MAKE RECYCLING YOUR BUSINESS

Barriers and Opportunities for Recycling and Going Green in Small to Medium Businesses

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Executive Summary

With 66% of surveyed small to medium businesses seeking information on how to reduce their impact on the environment and 54% actually initiating at least one such activity in the past year, it is clear that the environment is on the agenda of Australian businesses.

Currently larger businesses, that is those with more than 20 employees, are undertaking a greater range of activities designed to reduce their impact on the environment including: recycling paper, containers and printer cartridges; reducing energy use by installing energy efficient globes and switching off lights and computers; and embedding changes by developing environmental policies and establishing green teams. Sole traders and businesses with 2-5 employees are more likely to have green power.

The research illustrates significant differences in motivations for recycling and going green for businesses of different sizes. Smaller businesses were most likely to be influenced by the personal views of the business owner or manager while larger businesses were more likely to be influenced by concerns about corporate image, government regulation and competitor's actions.

Saving energy as a way of saving money was the one positive influence for going green that was shared equally across all businesses, regardless of their size.

Respondents were asked to identify the barriers to recycling a range of products including packaging and containers (bottle, jars, tins and boxes), electronic waste and organic waste recycling. Barriers to recycling include cost, lack of recycling facilities, lack of knowledge, limited need and little government or company policy direction.

In summary, this research supports the idea that businesses are becoming increasingly aware of the environment and are increasingly looking for ways to reduce their environmental impact, and where possible, to also reduce their operating costs. By highlighting the different motivations and influences for 'going green' for different sized businesses, this research opens the way for Planet Ark as well as other interested parties to develop targeted interventions to support positive action, creating a business culture that recognizes the importance of the environment and that debunks environmental myths and misconceptions.
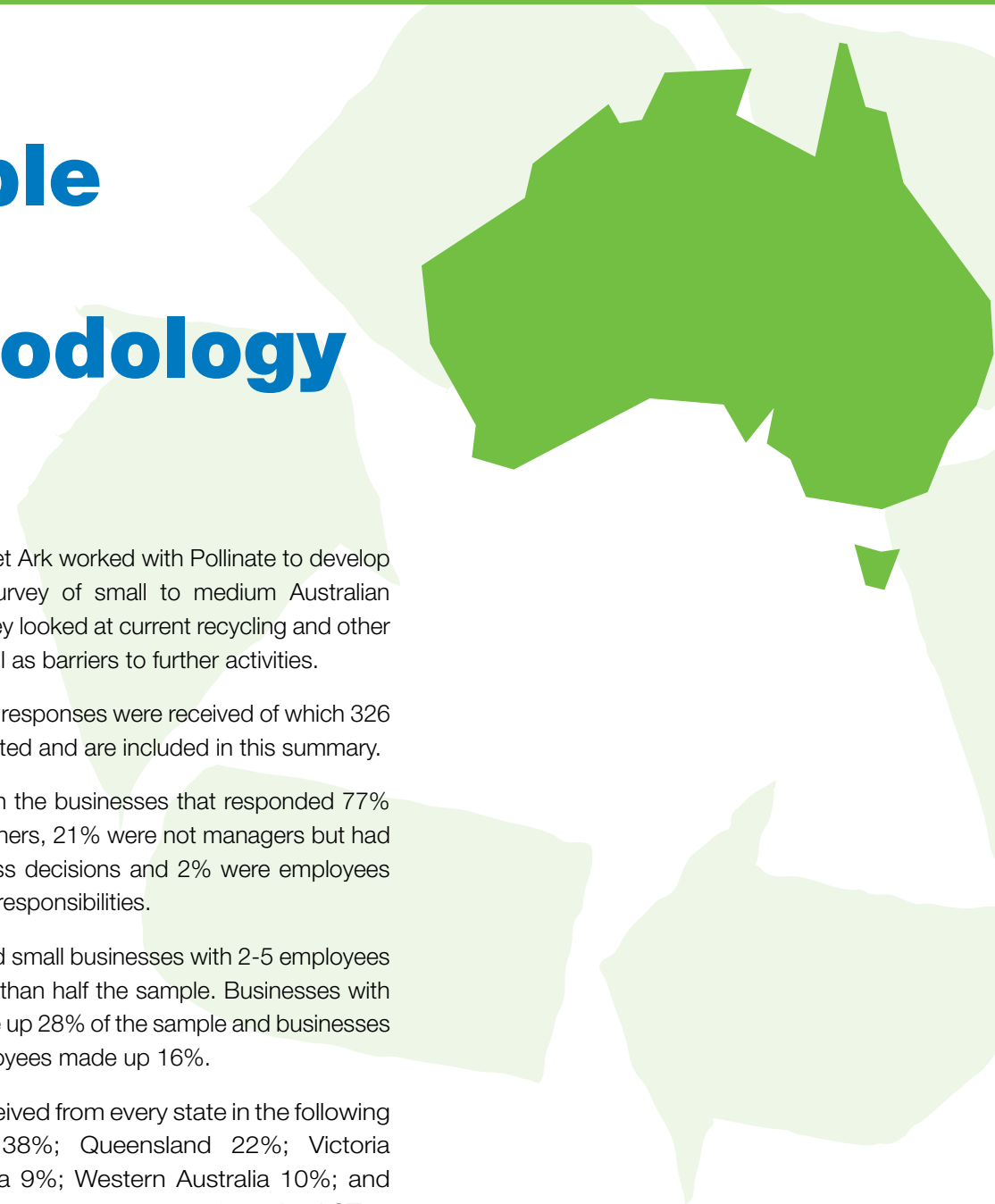
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Sample and Methodology

