Using a Maturity Model Approach to Inventory and Assess Your Sustainable Purchasing Activities

October 9, 2019
SPLC’s Mission

Develop, support and recognize purchasing leadership that accelerates the transition to a prosperous and sustainable future.
TODAY: ~190 members, $300B+ in spend

<table>
<thead>
<tr>
<th>30+ Public Sector Members and Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alameda County, CA</td>
</tr>
<tr>
<td>California DGS</td>
</tr>
<tr>
<td>Caltrans</td>
</tr>
<tr>
<td>Canadian Forest Service</td>
</tr>
<tr>
<td>City &amp; County of Denver</td>
</tr>
<tr>
<td>City of Austin</td>
</tr>
<tr>
<td>City of Beaverton</td>
</tr>
<tr>
<td>City of Portland</td>
</tr>
<tr>
<td>City of San Francisco</td>
</tr>
<tr>
<td>City of Santa Monica</td>
</tr>
<tr>
<td>Dakota County, MN</td>
</tr>
</tbody>
</table>
SPLC members are simplifying and standardizing sustainable purchasing by creating a multi-sector program for guiding, measuring, and recognizing leadership.
These are the things purchasing organizations will be doing when we have a truly sustainable global economy.

38 prioritized best practices in sustainable purchasing
Making it easy using Inventory Checklist…

SPLC’s Maturity Model

“Quick start” guide

Inventory Checklist

- Setting Relevant ESE Priorities
- Meaningful Goals and Metrics
- Communications and Program Transparency
- Supplier Development and Innovation
- Staff Engagement and Accountability
- Goods/Services Evaluation and Transparency
- Supplier Engagement, Transparency & Accountability

Foundation for NPI AEP Award Criteria#15
Sustainable Purchasing!!
Today’s approach…

1. Recognize your program components
2. Identify program-level opportunities
3. Begin to plan strategic next steps
What is sustainable purchasing?
### Sustainable Purchasing

Purchasing in ways that intentionally strengthen our...

<table>
<thead>
<tr>
<th>Society</th>
<th>Economy</th>
<th>Environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health &amp; safety</td>
<td>Supplier diversity</td>
<td>Climate protection</td>
</tr>
<tr>
<td>Equal opportunity</td>
<td>Small business</td>
<td>Pollution prevention</td>
</tr>
<tr>
<td>Fair wages</td>
<td>Local jobs</td>
<td>Waste reduction</td>
</tr>
<tr>
<td>Employee training</td>
<td>Fair competition</td>
<td>Resource efficiency</td>
</tr>
<tr>
<td>Workers rights</td>
<td>Transparency</td>
<td>Habitat preservation</td>
</tr>
<tr>
<td>No forced labor</td>
<td>Innovation</td>
<td>Air and water quality</td>
</tr>
</tbody>
</table>

...so that we can all enjoy living in an increasingly sustainable world.
What is a strategic sustainable purchasing program?
A **sustainable purchasing program** is a set of strategies, policies and/or activities embedded into an organization’s cross-functional purchasing processes that are meant to not only generate traditional purchasing benefits, but also benefits to the environment, society and economy.
A Sustainable Purchasing Program is the Foundation for all Sustainable Purchasing Activities

A strategic program provides coordination for the development, implementation and success of more specific policies, programs, projects, and initiatives as needed.
# Benefits of a Program Approach

<table>
<thead>
<tr>
<th>No program</th>
<th>With a strategic program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silos</td>
<td>Cross-functional collaboration</td>
</tr>
<tr>
<td>Efforts are less impactful</td>
<td>Efforts are focused on high impact opportunities</td>
</tr>
<tr>
<td>Evidence of benefits is anecdotal</td>
<td>Benefits are tracked, aggregated and reported</td>
</tr>
<tr>
<td>No authority to prioritize related activities</td>
<td>“Permission” and inspiration to participate</td>
</tr>
</tbody>
</table>
Today’s approach...

Recognize your program components

Identify program-level opportunities

Begin to plan strategic next steps

We are here!
Identify opportunities and plan next steps

Recognize your program components

Aligned organizational-level activities

Sustainable purchasing priorities

Current sustainable purchasing activities

Program management processes

Organizational Inventory Worksheet

Inventory Checklist

Grab your worksheets…
Let’s begin!

