Climate change continues to be a hot topic in the U.S. Although I have not heard or read anything earthshaking from either side lately, I'm sure we are making some progress in the more efficient use of carbon producing fuel, at least in the west. Our family car gets twice the mileage our car delivered years ago and we burn much less oil to heat our home. As local natural gas distribution continues to expand here in the northeast, many homeowners are shifting away from heating oil to the cleaner-burning fuel, which is also cheaper once the cost of changing over is amortized. Although all that helps, at best, progress is slow and efficiency and cleaner fuels do not reduce the amount of carbon released into the atmosphere globally, if increased consumption more than offsets the efficiency reduction. Increased efficiency is not a quick fix.

Our posting this month discusses aspects of two symbolic gestures. The first is the international confabas ostensibly organized to provide a forum for the development of viable global solutions to the problem. In fact, I think it's fair to say they have done more to publicize the issues and little to come up with the viable global solutions that once seemed to be their Holy Grail.

The other is the protest divestiture of coal mining or fossil fuel stocks that some see as a way to put economic pressure of the companies involved by threatening their stock prices and their ability to raise capital. That Holy Grail solution seems as much, or more, out of reach now than it has ever been and the financial pages tell us that protest divestiture has negligible effect on corporate bottom lines. However, both approaches draw attention to the issues involved and that is a plus.
There was no mention of how "advanced nation" would be defined. For example, how would China and India be classified? Would there be a sharp cut-off based on some measure to be determined, or would there be some sort of graduated criteria? I imagine there would be a mad, self-deprecating scramble at the margins to avoid becoming named a donor nation.

Is a global, self-imposed carbon tax to avoid paying a self-imposed tariff likely to become reality between now and year's end, or is it a non-starter? Overall, I think the article confirms the lessons learned the last time around. A big-stick approach isn't likely to be viable any time in the foreseeable future. Self-preservation might provide the needed big stick at some point down the road, if dire predictions seem about to pan out in the minds of the people with the resources to make a difference. But so far, the warnings about increasing carbon in the atmosphere have not provided enough motivation to make what are seen as panicky reactions and Draconian proposals acceptable.

Based on past history and the thin agenda mentioned for the next international meeting, perhaps their actual purpose is to educate, or maybe arouse, the public rather than to develop viable solutions. The study of climate change and the consideration of measures to try and control the adverse outcomes predicted is certainly a worthwhile scientific endeavor. And I think proponents have the attention of many of the world's leaders and citizens. But deciding what to do and when will always properly be a political decision, even if the decision is to do nothing much right now. If time is running out, maybe it is time to invite fewer scientists and more experts on what is politically possible to these meetings.

Considering the overall article, I think the author had already concluded we were not likely to find a big stick any time soon.

**Coal Divestment: Take Your Pick**

The title of an article in the June 14, 2015 issue of the *New York Times* was, "Never Underestimate the Power of Shame." The article points out that, as applied to the coal industry, shame hasn't proven to have much potency. You might think that Norway's sale of $890 million in coal-company stock (presumably bought with money earned by its oil industry) and the French insurance company AXA's sale of $560 million in coal-industry securities, together with the Rockefeller Foundation's announcement that it "...would sell fossil fuel investments starting with coal." might have a noticeable effect on coal-industry stock prices.

The article notes "Coal prices have been hammered. The Dow Jones coal index is down 86% since 2011." "Peabody Energy, one of the country's biggest coal producers, recently listed the divestiture campaign as a risk factor that threatens the share price." Despite all this, the article's author, David Gelles, argues, "But there is an open secret: for all of its focus on stock holdings, the divestiture campaign has nothing to do with the company's investor base, share price or credit worthiness." He pointed to a study conducted by Oxford University. "The study concluded that, even if every public pension fund and every university endowment joined the movement and sold its fossil fuel stock, the effect would be negligible."

