Buying With Impact: Social Enterprise Procurement Playbook

Prototype Descriptions & Instructions

MaRS

Email Communication

Description

Currently, the email communication includes information about the Buying with Impact initiative that should be shared with targeted purchasers in your organization. It is a formal communication that should be delivered once the initiative is in operation and the enabling infrastructure, such as systems, resources, and learning opportunities are confirmed.

Detailed Instructions

Use the template below. Identify a high level executive that would send the information, and identify a support unit to address any questions from purchasers. Add this information to the email. Ensure that the Social Enterprise List is available to purchasers and linked in the email template. Ensure the procurement process visualized in the email aligns with how your organization intends to roll out this initiative, and update accordingly.

Before sending out official communication to purchasers, ensure directors in your organization have been briefed. Consider reaching out to key directors via email by communicating the following:

"An e-mail communication about this initiative will be sent to purchasers across the organization (on this date). Ensure that your staff with purchasing authority have read and understand the procurement process updates.

Before the e-mail communication, brief your direct reports with purchasing authority about this initiative by:

- *Requesting that they sign up for the procurement seminar to learn about social enterprises and the updated procurement process*
- *Instilling your confidence in them and ensuring they feel they have your support in purchasing from a social enterprise*
- *Encourage them to consider social and environmental impact equally to price and quality for their purchase criteria*
- *Supporting them in the updated purchasing process by answering any questions they may have and ensuring they obtain assistance from the procurement or Financial Information Systems office as needed."*

Seminar for Purchasers

Description

The seminar for purchasers is a powerpoint presentation that can be delivered by procurement staff to purchasers across the organization. The presentation includes a detailed walk through of social enterprise procurement at the institution, including definitions, context, and alignment to the anchor institution's mandate. Knowledge exchange among stakeholders is enhanced through in person training and adequate training and expectation setting provides the foundation for making social procurement habits persist in purchasers.

Detailed Instructions

Currently, the template of a presentation that can be used in a seminar delivered to purchasers at your organization is available as a Powerpoint. Use this template to inform and educate purchasers on social enterprise procurement, how it aligns with your organization, and how to proceed with this purchasing process. The speaker's notes on each slide outline key points that should be addressed when presenting the information as well as suggested language that could be used.

Before using this presentation in your organization, ensure the following modifications are complete:

- Brand to your organization (using corresponding colours, logos, graphics)
- Identify your organization's impact pillars and add to Slide 5
- Add your available procurement data on Slide 6
- Identify if your organization is already procuring from social enterprises and add that information to Slide 12
- Ensure Slide 20 is framed as information gathered from the research subjects of University of Toronto and Ryerson during this project, rather than representing it as what you heard from your own staff
- Referring to slide 21, ensure the list is available to staff and stored in an accessible location.
- Ensure the proposed procurement process reflected on slide 23 aligns with your proposed process including the terminology, procurement software, and thresholds

RFQ Paper and Online Form

Description

The request for quotation form is available as a PowerPoint slide and a google form. If you decide to use a paper form the PowerPoint slide that is scaled for letter sized printing and can be modified to fit your anchor institution branding and process. The google form also has the ability to be branded and modified. Ideally this form would be transferred into a format that is an online form OR a digital pdf form with fillable fields that has a send button that sends info into an institutional database.

Advantages of using online forms

There are a number of benefits to creating a digital fillable form versus a paper form. Firstly, digital forms have the ability to clean the information inputted by purchasers and suppliers as they fill in the fields. For example, if a supplier attempts to write a phone number in letters, a digital form could highlight the error and prevent the supplier from proceeding unless the error is fixed. Similarly, addresses could be checked for errors.

Most importantly quotations that exceed threshold limits could prompt suppliers that the purchaser will need to take extra steps such as filling out a request to waive form if supplier quotes the amount. This could potentially lower common decimal placement errors that often happen with paper forms.

Whole sections of the form can be hidden unless pertinent to the purchaser or supplier this lowers the anxiety around having unfilled fields on a form. This would lower the instances where redundant or erroneous information is filled because it doesn't apply to the suppliers context.