Recognize your program components

- Aligned organizational-level activities
- Sustainable purchasing priorities
- Current sustainable purchasing activities

Identify opportunities and plan next steps

Program management processes

Organizational Inventory Worksheet

Inventory Checklist
Understanding your alignments

Think about your larger organizational goals and programs that potentially extend beyond purchasing.

Which of them align to sustainable purchasing?

Jot them down in Step 1.

Time for activity: 3 min

Reference: SPLC’s Making the Case Whitepaper
Pair and share!

Grab a partner, introduce yourself, and share what you wrote down.

Discuss the following:

Why are these alignments important?
What are the benefits of considering them?

Time for activity: 5 min
Report out!

Why are these alignments important?
What are the benefits of considering them?

20% GHG Reduction by 2030

EO321 Toxin-Free Watershed Areas

Zero Waste

Small-Medium Business Development Policy

Cost Reduction Initiative
Importance of aligning to other areas of your organization

- Provides organizational-level recognition for the value of your activities
- Provides access to resources that can help (e.g., expertise, exec sponsors, people resources, tools, etc.)
- Grows your own understanding of your organization
- Provides visibility to how your activities might be integrated into your procurement process
Your purchasing impacts

Now think about the largest environmental, social, and economic impacts of your procurement.

Select the associated Priority Impacts in Step 2.

Circle the ones that align to the larger organizational goals you wrote down in Step 1.

Time for Activity: 3-4 min
Aligning and documenting your current work

Now think about the current sustainable purchasing activities that align to your purchasing’s impact priorities and your larger organizational goals.

Jot them down in Step 3.

Time for activity: 3 min
Pair and share!

With your partner, take turns sharing your results. Discuss:

How aligned are your current activities to your impact priorities and larger organizational goals?

What steps could you take to improve this alignment?

Time for Activity: 5-7 min
Would anyone be willing to share some of the alignment opportunities they’ve identified?
Let’s use this “inventory” as the definition for your sustainable purchasing program!
Today’s approach…

Recognize your program components

Identify program-level opportunities

Begin to plan strategic next steps

We are here!
Grab your other worksheet...

Recognize your program components

- Aligned organizational-level activities
- Sustainable purchasing priorities
- Current sustainable purchasing activities

Identify opportunities and plan next steps

Program management processes

Inventory Checklist

Sustainable Purchasing Program Inventory Checklist

Inventory Checklists

Organizational Inventory Worksheet
Assessing your “program”

Think about the “program” you have just documented.

Scan through the first four best practices on your Inventory Worksheet.

Which of these are you doing today as it relates to your current activities?

Time for activity: 5-8 min
Analysis and next steps

Review your results.

Put a star (★) next to your strengths.

Circle 1-2 opportunities for improvement. Jot down ideas for addressing this area when you get back home.

Time for activity: 2-3 min
Pair and share!

Share your results with your partner. Discuss:

What are some things behind the success of your strengths?

What ideas can you come up with to address your opportunities?

Time for activity: 10 min
Take it home!

Continue your program “assessment” back at that the office.

**INVITE PEERS TO DISCUSS AND BRAINSTORM OPPORTUNITIES!!**
SPLC’s Strategic Program Planning Process (SP³)

Included in SPLC membership!
Developing SPLC’s resources...

Guidance v2.0

“Quick start” guide

Category Inventory Checklist

Electronics Hardware & Services

Professional Services, Etc.

Food and Food Services

Purchased Electricity

Transportation & Fuels

Furnishings

Building & Facilities

IN DEVELOPMENT
Thank you!
Backup
Program Approach: Benchmark Participants

- City of Portland, Oregon
- State of California
- State of Oregon
- State of Minnesota
- Commonwealth of Massachusetts
- State of Oklahoma
- State of Connecticut
- State of California, Office of Business Acquisition Services
- State of California, Department of Fire and Forestry Protection
- State of California, Department of Housing and Community Development
- State of California, Department of Transportation
- State of California, Department of Fish & Wildlife
- State of California, High-Speed Rail Authority
- State of California, Department of Resources Recycle & Recovery
- State of California, Department of Corrections and Rehabilitation
- State of Washington
- Michigan State University (1st University)

- In process: Sonoco Products, City of Santa Monica