



United Way
Social Purpose Institute

Social Purpose Procurement Toolkit for Social Purpose Companies

October 2021

Social Purpose Institute at United Way



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Introduction

The Social Purpose Institute seeks to help social purpose companies begin the process of engaging their Suppliers to consider becoming a social purpose organization themselves and thereby grow the number of social purpose businesses in Canada.

The possible benefits to your organization for doing so include:

- Strengthen your supply chain
- Increase Supplier loyalty
- Potential to be considered a preferred Customer
- Help find and create partners that can collaborate on shared social purpose goals
- Encourage Supplier innovation
- Build brand and reputation
- Inspire employees

There are two routes to beginning this process:

- 1) Raising the awareness of existing Suppliers
- 2) Raising the awareness of prospective Suppliers

It is expected that few current and potential Suppliers will have a social purpose as this is still an emerging concept in business. The main opportunity at this point is to **raise awareness about social purpose in business and to signal to the market** that customers are becoming interested in social purpose. As more and more organizations adopt and implement a social purpose as the reason they exist, it might create a future opportunity for a preferred Supplier list based on shared social purpose values.

Note that this approach differs from social and sustainable procurement which address particular social and environmental features and attributes. It is still important to pursue social and sustainable procurement, which is not the subject of this guide. *[An important aspect of sustainable procurement is to encourage (and reward) good corporate practices. So, if you already evaluate Suppliers on their corporate practices / structures then asking about social purpose would fit very well into this approach and make it easier to implement.]*

About the Social Purpose Institute at United Way

The Social Purpose Institute exists to grow business for good, partnering with companies and collaborating with governments, allied organizations, and others to grow the Social Purpose Business movement. We achieve this in several ways. We help businesses define and implement their social purpose to drive both business growth and societal good. We champion a Purpose Economy, accelerating the new business ethic to create long-term well-being for all. We are thought leaders, creating and curating insights and knowledge to define the transition pathway to the Purpose Economy. We convene the social purpose ecosystem - the partners and actors needed to bring social purpose to life in communities across Canada. Together, we build a better world through business. For more information, visit us at www.socialpurpose.ca

Acknowledgement

This tool was created by Coro Strandberg, Advisor, Social Purpose Institute at United Way.



Business and Procurement Leaders on Their Experience with Social Purpose Procurement

“Engaging our suppliers and partners to talk about purpose and our journey to becoming a social purpose organization was an important step forward as we embed social purpose across our business. Driving the purpose economy requires that we collaborate with others within our ecosystem and we are excited to be taking the first of many steps to engage our partners in this work.”

- Glenn DeSouza, SVP Cards, Strategic Sourcing and Real Estate, Coast Capital Credit Union

“Collaborating with our suppliers was a natural next step as we looked at embedding our social purpose within our business. It provided us with the opportunity to not only share our commitment but also collaborate and identify ways of working with like-minded suppliers to accelerate and take our social purpose to the next level.”

- Allen Langdon, President & CEO, Return-It

“Monarch believes that one of the ways we can bring our purpose to life is by engaging our suppliers on our purpose. That is why we are committed to promoting social purpose to our suppliers and vendors. This opens the door to supplier conversations and collaborations on our shared societal ambitions. This approach works to identify the potential for innovation and social impact with our suppliers and vendor partners, creating a win-win for both organizations.”

- Gwendolyn Reischman, President, Monarch Structures

“Engaged suppliers lead to the creation of greater positive impact. We are working to mobilize our entire supply chain to create *greater good*, in fulfillment of our social purpose. Everything we do must benefit the well-being of all involved. “Win-win” within our social purpose asks our employees, partners, and all stakeholders to continually consider the impacts of all activities and decisions on individuals, institutions, communities and the planet.”

- Peter ter Weeme, Chief Social Purpose Officer and VP of Player Experience, BCLC



Definition of Social Purpose Business

The Social Purpose Institute defines a social purpose business as a company whose enduring reason for being is to create a better world. It is an engine for good, creating social/societal benefits by the very act of conducting business. Its growth is a positive force in society. A social purpose could include an environmental purpose and goes beyond product, customer, and profit purposes.

Here is a link to the [Definition of a Social Purpose Business](#) which goes into more detail.

Here is a link to the [Business Case for Becoming a Social Purpose Business](#).

