with a private company is intrinsic in the business model. All the examples mentioned above point to the growing number of agreements between the third sector and for-profit businesses to address social or environmental issues. Businesses are likely to utilize the collaboration with the third sector to implement social responsibility programs or enhance their reputation. Notably, the organizations of the third sector benefit from knowledge and skills transfers while increasing their income streams. Furthermore, our

analysis indicates how hybrid organizations play a key role in integrating circular economy practices in the business of private companies. It is evident how social entrepreneurs benefit from the *network with similar entities*. Since other social enterprises and nonprofit organizations may have a common vision and scope, it is reasonable that these organizations develop a relationship of *subsidiarity and mutual support*. Firm #4, for example, claims to have taken advantage of the already-established associations to implement certain activities. The same organization has started some collaborations with highly-qualified local craftsmen, representing, in turn, a source of opportunities for the local community. Firm #1 has raised the idea of a circular economy district in collaboration with the factories that are in the same area. As previously documented, hybrid organizations benefit from collaborations with industrial and social partners to overcome specific resource constraints and access more structured business networks [80]. Firm #2 represents an extraordinary example of networking based on the participation of civil society. From the restoration and management of a single historical site, a system of economic actors and associations that benefits from the exchange of local resources and competences has been created, as highlighted in the *pedagogy* dimension. This shows that hybrid organizations can involve not only business partners but the citizens and consumers, as well [70], building a relationship based on *reciprocity and engagement* [81]. This meaningful result reveals how these organizations boost the local economy by bringing job opportunities and sharing responsibility with the population, as already argued by Lekan et al. [79].

4.4. Pedagogy

Pedagogy is the fourth characteristic inherent in social entrepreneurs who adopt circular economy models. The enhancement of practical skills and the ethical value embedded in goods or services provided by the organizations are indicative of the educational value of these activities for both workers and consumers. *Pedagogy* is a peculiar aspect of these kinds of organizations [81] that confirms a symmetrical relation among the company and its stakeholders. *Education- and awareness-* raising indicates that the value of a final product is not only a matter of aesthetic and functionality; rather, it manifests an ethical choice and an act of responsibility. Firm #4 (a social enterprise involved in numerous handcrafting workshops) clearly illustrates this attitude by stating the following:

“Our way of conceiving an object is that it should be an ‘educational’ object. It means that it should communicate to people who are buying it that they are not creating any impact on the environment. The value of the object corresponds to the awareness raised among its consumers and producers. [...]. This is the educational role of our project: to communicate how each one of us can make his own decisions. Here is our power to change things, also at a political level, starting from what we choose to eat, to buy, not to buy . . . ”

Firm #5 aims to communicate the environmental and social value of its products behind the economic one, and it argues the following:

“The objective is relating with customers not only as “consumers” but as supporters, believers of the project.”

All other manufacturing and retail activities are along the same line. In a similar vein, Walker et al. [36] find that the selling of circular products has a social impact in terms of educating consumers, thus highlighting “the cultural impact [of these products] in terms of changing the mentality of clients to create awareness.” Raising awareness is an integral part of the mission also for Firm #2, engaged in cultural promotion in a district that has been a long-time disadvantaged area of the city. The mission of the organization is to share with tourists the wealth of knowledge of a city and its inhabitants. Indeed, the audience is accompanied in a tour by people who are born in the neighborhood and work for its self-development. In the tour, the narratives of life experiences and historical events are mixed and shape a formative and enriching experience. This suggests the educational

power not only of selling physical goods but also of providing intellectual and experiential activities that support the revival of a neighborhood and its residents.

The second concept falling within the aggregate dimension *pedagogy* is *competencies enhancement*. Hybrid organizations' aim is the *training enhancement of skills and individual potential* of their employees. For some of them, this implies the *creation of new skills*, for others the valorization of already existing capabilities.

"Our wish is to put people at the center of our project; we try to bring out their already-acquired craft skills along with the capability to cooperate and work together" (Firm #4).

It is common for social entrepreneurs selecting people who have past working experience in the same field. Firm #4 emphasizes the importance of the recruitment process:

"We do not have to be afraid of using the word 'selection'; otherwise, we will make wrong decisions and placements. We have to figure out the potentialities of each person and let them do what they are capable of doing best, and it is our job to show this also to the individual himself."

Most of the employees of this social enterprise are very talented local people who lost their jobs or refugees who had the same job in their home country. Enhancing the natural ability and expertise of the person is relevant for human dignity and self-realization. To make this happen, we have noticed that founders are usually brilliant people who *put individual skills at the service of others*. According to the principle of *faith*, there is a strong personal involvement in the activity, and often this is supported by manual skills, which are equally placed at the service of others.