Paper forms do not have the same real time accountability as digital forms. For example with a paper form there is the possibility that a purchaser buys directly from one supplier and then after the purchase has been made collects two additional quotations with fictitious dates for compliance purposes. With a digital form there is no way to change the dates on the quotation form so that quotation submissions actually follow the prescribed process requirements.

Detailed Instructions

Both versions of the form have not yet gone through usability testing with actual purchasers. Forms are a great instruments to test with actual users to lower confusion, anxiety and increase accuracy and efficiency.

Key areas to test would be: the sequence of the form sections, does it make sense to have the cost as the first section or the last? If the language is interpreted correctly by suppliers, is the form filled correctly by suppliers? If suppliers add extra information in open text boxes that are unrelated to the section, is there an essential piece of information the institution is not collecting? Do all suppliers complete the form or attempt to use an alternate path (calling purchaser and have them fill it out)? How quickly do suppliers fill out the form both in total time from when purchaser sends request and when a supplier begins to fill out the form. Do purchasers start session leave the form partially complete and then come back hours or days later to complete the form?

Social Enterprise List

Description

The Social Enterprise (SE) List is a non-exhaustive database of social enterprises within the City of Toronto and its surrounding regions that could reasonably respond to procurement demand from anchor institutions. These organizations were selected based on their alignment to the Buying With Impact (BWI) definition of a social enterprise. The intended purpose of the SE List is to serve as a foundational resource for social enterprise procurement: connecting anchor institutions to social enterprises that offer products and services alongside meaningful social and/or environmental impact. The SE List provides base-level organizational information and integrates a variety of institutional frameworks, including: B Corporation Industry Sectors, University of Toronto USource product categories, and the United Nations Sustainable Development Goals (SDGs).

Detailed Instructions

The Social Enterprise (SE) List is comprised of 57 social enterprises, defined by 19 columns of information. These detailed instructions explain the content, methodology and purpose for each column within the SE List. These instructions conclude by summarizing the SE List in the context of its overall purpose, intended use, and areas for development.

#, Social Enterprise, Operating City (Column A - C)

This section in the SE List outlines the name of the social enterprise, along with its location of operations and order within the SE List. Social enterprises were ordered in the SE List at random, meaning that their appearance in the order of the list is not indicative of priority or preference. The location of operations for these social enterprises was most frequently acquired from the organizations' websites. Identification of these social enterprises within and around the City of Toronto was established through existing industry knowledge of the City of Toronto social enterprise landscape, as well as a variety of public resources that aggregate lists of social enterprises using their own SE definitions. Based on these resources, organizations were selected to be included in this SE List based on their alignment to the Buying WIth Impact (BWI) definition of a social enterprise, which is as follows:

Social enterprise seeks to achieve measurable social & environmental impact alongside financial return. The Province of Ontario defines social enterprise based on five criteria: 1) the enterprise earns revenue; 2) the social impact of its business activities is intentional; 3) it measures and reports on this impact; 4) this impact grows simultaneously with business growth; and 5) the enterprise actively contributes to solving a key societal issue as the primary focus of its business.

The purpose of this section is to provide a non-exhaustive, high-level identification of social enterprises, their names, and where they exist within and around the City of Toronto.

B Corporation Industry List Sector (Column D)

B Corporation is a review agency that certifies organizations who meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. Certified B Corporations are required to measure and report on their impact, receiving a B Corporation score in return based on their achievement in five impact areas: governance, workers, community, environment, and customers. It is important to note that not all

social enterprises are B Corporations. The requirement to pay for B Corporation certification may require some social enterprises to abstain.

B Corporation is a powerful impact criteria that can be used to differentiate social enterprises and understand their social and environmental impact in a verified, holistic way. In this section, the SE List matches social enterprises to predefined B Corporation industry sectors. These industry sectors can be found in the B Corporation Directory search. The purpose of this section is to categorize the identified social enterprises by the generally accepted industry sectors of a standardized, third-party organization.

