



## Tool 3.1 Circular Maturity Tool



# Tool 3.1 – Circular Maturity Tool

## Phase 3 – Exploration & Diagnosis

### Objective of the Tool

The Circular Maturity Tool helps organisations in the furniture sector assess their current readiness and capability for circular business model transformation. It provides a structured self-assessment across nine capability dimensions — from strategic leadership and product design to digital infrastructure and organisational culture — and translates raw scores into a personalised maturity profile, a visual radar chart, and targeted toolkit recommendations.

The tool is designed to be completed at the beginning of the circular innovation journey, prior to business model ideation. This ensures that all subsequent toolkit activities are grounded in an honest, evidence-based picture of the organisation's circular starting point and that recommendations are appropriately calibrated to its actual capability level.

### What the Tool Is

The Circular Maturity Tool is an Excel-based diagnostic self-assessment. It is structured as five interconnected worksheets, each dedicated to a distinct stage of the assessment and results flow. The tool contains five worksheets:

- Cover – tool overview, purpose, and step-by-step instructions for navigating the workbook.
- Assessment – 27 diagnostic statements grouped into nine capability dimensions, each scored 0–3 using dropdown menus.
- Results – automated summary displaying average scores, maturity level labels, and interpretations per dimension, plus an overall Circular Maturity Score.
- Radar Chart – visual spider chart representing the organisation's capability profile across all nine dimensions.
- Recommendations – priority capability gaps and corresponding FRANCESCA toolkit tools to use next, automatically flagged based on dimension scores.

### When to Use the Tool

The Circular Maturity Tool is particularly useful when organisations are:

- Establishing a circular baseline before strategy definition or business model innovation work begins
- Identifying organisational capability gaps that need to be addressed before circular pilots or transformation programmes
- Prioritising which dimensions of circularity to focus on during a facilitated workshop or co-design process
- Communicating the current state of circular readiness to management, funders, or innovation programme partners
- Selecting the most relevant FRANCESCA toolkit tools based on the company's actual maturity level
- Benchmarking progress by re-applying the tool after a period of circular capability development

# How to Use the Tool

The tool is designed to be used in sequence, starting from the Cover sheet and working through each worksheet before reviewing consolidated outputs. Each step below corresponds to a distinct activity within the tool.

## 1. Step 1 – Read the Cover sheet.

Open the Cover sheet first. It explains the tool's structure, purpose, and five-step navigation sequence. Familiarise yourself with the sheet layout and the meaning of the four-step workflow (Score, Review, Visualise, Act) before entering any data.

## 2. Step 2 – Complete the Assessment sheet.

Open the Assessment sheet. It contains 27 diagnostic statements grouped into nine capability dimensions. For each statement, use the dropdown in column D to select a score from 0 to 3. Score each statement based on the organisation's current reality — not its aspirations or plans. All 27 questions must be scored before proceeding to the Results sheet. The scoring scale is:

0 = Not in place | 1 = Emerging | 2 = Partially implemented | 3 = Fully implemented

## 3. Step 3 – Review the Results sheet.

Once all 27 questions are scored, open the Results sheet. It automatically calculates the average score per dimension and displays a maturity level label (Not in place, Emerging, Developing, or Leading) alongside a brief interpretation. The overall Circular Maturity Score at the bottom reflects the average across all nine dimensions.

## 4. Step 4 – Interpret the Radar Chart.

Open the Radar Chart sheet. It displays the capability profile as a spider chart with one axis per dimension, each scaled from 0 to 3. A larger shaded area indicates higher overall circular maturity. Use this visual to facilitate team discussion about which dimensions are strong and which are structural gaps requiring attention.

## 5. Step 5 – Consult the Recommendations sheet.

The Recommendations sheet automatically flags any dimension scoring below 1.5 as a Priority Area and maps each dimension to the most relevant FRANCESCA toolkit tool. Use this output to sequence subsequent toolkit activities — the dimensions scoring lowest indicate which tools to prioritise first.

