# Piloting Sustainable Procurement at the University of Toronto

ENV493: Independent Research Project
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# **Background**

Since the fall of 2017, when the Procurement Services Department at the University of Toronto and the Director of Procurement, Renata Faverin, expressed a keen interest in developing a more sustainable model for procurement, there have been a series of on-going courses that have explored different methods for achieving these targets. Initially, in the Living Lab course which took place in the fall of 2017, researchers evaluated the existing procurement process in the context of sustainability. Determinations were, that compared to other universities within North America, the University of Toronto lacked the necessary frameworks and tools to encourage or apply sustainable procurement. Based on literature reviews, sustainable procurement strategies from other universities, and interviews with University of Toronto departments, a Sustainable Procurement Principle was proposed for the Procurement Services Department to adopt in their purchasing policy and a set of recommendations were put forward for the department to consider. These recommendations included establishing a network of more environmentally and socially sustainable suppliers, incorporating the sustainable procurement targets into the broader sustainability targets of the university to impose a level of accountability on departments, and reformatting the university's current online purchasing system, uSOURCE, so that the interface is more user-friendly.

The outcome of the Living Lab course demonstrated that there was still a significant amount of work to be done by the university if they wanted to utilize procurement as a method of increasing overall campus sustainability. Collaboration began again with the Director of Procurement Services on a year-long research course that aimed to find methods of implementing several of the recommendations proposed in the final report produced in the Living Lab course. The first half of the course, ENV492, looked at using enhanced eco-labels to

upgrade the online purchasing platform, uSOURCE. The research demonstrated that eco-labels, if used correctly, can be a powerful driver of behaviour change. Whether eco-labels are added to a product voluntarily or if a government or other regulatory body mandates them has little impact on the level of behaviour change they can induce on consumers. The most effective eco-labels were ones that were linked to national, environmental regulatory schemes since individuals have been shown to express a higher level of trust in a label that they felt had been assessed for legitimacy by a neutral third-party, rather than one a company had created independently and lacked a transparent vetting system. Following this, interviews were conducted with the suppliers who list their products on uSOURCE to gain a better understanding of their eco-label certification process, if any. Interviews revealed that most suppliers were not aware of the ecolabelling options that currently exist on uSOURCE, and therefore are not actively certifying their products as sustainable. Most of the suppliers interviewed indicated that they would be willing to participate in such a process for future products uploaded to the platform, but felt that going back to recertify existing products would be a task their staff did not have the bandwidth to participate in presently. Based on this, a list of eco-labels tied to national, environmental regulatory schemes or other widely recognized regulatory bodies are to be made available on uSOURCE for suppliers to use to certify their products.

The eco-labelling changes fulfill one of the recommendations from the Living Lab report, and the second half of the course, ENV493, aims to address a second by designing a sustainable purchasing pilot. The pilot should be administered in conjunction with offering a list of certified socially and environmentally sustainable vendors for buyers to consider when making purchases. To achieve this, literature and case studies on sustainable procurement pilots were reviewed for strategies and potential challenges; meetings were attended with the innovation hub, MaRS, who

has generously provided funding for the pilot; existing diverse supplier databases were explored; and a set of recommendations were presented on how to begin selecting potation candidates for participation in a sustainable procurement pilot project. The University of Toronto has committed to evaluating a series of decisions, from retrofits to purchasing, as sustainability actions and the procurement pilot will allow that process to function as successfully as possible.

## **Sustainable Procurement: Social and Environmental Focus**

Sustainable procurement ensures that a good or service has the greatest positive environmental, social, and economic impact possible over its entire life cycle, as defined by the International Organization for Standardization (Naden, 2017). Individuals and a growing number of organizations have become increasingly aware of the effects that buying and disposing of goods are having on the environment, and have consequently expressed an increasing interest in shifting towards a more circular procurement system (Grob & Benn, 2014). As sustainable procurement becomes standard practice in both the public and private sector, the human component in the production of goods and services deserves equal consideration to the environmental impact. The social impacts of a purchase are just as important as the environmental ones. In order to assess either social or environmental impacts we need to consider both what is being bought and from whom it comes, over the whole supply chain. (Naden, 2017). Viewing sustainable procurement as needing only to address the cost, quality, and ethics of the good or service excludes the potential for understanding the supplier as an element of the procurement process that can also be made more sustainable. Recognizing the human equation establishes a need for those who are procuring a good or service to require that both the seller and their activities be socially and environmentally sustainable (Meehan & Bryde, 2011). Higher Education Institutions are uniquely positioned to lead by example through the use of sustainable purchasing programs, as they have an extensive purchasing capacity and have a responsibility to improve the social, environmental, and economic aspects of their internal and

external communities whenever possible (Curry, Draimin, Lubelsky, & Sylvester, 2017).