USource Product Category 1 - 4 (Column E - H)

Purchase order data provided by the University of Toronto (U of T) was analyzed to determine the specific product category terminology used by U of T departments when classifying procured goods and services. U of T purchase order data (also known as "USource data") classifies procured products and services into five product category levels, ranging from the most broadly defined category of a product or service (Category 1) to the most specific (Category 5). Some products and services may only be defined by Category 1, while others may be defined by Category 1 through 5, depending on the level of granularity they require. Category levels are both linear and dependent. This means that if a product or service has a Category 3 description, then it must have a Category 2 and Category 1 description as well. Each product category level after Category 1 is a sub-level of its predecessor.

Based on the product and service offerings of social enterprises within the SE List, these offerings were classified from Product Category 1 to 4, according to USource data product category terminology (no social enterprises in the SE List offered products or services that matched with Category 5 USource data). SE List cells coloured in grey indicate that there were no matches to USource data product category terminology for that specific product or service, in that specific category level. The absence of a social enterprise's classification into <u>any</u> product category level is *not* an indication that the social enterprise is unable to provide a procurable product or service.

Description, Product/Service, Website (Column I - K)

This section of the SE List offers a brief description of each social enterprise, outlining the specific products or services these organizations provide, as well as a link to their websites for more information. SE descriptions were pulled from the organizations' websites, as well as B Corporation directories (if applicable) and third-party resources. The Product/Service column is a short summary of each organization's main product offering. The intention of including website links is to encourage further research and due diligence into each of these organizations, including their product offerings and social/environmental achievements.

B. Corp Certified, MaRS Related (Column L - M)

This section indicates whether or not a social enterprise is registered as a B Corporation or affiliated with MaRS. If a cell is empty, this indicates that the organization is either not B Corporation certified or is unaffiliated with MaRS. The purpose of this section is to provide additional differentiation between social enterprises and highlight organizations that are affiliated with familiar stakeholders such as MaRS and B Corporation. This information intends to assist users of the SE List in making their own decisions when deciding among social enterprises for procurement.

United Nations Sustainable Development Goals - SDGs (Column N - S)

The United Nations (UN) have outlined 17 goals aligned to achieve a better world, known as the Sustainable Development Goals (SDGs), which serve as a useful benchmark for understanding positive social and environmental impact. The 17 UN SDGs can be separated into five main themes: 1) Energy & Environment; 2) Education & Work; 3) Health; 4) Governance; 5) Inequality. The SDGs within these themes are grouped as follows:

1) Energy & Environment: SDG #7, 11, 12, 13, 14, 15
2) Education & Work: SDG #4, 8, 9
3) Health: SDG #2, 3, 6
4) Governance: SDG #16, 17
5) Inequality: SDG #1, 5, 10

In the first column (Column N), social enterprises in the SE List are classified based on which SDGs align with their core business model. In the final five columns, social enterprises in the SE List are classified based on which SDG themes align with their core business model. It is very important to note that SDG selection for the SE List was not conducted in consultation with the social enterprises themselves. Therefore, this SDG allocation is subjective, non-exhaustive, and malleable for change.

Summary

The Social Enterprise List is designed to be a foundation for developing social enterprise procurement among anchor institutions within and around the City of Toronto. This database serves as a skeleton example for what a high fidelity, interoble database could look like. As advanced education institutions beyond U of T begin to analyze their procurement data and successfully classify social enterprise product offerings, social enterprise databases can be scaled to integrate with any anchor institution's procurement process. Moreover, the SE List, in its current iteration, serves as a useful overview of the general social enterprise landscape within and around the Toronto area. The List is comprised of 57 active social enterprises that can respond to the procurement needs of anchor institutions today, empowering anchors to initiate their own social enterprise procurement pilot projects and collaborate to foster an ecosystem of community, responsibility, and sustainable impact.

Areas for Development

While the Social Enterprise List offers a strong foundation for social enterprise procurement, its current iteration can surely be developed into a more robust, informed tool. Consultation with social enterprises within the List to determine which SDGs best reflect their core product offering would refine the database and allow all stakeholders to make better impact-related procurement decisions. Further, integrating anchor institutions' purchasing data beyond U of T into the SE List would allow for a more widely applicable and user-friendly document for social enterprise procurement.

UN Sustainable Development Goals

SUSTAINABLE DEVELOPMENT G&OALS

1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS	SUSTAINABLE DEVELOPMENT G&OALS