To date, a few of higher education's governing boards have embraced divestiture, but most either have no stock to sell or have decided not to join in the effort, for one reason or another. Gelles offers, "But that doesn't mean divestment campaigns have no consequences. What they do best is good old-fashioned public shaming." Maybe that's a realistic goal. However, he apparently believes, "...the stocks of those companies are down not because of divestment, but because shale oil mining and cheap natural gas have reduced demand for coal." The June 3, 2015 issue of the *Wall Street Journal* published an article titled, "With Coal in the Pits, Miners Pull Back," pointing out that, currently, there is a world-wide over-supply of coal. Abundant coal is cheap coal and a formidable competitor for cleaner fuels in some areas.

"I'm very supportive of aggressive climate policies," said Robert Stavins, director of the Environmental Economics Program at the Harvard Kennedy School of Government. "But the message from the divestment movement is fundamentally misguided."

He contends that, "the problem is not investment in energy companies; it is an economy that remains dependent on fossil fuel production and consumption. "While clean energy production is growing, western economies would grind to a halt tomorrow without fossil fuels." And the divestment movement has focused on western companies, while India and China have continued to mine and burn huge amounts of coal. Norway, now a leader in the movement, amassed its gargantuan sovereign fund by drilling for oil and gas in the North Sea."

"Divestment comes at the expense of meaningful action," said Frank Wolak, director of the program on energy and sustainable Development at Stanford. "It will do nothing to reduce global greenhouse emissions. It will not prevent these companies from raising capital."

"A more effective use of activists' energy," Mr. Wolak and Mr. Stavins are quoted as saying, "would be to put a price on carbon emissions through a cap-and-trade system." "But that will be a tough sell here in the US."

"What we need to do is focus on actions that will make a real difference," Mr. Slavin said, "as opposed to actions that may feel or look good but have little real world impact."

On the inevitable other hand, several contributors support divestiture as a tactic. The Oxford researchers mentioned earlier, found that the negative publicity can create "reputational
headaches. “It becomes much harder for stigmatized businesses to recruit good people to
influence policy and, occasionally, to raise capital,” said Mr. Caldecott, a professor at Said Business School Oxford.

The author suggested, “Divestment campaigns also give activists a focus—an easy to understand object for their outrage.”

“The goal is not to bankrupt the fossil fuel industry. We can't do that with divestment alone,” said Bill McKibben, a leader in the divestment movement. “...but, we can help people politically bankrupt them. We can impair their ability to dominate our political life.”

Not to be left on the sidelines, the bishops of the UK's Anglican Church have decided their church must divest itself of fossil-fuel investments to cope with climate crisis. (By way of full disclosure, Susan and I are members of the oldest Episcopal Church in continuous service in the U.S.)

Although I expect the bishops on this side of the Atlantic to support their brothers in the UK and call for divestment, I don't think our contribution will be significant and I don't hear much discussion of the subject among the members of Caroline Church. Recently, the head of the Roman Catholic Church has addressed this topic. He may well be able to stir up his flock.

As you might expect, natural-gas producers among the major oil companies have gone on record supporting increased use of natural gas to replace coal. Actually, that shift has been underway for some time, wherever possible and economically advantageous. Along with the divestiture proponents, are they beating a dead horse? Or, thankfully, is this horse—though a bit lame—sound enough to provide the fuel we will need for at least a while?

In this area, is any thing new happening on your campus?

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**From the President: Think What You Can Achieve**

Lisa Deal, C. P. M.
University of Florida
NAEP President 2015-2016

Innovate? Is that my job? Who has time for that? And what if I’m wrong?

Let’s assume that you are, as lots of procurement folks are, hard-working and over-worked. There is always more you could be doing, one more thing to research, contract term to negotiate, stakeholder relationship to develop, or new supplier/source or contract to investigate. The daily transactional work of procurement can keep one busy full time. The challenge is, for any and all of us, to think about improving business processes, regardless of our title or role in procurement. Some days, it seems easier just to do the same thing day-to-day, and you may think that’s your job, but to bring real value to our organizations, it means seeing the larger opportunities for change that allow our departments to continue to do more with less. Having the idea doesn’t just mean telling your boss; you are a needed part of the planning and execution. Changing a business process can be challenging—even scary. But when we are successful and add value to our organizations, it’s good for our campus—and it is good for us. Who knows, it could even lead to a promotion.