"We have founded [the company] to provide qualified technical training through an experimental approach based on passion and care. This way, you may experience a transformative 'give and take,' you do what you do for its generativity, not only for emotivity or compassion. Through your professionalism, you restore dignity [to your fragile employees], and dignity is the cure" (Firm #5).

Interestingly, the technical and managerial competencies are shared with other organizations. In a perspective of circular knowledge, Firm #1, which is involved in a UN international program for the fashion industry, organizes training courses for partners in developing countries to improve their management and organizational skills. The *dissemination of developed skills* taking place among similar entities recalls the importance of networking for these organizations.

It is worth noting that the dimension *competencies enhancement* does not refer only to employees, but it is extended to the local community, as the dimension *contribution to territory development* suggests. As already mentioned in the previous paragraph, from the establishment of the cooperative Firm #2 onwards, several economic activities have developed in the same area, leading to the reclamation of an entire city district. Two accommodation facilities, different cooperatives, shops, and artisans' laboratories have built a social economy [67] relying on a strong cooperation network. Meanwhile, a foundation has been set up to coordinate the efforts of all the organizations that have been working in the local area and to promote new projects, supporting the culture of sharing and giving. Previous literature has already demonstrated that hybrid organizations can stimulate regional development by restoring community solidarity and fostering social innovation processes [77]; however, we show how it is possible via circular economy practices. Considering our results, sharing competences is a way to encourage social cohesion and rehabilitation. We support Lekan et al. [79], who find that social enterprises act as agents of local development through "resources, capabilities and low-tech tools necessary for extracting value from secondary resources while fostering community spirit and creating new, inclusive, and diverse (circular) economic opportunities for the disadvantaged." Through a renewed solidarity, reciprocity, and responsibility for the common good, hy-

brid organizations can foster the social and economic revival of the area in which they are settled.

4.5. A Grounded Model

In this section, we discuss the grounded model that we theorized as a result of data coding. We indeed tried to put together the many concepts that emerged during the interviews. In Figure 2, we report the model that summarizes and explains the links between hybrid organizations that adopt circular economy models and sustainable development. There are four main characteristics inherent in hybrid organizations that adopt circular economy models (faith, care, do with, and pedagogy), and such characteristics are those that lead to effectively contributing to environmental and social sustainability.

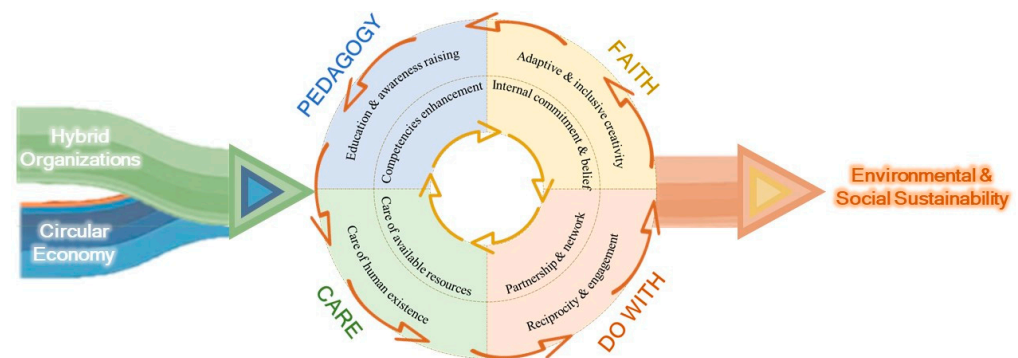


Figure 2. A grounded model.

As mentioned in the theoretical background, hybrid organizations are organizational forms that combine a social and/or and environmental mission with a financial one [16,23]. Hybrid organizations contribute to sustainable development by implementing initiatives aimed at healing, preserving, and improving the world through the production of goods or the provisions of services. Such an aspect is summarized in the “care” construct, meant as the attitude to guard and watch over the natural environment and human beings [82,83]. Additionally, the ability of hybrid organizations to foster sustainable development is based on their ability to develop and maintain relationships with the surrounding organizational realities, as well as actively involve the local community. This aspect is summarized in the construct “do with,” meant as the attitude of hybrid organizations to collaborate and cooperate with individuals and groups of individuals [84]. At the same time, getting in touch with other socioeconomic actors allows the hybrid organization to educate and to be educated, sharing skills and competences. Such an aspect is summarized in the “pedagogy” construct, meant as the attitude of hybrid organizations to educate, spread knowledge, and ennoble the human essence. However, such partnering and pedagogical aspects lead the hybrid organization to have to deal with a variety of criticalities. Among these challenges is that of remaining faithful to one’s threefold mission (social, environmental, financial) over time. Such an aspect is summarized in the construct of “faith,” meant as a profound adherence to one’s threefold mission. Only thanks to “faith” can hybrid organizations balance the multiple missions and logics they embody. Indeed, faith awakens an individual’s critical sense [3] and balances the conflicting tensions by preventing one logic’s prevalence over another one.