# Expected Output

Completing the tool produces:

- Average scores per capability dimension on a 0–3 scale
- A maturity level label per dimension: Not in place, Emerging, Developing, or Leading
- An overall Circular Maturity Score reflecting the aggregate across all nine dimensions
- A radar chart visualising the organisation's relative capability profile
- A prioritised list of capability gaps with recommended FRANCESCA toolkit tools per dimension
- A structured starting point for Phase 4 Ideation activities, calibrated to the company's actual circular readiness

# Sheet-by-Sheet Guide

## Sheet 1 – Cover

### Purpose

The Cover sheet is the entry point for all users. It provides a concise description of the tool's purpose, the workflow for completing the assessment, and guidance on how to navigate across the five worksheets. It should be read before any data is entered.

### Structure

The sheet is divided into two blocks:

- **About This Tool:** explains what the diagnostic measures, why circular maturity assessment matters, and how results are used within the FRANCESCA toolkit journey.
- **How to Use:** a four-step navigation sequence — SCORE (complete the Assessment sheet), REVIEW (examine the Results sheet), VISUALISE (read the Radar Chart), and ACT (consult the Recommendations sheet).

No data entry is required on this sheet.

## Sheet 2 – Assessment

### Purpose

The Assessment sheet contains all 27 diagnostic statements. It is the only sheet requiring manual data input. The scores entered here drive all automated calculations across the Results, Radar Chart, and Recommendations sheets.

### Structure

Statements are grouped into nine capability dimensions, each containing three questions. Scores are entered via dropdowns in column D. Column E displays the corresponding maturity level label once a score is entered.

The full set of diagnostic statements by dimension is shown below:

| Capability Dimension      | Diagnostic Statement                                              | Score (0–3) |
|---------------------------|-------------------------------------------------------------------|-------------|
| Strategic & Leadership    | Circular economy is integrated into corporate strategy.           | —           |
|                           | Leadership defines priorities or targets for circularity.         | —           |
|                           | Responsibility for circular economy is formally assigned.         | —           |
| Business Model Innovation | The company explores circular business models.                    | —           |
|                           | Revenue opportunities linked to lifecycle extension are explored. | —           |
|                           | Circular value propositions are communicated to customers.        | —           |

|                              |                                                                       |   |
|------------------------------|-----------------------------------------------------------------------|---|
| Design & Product Development | Products are designed for durability or repairability.                | — |
|                              | Materials are selected considering recyclability or recycled content. | — |
|                              | Lifecycle thinking informs product design.                            | — |
| Operational & Process        | Processes support repair, refurbishment, or remanufacturing.          | — |
|                              | Circular criteria are integrated into production or logistics.        | — |
|                              | Operational teams support circular initiatives.                       | — |
| Supply Chain & Ecosystem     | Suppliers support circular sourcing.                                  | — |
| Digital & Data               | Partnerships exist for reuse or recycling.                            | — |
|                              | Reverse logistics or take-back systems exist.                         | — |
|                              | Systems track products or materials.                                  | — |
| Customer & Market            | Company prepares for Digital Product Passport.                        | — |
|                              | Data supports circular decision-making.                               | — |
|                              | Circular value communicated to customers.                             | — |
| Financial & Risk Management  | Customers engaged in reuse or return systems.                         | — |
|                              | Circular solutions influence customer behaviour.                      | — |
|                              | Lifecycle costing used in decisions.                                  | — |
| Culture & Change             | Investments evaluated for circular opportunities.                     | — |
|                              | Financial models include residual value logic.                        | — |
|                              | Employees trained on circular economy.                                | — |
|                              | Innovation culture supports circular experimentation.                 | — |
|                              | Cross-department collaboration supports circular initiatives.         | — |
|                              |                                                                       | — |

## Important note

Score each statement based on what is genuinely in place today — not what is planned, in progress, or aspirational. Inflated scores produce misleading results and misaligned recommendations. If a statement covers something the organisation has never formally considered, the correct score is 0.

## Sheet 3 – Results

### Purpose

The Results sheet aggregates assessment scores into a structured capability profile. All cells are formula-driven; no data entry is required. It is designed to be reviewed immediately after the Assessment sheet is completed.

