



Creating Value FROM WASTE

IL Recycling is providing a crucial service to companies throughout Sweden and parts of Poland. Using the latest technology and operational systems, the company strives to offer the smartest and most efficient recycling services.

Images courtesy of IL Recycling

ounded in 1951 with national operations across Sweden and pockets of Poland, IL Recycling is built on the premise of recycling as much as possible. The organisation views waste as a resource that is greatly underutilised and has been transforming its operations to better accommodate a more environmentally conscious marketplace.

Lars-Gunnar Almryd, President

and CEO of the company, has been in his position since October 2008 and has many years of experience in the paper and recycling industries. He has a keen understanding of IL Recycling's history and has seen the company develop over the years. "For the first 30 to 40 years, it was a paper-recycling company where we brought paper in, sorted it, and delivered it to paper mills as a raw material. The paper mills were basically the owners of the company. Doing this type of activity has changed in the past 20 years. It has gone from purchasing material to selling a service where vou help customers become more sustainable by providing them with knowledge and equipment for sorting their waste and then for us to gain the recyclable material in an efficient way.

"Also the collection customers have changed their requirements. They don't want seven or eight different suppliers to come and pick their material up per material; they want someone who solves all their recycling needs. We have adapted to this change. One of the major steps that was taken 15 to 20 years ago was building up our own collection and selling the services as well as putting up a logistics system to collect. The structure of the depots and sorting plants was already there, and we have taken steps in increasing the knowledge of treating all other materials outside of paper over the years. Today, we are a full-service provider working with all materials, and we have competence in all scenes, which means it's a broader portfolio today."

Over the years, IL Recycling has grown both organically and through the acquisition of local companies around Sweden. "When you grow like that, you come into a situation, like we were, where you need to consolidate your business and build a structure that fits your size, because you can't run a 700-employee company like you would an 80-employee company; you need to build an organisational structure. We've very much been working throughout the past five years with

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building around the pillars of structure, strategy, and culture."

IL Recycling began its transformation with its strategy and aligning it throughout the company. "It's easy to set a strategy at a high level, but to make it happen, you need to work through the whole organisation. We have been working with the structure of the company, both with the daughter-company structures and the structure in how we are managing, how we are aligning this strategic thinking in the day-to-day work, and how we run projects."

Culture is a paramount aspect of IL Recycling's operations and has also been reformatted to reflect the company's diversified portfolio. "Five years ago, we were quite hierarchical and order-driven, so we have started to build a culture-driven company with clear values of how to behave and a clear idea of the business model we use. I used to say that the bottom line of that work is that you should be able to trust us in everything that we do; you should trust that if we promise something, we deliver it.

"Also, if you take us in as a partner, you can rely upon the fact that things are taken care of in the way you could expect. We follow routes in ethical behaviour and that is >



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- Lars-Gunnar Almryd

very important because there is a history in this industry to occasionally work outside of the borderlines. It's very important that we adapt to our values and that the clients can rely upon that and can trust that we follow this in everything we do."

The culture of IL Recycling means placing greater emphasis on the development of its staff. "We are working with the internal education programs and the different kinds of programs and meetings we have. We also have follow-up activities and meetings where we discuss different dilemmas. You have to work with real cases-and there are plenty-so this is not theoretical work. It's practical work where you bring forward your dilemmas to discuss and, based on our values, decide how to comply with them. They might come in conflict with each other, so you have to take help from your colleagues to see how to deal with the situation.

"We have a structure where we work with that, but it's also important to work with the leadership and all managers, because higher up in the hierarchy, it is more important to adapt to our values. If I don't adapt as the CEO, then we can forget about it, so I am the single most important person in terms of that, and then it follows through the organisation."

As IL Recycling doesn't produce anything in the traditional sense, the company doesn't have customary relationships with suppliers. "There are some exceptions, but those exceptions are very local, where we have the haulage companies running our transportation operation locally, like we have in certain areas of Sweden where we don't have our own trucking system.

"In many places, like in the big cities, we have our own, but in some cities, we have a totally outsourced situation. There, we are working closely with those suppliers like they are internal to the business. In those cases where we have that deep relation, we



have been working with those companies for 10 to 15 years, and we want to align processes and have those companies involved in our business. The same goes for our IT relations. So you have a good reporting system that goes back and forth. It's only in those relations where we really have a kind of partnership."

Since forming the company's renewed structure and strategy, IL Recycling's key focus remains on its customers. "We have a different situation compared to many companies since we have customers on both ends; we have the collection customer where we sell the service and pick up the

material, which makes up the majority of our customers, and then we have the other end where we sell the raw materials to customers that are producing something.

"Everything we do internally must add value to the customer; otherwise you end up in a situation where the only thing you're doing in the direct link to the customer is something of value to them. Many of the internal things that we do, like simplifying the invoice process, are things that make it easier; increasing the quality for the customer, making us more efficient, and giving us higher quality. All these activities are important and you have to align all activities that you're doing, so you can ensure that it is delivering value to the customer."

IL Recycling has been adapting to the changing market conditions. With social responsibility and environmental awareness becoming increasingly important to people, the services that IL Recycling offers have also gained traction in the marketplace. "We have a good position in the market and the segments where we're active, but we will also develop and become stronger in a number of new market segments. I think we will be a better known and more respected player in the market, where the customer will see us as the first choice." •

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