In October 2008 Planet Ark worked with Pollinate to develop and run an online survey of small to medium Australian businesses. This survey looked at current recycling and other green initiatives as well as barriers to further activities.

In total more than 330 responses were received of which 326 were correctly completed and are included in this summary.

Of those people within the businesses that responded 77% were managers or owners, 21% were not managers but had influence over business decisions and 2% were employees with no management responsibilities.

Sole traders (20%) and small businesses with 2-5 employees (36%) made up more than half the sample. Businesses with 6-20 employees made up 28% of the sample and businesses with 20 or more employees made up 16%.

Responses were received from every state in the following proportions: NSW 38%; Queensland 22%; Victoria 16%; South Australia 9%; Western Australia 10%; and Tasmania 5%. There were no responses from the ACT or Northern Territory.

The survey was distributed through pre--existing small business databases. 79% of responses came through the Bartercard network. 18% of responses came through Visy's network. The remaining 3% came through contact with Planet Ark and Sensis.

Limitations

Based upon the high rate of responses from Bartercard, which has been in partnership with Planet Ark for the past year, and the voluntary nature of the survey we can assume a higher than average interest in environmental issues and therefore, a skewing of some figures to a higher level of 'green' behaviour.

Seeking Environmental Information

Businesses were asked a series of questions about their overall attempts to reduce their impacts on the environment.

Question - Has your company actively looked for information on how to reduce their impact on the environment?