Purchasing and social policy have been used in tandem since the 19th century to address social justice issues. The Wagner O'Day Act of 1938 in America served as one of the first examples of how policy could be used as an instrument by which to ensure contracts for acquiring goods and services were allocated to disadvantaged and minority groups. The Act specifically mandated that products produced by blind individuals were given preference in government purchasing. Similarly, in the Netherlands purchasing policies have been used to combat unemployment by mandating that corporations looking to have contract work that is worth over a specific dollar value and lasts over 60 days must hire an unemployed person to be involved with the project in order to have it subsidized (McCrudden, 2004). Social procurement is a way to advance the sustainability agenda of institutions because it welcomes the new thinking that there is a human factor to supply chains (Meehan & Bryde, 2011) and because often when a product is manufactured through ethical labour, the buyer receives a higher quality product. The higher quality a product is, the longer it tends to last meaning that it would need to be replaced less frequently, therefore using fewer resources and producing less waste. Socially sustainable procurement benefits not only the purchaser and the supplier, but also the communities from which the labour is sourced, as it builds upon the community's social capital (Marchand & Walker, 2008). Building on the social capital of these communities means they will have a broadened skill set, more transferable knowledge, and greater resilience to support their community over generations (Atkinson Foundation & Mowat Centre, 2018).

Environmentally ethical products are sourced from sustainable resources that regenerate relatively quickly, are made of recycled materials, contain none or minimal pollutants, are easily recycled into new goods, and decompose quickly at the end of their lifecycle. There is a

demonstrated positive correlation between products that are more environmentally friendly and ones that take into account the ethical treatment of workers. Due to the shared values between wanting to produce a product that has a high degree of environmental integrity and the desire to source labour that has sound ethical principles, environmental purchasing often coincides with social purchasing. (Bartels & Onwezen, 2014). As the consumer interest in both socially and environmentally sustainable products has grown in recent years, an extensive variety of goods and services has become available in the marketplace to meet the growing demand. However, with a wide range of products that all offer an improved level of sustainability, it can be challenging to conclude how to begin integrating new goods and services into a supply chain.

## **Procurement Pilot**

The University of Toronto has been approached by MaRS and the province of Ontario to participate as one of three Higher Education Institutions in a pilot project on sustainable purchasing through the Buying with Impact program. The initiative arose out of an identified knowledge gap around testing and implementing impactful, sustainable procurement. Intended to run for eighteen months, the pilot will include Ryerson University, The University of Toronto's Scarborough Campus, and the University of Toronto's St. George Campus as the Higher Education Institutions involved. The pilot project would be carried out to generate three case studies, one from each of the participating campuses, that demonstrate how sustainable procurement can be designed, tested, and eventually implemented. The funding provided would allow for the department(s) participating in the pilot project receive financial reimbursement of up to \$25,000 for purchases made through the pilot. The pilot would only be looking at purchases under the threshold of \$100,000. The goals of the project include: establishing consistent and practical approaches to evaluating sustainable procurement, producing

information to inform the Province's market knowledge on procurement from social enterprises, allowing Higher Education Institutions to become more aware of sustainable enterprises' offerings, and enhancing Higher Education Institution's confidence in purchasing from sustainable enterprises while integrating them into their day to day business activities (MaRS, 2018).

