

Strategic Procurement for Sustainability: Insights from the Field

Harvard Kennedy School Government Performance Lab

December 5, 2023



HARVARD Kennedy School
Government Performance Lab

Agenda

1. Introduction

- About the Government Performance Lab

2. Key Insights

- Integrating Sustainability into Procurement Processes
- Procurement as a Driver of Inclusion + Innovation
- Supporting the Acquisition Workforce

3. Closing

Today's Objectives:

- ✓ Offer best practices in aligning sustainability and procurement goals
- ✓ Identify solutions to unlock procurement's potential as a strategic lever for sustainability

About the Procurement Practice at the Harvard Kennedy School Government Performance Lab

Over the past 10 years, we have worked closely with leaders in over 150 governments **to develop and test promising practices to transform government procurement**; we then **spread those practices** to communities nationwide.

We offer embedded technical assistance, coaching and training, and a Procurement Excellence Network with free tools, templates, and resources.

The **GPL's Procurement Excellence Framework** is a set of strategies designed to help governments use procurement and contracting to achieve better outcomes for residents.



Efficient & Fair

Faster, easier, & more transparent procurement processes



Results-Driven

RFPs & contracts focused on **outcomes**, not just compliance



Equitable

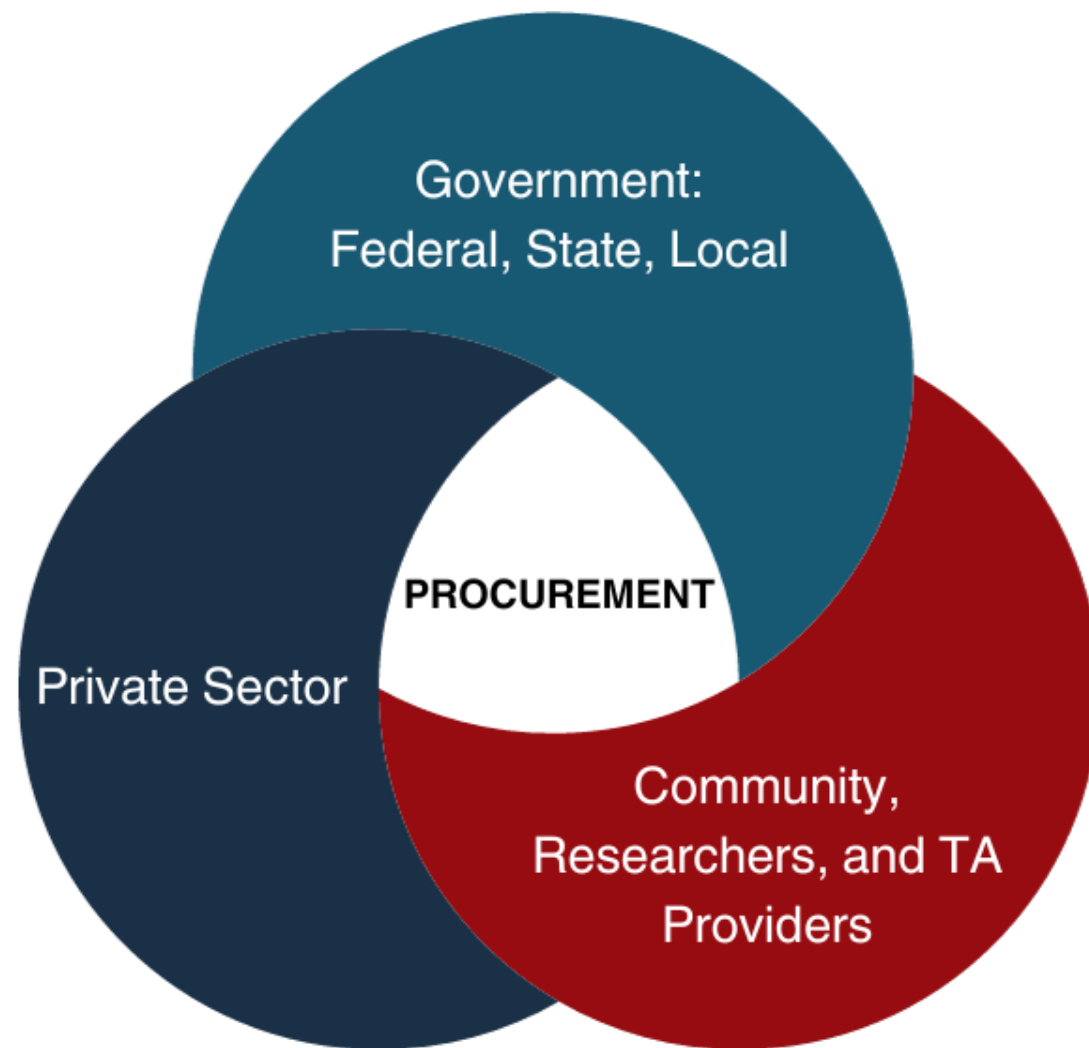
Expanded **vendor pipeline**, increased **competition**, & **improved equity** in the delivery and distribution of services



