



FOOD WASTE TOOLKIT

# Selecting food waste KPIs for your business

Driving sustainability with  
measurable targets



**Kai Commitment**  
LEADING ACTION ON FOOD WASTE





# How to select your KPIs

Key Performance Indicators (KPIs) are essential for driving food business success and sustainability. They support decision-making, identify improvement areas, assess risks/opportunities and help meet compliance requirements and sustainability goals.

Effective KPIs should align with company objectives and be measurable. The Kai Commitment team can help you develop this action plan using the Target, Measure, Act framework, which is the bedrock of the programme.

**Select KPIs that match your specific business goals:**



## Environmental performance

Set your environmental-related goals to minimise landfill and wastewater usage:

- Landfill diversion rate
- Wastewater diversion rate
- Progress up the Food Recovery Hierarchy
- CO<sub>2</sub> or methane emission reduction
- Water, land use and biodiversity metrics



## Governance and compliance

- Percentage change in food wasted vs. food handled
- Percentage of business measuring food waste with baseline
- Senior management with food waste KPIs
- Food waste reduction plans across worksites



## Financial performance

Treat food waste as lost revenue, not an accepted cost:

- Reduction in waste treatment costs
- Decrease in operational costs for producing wasted food
- New income from innovation (upcycling, recycling)
- Increased first pass yield/reduced scrap rate



## Social performance

Support communities and engage stakeholders:

- Percentage of sites partnering with food rescue organisations
- Employee engagement in waste reduction
- Employee satisfaction with waste performance
- Customer engagement in waste reduction initiatives



# Implementing effective KPIs

## → Use the SMART framework

- **Specific:** Define precise metrics (e.g., "increase production by 10%" vs. "boost production")
- **Measurable:** Ensure quantifiable tracking mechanisms
- **Achievable:** Set realistic targets considering available resources
- **Relevant:** Link directly to organisational aims
- **Time-bound:** Establish clear timeframes

## → Consider operational levels

- **For store managers:** Track spoilage rates, markdown efficiency, donation frequency, etc.
- **For factory staff:** Monitor production waste per unit, yield efficiency, error rates, etc.

## → Start small and expand

- Begin with a core set of KPIs most relevant to current objectives
- Expand measurement scope as processes mature

## → Integrate KPIs into broader sustainability KPIs and include in your food waste action plan

Make sure your food waste projects are resourced and prioritised in wider sustainability strategies to reflect the financial, social and environmental benefits of food waste reduction.

## → Seek support

The Kai Commitment team can help develop action plans using the Target, Measure, Act framework.

Please reach out to us at [hello@kaicommitment.org.nz](mailto:hello@kaicommitment.org.nz) if you have any questions or would like some support.

### Next steps

- Identify your organisation's priority areas (governance, financial, environmental, social)
- Select 3–5 initial KPIs that align with these priorities
- Establish measurement methodologies and baselines
- Integrate KPIs into regular reporting structures
- Review and refine annually