From the initial research stages of this project, it has been understood that it is neither functional nor practical for the Procurement Service's Department at the University of Toronto to mandate a series of new purchasing protocols to meet the sustainability vision they are trying to achieve. The current purchasing model at the university gives a high degree of autonomy to departments in terms of how they would like to carry out their purchasing, which makes it challenging for the Procurement Services Department to mandate, or even to track, what departments purchase. For purchases under \$100,000, departments can use either their PCards (university purchasing cards), uSOURCE, or buy with their personal funds and submit receipts for reimbursement. At best, the Procurement office can recommend or caution against certain types of purchases, but ultimately they have no authority to control the purchasing actions of departments for goods and services that are valued under the \$100,000 threshold. Similarly, the number of transactions that happen daily at a university with so many individual departments produces a volume of purchases far beyond what the staff at the Procurement Services Department have the capabilities to monitor. If there were to be a transition to purchasing that was carried out solely through the online purchasing platform, uSOURCE, there would be enhanced accountability, and the electronic records would allow for a more practical course of reviewing transactions. The manner in which purchases are regulated becomes more stringent as the price point increases; for instance, three quotes are required for purchases looking to be made above \$100,000 to ensure that the good or service being purchased is considered to be priced competitively in accordance to market standards.

In addition to mandated changes being beyond the scope of practical action for the Procurement Services Department, academic literature shows that changes that take place due to a shift in values are more long-lasting than changes that are the result of modified rules or legislation. Having people transition their actions based on a value shift allows for them to feel a sense of control over their actions, a deeper level of connection, and personal motivation with regard to the cause that initially prompted them to act. When individuals are forced to adopt new behaviours and practices, there can often be push-back against them which can result in the failure of new programs to last long-term (Bouton, 2014). Individuals should not be made to feel as if changes are being imposed on them, but rather that systems are advancing and changing with them based on their needs and interests.

# **Case Studies**

The University of Harvard in Cambridge, Massachusetts and the University of California Los Angeles in Los Angeles, California have both modified their previous procurement systems to incorporate sustainable purchasing through updated guidelines and incentives. These can help provide a framework for the sustainable procurement pilot the University of Toronto is preparing to undertake. Both universities are comparable in size, structure, and global recognition to the University of Toronto, which allows for a reasonable assumption that replicating elements of their efforts could produce a successful, analogous framework for the purchasing pilot. The cities of Toronto and Burlington expressed similar desires to shift towards a more sustainable procurement system and designed sustainable purchasing strategies that can similarly offer insight into potential strategies and barriers for the University of Toronto.

The University of California Los Angeles (UCLA) recognizes the impact their purchasing has not only on their local but also their global community. As a prominent institution in their community, they consider themselves at the forefront of leading global change around how sustainable procurement can protect the environment while serving as a tool to source economically competitive and high-quality products. In collaboration with their Sustainability Office, UCLA has put together a Sustainable Purchasing guidebook for use by their internal departments and staff. The guidebook outlines a wide range of preapproved vendors and products based on their sustainability merits and encourages staff to consider these products whenever possible in their purchasing. Products appear in the guide if they meet criteria such as paper being 30% post-consumer recycled or higher, office equipment and appliances being Energy Star certified, and vehicles being electric, among other measures. As UCLA is a state agency, they are mandated to participate in Environmentally Preferred Purchasing (EPP). Based on this, UCLA developed its own Sustainable Practices Policy, within which the Sustainable Purchasing Guidelines is a tool to help ensure the institution's practices meet the EPP requirements. UCLA provides information to departments on how their purchasing patterns impact the university's overall sustainability targets, such as their vision to be zero waste by 2020. Campus-wide goals such as these incentivize departments to modify their purchasing so that they are positively contributing to the overall campus culture of sustainability (University of Los Angeles California, 2011).

Harvard University is the third largest employer in the state of Massachusetts, making them a major consumer of goods and services. Noting their considerable capacity for impact both in their community and globally, Harvard Strategic Procurement worked in collaboration with other sustainability units on campus to develop the Sustainable Purchasing Guidelines. The vast,

decentralized nature of the university required a holistic approach to unify the departments on campus. The university determined this could be achieved by educating departments on how their participating in sustainable purchasing could help in achieving overarching campus goals, such as Harvard's Greenhouse Gas Reduction Goal. In 2018, the university established standards for preferred vendors and their products in order to streamline purchasing across campus departments. Vendors were required to meet with Harvard University staff and third-party environmental assessment groups regularly to continually undergo rigorous assessments of their products and ensure the validity of their environmental efforts. Vendors were also expected to produce reports about their sustainability efforts more broadly, not just within their partnerships with Harvard. Building strong partnerships and cultivating their image as a sustainable buyer entices not only the university's internal community but also those in their external community to become engaged with their work. Harvard chose areas such as their food services, energy reduction, water conservation, and cleaning operations as divisions to spearhead their sustainability programming out of, as they were aspects of campus that many individuals connected with, were impacted by, and provided a platform where they would see the changes taking place. Cleaning service and campus food service have both been key areas for leading transition at Harvard, as they both were connected to experiential research projects of Master's students on campus which provided the projects with the attention and resources needed to facilitate a functional pilot project and produced useful results for forthcoming projects (Clark & Spengler, 2014).