### Structure and key outputs

- Average score per dimension (column C): the mean of the three question scores within that dimension, calculated automatically.

- Maturity level label (column D): derived from the average score using the four maturity band thresholds below.
- Interpretation (column F): a brief narrative explaining what the score indicates for that capability dimension.
- Overall Circular Maturity Score: the unweighted average across all nine dimension scores, displayed at the bottom of the summary table.

The maturity band thresholds applied across the tool are:

| Average Score | Maturity Level | What it Means                                                                                                                                                                         |
|---------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| < 0.5         | Not in place   | Circular economy is not yet part of this capability area. Foundational awareness and commitment are needed before tools can be effectively applied.                                   |
| 0.5–1.4       | Emerging       | Early-stage activities are underway, but they are fragmented and not yet embedded in processes or strategy. Targeted exploration and pilot initiatives are the recommended next step. |
| 1.5–2.4       | Developing     | Circular practices are present and partially implemented. The focus should shift from exploration to consolidation, scale-up, and integration with adjacent dimensions.               |
| 2.5–3.0       | Leading        | Circular capability is systematic and organisation-wide. The priority is to leverage this strength to activate weaker dimensions and enable ecosystem collaboration.                  |

## Sheet 4 – Radar Chart

### Purpose

The Radar Chart sheet provides a visual summary of the circular capability profile. It is designed for team communication and workshop facilitation, giving an immediate overview of relative strengths and structural gaps across the nine dimensions.

### Structure

- A spider chart with one axis per dimension, each scaled from 0 (centre) to 3 (outer edge).
- Scores auto-populate from the Results sheet; no manual input is required on this sheet.
- A reading guidance note reminding users that a larger shaded area indicates higher circular maturity.

### How to read the chart

Each axis represents one capability dimension. The shaded polygon shows the current capability profile. Dimensions where the polygon extends furthest from the centre are areas of relative strength. Dimensions where it contracts inward are areas of lower maturity and represent priority candidates for intervention. An uneven, asymmetric profile is normal — most organisations are stronger in some areas than others.

## Sheet 5 – Recommendations

### Purpose

The Recommendations sheet translates assessment results into actionable next steps by mapping each capability dimension to the most relevant FRANCESCA toolkit tool and automatically flagging dimensions scoring below 1.5 as Priority Areas.

## Structure

- One row per capability dimension, auto-populated from the Results sheet.
- Priority flag: automatically generated for any dimension with an average score below 1.5. Dimensions below this threshold should be addressed before advancing to later toolkit phases.
- Recommended FRANCESCA Tool(s): the toolkit tool most directly aligned to strengthening that capability dimension.
- Phase: the corresponding innovation phase in the FRANCESCA journey.

The full dimension-to-tool mapping is:

| Capability Dimension         | Recommended FRANCESCA Tool(s)                                                | Phase                     |
|------------------------------|------------------------------------------------------------------------------|---------------------------|
| Strategic & Leadership       | 2.1 Circular Vision Canvas                                                   | 2. Strategy               |
| Business Model Innovation    | 4.3 Circular Business Model Canvas                                           | 4. Ideation               |
| Design & Product Development | 7.6 Design for Modularity & Disassembly Guide                                | 7. Implementation         |
| Operational & Process        | 7.4 Reverse Logistics Canvas                                                 | 7. Implementation         |
| Supply Chain & Ecosystem     | 4.4 Circular Ecosystem Value Wheel; 9.2 Circular Ecosystem Governance Canvas | 4 & 9. Ideation / Scaling |
| Digital & Data               | 7.5 Circular Platform Model                                                  | 7. Implementation         |
| Customer & Market            | 4.2 Circular Consumer Compass; 5.2 Circular Customer Journey                 | 4 & 5. Ideation / Design  |
| Financial & Risk Management  | 5.3 Circular Value Capture Tool                                              | 5. Design                 |
| Culture & Change             | 6.1 Experimentation Roadmap                                                  | 6. Experimentation        |