From the interviews also emerged the notion that such aspects (faith, care, do with, and pedagogy) are not independent from each other but rather influence one another by creating a virtuous circle that is able to further contribute to sustainable development. These aspects respectively contribute to different dimensions of sustainable development. For instance, the attitude of hybrid organizations to take care of human existence and the available resources are strictly linked to the environmental and social dimensions of sustainability. Similarly, the pedagogical aspect of hybrid organizations is strictly connected with the social and environmental dimensions of sustainability. Conversely, a hybrid organization’s ability

to develop and establish relationships with different socio-economic actors contributes to the economic and social dimension of sustainability. Lastly, profound adherence to the threefold mission, conceived of as faith, is the way through which hybrid organizations contribute to both environmental and social sustainability [85].

5. Discussion

The aim of our study was to investigate how hybrid organizations adopt circular economy models to contribute to sustainable development. From our analysis, conducted through six in-depth interviews with social entrepreneurs located in different regions of Italy, we identified *faith*, *care*, *do with*, and *pedagogy* as the four main aspects that characterize the circular economy models adopted by the interviewed parties for the achievement of sustainable development goals. They represent four large aggregate dimensions of more specific aspects related to *internal commitment and belief*, *adaptive and inclusive creativity*, *care of available resources*, *care of human existence*, *reciprocity and engagement*, *partnerships and networks*, *competencies enhancement*, and *education and awareness-raising*. In this section, we elaborate on the theoretical and practical implications of our study and suggest how future research can contribute to such a debate.

5.1. Theoretical and Practical Contribution

We offer two main contributions. First, we integrate extant findings on hybrid organizations with studies on the circular economy. Despite having different points of contact, such research fields tend to develop and create knowledge without dialogue with one another. As more and more hybrid organizations are adopting circular economy models, it is urgent to advance scholarly work and connect such lines of research. While some work exists on the ability of hybrid organizations to contribute to sustainable development, the role of the circular economy in such relationships has been less elaborated. Our findings show that hybrid organizations contribute to most of the social aspects identified by [37] as the prominent social characteristics of the circular economy model, thus demonstrating the inclination of these types of organizations to promote the transition towards a circular economy. Job creation, workers' access to education and training, inclusion of marginalized groups, encouragement of customer engagement to raise their awareness and loyalty, local communities' empowerment, and social solidarity are some of these key social aspects previously identified in the literature and which organizations in our sample have proven to address. Moreover, conversely to [36], who find that the social dimension in relation to CE practices is not yet well developed in a sample of companies with heterogeneous sizes and legal forms, our focus on hybrid organizations confirms their natural tendency to encompass the threefold dimensions of sustainability via circular business models. From this perspective emerges the need to implement circular and synergistic approaches in the mechanisms of consumption and production, focusing on the regeneration of relationships and ties as key factors for inclusive, fair, and sustainable development. The most important aspect of the circular economy is that it, proposing itself as an economy of relationships, synergies, symbiosis, cooperation, implies the involvement of different actors in the processes of value production, attributing fundamental importance to cooperation and the density of interpersonal relationships and therefore to the trust on which these mutual exchanges are based [86]. Therefore, the circular economy promotes a non-utilitarian but relational anthropology [87] to overcome social and environmental fragmentation and enhance equity, beauty, and cultural and ecological diversity as resources for economic growth and well-being [39]. Our second contribution is to advance scholarly work on how hybrid organizations that adopt circular economy models can contribute to both environmental and social sustainability through the faith of the social entrepreneur, an under-investigated mechanism. We draw on the encyclical "Laudato Si'" to explain how the profound adherence to the threefold mission that we conceived of as faith awakens an individual's critical sense and ultimately contributes to achieving a higher level of human consciousness. In fact, if it is true that "Laudato Si'" can be interpreted as the

encyclical of the circularization/symbiosis between social, environmental, and economic issues, it follows that the responsibility of private, social, and public subjects becomes that of contributing to the realization of symbioses/synergies for the realization of the common good. We outline a conceptual model that relates hybridity and circularity with key global development problems. Our contribution is useful to entrepreneurs who want to reorganize their companies according to the pursuit of sustainability objectives at multiple levels, demonstrating how it is possible to continue to obtain profit without producing negative environmental and social impacts. In addition, our study demonstrates how this type of approach makes companies more attractive to other stakeholders, facilitating the creation of virtuous networks that make them more resilient and competitive in the market.