Cities are among those groups recognizing the importance of incorporating sustainability practices into their procurement process, both out of a desire to do good for the environment and the community, but also as a means of achieving serval of their other targets. The city of Toronto

mplemented the Social Procurement Program in 2016 as a means of achieving their Poverty Reduction Strategy, based on recommendations made in 2015. It was adopted unanimously by the entire council. The program applied to all purchases made over \$3,000 with the exceptions of individual cases laid out in the policy, and would require a certain percentage of hiring to include Diverse Suppliers and contract work to be given to small businesses. These mandates were put in place to achieve workforce diversification, address economic disadvantages and discrimination in the hiring process, and build a culture around social procurement. The city has administered several successful projects already through the Social Procurement Program, such as the revitalization of Regent Park that employed over 570 local residents and the development of the 1652 Keele Street Hub that provided youth with employment and work experience through apprenticeships as they assisted in building a youth centre (Campbell, Pacholok, Brillinger, & St. Amant, 2016).

Perhaps one of the first municipalities to recognize the benefits of incorporating sustainability into the procurement process was the city of Burlington. In 1990 the city declared that it would operate in a fully sustainable manner, where sustainable was defined as being able to address the environmental factors of the products purchased by the city. The city provides a wide range of services and purchases a diverse assortment of goods, so they developed the Green Procurement Guidelines to make staff across all city departments aware of the standards they were expected to comply with when buying. Since the city has mandated these standards and practices, they were responsible for ensuring adequate funding in the event that the new products were listed at a higher price. City staff also sought out partnerships with environmentally sustainable retailers for their staff to purchase from to streamline the purchasing process. The city recognized the dangers that exist around "greenwashed" products, which are products that

producers have made false claims about in regards to their environmental impact to seem more appealing to consumers, so they created a database of products and suppliers that had been certified through reputable sources. As a way of mitigating purchases that contain greenwashed products, they used eco-labels as a guideline for ensuring the legitimacy of the sustainability claims presented about goods and services they were considering including in their purchasing strategy (City of Burlington, 2014).

# **Potential Successful Departments or Services**

Knowledge gleaned from sustainability literature and reports produced by other organizations who have adopted or are transitioning to sustainable procurement systems can offer insights into which areas the University of Toronto could consider approaching to participate in the sustainable procurement pilot. When looking at ways of incorporating sustainability into the operations of the campus, the reports and examples advise first addressing sectors where stakeholder interests (students, staff, faculty, alumni) overlap (Filho, Shiel, & Paco, 2015). Areas where these same stakeholders can see firsthand the operational changes taking place also tends to have the most significant long-term success. Food services and catering is one of the most popular departments, as there has been a general trend of incorporating fair trade and locally grown foods into university food services. Another popular division is waste management or janitorial contracting, as they allow for social procurement on the labour side and the chance to shift to more environmentally conscious products. These types of projects tend to be more successful and self-sustaining because they arise from a gap in societal needs that are looking to be met, rather than just a theoretical, purely academic issue (Filho, Shiel, & Paco, 2015).

As the University of Toronto looks to identify a department for the purchasing pilot, they might consider using a checklist produced by the University of British Columbia. The checklist asks a series of questions that allow for determinations to be made about how socially and environmentally sustainable both the good or service is, as well as the labour that provides it.

#### The checklist asks the user to:

- Identify the need fulfilled by the service
- Assess the sustainability of the service
- Is the service a social enterprise?
- Does the service hire people that need training and work experience to build capacity? For example: do they hire street-youth, First Nations, or people with disabilities?
- Does the service consider the environmental impact of their business?
- Do they work to reduce their impact?
- Does the service use sustainable products?