- **Yes** (green)
- **No** (red)
- **Don't Know** (blue)
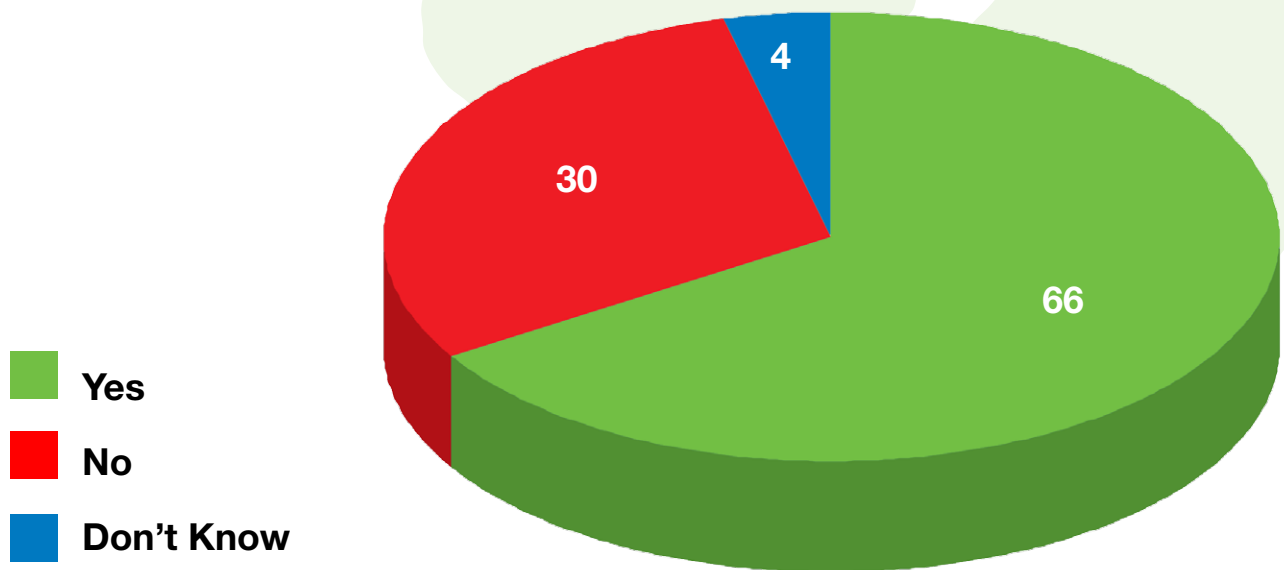
66% of respondents had ever actively looked for information on ways to reduce its impact on the environment, 30 % had not and 4% of respondents were unsure.
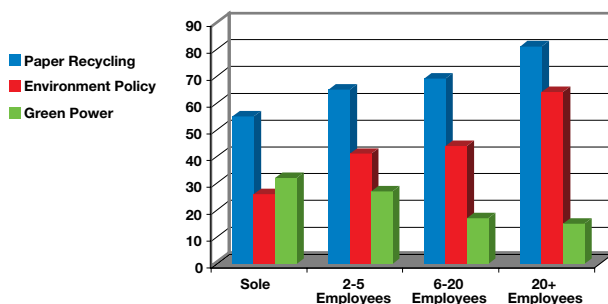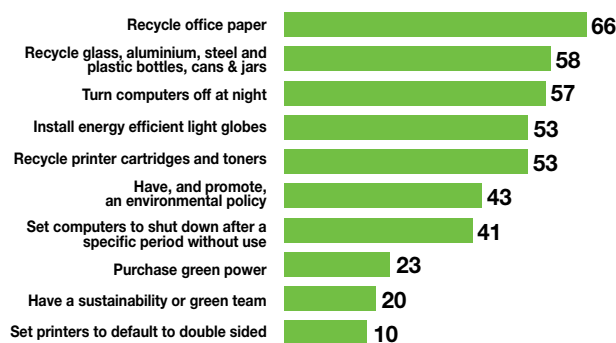
At 79%, those businesses with more than 20 employees were significantly more likely to have sought information on ways to reduce their environmental footprint than those with 2-5 and 6-20 employees (63% each) and sole traders 67%.

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Current Environmental Initiatives

Question - Which of the following does your company currently do?

Respondents were asked to identify from a list of suggestions which activates they currently undertake to help reduce their impact on the environment. In all but one category the larger the business the more likely it was to participate in the stated activities – some by significant margins. At 81%, businesses with more than 20 employees were significantly more likely than sole traders, at 55%, to have office paper recycling in place. A 64%, the larger businesses were more likely to have an environment policy in place thansole traders, 26%, and 69% of larger businesses recycled printer cartridges as against 42% of sole traders.

The one point of difference in this trend is in purchasing green power where 32% of sole traders have some green power as compared to 15% of larger businesses.