5.2. Limitations and Future Research

The interviews revealed evidence of the nature of the phenomena under investigation. However, we acknowledge that qualitative research is known to be not statistically representative. Therefore, we believe that future research should focus on testing our conceptual model relationships. Since our conceptual model can be considered at different levels of analysis, namely at the individual level and at the organizational level, we believe that there is ample space for operationalizing such constructs and testing such relationships. In addition, we believe that future studies should investigate if and how the industry context, as well as the institutional context in which the organization operates, might affect such relationships. The path towards achieving sustainable development is still long, but we have contributed to this field by increasing understanding of how organizational hybridity can cope with such challenges while utilizing a circular economy model. However, there is ample space for extending the literature on faith, care, do with, and pedagogy constructs. Future studies could therefore focus on classifying organizational forms depending on such aspects and investigate whether certain groups of hybrid organizations rather than others are more effective in addressing societal and environmental challenges. Moreover, another interesting approach would be to further investigate if such aspects still characterize hybrid organizations that operate in non-developed contexts. Specifically, we suggest research in countries where entrepreneurship activities are born from people whose values are different from the Catholic Church doctrine.

Author Contributions: M.C.Z., C.S. and M.B. have all equally contributed to the manuscript. All authors have read and agreed to the published version of the manuscript.

Funding: This research received no external funding.

Institutional Review Board Statement: Not applicable.

Informed Consent Statement: Informed consent was obtained from all subjects involved in the study.

Data Availability Statement: Not applicable.

Conflicts of Interest: The authors declare no conflict of interest.

Appendix A. Questionnaire

Section 1 (set of questions designed to learn about the organization under investigation)

1. Could you describe the business model of your organization?
2. What is the mission of your organization? What is the ultimate goal of the activities carried out by the organization itself?
3. When and how did you develop the idea of this project?
4. What need do you seek to satisfy?
5. How has the project evolved since it began?
6. Which is the legal form of your organization (e.g., profit, nonprofit, cooperative)?

Section 2 [set of questions designed to learn about the most impactful aspects of the organization]

7. Do you think yours is a generative project?
 - At the economic level:
 - a. Has the project generated profits?
 - At the socio-cultural level:
 - b. Has your organization been welcomed by the local community? Which kind of relationship have you established with the local community? Has it been involved in your decision process somehow?
 - c. How do you enhance the inclusion of disadvantaged people in your organization? How do you foster different forms of cooperation and social inclusion?
 - d. Has the project created jobs? If so, how many (approximately)? How many employees do you have? How many of them are full-time employees and how many are part-time?
 - e. How many volunteers are involved in your organization?
 - f. Has your project, according to you, generated some of the following impacts: increased the awareness of cultural heritage, the sense of belonging, social cohesion, the inclusion of marginalized groups, enhanced cultural activities, the personal well-being of inhabitants, workers and end users, etc.?
 - At the environmental level:
 - g. How do you take into consideration your environmental impact (e.g., working with waste, biological raw materials, energy efficiency, recovery and recycling, digital technologies for circularity, etc.)?
 - h. Do you think you have contributed to the enhancement of the environmental quality at the local level? If so, in which way?
8. Do you think yours is a regenerative project?
 - At the economic level:
 - a. Do you reinvest the profits of the organization? If so, in which kinds of activities?
 - b. Has your project led to the restoration or regeneration of the economic context in which the organization is located (e.g., increasing the number of new business activities)?
 - At the socio-cultural level:
 - c. Who are, according to you, the primary stakeholders of your organization? Has the project restored a sense of confidence in these and other potential stakeholders? How do you judge your relationship with them?
 - d. Does the project contribute to a regeneration of reciprocity in relations with other entities? Has the project led to the development of different forms of partnership or mutual cooperation?
 - e. Do the activities carried out by the organization actively involve people, leading to the regeneration of intellectual capital and increasing their knowledge and competences?
 - At the environmental level:
 - f. Has the project led to the development or regeneration of natural capital (e.g., green areas)?
9. Do you think yours is an autopoietic project?
 - At the economic level:
 - a. Is your organization self-sufficient in terms of financial sustainability over the long term (e.g., it does not depend on external financing)? If so, when and how did you achieve this economic independence? What form of funding has made it possible to start the project? What form of funding currently financially supports the project?
 - At the environmental level:

- b. Have you adopted any measure or technology that makes your organization self-sufficient in terms of resource consumption (i.e., that limits the consumption of non-renewable resources in terms of energy sources, raw materials, etc.)?

Section 3 (set of questions designed to learn about the drivers and barriers)

10. Could you identify the critical success factors of your project?
11. Could you identify the obstacles and the limitations that could prevent your project from continuing over the long term?