Getting Started

Here are some starting points for your procurement team to try out. **These ideas are designed to raise awareness of social purpose among your Supplier base.** As you become more comfortable with this approach, consider expanding and extending your efforts.

A. Raising Awareness of Prospective Suppliers

RFx Documents

Here is sample text your Procurement Team could include in RFx documents:

A standing question asking potential Suppliers to answer a social purpose question in their submission, for example:

Simple approach option 1:

Include a request in RFx documents that the Supplier submit the purpose of their organization, such as:

Please submit your organization's purpose statement: [...]

Note: this is a simple approach because it simply asks the bidder to provide information on the purpose of the organization, not the social purpose.

Advanced approach option 2:

Include a request in RFx documents that the Supplier answer these questions:

"Insert your company name" has a social purpose of "insert your social purpose statement here".

We defined our social purpose using this definition adopted by the Social Purpose Institute: Link to the [definition of a social purpose](#).



1. In your submission, please check the statement that is most correct:

- Our company has a social purpose.
- Our company is in the process of developing a social purpose.
- Our company does not have a social purpose at present.

If your company has a social purpose, please include it in your submission. It should answer the question: "We exist to....."

2. Our social purpose is described above. Tell us how your company can support the advancement of our social purpose, and how choosing your company will advance our social purpose?

Note: this is a more advanced approach as it goes into greater detail about your social purpose and social purpose more generally.

B. Raising Awareness of Existing Suppliers

For **existing Suppliers**, for example if you typically send vendors a PO, you could ask them to "update their company profile" every year and ask them to include the purpose of their company at that time.

For **strategic Suppliers** you could send them information about your social purpose and let them know you are interested in working with Suppliers that also have a social purpose. You could ask them if they have a social purpose and link them to resources if not.

Here are some other ideas you can pursue with existing Suppliers:

- Contact Suppliers to ask them if they would like to attend a Social Purpose Institute Workshop
- Subsidize the cost of participating in a program to develop a social purpose (for smaller Suppliers)
- Hold an in-house social purpose education and awareness workshop for interested Suppliers

Tracking and Monitoring

Your organization may want to keep track of its approach to social purpose procurement. Here are some potential metrics to track your progress and impact:

- 1) Number (and percent) of RFX's issued that included a purpose question (either simple or advanced) - aiming for 100%
- 2) \$ value of RFX's issued that included a purpose question (and % of overall spend) - aiming for 100%
- 3) Number of Suppliers educated on social purpose in business (in-house or through referral to a Social Purpose Institute workshop)



Conclusion

Thank you for your interest in spreading social purpose in business across Canada and beyond by talking to your Suppliers about this approach to business. It is through these measures that we can help to grow business for good!

Contact for more information: Please contact Coro Strandberg (coro@corostrandberg.com) if you have any questions.

Case Studies of Social Procurement in Action: See below.



Case Studies

Here are four case studies of social purpose procurement in action:

- Coast Capital
- Monarch Structures
- Encorp Pacific (Return-It)
- BC Lotteries Corporation

Coast Capital

Coast Capital is a member-owned financial co-operative headquartered in Surrey, B.C. It participated in the Social Purpose Implementers Program to inform implementation of its social purpose during 2021-2022.

Coast Capital focused on supplier education. It held an “introduction to social purpose workshop” for its suppliers in September 2021. They invited 40 suppliers and 16 supplier/partner organizations sent 25 participants, with representation across a variety of industries including technology services/software providers, professional services, construction, facilities management, telecommunications, creative services and others. They also heard from a number of suppliers who couldn’t make the first session that would like to be included in future workshops.

Coast Capital hosted the session via online webinar and held it for one hour over lunch time. The agenda was as follows:

1. Welcome and Territorial Acknowledgement
2. ‘Introduction to Social Purpose’ presentation by the Social Purpose Institute
3. Fireside Chat with Coast Capital focused on sharing Coast Capital’s social purpose journey, social purpose, and how Coast Capital plans to work with others within its ecosystem to advance the purpose economy

Coast Capital had some great engagement from the organizations with questions including:

- How does purpose line up to the mission and vision of an organization?
- Has Coast Capital seen impacts on employee retention/attraction since launching its purpose?
- What benefits/changes has Coast Capital seen since launching its purpose?

While only one organization shared during the session that they are purpose driven, many others noted that they would be taking this back to their teams to engage in discussions around purpose and all expressed interest in supporting Coast Capital’s purpose.