Activity	Value
Recycle office paper	66
Recycle glass, aluminium, steel and plastic bottles, cans & jars	58
Turn computers off at night	57
Install energy efficient light globes	53
Recycle printer cartridges and toners	53
Have, and promote, an environmental policy	43
Set computers to shut down after a specific period without use	41
Purchase green power	23
Have a sustainability or green team	20
Set printers to default to double sided	10

Legend:
- Paper Recycling
- Environment Policy
- Green Power

Categories: Sole, 2-5 Employees, 6-20 Employees, 20+ Employees

Question - What else does your company do to reduce it impact on the environment?

Respondents were asked to identify any other activities they undertook to reduce their impact on the environment.

Generally these activities were classified as either seeking greater efficiency with existing technologies or procedures, or employing new technologies. Some examples include:

- ♻ 'Paperless invoicing.'

- ♻ 'Use green cleaning products wherever possible, minimal chemical usage, water saver signs in accommodation, energy saving showerheads, low water usage flush [toilets]. No spas.'

- ♻ 'Engine oil and filters collected for recycling/disposal. Oil separator installed to remove oil from all waste water from workshop, oil then collected.'

- ♻ 'Carpet in reasonable condition given to other people and fibre underlay given to people to use as weed mats in gardens…'

- ♻ 'Purchased video conferencing unit to reduce the amount of employee travel. Hire small or hybrid cars when possible. Complete an office carbon footprint report as a benchmark to measure against when making changes to reduce our environmental impact.'

Recently Implemented Initiatives

Question - In the past 12 months has your company implemented any new initiatives to reduce its impact on the environment?

Overall 54% of respondent businesses had implemented at least one activity in the last year to help reduce their impact on the environment. 40% had not and 6% were unsure.

When broken down by business size, 38% of sole traders, 53% and 58% of businesses with 2-5 and 6-20 employees respectively and 65% of businesses with 20 or more employees report having implemented at least one activity in the last year designed to reduce their environmental impact.

The larger the business the more likely they are to seek information and the more likely they are to have implemented recent environmental initiatives.

Question - Specifically, what new initiatives has your company implemented to reduce its impact on the environment in the last 12 months?

Respondents were asked to specifically identify the initiatives they had implemented. The examples below, divided into initiatives focusing on water and energy conservation and waste reduction, show a wide range of activities from simple behaviour change to capital investment.

Water

♻ 'Purchased a water saving machine to scrub the floors.'

Energy and Emissions

♻ 'Replaced all monitors with LCD screens.'

♻ 'Turning off equipment when not in use. Switching to LED.'

♻ 'Biodiesel trials, green fleet.'

♻ '[Rostered our field] employees so they are working in one area per work day to reduce time spent driving to & from jobs to reduce car use.'

Waste

♻ 'I reuse discarded print paper as much as possible for secondary uses such as temporary notes.'

♻ 'Implemented [container] recycling into the food court.'

♻ 'Education campaign in the form of posters around the building on the benefits of recycling and what can or can't be recycled at home.'

♻ 'Increased the [range] of material recycled in the office and established a worm farm for kitchen scraps.'

♻ 'Arranged for recycle bins on grounds and increases the sorting of paper goods.'

Motivations For New Initiatives

Question - Why did your company implement these new initiatives in the last 12 months?

Although companies implemented new environmental initiatives for a wide range of reasons, a few key motivators were noted including: cost savings; competitive advantage, providing better service to customers; staff expectations; and personal motivations. Some examples of these areas include:

Cost savings:

♻ 'Cost savings for company & environment.'

♻ 'Save time and money and water use.'

♻ 'A government program did it for us for free.'

♻ 'Doing as much as we can to reduce our carbon footprint. Also saves $$$$$.'

Better Service and Competitive Advantage

♻ 'To offer our customer a more complete service and alternatives to just land fill.'

♻ 'As the clientele are more aware and are wanting more earth friendly products.'

♻ 'Competitive advantage over other suppliers.'

Staff Pressure

♻ 'Understand this is what employees are starting to expect.'

♻ 'A general consensus of the staff and students.'

♻ 'Desire to formalise what was occurring in an ad hoc fashion and give a staff member responsibility for it.'