The University of British Columbia has made significant advancements in regards to the level of sustainability in their procurement processes across campus. They identify business travel, catering, couriers, event planning, furniture, office supplies, and paper and printing as key areas of focus for sustainable procurement. In their sustainable purchasing guide, they provide instructions on how each of these services can be effectively executed by any department that wished to adopt them. For example, they have created a customized shipping program with UPS that eliminates all paper receipts and tracking forms while also using shifting towards using electric powder fleet vehicles (University of British Columbia, 2019). This implementation framework could allow for the University of Toronto's Procurement Services Department to target any of these services in a department where a senior staff member has a personal interest in the sustainable purchasing pilot.

The programming administered by other universities and cities provides strategies that could be adopted in combination by the University of Toronto. As other universities have done, it would be helpful for the University of Toronto to establish a sustainable procurement

guidebook or guideline, which could contain the of lists of sustainable suppliers by category. Since the Procurement Services Department is not responsible for food or catering services, they might consider another popular service for sustainable procurement which was cleaning and janitorial services, although this may need to be done in small portions if possible as the contracts for such services across the university would likely exceed the \$100,000 threshold of the pilot. In terms of smaller, department specific services, courier services could be considered, as the University of British Columbia can provide several insights on how to improve the sustainability of that service. Additionally, the Procurement Services Department might consider consulting the university's Sustainability Office to learn about any sustainability specific projects happening on campus which would require the hiring of new individuals and procurement of goods and services that would fit into the pilot, as the city of Toronto did when tailoring their hiring for youth-related projects to vulnerable youth.

In any department, transparency builds a positive public image and increases stakeholder engagement, which could result in resources to support future sustainability projects. Reports on the topic suggested that whichever department is involved in the sustainability pilot should frequently and widely publishes their efforts and results (Preuss, 2009).

# **Agents of Change Strategy**

The case studies from similarly structured universities and findings from other sources of academic literature reviewed demonstrates the need for a shift in values to occur within the bodies responsible for purchasing. While Burlington did mandate that city staff abide by the Green Procurement Guidelines, the culture and nature of the University of Toronto suggests that at this stage in the shift to sustainable purchasing such a regiment would be ineffective (Marchant, & Walker, 2008). After understanding the strengths and weaknesses of the pilot upon

its completion, if the Procurement Services Department and the University could develop a framework on how each department's purchasing behaviours played into the university's goals of reducing their greenhouse gas emissions to 37% less than 1990 levels by 2030, then Procurement could consider a more authoritative procurement framework (Ahmed-Ullah, 2018). However, without a scheme to keeps departments accountable for their purchasing, which imposes a sense of duty to the broader university community, there is little evidence that an authoritative purchasing policy would keep departments purchasing sustainably, especially with such minimal potential for oversight on purchasing by the Procurement Services staff.

As a university committed to achieving a transition to a low carbon future, as demonstrated by joining the University Climate Change Coalition, the University of Toronto is encouraged to promote this culture and value change across all departments (Ahmed-Ullah, 2018). Relevant departmental heads and individuals who have the potential to act as agents of change ought to be informed about the pilot, even if they are not directly involved, as they can play a pivotal role in shifting values to normalize sustainable procurement and other sustainability initiatives. Agents of change are individuals whose personal values foster a desire to engage in action, rather than being motivated by any external factors such as policies or new regulations. While they may not be directly responsible for implementing the new systems, if they are working within the new systems, they can empower those around them by providing tools and knowledge relevant to the adaptations. Agents of change are most effective when they have some level of autonomy over reforming the system currently undergoing changes (Grandia, 2015). If the university can produce agents of change to normalize sustainable procurement, this will do a significant amount to help foster an environment that will encourage the system's reformation to extend beyond the pilot project.