Immediately following the event, attendees reached out to connect Coast Capital with others in the purpose space to discuss possible collaboration. One of the purpose-driven organizations who attended also expressed an interest in working together to share collective knowledge.



As a follow up to the session, Coast Capital provided each attendee with a pass to the Propelling Purpose Summit (www.propellingpurpose.ca) so that they can continue to engage with purpose which has been tremendously well received.

In addition to the foregoing, Coast Capital also supported one supplier to participate in a Social Purpose cohort to define its social purpose in 2020/21.

Monarch Structures

Monarch Structures, based in Richmond and Delta B.C., specializes in indoor and outdoor structures and fixtures. It offers design, engineering, manufacturing, project management and installation services to clients. It adopted its social purpose through the Social Purpose Innovators Program in 2020.

Since adopting its social purpose Monarch became interested in finding out which of its suppliers were equally interested in building a better world and could become collaborators on shared purposes and innovation.

Monarch's Approach to Supplier Social Purpose Awareness

In Spring 2021 Monarch introduced the following in all its RFQ, RFP and PO documents. Over the first 3 months of this effort, about 90 vendors were informed of Monarch's approach and the concept of social purpose in business.

Social Purpose

*Monarch Structures has a social purpose as the reason it exists. Our purpose is to **"Shelter Communities and Spark Connections in Shared Spaces"**. We defined our social purpose using this definition adopted by the Social Purpose Institute: [Link to the definition of a social purpose](#). Please let us know if your company does or does not have a social purpose as the reason it exists. If your company does have a social purpose, please include it here [...].*

In response, some bidders described their company values and others their CSR initiatives. Sometimes Monarch's procurement staff followed up with the supplier to ask if they noticed the social purpose reference. As a result of this awareness-raising effort, Monarch uncovered valued sustainability expertise and capacity in their supply chain. The company hopes to partner with these suppliers as it advances on its social purpose. Monarch also referred a supplier to the Social Purpose Institute to consider joining a program to develop its social purpose.

Continuous Improvement

Soon after starting this initiative the procurement team debriefed their experience. They felt that the company could do more to demonstrate their own social purpose commitment and recommended it be given a higher profile by including it in employees email signatures, a practice the company now follows.



Encorp Pacific (Return-It)

Return-It, based in Burnaby, B.C., is a federally incorporated, not-for-profit, product stewardship corporation with beverage container management in British Columbia as its core business. It adopted its social purpose through the Social Purpose Innovators Program in 2019.

Since adopting its social purpose Return-It committed to raising awareness of its strategic suppliers and evaluate opportunities to collaborate with them. The following communication was shared with eleven strategic suppliers to educate them on its social purpose and evaluate opportunities to collaborate.

Return-It's Approach to Supplier Social Purpose Awareness and Collaboration

Supplier Communication:

*In 2020, Encorp Pacific (Return-It) defined its social purpose of **fostering a world where nothing is waste**. We defined our social purpose using the definition adopted by the Social Purpose Institute found [here](#). Our Social Purpose is about defining the role we want to play in achieving a waste-free world. It embodies our commitment to creating a better future for people, communities and the planet. It also encapsulates the leading role we will continue to take to support a circular economy through partnerships, community engagement, investments in new technology, research and innovation. More information on our social purpose can be found [here](#).*

As we pursue our journey, we will be looking for synergies and opportunities to collaborate with our partners and suppliers that have adopted or are looking to adopt a social purpose. To help us track these opportunities, we ask that you please take a few minutes to complete the below. Thank you in advance for your input.

1. *Please bold the statement that is most correct:*
 - *Our company has a social purpose.*
 - *Our company is in the process of developing a social purpose.*
 - *Our company does not have a social purpose at present.*
2. *If your company has a social purpose, please let us know what it is. It should answer the question: "We exist to....."*
3. *Our social purpose is described above. If relevant, tell us how your company can collaborate and support the advancement of our social purpose?*

Results:

- Of the 11 suppliers engaged:
 - 27% had a related vision and were interested in collaborating with the business to further evolve its social purpose



- While the remaining did not have one, they were thankful for learning more about what the company was doing and how to develop a social purpose

Anecdotes from Different Suppliers:

"I really admire and respect what Return-It is doing as a social purpose business so I am hopeful that [supplier] can be a valuable partner through even more collaboration and by contributing to Return-It's objectives. There is a lot to explore from the ideas I've provided below."