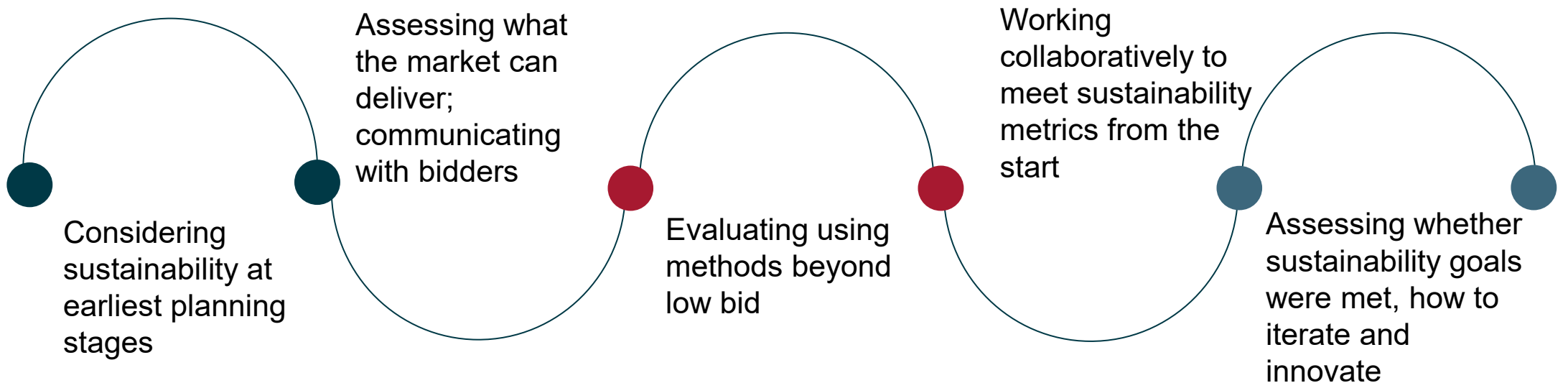
Strategic

Elevated and accountable procurement, **sustained success**

Procurement brings together the forces needed to address the climate crisis. Leveraging procurement, the federal government can shape a powerful multi-sector response.



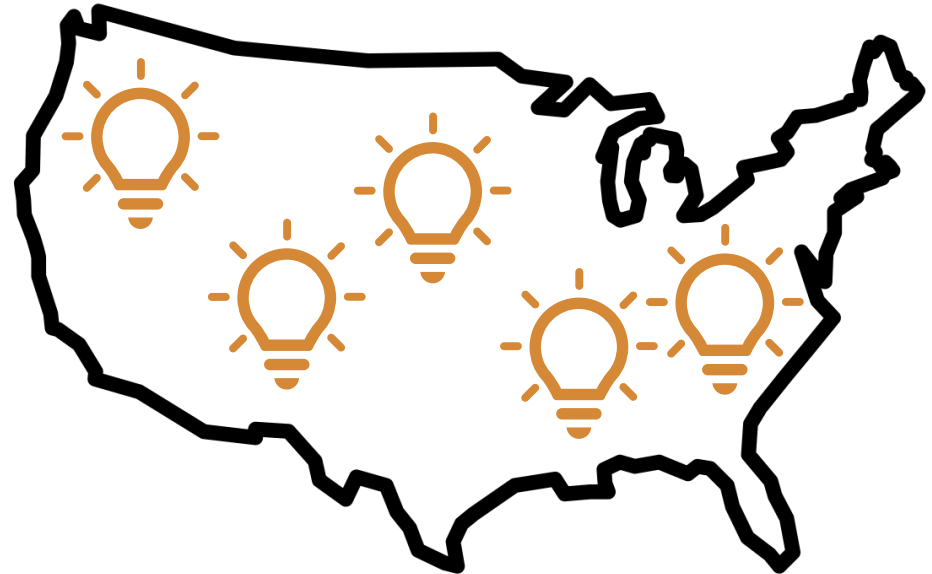
Integrating sustainability across a procurement lifecycle



