



Exploring Social Procurement

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A Little Context...

Every year...

- \$400 billion nation-wide (municipal, provincial, and federal governments)
- Nova Scotia Government: \$1 billion
- MASH Sector (municipalities, education, social and health services): \$1 billion
- Cape Breton Regional Municipality: \$36 million
- Empire (Sobeys), Emera, IMP, Michelin each spend millions

1/10 of 1% =
\$400,000,000



What I'll Cover

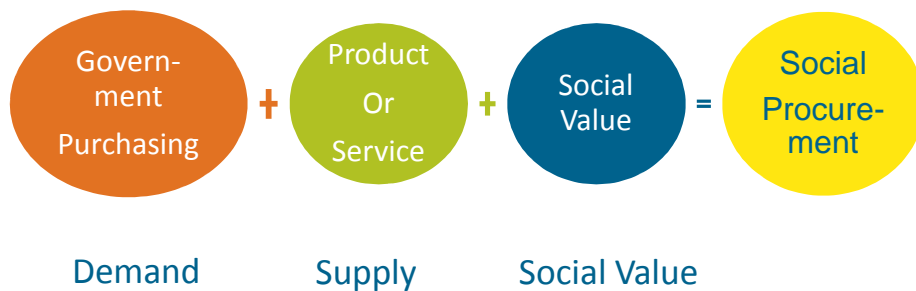
1. What is Social Procurement?
2. Why Social Procurement?
3. Trends in Procurement
4. Social Procurement Strategy: Barriers & Recommendations
5. Buy Social Canada



WHAT IS SOCIAL PROCUREMENT?

***Social Procurement
creates a social
value from
existing purchasing...***

Social Procurement Process





WHY SOCIAL PROCUREMENT?

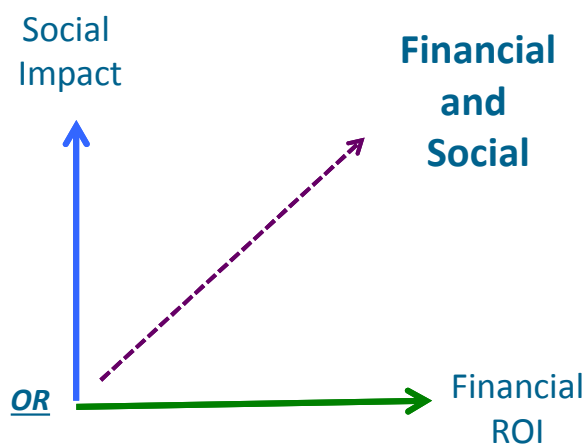
Social Procurement for Government

- Double Value Proposition:
 - Get the goods and services you need to run your programs and administration
 - Invest directly in enterprises that are directly helping to meet health, social service, environmental, education mandates

Social Procurement for Corporations

- Double Value Proposition:
 - Get the goods and services you need to run your business
 - Social value benefits:
 - Enhance your brand and social license within your community and amongst your employees
 - Build a more resilient, diverse supply chain
 - Enhance long-term competitiveness and profitability

It Doesn't Have to Be Either / Or



Social Procurement is About Creating **Shared Value...**

“**Shared value** is creating social and economic opportunities. Improving societal problems with a business model.”