#### **Online Procurement and Eco-labels**

Regardless of the department that is selected for the sustainable procurement pilot, streamlining purchasing will be essential to ensuring the program's success. E-procurement, the uploading goods and services on to an online purchasing platform, is an increasingly popular method of standardizing and streamlining the procurement process. The consistency it offers users is especially beneficially to large, decentralized organizations who have less autonomy to regulate purchasing behaviours. Surveys taken by 1000 public procurement offices across 25 different countries revealed that open communication between suppliers and buyers, at the individual level and not just the by the head of the office, will create a personal incentive for behaviour change in purchasing. It also showed that e-procurement systems are viewed positively by buyers, as they increase the ease of access buyers have to the sustainable goods and services available to them. For the majority of organization surveyed, communication with vendors played a more significant role when looking at adopting socially sustainable suppliers than it did with environmentally sustainable suppliers (Walker & Brammer, 2012). A personal connection with the individual supplier is advantageous for incentivizing behaviour change and in keeping buyers involved with the initiative over the long-term. The more meaningful the personal relationship is between buyer and supplier, the more trust and loyalty is exhibited, which often encourages the buyer to maintain a purchasing relationship with the supplier (Walker & Brammer, 2012).

The University of Toronto currently has an e-procurement system, uSOURCE. The purchasing platform was assessed in the Living Lab portion of the research, and again when examining the role eco-labelling could play in sustainable purchasing. Currently, the preferred suppliers that the university has negotiated contracts with are listed on uSOURCE in one of two

ways, either internally or externally. External means that when a buyer searches for a product on uSOURCE to view it they will be taken to the public site fully managed by the supplier. Any sustainability labelling would be at the discretion of the supplier and how they chose to manage their public site. The other option is internal, where when buyers search for a product and they are then taken to its page on uSOURCE. All the information shown, including any sustainability labelling, would have been submitted by the supplier based on the fields available on the uSOURCE platform. The current product upload process gives suppliers the option of labelling their product as "Environmental," but this is a blanket term that carriers little clarity or value for buyers when looking for a sustainable product. Going forward, the Procurement Services

Department is working to produce a list of well recognized and reputable eco-labels to replace the Environmental label. It is recommended that following this modification suppliers receive the appropriate information to make themselves aware of how this will apply to their products and encourage them to engage with the new labels.

## **Potential Barriers**

The two most significant challenges that the Procurement Services Department can expect to face, based off of similar project's findings, are the terms and conditions of existing contracts in areas where they would like to integrate new suppliers and the resistance of buyers to participate in the new initiatives. Many of the services and goods that the university might consider selecting for the pilot are already being provided, and depending on the contracts they are currently supplied through, it could be logistically challenging to start sourcing from a new supplier. It will depend on the length of the contract, how rigid its terms and conditions are, and the competitiveness of the pricing. This issue will be present beyond just the pilot; assuming that the pilot is successful and the transition begins to take place across campus, there may be several

instances when preferable vendors are found, but immediate collaboration is not possible due to the existing contract that are already in place. The university will need to have a strong understanding of their long-term contracts and which ones are due for renewals, so that time and resources are not spent seeking out sustainable goods and services for areas where there is not currently the potential to integrate them into the supply chain. Establishing a critical path style timeline detailing when future contracts are set to expire would allow for simplified tracking of this information.

The second barrier that may occur within the transition to a more sustainable procurement system is the resistance to participate from certain groups. From the initial research in the Living Lab course, it was understood that there is a perception that sustainable products are costlier and timelier to obtain. Without the proper supports in place, such as a database of sustainable vendors and services, buyers may feel that switching to sustainable goods and services is too great an undertaking. As a result, buyers should be made to understand that while upfront it may seem as though sustainable products are more expensive, in actuality, they are often more economically feasible because they are a higher quality product, meaning they will last longer and need to be replaced less frequently (Walker & Philips, 2009). There is also a risk that if the pilot project is carried on a highly visible sector and there are aspects that are not positive, the broader university community could receive it as a cautionary reason against adopting sustainable procurement on a larger scale. While there will undoubtedly be strengths and weakness of the pilot, no matter how well researched it is, the scale of visibility it has should be moderate to avoid intimidating the university community in the unfortunate event that there are challenges more overwhelming than could have been predicted. The Procurement Services Department will be able to learn from any potential shortfalls, but those who are already

reluctant to overhaul long-standing contracts and partnerships could be deeply put off by such events. For example, Convocation Ceremonies were discussed as a potential for the pilot because of the diverse group of goods and services the event encompasses, however, there were concerns over the extremely large and public scale of the event. Should some aspect go awry that was tied to the pilot, the magnitude of the event could result in a widespread, negative perception of the program that could deaden future interest in participating in sustainable purchasing. In order to address these challenges, all parties involved should be made aware of the risks involved and through research on sustainable procurement practices should be on-going throughout the pilot to mitigate any unforeseen difficulties. The pilot will require a careful balancing of an area with enough visibility that people can see the changes and feel connected to the impact, without making it so visible that the project becomes a danger to itself in the event of insufficient performance.