References

1. Nesterova, I. Degrowth business framework: Implications for sustainable development. *J. Clean. Prod.* **2020**, *262*, 121382. [\[CrossRef\]](#)
2. Borland, H.; Lindgreen, A. Sustainability, Epistemology, Ecocentric Business, and Marketing Strategy: Ideology, Reality, and Vision. *J. Bus. Ethics* **2013**, *117*, 173–187. [\[CrossRef\]](#)
3. Papa Francesco. *Lettera Enciclica Laudato Si del Santo Padre Francesco sulla Cura della Casa Comune*; Libreria Editrice Vaticana: Roma, Rome, 2015.
4. Schröder, P.; Bengtsson, M.; Cohen, M.; Dewick, P.; Hofstetter, J.; Sarkis, J. Degrowth within—Aligning circular economy and strong sustainability narratives. *Resour. Conserv. Recycl.* **2019**, *146*, 190–191. [\[CrossRef\]](#)
5. Meseguer-Sánchez, V.; Gálvez-Sánchez, F.J.; Molina-Moreno, V.; Wandosell-Fernández-de-Bobadilla, G. The Main Research Characteristics of the Development of the Concept of the Circular Economy Concept: A Global Analysis and the Future Agenda. *Front. Environ. Sci.* **2021**, *9*, 304. [\[CrossRef\]](#)
6. Bruni, L. Critique of Managerial Reason. *Humanist. Manag. J.* **2021**, *6*, 5–18. [\[CrossRef\]](#)
7. Klikauer, T. *Managerialism*; Palgrave Macmillan UK: London, UK, 2013; ISBN 978-1-349-46267-4.
8. European Commission. *The Human-Centred City: Opportunities for Citizens through Research and Innovation*; European Commission: Luxembourg, 2019.
9. Sánchez, V.M.; Martínez, G.L. Constitutional profiles of the encyclical letter “Laudato Si”: An analysis from economic anthropology. *Rev. Direito Bras.* **2018**, *20*, 364–377.
10. Ellen MacArthur Foundation. *Towards the Circular Economy. Accelerating the Scale-Up across Global Supply Chains*; Ellen MacArthur Foundation: London, UK, 2014.
11. Rodríguez, R.M.; Labella, Á.; Nuñez-Cacho, P.; Molina-Moreno, V.; Martínez, L. A comprehensive minimum cost consensus model for large scale group decision making for circular economy measurement. *Technol. Forecast. Soc. Change* **2022**, *175*, 121391. [\[CrossRef\]](#)
12. Fusco Girard, L. The circular economy in transforming a died heritage site into a living ecosystem, to be managed as a complex adaptive organism. *Aestimum* **2020**. [\[CrossRef\]](#)
13. Battilana, J.; Sengul, M.; Pache, A.-C.; Model, J. Harnessing Productive Tensions in Hybrid Organizations: The Case of Work Integration Social Enterprises. *Acad. Manag. J.* **2015**, *58*, 1658–1685. [\[CrossRef\]](#)
14. Tabares, S.; Morales, A.; Calvo, S.; Molina Moreno, V. Unpacking B Corps’ Impact on Sustainable Development: An Analysis from Structuration Theory. *Sostenibilidad* **2021**, *13*, 13408. [\[CrossRef\]](#)
15. Jay, J. Navigating Paradox as a Mechanism of Change and Innovation in Hybrid Organizations. *Acad. Manag. J.* **2013**, *56*, 137–159. [\[CrossRef\]](#)
16. Haigh, N.; Hoffman, A.J. Hybrid Organizations: The Next Chapter in Sustainable Business. *SSRN Electron. J.* **2012**, *41*, 126–134. [\[CrossRef\]](#)
17. Pieroni, M.P.P.; McAloone, T.C.; Pigosso, D.C.A. Circular economy business model innovation: Sectorial patterns within manufacturing companies. *J. Clean. Prod.* **2021**, *286*, 124921. [\[CrossRef\]](#)
18. Gioia, D.A.; Corley, K.G.; Hamilton, A.L. Seeking Qualitative Rigor in Inductive Research. *Organ. Res. Methods* **2013**, *16*, 15–31. [\[CrossRef\]](#)
19. Commission of the European Communities. *GREEN PAPER: Promoting An European Framework for Corporate Social Responsibility*; Commission of the European Communities: Brussels, Belgium, 2001.
20. McSweeney, B. Maximizing shareholder-value: A panacea for economic growth or a recipe for economic and social disintegration? *Crit. Perspect. Int. Bus.* **2008**, *4*, 55–74. [\[CrossRef\]](#)
21. Martin, J.; Petty, W.; Wallace, J. Shareholder Value Maximization-Is There a Role for Corporate Social Responsibility? *J. Appl. Corp. Financ.* **2009**, *21*, 110–118. [\[CrossRef\]](#)
22. Magill, M.J.P.; Quinzii, M.; Rochet, J.-C. A Critique of Shareholder Value Maximization. *SSRN Electron. J.* **2013**. [\[CrossRef\]](#)
23. Battilana, J.; Dorado, S. Building Sustainable Hybrid Organizations: The Case of Commercial Microfinance Organizations. *Acad. Manag. J.* **2010**, *53*, 1419–1440. [\[CrossRef\]](#)
24. Dacin, M.T.; Dacin, P.A.; Tracey, P. Social Entrepreneurship: A Critique and Future Directions. *Organ. Sci.* **2011**, *22*, 1203–1213. [\[CrossRef\]](#)
25. Miller, T.; Grimes, M.; McMullen, J.; Vogus, T. Venturing for others with heart and head: How compassion encourages social entrepreneurship. *Acad. Manag. Rev.* **2012**. [\[CrossRef\]](#)