"We believe that with Return-it's help and vice versa, we are continuing to achieve [supplier] and Return-its goals / social purpose. [Supplier] will continue to support Return-it in whichever direction they go in the future."

"This is an interesting initiative of the United Way that I have yet to hear of, so thank you for putting this on the radar. We have nibbled around the edges of such a statement, but never as methodical as this process. I look forward to digging a little deeper."

"Thank you so much for sending this - admittedly, thought-provoking! - note to us. It's really heartening to see Encorp Pacific is among those progressive organizations investing the time and deep thinking required to take an initiative like adopting a social purpose seriously. Additional kudos that you have not just made a quiet commitment to your path but are also 'putting it out there' and challenging those you work with to illustrate the thinking and work they have done in a similar regard. I'm happy to report below that [Supplier] has indeed 'done the work' - with some of our initiatives lasting multiple years, and others having been accelerated over the last two years or so. I've tried to be brief in responses to your questions, below, but if you wanted or needed more information on anything noted, I'd be happy to chat with you."

Next Steps:

- Return-It is scheduling meetings with suppliers who expressed interest and can help accelerate the company's Social Purpose to discuss opportunities to collaborate

BCLC - British Columbia Lottery Corporation

BCLC is a Provincial Crown corporation offering gambling products, including lottery, casino games and sports betting across B.C. It adopted its Social Purpose in March 2021: ***We exist to generate win-wins for the greater good***. It participated in the Social Purpose Implementers Program to inform implementation of its social purpose during 2021-2022.

To BCLC, everything it does must benefit the well-being of all involved. "Win-win" within its social purpose asks employees, partners, and stakeholders to continually consider the impacts of all activities and decisions on individuals, institutions, communities and the planet. With its social purpose, they strive to ensure, in all its endeavours and transactions and relationships—in the most important sense of life, livelihood, meaning, and well-being—nobody loses and every person it



touches comes out ahead.

BCLC consulted suppliers in defining its social purpose. Since adopting a social purpose BCLC has been focused internally on educating staff and updating procurement policies related to its future purchasing and vendor relationships.

BCLC's Approach to Supplier Social Purpose Procurement

BCLC's is implementing a new Social Purpose and Sustainability Procurement Policy which will be complete and approved the first quarter of 2022. In the meantime, BCLC has onboarded a number of Social Purpose suppliers and will officially adopt the following into policy:

BCLC will implement social purpose and sustainable procurement practices to advance BCLC's social purpose and positive sustainable impacts and reduce negative impacts in ways that are fiscally responsible, address risks and opportunities, meet cost and quality requirements while respecting trade agreements.

BCLC has a Social Purpose and Sustainable Procurement Toolkit to provide employees guidance on how to incorporate social purpose and sustainability considerations into competitive solicitations and purchases and engage suppliers on BCLC's social purpose and sustainability objectives.

Supplier Communication and Measurement:

BCLC will include the following in all RFX documents:

BCLC has a social purpose to generate win-wins for the greater good.

We defined our social purpose using this definition adopted by the Social Purpose Institute: [Link to the SPI's definition of a social purpose.](#)

1. In your submission, please check the statement that is most correct:

- Our company has a social purpose.
- Our company is in the process of developing a social purpose.
- Our company does not have a social purpose at present.

If your company has a social purpose, please include it in your submission. It should answer the question: "We exist to....."

2. Our social purpose is described above. Tell us how your company can support the advancement of our social purpose, and how choosing your company will advance our social purpose?

In addition, the following criteria will be reported out and measured for all RFX documents:



- Number, percentage of total and/or dollar value of bids in which at least one sustainable issue area to be addressed was included.
- Average weighting applied to Social Purpose and/or sustainability related questions /specifications in bids.
- Number of contracts awarded to suppliers who scored highest on Social Purpose and/or sustainability.
- Team training and learning and development opportunities identified regarding Social Purpose and/or sustainability.
- The measure of bid awards to suppliers ranking the highest in sustainable criteria.

Next Steps:

- BCLC will seek to identify suppliers that will accelerate its Social Purpose and discuss opportunities for collaboration.
- BCLC will adopt its policy upon approval from the Board and Executive leadership (first quarter of 2022).
- This policy will apply to all employees involved in the procurement of goods and services on BCLC's behalf for procurement activities and supplier relationships including the purchase of goods, services and capital projects.