ARTICLE

Beyond "grow your own": How leadership is evolving across waste and environmental services

As the waste and environmental services sector evolves, companies must rethink how they build leadership teams, balancing institutional knowledge with new capabilities and outside perspectives.



Why this moment is different.

The waste and environmental services industry has long been characterized by a strong "grow-your-own" culture, with companies investing in developing leaders internally and promoting from within. At the same time, the sector has historically been quite insular, with many executives spending the majority of their careers within the waste ecosystem, often moving between waste companies rather than leaving the industry altogether. This continuity has produced leaders with deep institutional knowledge, long-standing customer and industry relationships, and an understanding of the industry's regulatory and operating complexity that takes years to replicate from the outside.

Those qualities remain a competitive advantage, but the sector itself is changing rapidly. Industry consolidation continues to reshape the competitive landscape while companies expand their geographic footprint, broaden their service offerings, and invest in artificial intelligence and digital capabilities to drive organic growth. These shifts are also reshaping the executive capabilities companies value most, particularly at private equity-backed platforms, where leaders are often expected to integrate acquisitions, professionalize organizations, and accelerate value creation within defined investment horizons.[1]

As a result, companies are rethinking how they develop and build their leadership teams. Rather than abandoning their long-standing commitment to internal development, leading organizations are becoming much more deliberate about where deep institutional knowledge remains indispensable and where outside perspectives can accelerate growth.

Drawing on our analysis of executive leadership teams across publicly-traded and privately-held waste and environmental services companies, as well as conversations with industry leaders, we identified the following talent trends shaping the sector's next generation of leadership.

"Grow your own" remains the foundation.

Although companies remain committed to internal development, they are also building broader leadership capabilities as the sector evolves. To understand how that shift is playing out, Heidrick & Struggles analyzed the executive leadership teams of the 10 largest publicly-traded and 10 largest privately-held companies by revenue in February 2026.

Internal development remains deeply embedded in the industry's leadership model. Executives at publicly-traded companies average 17.4 years of waste industry experience and 15.2 years with their current employer, compared with 12.5 years of industry experience and 8.1 years of tenure across privately-held platforms. At WM, Clean Harbors, and Republic Services, average executive tenure stretches into the mid-to-high teens, with internal promotion rates exceeding 80%. For many of the industry's most successful companies, "grow your own" is not simply a talent philosophy, it is the operating model.

That continuity has created a meaningful competitive advantage. Leaders who have spent decades in the sector develop deep institutional knowledge, trusted relationships with customers and industry partners, and a strong understanding of the industry's regulatory and operational complexity. Those capabilities take years to develop and are particularly valuable in highly decentralized organizations.

The strongest internal leaders are not simply lifers. They are lifers with breadth. Many of the executives we analyzed built that breadth through stretch assignments outside their core function, P&L leadership roles, major acquisition integrations, and enterprise-wide strategic initiatives.

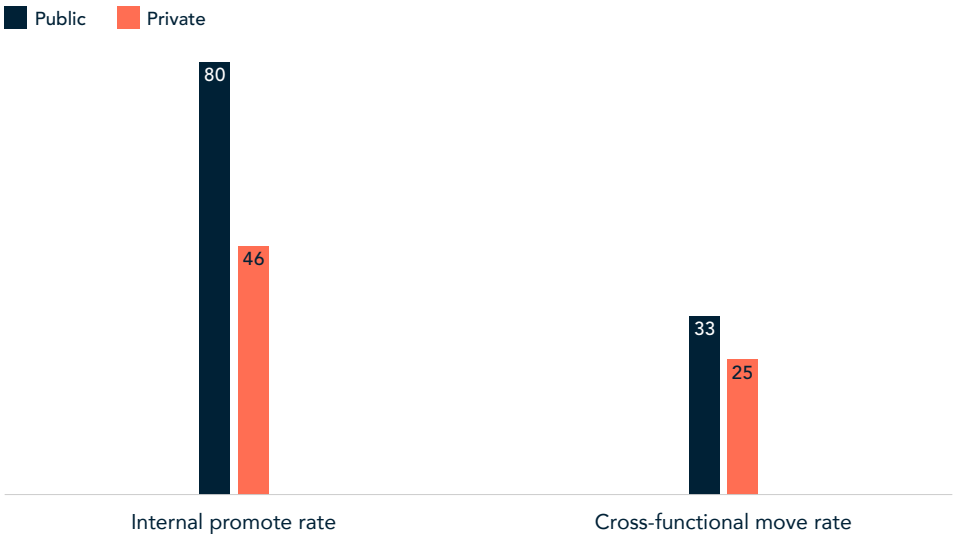
1 For more on the leadership gap and private equity, see Will Moynahan and Mark Veldon, "Closing the leadership gap in private equity: Practical steps private equity firms should take now to strengthen their portfolio company leadership," Heidrick & Struggles, January 27, 2026, heidrick.com.

