



Waste and refuse optimum efficiencies

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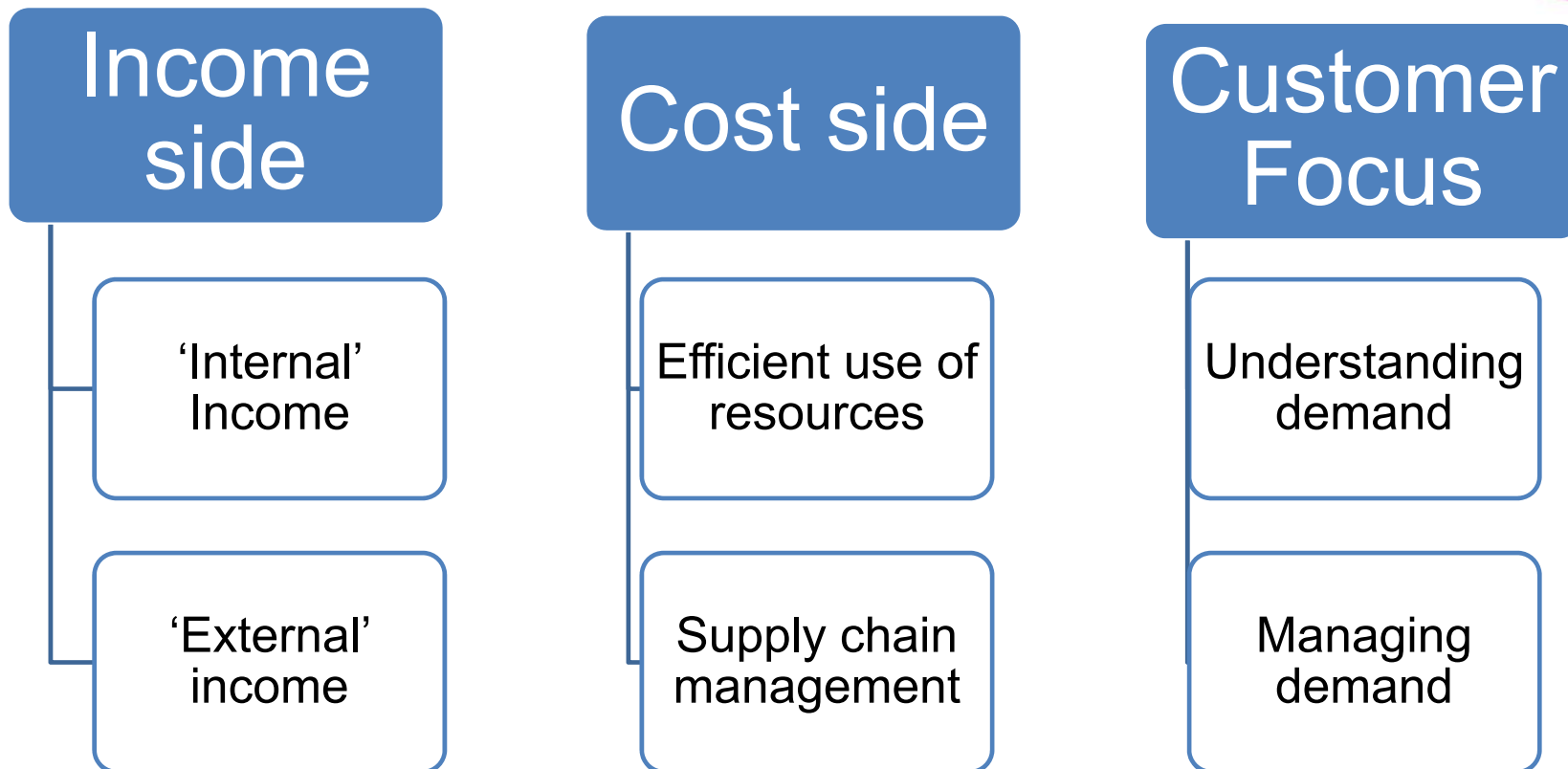
The Micawber Principle



“Annual income twenty pounds, annual expenditure nineteen pounds nineteen and six, result happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six, result misery.”