26. Pache, A.-C.; Santos, F. When Worlds Collide: The Internal Dynamics of Organizational Responses to Conflicting Institutional Demands. *Acad. Manag. Rev.* **2010**, *35*, 455–476. [CrossRef]
27. Smith, W.K.; Lewis, M.W. Toward a Theory of Paradox: A Dynamic equilibrium Model of Organizing. *Acad. Manag. Rev.* **2011**, *36*, 381–403. [CrossRef]
28. Besharov, M.L.; Smith, W.K. Multiple Institutional Logics in Organizations: Explaining Their Varied Nature and Implications. *Acad. Manag. Rev.* **2014**, *39*, 364–381. [CrossRef]
29. Kirchherr, J.; Reike, D.; Hekkert, M. Conceptualizing the circular economy: An analysis of 114 definitions. *Resour. Conserv. Recycl.* **2017**, *127*, 221–232. [CrossRef]
30. Ghisellini, P.; Cialani, C.; Ulgiati, S. A review on circular economy: The expected transition to a balanced interplay of environmental and economic systems. *J. Clean. Prod.* **2016**, *114*, 11–32. [CrossRef]
31. Sauv e, S.; Bernard, S.; Sloan, P. Environmental sciences, sustainable development and circular economy: Alternative concepts for trans-disciplinary research. *Environ. Dev.* **2016**, *17*, 48–56. [CrossRef]
32. Korhonen, J.; Honkasalo, A.; Sepp al a, J. Circular Economy: The Concept and its Limitations. *Ecol. Econ.* **2018**, *143*, 37–46. [CrossRef]
33. Murray, A.; Skene, K.; Haynes, K. The Circular Economy: An Interdisciplinary Exploration of the Concept and Application in a Global Context. *J. Bus. Ethics* **2017**, *140*, 369–380. [CrossRef]
34. Rosa, P.; Sassanelli, C.; Terzi, S. Towards Circular Business Models: A systematic literature review on classification frameworks and archetypes. *J. Clean. Prod.* **2019**, *236*, 117696. [CrossRef]
35. Bocken, N.M.P.; de Pauw, I.; Bakker, C.; van der Grinten, B. Product design and business model strategies for a circular economy. *J. Ind. Prod. Eng.* **2016**, *33*, 308–320. [CrossRef]
36. Walker, A.M.; Opferkuch, K.; Roos Lindgreen, E.; Simboli, A.; Vermeulen, W.J.V.; Raggi, A. Assessing the social sustainability of circular economy practices: Industry perspectives from Italy and the Netherlands. *Sustain. Prod. Consum.* **2021**, *27*, 831–844. [CrossRef]
37. Mies, A.; Gold, S. Mapping the social dimension of the circular economy. *J. Clean. Prod.* **2021**, *321*, 128960. [CrossRef]
38. Koumparou, D. Circular Economy and Social Sustainability. In Proceedings of the Solid Waste Management & its Contribution to Circular Economy, Athens, Greece, 14–15 December 2017.
39. Fusco Girard, L.; Gravagnuolo, A. Circular economy and cultural heritage/landscape regeneration. Circular business, financing and governance models for a competitive Europe. *BDC. Boll. Del Cent. Calza Bini* **2017**, *17*, 35–52.
40. Manninen, K.; Koskela, S.; Antikainen, R.; Bocken, N.; Dahlbo, H.; Aminoff, A. Do circular economy business models capture intended environmental value propositions? *J. Clean. Prod.* **2018**, *171*, 413–422. [CrossRef]