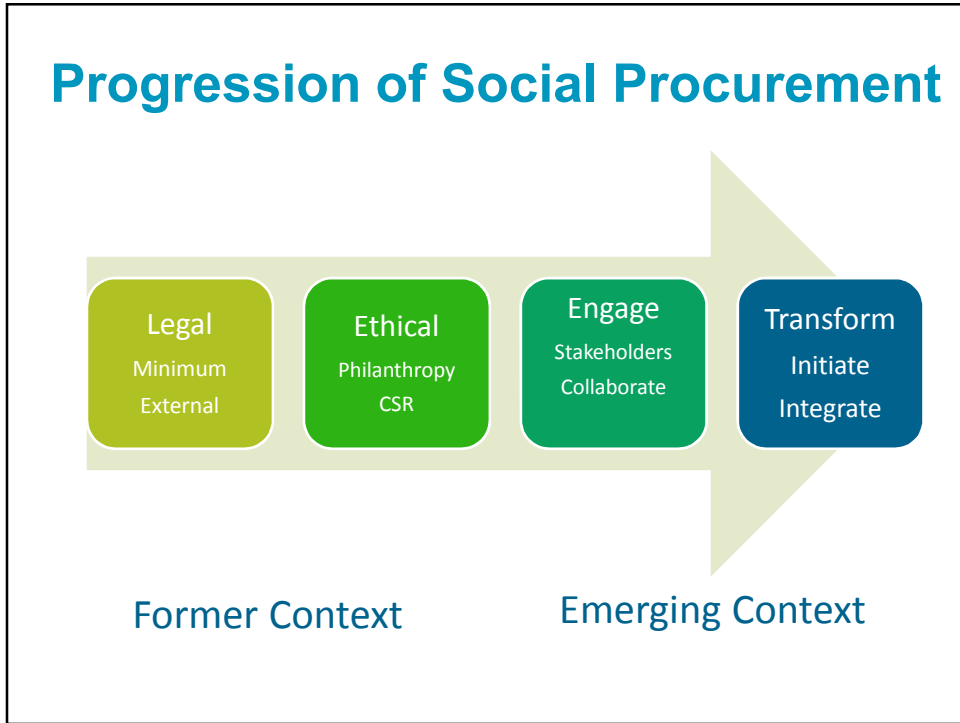
Michael Porter, Harvard Business School



TRENDS IN PROCUREMENT

Shifting Procurement Policy and Practice





COMMON GOOD SOLUTIONS INC.

BARRIERS & RECOMMENDATIONS

Government and Corporate Purchasers’ Key Barriers and Challenges

- Contract Size and Number: Prefer Large & Few
- Bidding Qualifications: Avoid Risk
- (Perceived) Barriers: Legal and Trade Agreements
- How to identify social suppliers?

Social Enterprise Suppliers’ Key Barriers and Challenges

- Capacity to meet an increased demand
- Business skills, especially marketing and sales
- Measuring and demonstrating social impact

“When all else is equal, telling your social impact story is essential, *and social value suppliers are terrible at it!*”

Corporate purchaser seeking social value products

Shared Barriers and Challenges

- Learning how to do social procurement together: Lack of policies, relationships and best practices
- Measuring Success: What is social impact and how can it be measured?

Recommendations for Purchasers

- Provide leadership across the organization
- Change the policy and practices
- Initiate implementation steps
- Establish impact measurement goals

Recommendations for Social Enterprise Suppliers

- Enhance business readiness
- Establish certification process
- Enhance market & customer knowledge
- Insure quality and competitive pricing
- Establish impact measurement tools

Recommendations

Build New Relationships:

- Define the value proposition
- Host events and learning opportunities
- Initiate experiments and pilots
- Share the learning



IMPLEMENTING SOCIAL PROCUREMENT IN GOVERNMENT

Select Social Impact Objectives

Broad Over Arching Benefits:

- Poverty Reduction
- Community Economic Development
- Social Inclusion
- Employment and Training Opportunities

Select Social Impact Objectives

Purchasing from targeted businesses:

- Social Enterprises
- Locally-owned businesses
- Customer owned businesses
- Owned by / serving:
 - Aboriginal, women, immigrants, persons with disabilities, persons of colour, youth, and/or rural

Change Current Purchasing Practices

- Identify Direct Contract Opportunities
- Add Social Values into Evaluation of Bids
- Simplify the RFP Process
- Unbundle Current Contract into Smaller Pieces
- Require Community Benefit Agreements
- Evaluate Social Values in Supplier Supply Chain



**BUY SOCIAL
CANADA**



do a great deal | faire beaucoup

buysocialcanada.ca

What is a Buy Social Certification?



A stamp of approval that helps guide buyers to choosing products & services that benefit their communities' social betterment



It also helps sellers who sell products/ services that benefit communities to connect with more and bigger buyers.

It encourages social buying and purchasing.

What are the benefits?

1

Encourages social value purchasing across community, public and private sectors.

2

Provides external social enterprise certification that buyers can trust.

3

Provides space where buyers and sellers can find one another.

For More Information about Buy Social

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