*- Mr Wilkins Micawber,
‘David Copperfield’*

Elements of business success



Internal income



- Council budget
- Government grant
- Maintaining market share
 - Contestability
- Social policy objectives
 - Why are some social policy budgets ring-fenced and others not ring-fenced?
 - Link with demand issues – prevention or cure

External income



- Commercial approach
 - 5 case model
- Trade waste
 - Market share
 - Value
- Other charged for services
 - Green waste
 - Bulky waste
- Recycling
 - Quantity
 - Quality
 - Negotiating the best price

The Solutions 5 case model



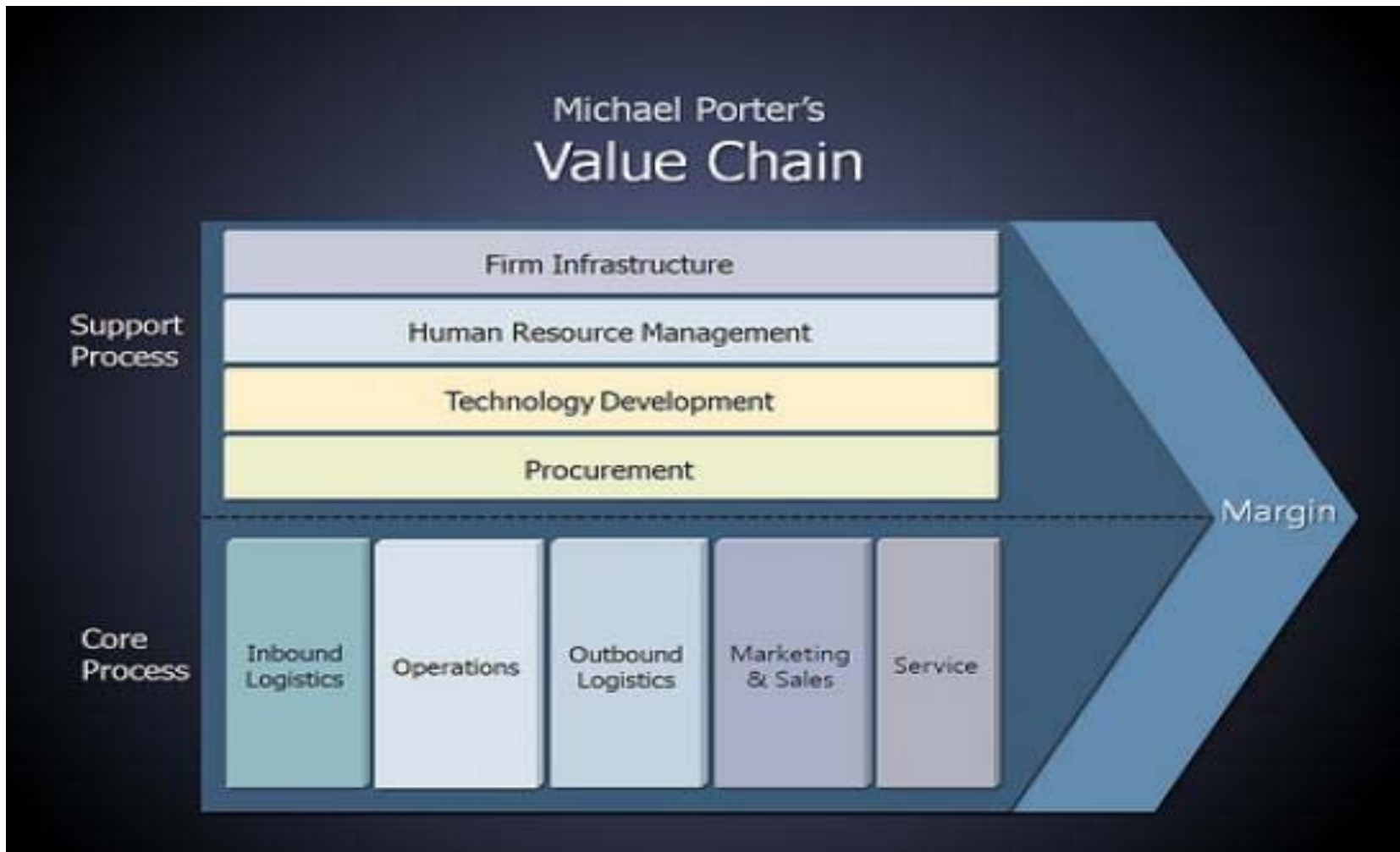
- Strategic
- Commercial
- Legal
- Financial
- Operational technical

Cost



- Efficiency - Lean
 - Staff
 - Vehicles and other plant
 - Transactions
 - Business processes
- Supply chain management
 - Power of suppliers
- Procurement
 - Legal issues
 - Competence
 - Impact on competition
- Competitiveness/contestability – commercial development
 - The market
 - Link with demand
- Sub-contracts
 - Do they add value?