Innovations to integrate procurement and sustainability goals at the state and local levels

Key opportunities:

1. Integrating Sustainability into Procurement Processes
2. Procurement as a Driver of Inclusion + Innovation
3. Supporting the Acquisition Workforce



Sustainability can be thoughtfully integrated into procurement processes from the outset



Key Challenges

- Sustainability is an **afterthought** and often poorly integrated into existing purchasing procedures.
- **Limited prioritization** of where the largest impact will come from integrating sustainable purchasing; no strategic portfolio approach applied.
- **Low-bid** approaches over lifecycle costing can prevent consideration of sustainability factors.



Emerging Solutions

- Create **checkpoints to consider sustainability** and bring together stakeholders to infuse the process with more information.
- Invest in **translating sustainability policies** into procedures and forecasting methods.
- Develop **model specifications** to reuse for common purchases to incorporate sustainability.
- Consider factors **beyond price** in evaluations (e.g., considerations for lowest responsive bidder).

Government has a powerful role to play in driving competition through increased outreach and support



Key Challenges

- Emerging and small firms may struggle to meet sustainability requirements that require **large upfront investments**, additional areas of expertise, or complex reporting.
- **Prescriptive** requirements do not support vendor innovation in meeting sustainability goals.
- It is difficult and **nerve-wracking** to buy new, innovative things in government – which is often needed for purchasing cutting-edge sustainable solutions.



Emerging Solutions

- **Engage** with vendor community through focus groups, Requests for Information (RFIs), etc. to understand barriers.
- **Support** new and small vendors in achieving added sustainability requirements.
- Allow vendors to **propose** how they will meet sustainability requirements with more flexibility.
- Apply methods of **piloting** new innovative products.

The acquisition workforce can be engaged and supported to prioritize sustainability in their roles



Key Challenges

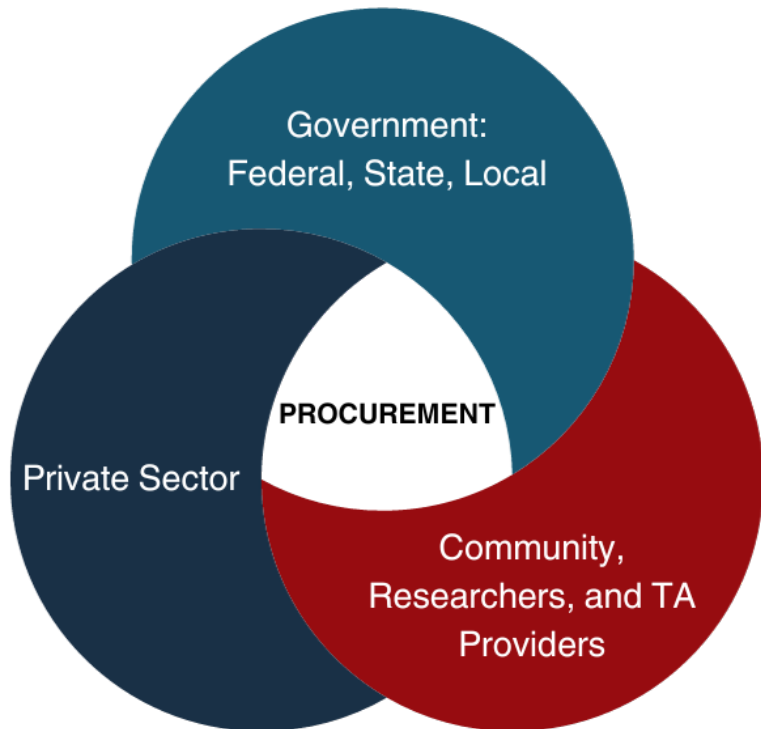
- Purchasing staff have **difficult jobs** with many elements to monitor and risks to consider – sustainability does not easily emerge as a top priority.
- Purchasing staff are **not seeing the impact** from this additional work.
- Purchasing staff are **not well-consulted** in the development of sustainability policies and integration within procurement procedures.