41. Wijkman, A.; Sk anberg, K. The Circular Economy and Benefits for Society: Jobs and Climate Clear Winners in an Economy Based on Renewable Energy and Resource Efficiency. *Club Rome* **2015**, 59.
42. Moreau, V.; Sahakian, M.; van Griethuysen, P.; Vuille, F. Coming Full Circle: Why Social and Institutional Dimensions Matter for the Circular Economy. *J. Ind. Ecol.* **2017**, *21*, 497–506. [CrossRef]
43. Porter, M.E.; Kramer, M.R. Creating Shared Value. *Harv. Bus. Rev.* **2011**, *89*, 62–77.
44. Bannick, M.; Goldman, P.; Kubzansky, M.; Saltuk, Y. Across the Returns Continuum. *Stanford Soc. Innov. Rev.* **2018**, *15*, 42–48.
45. Jackson, L.E. The relationship of urban design to human health and condition. *Landsc. Urban Plan.* **2003**, *64*, 191–200. [CrossRef]
46. Ketkar, S.; Ratha, D. *Innovative Financing for Development: Scalable Business Models that Produce Economic, Social, and Environmental Outcomes*; World Bank: Washington, DC, USA, 2009.
47. L udeke-Freund, F.; Gold, S.; Bocken, N.M.P. A Review and Typology of Circular Economy Business Model Patterns. *J. Ind. Ecol.* **2019**, *23*, 36–61. [CrossRef]
48. L udeke-Freund, F.; Dembek, K. Sustainable business model research and practice: Emerging field or passing fancy? *J. Clean. Prod.* **2017**, *168*, 1668–1678. [CrossRef]
49. Arribas, V. Bringing Social Impact into Circular Economy. Available online: <https://www.boardofinnovation.com/blog/bringing-social-impact-into-circular-economy/> (accessed on 2 February 2022).
50. Schaltegger, S.; L udeke-Freund, F.; Hansen, E.G. Business cases for sustainability: The role of business model innovation for corporate sustainability. *Int. J. Innov. Sustain. Dev.* **2012**, *6*, 95. [CrossRef]
51. Schaltegger, S.; Hansen, E.G.; L udeke-Freund, F. Business Models for Sustainability: Origins, Present Research, and Future Avenues. *Organ. Environ.* **2016**, *29*, 3–10. [CrossRef]
52. Foundation, E.M. Towards the Circular Economy: Economy and business rationale for accelerated transition. *J. Ind. Ecol.* **2013**.
53. Morsetto, P. Restorative and regenerative: Exploring the concepts in the circular economy. *J. Ind. Ecol.* **2020**, *24*, 763–773. [CrossRef]
54. Fusco Girard, L.; De Rosa, F.; Nocca, F. Verso il piano strategico di una citt a storica: Viterbo. *BDC. Boll. Del Cent. Calza Bini* **2014**, *14*, 11–38.
55. Angrisano, M.; Biancamano, P.F.; Bosone, M.; Carone, P.; Daldanise, G.; De Rosa, F.; Franciosa, A.; Gravagnuolo, A.; Iodice, S.; Nocca, F.; et al. Towards operationalizing UNESCO Recommendations on “Historic Urban Landscape”: A position paper. *Aestimum* **2016**. [CrossRef]
56. Fusco Girard, L. The Cultural Base of Cities for Shaping a Better Future. In Proceedings of the International Meeting New Urban World Future Challenges, Rabat, Maroc, 1–2 October 2012; pp. 164–171.