Traditional competition strategy



...and Porter's five forces that shape competition



Longevity



Red ocean/blue ocean competition

- Commoditised product v differentiated product
- Focus on competition or focus on demand
- Swim free or face the sharks

Understanding Demand

- Where does demand come from?
- Refocussing
- Changing behaviour (demand) instead of just accommodating/reacting to it
- Creating new patterns of demand
- Tapping into demand from different customers

Planning

- Horizon scanning
- Innovation

Changing behaviour to save cost



- Original experiment in Copenhagen reduced littering by 46%

Encouraging recycling

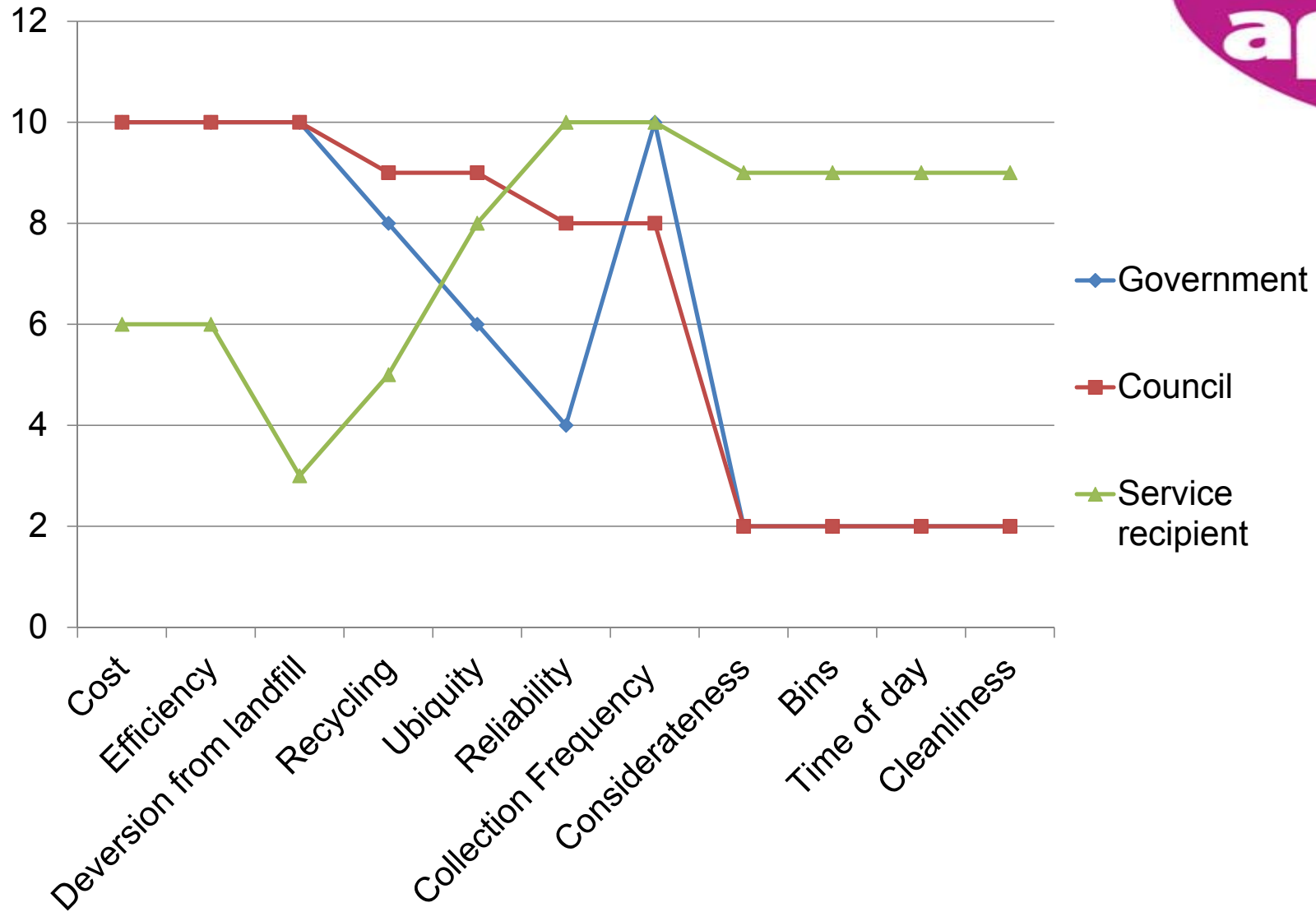


Blue Ocean tools

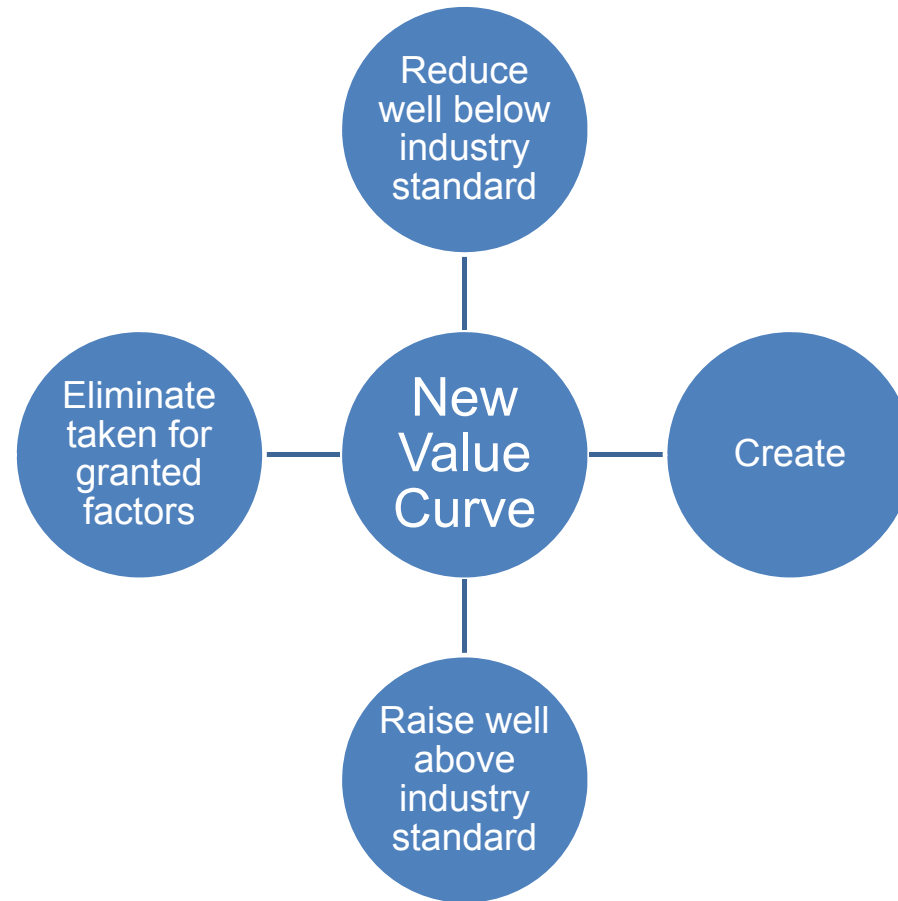
- The demand chain
- The demand curve

- 4 action framework





4 Action Framework



6 Path Framework



	Head to head competition	Blue Ocean Creation
Industry	Focus on industry rivals	Looks across industry boundaries
Strategic group	Focus on competitive position within strategic group	Looks across strategic groups within industry
Buyer group	Focusses on better serving the buyer group	Redefines the industry buyer group
Scope of product or service offer	Focusses on maximising the value of product within the bounds of its industry	Looks across to complimentary products and service offerings
Functional – emotional orientation	Focusses on improving price performance within existing orientation	Rethinks the functional – emotional orientation of its industry
Time	Focusses on adapting to external trends as they occur	Participates in shaping external trends over time

Reconstruct market boundaries



Look across alternative industries

- Bring sites
- Skip hire

Look across strategic groups within industries

- Domestic collection
- Recycling
- Trade waste

Look across the chain of buyers

- Government
- Council buyers
- Councillors
- End users

Look across complimentary product and service offerings

- Street cleansing

Look across functional or emotional appeal to buyers

- Opportunity to save the planet

Look across time

- Increasing number of bins for recyclables

A blue ocean alternative



- Communal waste bins – underground skips
- High standard of cleanliness
- Skip collection vehicles
- Close to houses
- Empty when full
- Dispose of household waste anytime
- Alternative for elderly/disabled/non joiners

One of many examples





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