Personal Motivation

♻ 'I believe that if we all do something to reduce waste or conserve energy, however small, we can make a difference. I do not believe we should wait or expect governments to do it. We are all responsible.'

♻ 'Because I always choose the ethical solution.'

> The most consistent influence in encouraging businesses to reduce their impact on the environment was saving money…
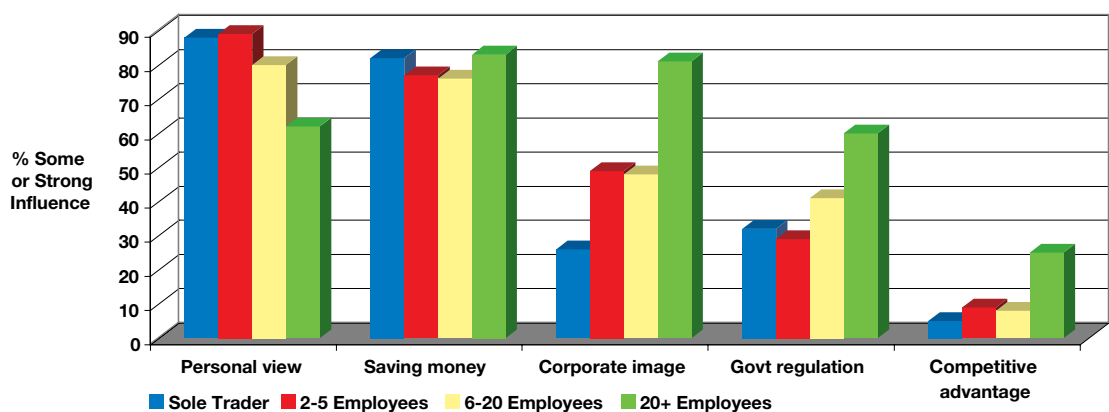
Influences to Reduce Environmental Impact

Question - Please indicate to what extent each of the following influences your company to reduce its impact on the environment.

The most consistent influence in encouraging businesses to reduce their impact on the environment was saving money, especially through energy savings, as reported by 76% – 83% of the different sized businesses.

The smaller the business the greater influence the owner or manger's personal views on the environment had – 89% for businesses with 2-–5 employees as compared to 62% of businesses with 20 or more employees.

In all other cases, the larger the business the more influence the following factors had in driving their search and implementation of recycling and other green activities: the importance of green activities to corporate image (81% for businesses with more then 20 employees as compared with sole traders at 26%); customer pressure (46% as against 8%); and competitors undertaking similar initiatives (25% as against 5%).

Chart: % Some or Strong Influence by category (Personal view, Saving money, Corporate image, Govt regulation, Competitive advantage) for Sole Trader, 2-5 Employees, 6-20 Employees, 20+ Employees.

Barriers to Recycling

Containers and packaging

53% of sole traders, 61% of businesses with 2-5 employees, 52% of businesses with 6-20 employees and 69% of businesses with more than 20 employees report recycling at least some of the containers and packaging they use in their business.

The reasons given for not recycling containers and packaging can be grouped into three main categories:

Cost

♻ 'Increase our operation costs.'

♻ 'Cost of recycle service'

♻ 'Cost of recycling cardboard. No separate council collection of recyclables.'

No facilities / Difficulty

♻ 'Our centre has two separate bins, one for cardboard only and the other all other waste. So only recycling cardboard.'

♻ 'Collection not easy.'

♻ 'No facilities available.'

♻ 'No facility provided by the council.'

Ignorance of Services

♻ 'Don't know how or where.'

♻ 'I have not considered it.'

Overall 54% of respondent businesses had implemented at least one activity in the last year to help reduce their impact on the environment.

E-Waste Recycling

According to the Australian Bureau of Statistic electronic waste is growing at three times the rate of municipal (household) waste. This presents considerable environmental issues since electronics contain an assortment of both valuable and hazardous materials. There is as much gold, for example, in a tonne of old mobile phones as there is in 110 tonnes of gold ore, while many rechargeable batteries contain cadmium, which is a highly toxic substance.