Emerging Solutions

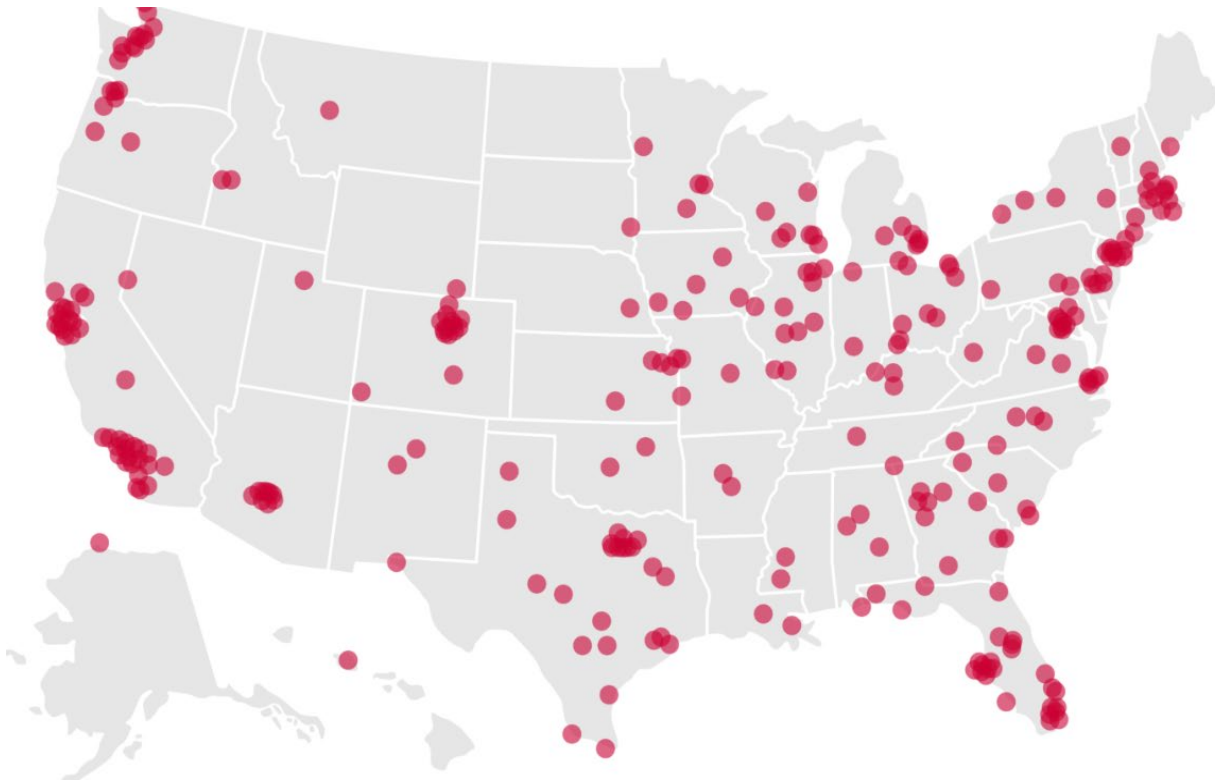
- **Involve** purchasing teams in the design of sustainable purchasing policies or demonstrate why changes are needed.
- Invest in select staff to become experts and gain **expertise** in implementing sustainable purchasing. Resource these roles appropriately.
- Strengthen **communication strategy** and offer **regular interactive and experiential training** on sustainable purchasing.

Public sector leaders need support to leverage procurement for climate and environmental impact



- Increased sharing and amplification of tools and resources
- Additional knowledge of where to prioritize efforts for greatest climate impact
- Support in moving from policy development and selective piloting to jurisdiction-wide implementation
- More frequent and innovative engagement with the private sector

Join the Procurement Excellence Network to learn more and connect with government colleagues transforming procurement



Our **Procurement Excellence Network (PEN)** is a community built by and for government professionals at the local, state, and federal level in the U.S., Canada, and Latin America.

With over **1,100 members**, PEN offers **free tools, trainings, customized 1:1 support, and resources** to help governments transform procurement practices.

Learn more at

<https://gplpen.hks.harvard.edu>

Thank you!

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