These experiences expanded their perspective beyond a single discipline, strengthened their enterprise mindset, and prepared them to lead increasingly complex organizations.

What is changing is not the industry's commitment to internal development, but how companies are developing their future leaders.

Public and PE-backed companies are diverging on talent strategy.

Public vs. private: two diverging talent models (%)



One of the clearest findings from our research is that ownership structure fundamentally shapes executive talent strategy. Public and PE-backed companies value sector experience, but they often make different trade-offs when building leadership teams.

Public companies tend to follow a "build-and-broaden" model. Our analysis found an internal promotion rate of approximately 80%, compared with 46% across private and PE-backed platforms. Public company leadership teams also exhibit higher rates of cross-functional movement, reflecting a stronger emphasis on succession planning, leadership development, and the preparation of high-potential leaders for enterprise roles over time.

PE-backed companies often face a different set of priorities. Defined investment horizons place a premium on leaders with demonstrated growth track records and prior experience in PE-backed environments. Particularly at the C-suite level, direct experience in waste and environmental services can become less critical when an executive has successfully executed an analogous value-creation mandate in another sector.

Public companies are generally more willing to build for potential; PE-backed companies are more likely to buy for proven experience.

That distinction extends to leadership development. Public companies are generally more likely to prepare high-potential leaders for future executive responsibility through stretch assignments and cross-functional experiences. PE-backed companies are often more inclined to recruit executives who have already gained those experiences elsewhere.

Importantly, this does not mean waste experience is less valuable. Across both ownership models, companies continue to rely heavily on experienced waste operators in frontline and operational leadership roles where institutional knowledge, regulatory expertise, and customer relationships remain essential. Public companies are generally more willing to build for potential; PE-backed companies are more likely to buy for proven experience.

The definition of "executive readiness" is expanding.

Historically, many enterprise leaders followed relatively linear career paths, progressing through increasingly senior leadership roles within their respective functions before assuming broader executive responsibility. Deep functional expertise remains foundational, but it is increasingly the starting point rather than the complete profile. Leaders who have gained exposure to enterprise-wide initiatives, acquisition integration, transformation efforts, and cross-functional experiences are better positioned to lead increasingly complex organizations.

That breadth matters because the job itself is expanding. As companies expand geographically, broaden their service offerings, and invest in AI and digital capabilities, leaders are expected to think across the enterprise rather than through the lens of a single business, service line, or function. They must identify opportunities to drive commercial growth across multiple service lines, leverage technology to improve operational performance and efficiency, and navigate increasingly sophisticated investor expectations. Success depends not only on functional expertise but also on the ability to connect strategy, operations, and commercial execution while leading change and aligning a diverse set of stakeholders.

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How executives gain that breadth varies. Some organizations develop it internally through cross-functional rotations, stretch assignments, and enterprise-wide initiatives. Others recruit leaders who have already built those capabilities elsewhere. Either way, the definition of "readiness" has changed. Depth gets leaders into the conversation; breadth increasingly determines who is prepared to lead at the enterprise level.

Where institutional knowledge is indispensable *and* where outside talent can add value.

Waste and environmental services companies are not uniformly becoming more open to outside talent. They are becoming more precise about where outside experience translates. The following four patterns stand out.

Operations

Operational leadership remains one of the areas where deep waste industry experience is most highly valued, although the profile varies by segment. Success depends on understanding complex regulatory environments, decentralized operations, frontline labor models, and the nuances of the broader waste ecosystem. When companies look outside, they typically target businesses with similar operating characteristics. For traditional solid waste, that often means route-based and field service businesses with large, dispersed frontline workforces. In special waste and more technical environmental services, companies may place greater value on leaders from technically complex, highly-regulated industries with strong safety cultures.

