

## Waste: Are you throwing your profit in the bin?

Published 07/07/2017

I have always disliked the word 'waste'. Used in most contexts, such as government or talent and 'waste' or 'wasted' is rightly seen as unacceptable, avoidable, and rightly pejorative. There is one sphere however, where this word has lost its sting and ironically it is the very industry and service that bears its name. For generations now the waste industry has offered itself as solving the unattractive reality that life is messy. They are so successful at it, in fact, that we have got to a position that many of us now don't even consider what is being thrown away let alone what happens to it once it leaves our bin. As is so often the case, out of sight has become out of mind.

Now I want to make it clear that this is not an Eco sermon. I do feel strongly that we are depleting many of the world's resources and at the same time polluting the remaining resources by our wasteful behaviour. But these macro issues are too removed from daily life and demonstrably fail to cut through to actual practice. I therefore wanted to look at this from the other end. Waste, rubbish, trash, call it what you will: is money. Everything that is thrown away is costing you money. Not only in the cost of disposal, but every item represents expenditure. Be it packaging for a prepared item that has saved you effort, paper that you have printed on that doesn't need to be kept for

records, food that you didn't eat, or a single use item that would have otherwise been too boring to clean. How have we got to a position where the average household throws away £470 of food a year, a baby will go through 4,500 nappies before it is potty trained, and the average office worker prints 10,000 sheets of paper every year. These numbers may seem huge and unmanageable, but these are individuals, the amount one person or family is using.



I have no doubt that most people, if confronted with their waste, would of course print less, purchase and portion their food more appropriately, and in the case of nappies rise up and demand that machine washable nappies are as good as disposable ones and not cost £80 for the set!

I use these examples to illustrate a very simple point, if you do not think about what you are throwing away, you cannot be seeing the whole picture about what you are buying. This, of course, is as true in business as anywhere. How does a manufacturer know how efficient it is at turning a raw material into a product if it doesn't look at its waste streams? How does a shipping warehouse know if it is buying the right amount of packaging, if it doesn't check to see how much they are discarding? How

does a caterer know if it is buying the right amount of food if it doesn't look to see exactly what food is being thrown away? How does an office know if it has printed the right amount if it doesn't periodically look at the paper it is discarding? And how do you know how much you have spent on takeaway food and drinks this week unless the bin by your desk isn't emptied. All this and before you have even coughed up for removal and disposal.

I worked at Tesco for nine years, much of it in Recycling, and if I learnt one thing, it's: if you can't track it, you can't change it. Now, I know it isn't glamorous. Bin interrogation, as it is euphemistically called, is a job that is given to the new kid, even in the waste industry. But I know of few CEOs who wouldn't have donned the marigolds if it contributed, like we did at Tesco, to turning a cost of millions of pounds on waste disposal to a revenue of more than three times the size and introducing countless initiatives to reduce cost in the business along the way as we raised what we were finding in the bins. The fact that Tesco now sends 0% direct to landfill is a happy by-product. I bet if you took a moment to look in your bins at work, at your office, your factory, your shop, your warehouse, your farm, you would see where your next margin gain will come from.

Waste may not be sexy, but where there's muck, there really is brass.