# Key Terms and Definitions

## Assessment and Scoring Terms

| Term                            | Definition                                                                                                                                                                                                       |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Circular Maturity               | The degree to which an organisation has integrated circular economy principles into its strategy, operations, products, and culture. Assessed across nine capability dimensions on a 0–3 scale.                  |
| Capability Dimension            | One of the nine thematic areas used to assess circular readiness. Each dimension captures a distinct organisational function or competency relevant to circular transformation.                                  |
| Diagnostic Statement            | A descriptive sentence representing a specific circular practice or capability. Users score each statement from 0 to 3 based on the current state of their organisation.                                         |
| Average Dimension Score         | The arithmetic mean of the three question scores within a capability dimension. This score determines the maturity level label and feeds the radar chart.                                                        |
| Overall Circular Maturity Score | The unweighted average across all nine dimension scores. Provides a single composite indicator of the organisation's overall circular readiness.                                                                 |
| Priority Area                   | Any capability dimension with an average score below 1.5. Priority areas are flagged in the Recommendations sheet and indicate where foundational work is needed before advancing to ideation or implementation. |
| Maturity Band                   | One of four categorical levels (Not in place, Emerging, Developing, Leading) assigned to a dimension based on its average score. Defined by fixed numerical thresholds.                                          |
| Radar Chart                     | A spider diagram visualising the capability profile across all nine dimensions simultaneously. Each axis represents one dimension, scaled from 0 to 3.                                                           |

## Maturity Level Labels

| Term                 | Definition                                                                                                                                                                    |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Not in place (< 0.5) | No activity, awareness, or infrastructure related to this capability area. Foundational awareness and commitment are required before any tools can be effectively applied.    |
| Emerging (0.5–1.4)   | Initial steps taken or early-stage exploration, but no systematic implementation. Targeted exploration, learning, and pilot initiatives are the recommended next step.        |
| Developing (1.5–2.4) | Formal practices exist and are partially embedded, but not yet consistent or organisation-wide. The focus should shift from exploration to consolidation and scale-up.        |
| Leading (2.5–3.0)    | Systematic, consistent, and organisation-wide implementation. The capability is embedded in operations. Priority shifts to leveraging strength to activate weaker dimensions. |

## Circular Economy Terms

| Term                           | Definition                                                                                                                                                                                                           |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Circular Business Model        | A business model designed to retain the value of products, components, and materials for as long as possible through strategies such as repair, reuse, refurbishment, remanufacturing, and recycling.                |
| Circular Economy               | An economic system aimed at eliminating waste and keeping products and materials in use. Based on the principles of designing out waste, keeping products and materials in use, and regenerating natural systems.    |
| Lifecycle Thinking             | An approach to product development and business strategy that considers the environmental, economic, and social implications of a product across its entire lifecycle — from raw material extraction to end-of-life. |
| Design for Disassembly         | A design approach that facilitates the separation of product components at end-of-life to enable repair, refurbishment, remanufacturing, or material recovery.                                                       |
| Reverse Logistics              | The process of collecting, sorting, and transporting products from end-users back to the manufacturer or a processing facility. A prerequisite for any circular model involving physical product recovery.           |
| Digital Product Passport (DPP) | A digital record containing product-level data including materials, components, repair history, and lifecycle status. Enables traceability across the circular value chain.                                          |
| Product-as-a-Service (PaaS)    | A servitisation model in which the company retains ownership of the product and charges the client a periodic fee for access and use, recovering the product at end-of-contract for redeployment or refurbishment.   |
| Residual Value                 | The value retained in a product or asset at the end of its first use cycle, which can be captured through resale, remanufacturing, or component harvesting.                                                          |

# Key Dimensions of the Circular Maturity Tool

The tool assesses circular readiness across nine capability dimensions. Each dimension captures a distinct and strategically important aspect of an organisation's capacity to design, implement, and sustain circular business models. Together, the nine dimensions provide a holistic view of the organisation as a circular system.

## 1. Strategic & Leadership

Measures the degree to which circular economy principles are embedded in corporate strategy, leadership priorities, and governance structures. Without strategic commitment and formal accountability, circular initiatives tend to remain fragmented, underfunded, and dependent on individual champions rather than systemic change. This dimension is the foundational prerequisite for all other dimensions — a low score here typically constrains progress across the entire profile.