57. Ravetz, J.; Fusco Girard, L.; Bornstein, L. A research and policy development agenda: Fostering creative, equitable, and sustainable port cities. *BDC Boll. Cent. Calza Bini* **2012**, *12*, 67–69.
58. Valenzuela, F.; Böhm, S. Against wasted politics: A critique of the circular economy. *Ephemer. Theory Polit. Organ.* **2017**, *17*, 23–60.
59. European Commission. Closing the Loop—An EU action plan for the Circular Economy—(ANNEX 1). Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. 2015. Available online: <https://www.eea.europa.eu/policy-documents/com-2015-0614-final> (accessed on 14 January 2022).
60. Moreno, M.; De los Rios, C.; Rowe, Z.; Charnley, F. A conceptual framework for circular design. *Sustainability* **2016**, *8*, 937. [[CrossRef](#)]
61. Bonesio, L. *Paesaggio, Identità e Comunità Tra Locale e Globale*; Diabasis: Reggio Emilia, Italy, 2009.
62. Karpoff, J.M. The Tragedy of ‘The Tragedy of the Commons’—Hardin vs. the Property Rights Theorists. *SSRN Electron. J.* **2020**. [[CrossRef](#)]
63. Rose, C.M. Thinking about the commons. *Int. J. Commons* **2020**, *14*, 557–566. [[CrossRef](#)]
64. Ostrom, E. Governing the Commons. 1990. Available online: <https://www.cambridge.org/core/books/governing-the-commons/7AB7AE11BAD84409C34815CC288CD79> (accessed on 14 January 2022).
65. Sacconi, L.; Ottone, S. *Beni Comuni e Cooperazione*; Il Mulino: Macao, 2015; ISBN 978-8815253767. Available online: <https://www.mulino.it/isbn/9788815253767> (accessed on 14 January 2022).
66. Schlager, E. Rationality, cooperation, and common pool resources. *Am. Behav. Sci.* **2002**, *45*, 801–819. [[CrossRef](#)]
67. Santori, P. Is Relationality Always Other-Oriented? Adam Smith, Catholic Social Teaching, and Civil Economy. *Philos. Manag.* **2021**. [[CrossRef](#)]
68. Silverman, D. *Qualitative Research*; Sage Publications Ltd.: London, UK, 2020.
69. Glaser, B.; Strauss, A. Applying Grounded Theory. In *The Discovery of Grounded Theory: Strategies of Qualitative Research*; Routledge: London, UK, 1967; Volume 13. Available online: http://www.sxf.uevora.pt/wp-content/uploads/2013/03/Glaser_1967.pdf (accessed on 14 January 2022).
70. Scarlato, M. Social Enterprise and Development Policy: Evidence from Italy. *J. Soc. Entrep.* **2012**, *3*, 24–49. [[CrossRef](#)]
71. Borzaga, C.; Musella, M. *L’Impresa Sociale in Italia. Identità e Sviluppo in un Quadro di Riforma*; Iris Network Istituti di Ricerca Sull’Impresa Sociale: Trento, NJ, USA, 2020.
72. Ranci, C. The third sector in welfare policies in Italy: The contradictions of a protected market. *Voluntas* **1994**, *5*, 247–271. [[CrossRef](#)]
73. Ridder, H.G.; Miles, M.B.; Michael Huberman, A.; Saldaña, J. Qualitative data analysis. A methods sourcebook. *Z. Fur Pers.* **2014**, *28*, 485–487. [[CrossRef](#)]
74. Pratt, M.G. From the Editors: For the Lack of a Boilerplate: Tips on Writing Up (and Reviewing) Qualitative Research. *Acad. Manag. J.* **2009**, *52*, 856–862. [[CrossRef](#)]
75. Hoffman, W.M.; McNulty, R.E. Transforming faith in corporate capitalism through business ethics. *J. Manag. Spiritual. Relig.* **2012**, *9*, 217–236. [[CrossRef](#)]
76. Oh, J.; Wang, J. Spiritual leadership: Current status and Agenda for future research and practice. *J. Manag. Spiritual. Relig.* **2020**, *17*, 223–248. [[CrossRef](#)]
77. Kim, D.; Lim, U. Social Enterprise as a Catalyst for Sustainable Local and Regional Development. *Sustainability* **2017**, *9*, 1427. [[CrossRef](#)]
78. Biondi, L.; Demartini, P.; Marchegiani, L.; Marchiori, M.; Piber, M. Understanding orchestrated participatory cultural initiatives: Mapping the dynamics of governance and participation. *Cities* **2020**, *96*, 102459. [[CrossRef](#)]
79. Lekan, M.; Jonas, A.E.G.; Deutz, P. Circularity as Alterity? Untangling Circuits of Value in the Social Enterprise–Led Local Development of the Circular Economy. *Econ. Geogr.* **2021**, *97*, 257–283. [[CrossRef](#)]
80. Salvini, A.; Riccardo, A.; Vasca, F.; Psaroudakis, I. Inter-Organizational Networks and Third Sector: Emerging Features from Two Case Studies in Southern Italy. In *Challenges in Social Network Research*; Springer: Cham, Switzerland, 2020; pp. 209–233.
81. Pavlovich, K.; Doyle Corner, P. Spiritual organizations and connectedness: The Living Nature experience. *J. Manag. Spiritual. Relig.* **2009**, *6*, 209–229. [[CrossRef](#)]
82. Melé, D. “Human Quality Treatment”: Five Organizational Levels. *J. Bus. Ethics* **2014**, *120*, 457–471. [[CrossRef](#)]
83. Chatterji, M. Caring Management in the New Economy, socially Responsible Behaviour Through Spirituality. *J. Manag. Spiritual. Relig.* **2020**, *17*, 292–297. [[CrossRef](#)]
84. Quélin, B.V.; Kivleniece, I.; Lazzarini, S. Public-Private Collaboration, Hybridity and Social Value: Towards New Theoretical Perspectives. *J. Manag. Stud.* **2017**, *54*, 763–792. [[CrossRef](#)]
85. Stead, J.G.; Stead, W.E. Building spiritual capabilities to sustain sustainability-based competitive advantages. *J. Manag. Spiritual. Relig.* **2014**, *11*, 143–158. [[CrossRef](#)]
86. Fusco Girard, L.; Nocca, F. La rigenerazione del “Sistema Matera” nella prospettiva dell’economia circolare. In *Matera, Città del Sistema Ecologico Uomo/Società/Natura il Ruolo Della Cultura per la Rigenerazione del Sistema Urbano/Territoriale*; Fusco Girard, L., Trillo, C., Bosone, M., Eds.; Giannini Publisher: Naples, Italy, 2019; pp. 69–100.
87. Becchetti, L.; Bruni, L.; Zamagni, S. *Economia Civile e Sviluppo Sostenibile. Progettare e Misurare un Nuovo Modello di Benessere*; Ecrà Editore: Schaumburg, IL, USA, 2019.