Here’s an example. Does your unit read a lot of hotel-event contracts? Ours does. We modify each one to meet our University and State regulations and laws. It’s fun to see what all the departments on campus are doing, but it is very time-consuming to read them all and, frankly, we aren’t sure we are adding as much value or mitigating as much risk as the time we are taking to read the contracts. First, we tried a Hotel Contract Addendum, and it helped. It works in some cases, but not all. We also got some of the local hotels to agree to a contract that conforms to our requirements, but not all their staff use it consistently, so we are still reading every agreement. Since our first attempt wasn’t wholly successful, our buying staff and leadership decided we are going to try Master Agreements with the local hotels. Yes, the meetings with General Managers and calls with their corporate counsels will be time-consuming, but we think that putting the hours in will be worth it down the road. This second idea isn’t ground-breaking, but it is a little outside the box for the buying staff, who could have just kept doing what they were comfortable doing. Now, the buyers can’t wait to shift the time spent reading those contracts to other add-value activities for campus, while improving the turn-around time for event contracts.

The above example is a small change, but there are larger examples. How about a campus that implements an ERP, a new eProcurement, spend analytics, or contract management tool? Those can be big changes for campus users. Whose idea is it? Yours? What makes those implementations successful? Experienced staff—that's you, being inspired or unafraid to make changes to improve a business process. Positive outcomes are more likely when you write a clear business-case for the change, engage appropriate stakeholders, and map out a change-management plan.

So, if you are doing something the same way all the time and you take time to think about a way things might be better, don’t be afraid of making a mistake. Talk with your colleagues—in your
You don’t ask, you don’t get! That’s my motto and this should be the motto of every procurement professional, if not something similar.

If you have any flexibility in your procurement processes, it is your responsibility to do the due diligence to try to obtain the best value for your organization. This not only includes pricing, but any other value added incentives such as free freight, better payment terms or simply risk mitigation. You should always read the fine print and go back to the supplier to ask clarifying questions. The better you understand the terms of the deal, the better position you put yourself in to negotiate better terms for your contract.

I can’t tell you how many times I’ve gone back to a supplier and asked for something additional. Most of the time, I always get something! You may not always get exactly what you asked for, but many times you will come to a compromise that satisfies both parties and you will have more than what you originally started with.

With budget cutbacks, which seem to be all too familiar, this strategy is another way that we can show the true value to our organizations. By stepping out of your comfort zone and working strategically with your suppliers, you bring added value to your institution by not being just another transactional processor.

Some people have a natural fear of speaking up or asking for things. Just think about it... what’s the worst that could happen? The supplier says no? When you think about it, simply by asking, the odds of getting more than you expected increase dramatically. If you are not sure where to start or how to feel comfortable at the table with a supplier, ask to shadow someone who is good at it. Additionally, there are many self-help books and negotiation seminars or webinars available. Practice makes perfect and the more you work at something the better you will get at it!

So just remember, the next time you are contracting for something:

• Don’t be afraid to ask
• Don’t take the first offer - many times the supplier has wiggle room and doesn’t give their best offer initially
• Understand the terms and ask questions for clarification of knowledge
• Think ahead of options that add value - i.e. make a list in advance of things you want, to prevent you from getting caught off guard

And always remember... if you don’t ask, you don’t get!
Quiz: Can You Improve Your Emotional Intelligence?

We are all emotionally intelligent. We are self-aware, self-regulated, motivated, empathetic, and socially driven. These are specific areas upon which we can improve, both professionally and personally. Where do you fall on these traits? Take a quick online quiz by MindTools to find out.

The Professional Plus tier of the Procurement Academy discusses and teaches emotional intelligence as part of the leadership training. If you supervise staff or aspire to a higher management position then you should attend this intensive institute. The Procurement Academy is based in tiers for those newer to procurement, those with several years of varied experience, and those looking to make the jump to a Director of Purchasing level position. Register today to be in Phoenix in February.

(NAEP is not affiliated or associated with this quiz or organization. Enjoy this online tool on your own)

Article: Did You Really Mean to Say That?

Clear contract drafting is a skill that must be learned. The ability to draft procurement-related documents (contracts, policy, procedures, etc.) clearly is essential to lowering risks and increasing compliance. Whether you are an attorney, a contract officer, a purchasing officer, or a business officer, this class will introduce you to the skills needed to draft clear documents, policies, and procedures.