Guiding question: Does circular economy have formal strategic status, visible leadership commitment, and clear organisational accountability?

## 2. Business Model Innovation

Assesses the extent to which the organisation has explored, developed, or communicated circular business models — revenue models based on lifecycle extension, service delivery, or asset recovery rather than linear product sales. This dimension captures the organisation's ability to translate circular principles into commercial models that generate value from material loops, service relationships, and extended use.

Guiding question: Has the organisation explored and begun to commercialise circular revenue opportunities beyond transactional product sales?

## 3. Design & Product Development

Evaluates whether products are designed with durability, repairability, recyclability, and lifecycle thinking as explicit design criteria. Product design is the earliest and most powerful intervention point in the circular value chain — decisions made at this stage determine whether products can be repaired, upgraded, remanufactured, or recycled. This dimension reflects the organisation's commitment to circular design as a systematic practice rather than a case-by-case consideration.

Guiding question: Are circular design principles — durability, repairability, material selection, and lifecycle thinking — systematically embedded in the product development process?

## 4. Operational & Process

Examines whether operational processes, production systems, and logistics have been adapted to support circular activities such as repair, refurbishment, and remanufacturing. Operational capability translates circular design intent into circular practice — even well-designed circular products require processes, workflows, and operational teams capable of executing recovery and reuse at scale.

Guiding question: Do operational processes and teams actively support repair, refurbishment, remanufacturing, or other circular activities at a meaningful scale?

## 5. Supply Chain & Ecosystem

Assesses the extent to which the organisation's supply chain and external partnerships support circular sourcing, reuse, and recovery. Circular value creation increasingly depends on ecosystem collaboration — suppliers who can provide circular inputs, partners who can manage return flows, and system-level agreements that enable take-back and remanufacturing. This dimension reflects the organisation's position within, and contribution to, a broader circular ecosystem.

Guiding question: Does the organisation's supply chain and partner network actively enable circular sourcing, take-back, and material recovery?

## 6. Digital & Data

Evaluates whether the organisation has the digital infrastructure and data capabilities required to support circular operations — including product tracking, lifecycle data management, and preparation for regulatory requirements such as the Digital Product Passport. Digital capability is an increasingly critical enabler of circular business models, providing the visibility, traceability, and decision-support needed to manage material flows across multiple use cycles.

Guiding question: Does the organisation have the digital systems and data capabilities to track products, materials, and lifecycle information across circular loops?

## 7. Customer & Market

Measures the degree to which circular value is communicated to customers, customers are engaged in return and reuse systems, and circular offerings influence purchasing and use behaviour. Circular business models ultimately depend on customer acceptance and participation — whether subscribing to a service model, returning products at end-of-life, or choosing repaired over new. This dimension reflects the organisation's ability to create and capture demand for circular offerings.

Guiding question: Does the organisation effectively communicate circular value to customers and engage them as active participants in circular systems?

## 8. Financial & Risk Management

Assesses whether the organisation applies lifecycle costing, evaluates circular investments against residual value potential, and incorporates circular logic into financial models. Circular business models often have different financial structures from linear ones — longer payback periods, capital tied up in product fleets, and value recovered across multiple loops rather than at a single point of sale. This dimension measures the organisation's financial sophistication in relation to circular value creation.

Guiding question: Does the organisation evaluate circular investments using lifecycle economics and residual value thinking, rather than short-term transactional metrics?

## 9. Culture & Change

Evaluates the extent to which employees understand circular economy principles, the organisation fosters a culture of circular experimentation and innovation, and cross-departmental collaboration supports circular initiatives. Circular transformation is ultimately a cultural and organisational challenge as much as a technical one — it requires people at all levels to understand, believe in, and actively contribute to circular change. This dimension assesses the human and organisational infrastructure that enables sustained circular transformation.

Guiding question: Is circular economy understanding, experimentation, and cross-functional collaboration embedded in the organisation's culture and ways of working?



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