Commercial

In commercial leadership, transferability depends heavily on the customer and operating model. Municipal solid waste companies often favor executives with waste experience who understand municipal customer relationships and high-volume commercial models serving large numbers of customers. More diversified and special waste companies may be more open to leaders from adjacent sectors who already understand their industrial customer base and buying processes. As service portfolios expand, experience driving cross-selling across multiple service lines is also becoming increasingly important.

Corporate Development

As acquisition activity has accelerated across the sector, demand for executives with proven M&A and integration experience has grown significantly. Yet many organizations continue to prioritize waste industry backgrounds because established sourcing networks, founder relationships, and knowledge of the competitive landscape take years to build and create an immediate advantage.

That creates an unusual trade-off. Faced with a limited pool of proven waste M&A leaders, companies may be more willing to bet on a first-time corporate development leader with deep sector relationships than an experienced dealmaker who must learn the industry and build the network from scratch.

Enterprise Functions

Enterprise functions such as HR, finance, legal, and technology are generally the most open to outside talent, though companies still seek leaders from analogous operating environments. For HR, experience with large hourly and dispersed workforces often matters more than waste experience. Legal leaders frequently come from highly regulated industries. Finance executives come from a broad range of complex, asset-intensive, and acquisitive businesses. Technology and digital leaders are frequently recruited from sectors further along in AI, automation, and digital transformation. In each case, companies are hiring for transferable capability rather than sector pedigree.

Interestingly, our analysis found that roughly three-quarters of executive leaders across both public and private companies have some experience outside the waste industry. The sector may therefore be less insular in practice than its reputation suggests. The real question is not whether outside talent can succeed in waste, but when the value of outside experience outweighs the value of deep industry knowledge.

Culture fit, not competence, is often the biggest hurdle for external hires.

The most successful external hires invest time learning the business, understanding its culture, and earning the trust of frontline employees, customers, and peers before driving meaningful change.

One of the most consistent themes across our research and work with organizations across the sector is that when external hires struggle, technical capability is rarely the primary reason. More often, the challenge is cultural.

The failure pattern is remarkably consistent. Leaders who apply playbooks from previous companies too quickly, push change before building credibility, or underestimate the importance of relationships often struggle, regardless of their experience or track record. By contrast, the most successful external hires invest time learning the business, understanding its culture, and earning the trust of frontline employees, customers, and peers before driving meaningful change.

Outside experience can accelerate change, but only after an executive earns the credibility to lead it. In a sector built on long-standing relationships and institutional knowledge, humility and adaptability are not soft skills. They are prerequisites for successful transformation.

The bottom line

The waste and environmental services industry is not abandoning its long-standing commitment to developing leaders from within. It is becoming more discerning about where that model remains an advantage and where new capabilities need to be introduced.

As companies grow more diversified, more acquisitive, and more technology-enabled, deep sector knowledge alone will not define the next generation of successful executives. The strongest leaders will combine it with an enterprise mindset, commercial sophistication, digital fluency, transformation experience, and the ability to lead through complexity and change.

The practical starting point is to pressure-test the leadership pipeline against where the business is headed. Boards and leadership teams should ask where succession plans provide ready-now internal candidates, where promising leaders need broader experiences to prepare them for larger roles, and which capabilities the organization cannot afford to wait to develop internally.

For boards and investors, the question is no longer simply whether to build or buy talent. It is where institutional knowledge is too valuable to sacrifice, which capabilities are too slow to build, and where outside experience can add capabilities or perspectives the organization does not yet have. The industry's leadership model is not being replaced. It is being expanded.

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Industrial Practice

Heidrick & Struggles' Industrial Practice helps industrial companies identify and recruit the leaders they need to succeed in this diverse sector.

Leading industrial companies need innovative global leaders who possess the strategic, operating, and financial skills required to win in this complex environment. They need commercially focused leaders who can develop distinctive value-added solutions. And, above all, they need leaders who have the ability to make both an immediate impact and a long-term contribution.

Our Industrial Practice experts combine unparalleled search resources with a deeply consultative approach, developing the ideal candidate profile based on each client's unique competitive challenges, business objectives, and leadership culture.

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