# **Diverse Supplier Resources**

While there is knowledge about potentially advantageous sectors for beginning sustainable purchasing, integrating these services depends on what counterparts are available to provide them on the scale that the university would require. As part of the pilot project, MaRS has been asked to provide a preliminary listing of what socially and environmentally vendors are available to be considered for hire by the university. In knowing what suppliers are available and could take on a new contract, the Procurement Services Department would be able to be in contact with them about their potential willingness to be part of the purchasing pilot.

Third party groups, such as the Social Enterprise Toronto, partner with organizations that brings together diverse suppliers and connects them with potential employers. These groups include businesses that are 51% owned and operated by groups such as LGBTQ persons,

Indigenous persons, veterans, and a variety of other diverse suppliers. In speaking with the former head of the Social Enterprise Toronto, there was no one group that would be better suited for the university's needs than the others. The issue with these groups is that each division has a list of enterprises owned and operated by that variety of diverse suppliers, however, there is a cost to access these listing that the Procurement Services Department currently does not feel would be practical to pay. The fee for access to the information is typically paid by the large corporations contracting the work and helps to ensure that the organizers representing the diverse suppliers are giving the information to buyers who have serious interest in the labour and services of their clients. There is potential to see if through the AnchorTO network funding there could be a means of paying for access to these listings, and suggestions have been made around paying a modified fee for an abridged version of the list in order to get a rough understanding of what diverse suppliers and the services exist in the city of Toronto (Social Enterprise Toronto, 2019).

## Recommendations

Based on the knowledge acquired about similar sustainable procurement systems, there are recommendations to be made for how the Procurement Services Department might go about identifying which department(s) to select for participation in the sustainable procurement pilot. In choosing the department for the pilot, there are three factors that will have the most impact on its success and they are the level of engagement the staff of that department personally expresses towards the cause of sustainability, the flexibility of contract end dates, and the capacity of sustainable suppliers within the city of Toronto to fulfill the service.

The Procurement Services Department should first make themselves aware of existing sustainable enterprises in the local community. MaRS has indicated that they would be providing

this information, and once it has been received the Procurement Services Department will be able to draft a short list of services to be considered based on their availability and capacity for fulfilling the needs of an organization that operates on the scale of the selected department. The option of sharing resources with AnchorTO should also be explored as an avenue of gaining access to the list of diverse suppliers that the various division heads of diverse suppliers own.

The Procurement Services Department is advised to follow up by examining the current contracts for services where there are sustainable suppliers who can fill that role. By examining the existing contracts and agreements, the department can determine which, if any, are up for renewal shortly so that more sustainable suppliers could be delivering the good or service as part of the pilot.

The final recommendation for the pilot is to connect with staff members at the university who have already expressed a level of interest in sustainability programming. The university's Sustainability Office runs an initiative called the Green Ambassador's program which brings together faculty and staff across campus who are interested in developing ways of making their offices and departments more sustainable. These individuals have already demonstrated a commitment to taking a leadership role in driving sustainability change in their departments, making them ideal candidates to act as agents of change. After identifying individuals willing to participate consultation would need to be carried out about the viability of the services and products they procure in terms of matching up what diverse suppliers could provide them.

## Conclusion

Adopting a more sustainable procurement system is an important transition for the University of Toronto to begin to undertaking for the numerous reasons that have been outlined in this report. The sustainable purchasing pilot will provide a unique opportunity for the

Procurement Services Department to establish consistent and practical approaches to evaluating sustainable procurement, producing, while allowing the university departments to become more aware of sustainable enterprises' offerings, and enhancing their confidence in purchasing from them. The results of the pilot will hopefully provide insights for the Procurement Services Department that allow them to involve more departments in sustainable purchasing and continue to normalize the culture of sustainability across the university. Ideally, further research can be done during and following the pilot to assess its strengths, weaknesses, and next steps directly.

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