On December 6-8, 2015 the Contract Management Institute in Las Vegas will feature a seminar by Ken Adams, the recognized expert on contract drafting. Register today to be in Las Vegas this December. Review the institute program agenda here.

NAEP Forums: A Better Way to Connect

Have you seen the new NAEP Forums yet? This new technology makes it easy for you to connect with your colleagues across the country and keep abreast of what’s going on. Designed to improve upon the listserv experience, the forums are a 3-D version of that older technology. Now, when a question is asked on the forum you can follow in real-time the answers that are posted!

What is the best part about the new forums? No more out-of-office replies when you post!

This enhanced communication feature is available for NAEP members. Be sure to sign into the website to access both the national forum and your regional forum as well.

Call for Presentations: 2016 NAEP Annual Meeting

The Call for Presentations is now open for NAEP’s 95th Annual Meeting & Exposition, which will be held May 22-25, 2016 in San Antonio, Texas. Now it is time to share your best practices, successes and even missteps with other procurement professionals at NAEP’s 95th Annual Meeting & Exposition. Your expertise and experience are valuable. Click here for a detailed description of the program topics and to submit your proposal. Most attendees will be purchasing professionals from two- and four-year institutions, representing public, private, research, and healthcare areas. We will also have representation from other disciplines such as facilities, food services, auxiliary services, HR, telecommunications, and information technologies.
Calendar of Events

**Strategic Procurement Institute**
August 30 - September 2, 2015
Denver, Colorado

**Contract Management Institute**
December 6-8, 2015
Las Vegas, NV

**Procurement Academy**
*Foundation | Professional | Professional Plus*
January 31 - February 2, 2016
Phoenix, AZ

**RFP Institute**
February 2-4, 2016
Phoenix, AZ

**Federal Procurement Institute**
February 2-4, 2016
Phoenix, AZ

**2016 Annual Meeting**
May 22 - 25, 2016
San Antonio, TX

Call for papers is now open.

**Regional Meetings**: (click for full calendar)

- **Great Plains**
  September 13-16, 2015
  Overland Park, KS

- **Florida**
  September 16-18, 2015
  Ft. Lauderdale, FL

- **TOAL**
  September 20-23, 2015
  Rogers, AR

- **Kentucky**
  September 27-30, 2015
  Hebron, KY

- **Great Lakes**
  September 30 - October 2, 2015
  Sandusky, OH

- **Michigan**
  September 29-30, 2015
  Rochester, MI

- **TAGM**
  October 5-7, 2015
  Birmingham, AL

- **District VI**
  October 5-8, 2015
  Tempe, AZ

- **Upstate New York**
  October 6-9, 2015
  Syracuse, NY
Contest: First-time Annual Meeting Presenters Could Win Free Registration

To encourage submissions from first-time submitters, if you are a new presenter and your session is selected by the Program Committee to be on the conference agenda, your name will be entered into a drawing. Two winners will be selected from this group to receive a complimentary registration to the meeting in San Antonio.

Sustainability on Campus

University of Florida-Gainesville Opens Food Pantry to Tackle Student Hunger

A recent needs assessment conducted by UF Institute of Food and Agricultural Services (IFAS) found that 10 percent of the student body experienced hunger or was challenged to find food during their tenure at the university. That percentage was higher among international, first-generation students and those on Pell Grant scholarships. In June, the Student Government, Student Affairs, Dean of Students office and the IFAS joined forces to make an on-campus food pantry a reality.

University of California-San Francisco is First College Nationally to Stop Selling Sugary Drinks

In July 2015, the University of California at San Francisco, where all programs are in the health professions, became the first college nationally to stop the sale of sugary beverages on campus. That means no Coke or Pepsi, or plenty of other products. But the policy doesn’t prevent diet sodas, zero-calorie drinks or 100 percent fruit juices from being sold, nor does it impact the sale of unhealthy foods on campus, and students may bring the forbidden drinks onto campus.

Quote of the Month

“A sure sign of a soul-based workplace is excitement, enthusiasm, real passion; not manufactured passion, but real involvement. And there’s very little fear.”

- David Whyte

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