Survey respondents' participation in electronic waste (e-waste) recycling is low - especially when compared to paper and container recycling. Recycling printer cartridges was reported as the most common form of e-waste recycling, and at 53% was significantly above the next closest categories including computers 29% and mobiles 26%.

Participation in e-waste recycling programs didn't vary significantly between the different size businesses. In no category did the difference between the highest and lowest participation rate exceed 10%. In regard to mobile phone recycling the difference between the highest participation rate, 27% for sole traders, and the lowest rate, 23% for businesses with 6-20 employees was only 4%. This similarity across all categories of businesses indicate that there is a need for electronic waste recycling programs addressing small businesses with infrequent need and for larger businesses with more frequent need.

% Particpation in Recycling
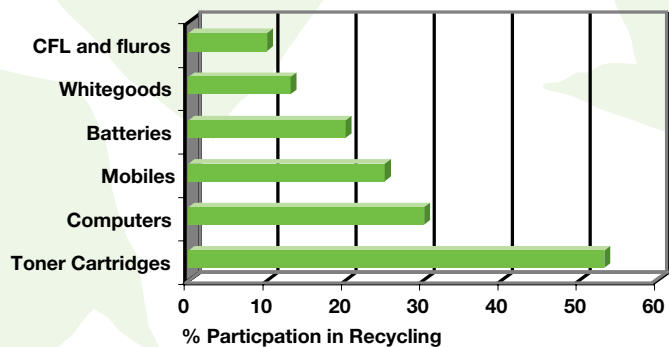
Non-participation in e-waste recycling

There were a range of reasons reported for why businesses didn't recycle electronic waste including: cost, lack of internal policy direction, ignorance of existing recycling opportunities, limited need and, a few surprisingly honest answers along the lines of laziness and lack of interest.

No Policy Direction

- ♻ 'Ad hoc - but no policy - left up to the individual.'
- ♻ 'We're still working on bringing in systems to ensure we do this systematically rather than sporadically.'
- ♻ 'Simply hasn't been put on the agenda.'

Cost

- ♻ 'We dump computers and fluros but recycle toner cartridges all based on cost.'
- ♻ 'Increase our operation costs.'

Ignorance

- ♻ 'Do not know anyone in area who will take them.'
- ♻ 'Don't know how to.'
- ♻ 'Don't know where to throw on day-to-day basis.'

Limited Need

- ♻ 'Have not been able to identify who will collect relatively small loads of computers and peripherals.'
- ♻ 'Small volume no local drop off point.'

Limited Interest

- ♻ 'Too hard.'
- ♻ 'Laziness.'

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Organic Waste Recycling

Many businesses produce organic waste as either garden cuttings, excess food, food scraps, cork and cork off-cuts, cooking oil or meat off-cuts. When organic material is disposed of in landfill it breaks down anaerobically and produces methane, a greenhouse gas at least 20 times more powerful than carbon dioxide. Recycling organic waste, either by composting, worm farming or other methods, helps reduce landfill as well as green house gas production.

Very few businesses recycled any of their organic waste. Small businesses with between 2-5 employees were the most likely to recycle all types of organics - followed closely by sole traders. In both these cases this higher rate is probably a function of the fact that many small businesses operate from homes or in residential areas, which gives them access to household composting or council green waste collections.

A range of reasons why businesses didn't recycle organics were identified including, lack of space for facilities, no facilities in rented or managed buildings, little need and perceived difficulty.

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Lack of Suitable Facilities or Space

♻ 'No outdoor facilities or room for composting system.'

♻ 'No compost bin available.'

♻ 'No option in current building.'

♻ 'Don't have the facilities to do it, however it is not something I wouldn't have thought of doing.'

Perceived Difficulty

♻ 'We have not established this as a practice too impractical.'

♻ 'This activity for food waste has been investigated and has been put into the 'too hard' basket by cleaning staff.'

♻ 'We tried it at home and got a lot of mice!'

Limited Need

♻ 'Quantities too dispersed to warrant collection.'

♻ 'Very small amount produced, nowhere suitable to compost.