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Solutions to Your Resolutions

Doreen Murner
CEO, NAEP

How are your new year’s resolutions coming along? Are you still on track to meet your personal and professional goals?

As we approach the end of the first quarter, it is a smart time to review your professional goals for the year. Is your department where you said you would be at this time of year? Are you developing professionally at the pace you thought you would? A course correction now is more effective than last-second maneuvering towards the end of the year, when it might just be too late.

NAEP has resources that your procurement department can utilize to be successful. If you have not downloaded an Innovators Forum paper from the Resources section of the NAEP website, you are doing your department a disservice. Our yearly Innovators Forums bring together best-in-class professionals from both inside and outside procurement on a wide variety of relevant topics. Our most recent discussion focuses on customer engagement and service; other topics include talent management, issues in technology, and procurement as a brand. These are must-reads for your management team.

As you review your professional career, study your career roadmap. You do have one, right? It’s never too late to sit down and plan your career objectives and the professional development needed to get where you want to go. What is your goal and do you have the resources to achieve it? As you review, take stock of the resources NAEP has to help you achieve your goals.

Do you have a mentor? If not, you might just be able to find one in 2017. Your colleagues on the volunteer Professional Development Committee have piloted a Mentorship Program that will roll out to the entire NAEP Membership this year. If you are new to procurement, this is a great time to pair with a mentor, and if you have seen it all in procurement, now is the time to give back.

Do you know what skill sets and core competencies you will need to earn the promotion to your next procurement position? Review the NAEP Competency Model to see what specific skills, knowledge and abilities you will need to master before moving up.

Where do you find the education to develop professionally? NAEP University can help. Coming this summer, NAEP will once again offer our Procurement Academy. Whether you are just starting your procurement journey or you have progressed to the point where you are managing programs and staff, the tiered programming of the Academy will meet you at your level. In addition to the Procurement Academy, invest time in one of our in-person, topic-specific institutes. From the RFP Process Institute to Federal Procurement Management, our yearly Innovators Forums bring together best-in-class professionals from both inside and outside procurement on a wide variety of relevant topics. Our most recent discussion focuses on customer engagement and service; other topics include talent management, issues in technology, and procurement as a brand. These are must-reads for your management team.

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Where do you find the funding to enact your plan? NAEP has national and regional scholarships to help offset the costs of professional development. For many regions this year, the William E. Haas Scholarship Program will roll out to the entire NAEP Membership this year. If you are new to procurement, this is a great time to pair with a mentor, and if you have seen it all in procurement, now is the time to give back.

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The Vendor Risk Management Tool Kit: A Sustainable, Collaborative Approach to VRM

by Ruth S. Rauluk MBA, ARM, CPSM, C.P.M.
Point Park University

This second in a series of three articles (the first was published in Fall 2016) explores helpful tools that can help identify and measure risks presented by vendors who could expose the institution to loss and harm.

Vendor Risk Management (VRM) can be defined as “…a rigorous, analytical process to identify, measure, monitor, and establish controls to manage the risks associated with third-party relationships.” (OCC 2011).

As procurement professionals, we are uniquely positioned to manage vendor risk by engaging internal customers and our respective risk-management departments using tools designed to collaboratively identify, assess, and mitigate vendor risk enterprise-wide. In this article, we will discuss a variety of VRM tools that can easily be adapted to meet the unique needs of your institution. But first, let’s consider the importance of selecting the right tools for your organization.

Abraham Maslow, the renowned psychologist, said “I suppose it is tempting, if the only tool you have is a hammer, to treat everything as if it were a nail.” Dr. Maslow’s statement has three meaningful inferences applicable to a successful VRM program. First, not every vendor (and associated risks) should be treated as a nail. Second, a VRM toolbox that includes multiple tools that are appropriate and sustainable within our individual

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<table>
<thead>
<tr>
<th>Figure 1. Risk Exposure Tool</th>
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</thead>
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### I. Volume Exposure
Identify your top 10-20 vendors by total spend by thinking about the following prompts:

- Which 20 percent of your vendors account for 80% of your spend?
- Which vendors account for a large proportion of your operating budget?

### II. Inherent Risk Exposure
These inherent risk exposures can be considered by thinking in terms of the inherent risk exposure types listed below. Please note that “Reputational Exposure” is not listed as a type because there is overlap between the exposures listed below and Reputational Exposure. In other words, any one of the exposures listed below could trigger reputational risk.

#### Financial Exposure:
- Vendor is a sole or single-source provider of products or services
- Vendor collects revenue or processes critical third party payments

#### Strategic/Competitive Advantage Exposure:
- Vendor provides services that are integral to your department’s success/strategic goals and objectives (and that cannot be provided internally)
- Vendor has access to University’s intellectual property (IP) or creates IP for the University

#### Compliance Exposure:
- Vendor handles, transports, or disposes of hazardous materials
- Vendor accesses/stores customer PII (personally identifiable information)

#### Human Capital Exposure:
- Vendor performs services on campus (with minimal or no internal supervision)
- Vendor interacts with minors on campus on a one-to-one basis
institutions should be employed. In more colloquial terms, we should use the right tools for the right job. Third, the selected tools can shape our perception of vendor risk and will directly impact our ability to select impactful mitigation strategies. Our selection of the right tools is critical.

Best-in-class institutions segment their vendors by risk exposure and focus on the small percentage of the overall vendor base that may present a serious, and often painful, risk to the institution. Developing a risk exposure tool to facilitate this best practice ensures that risk management efforts and resources are focused on the critical few (the nails) rather than the trivial many. This tool should be structured to create a quick, straightforward method to identify vendors who warrant a comprehensive identification and assessment process.

The risk exposure tool provided in Figure 1 on page 13 prompts end-users to pinpoint risk potential by focusing on two broad categories of exposure: volume exposure and inherent exposure. Inherent risk includes several key exposure subcategories: financial, strategic/competitive advantage, compliance, and human capital.

The tool should be modified to include institution-specific exposures. For example, a research institution may have different prompts under inherent risk exposure, such as grants-related or environmental hazards.

Once we’ve used the tool to identify key vendors, we can employ a reengineered version of the classic supplier certification form to gather meaningful data from individual vendors and third-party sources, such as Dun & Bradstreet. The enhanced design of the certification tool (see Figure 2) allows institutions to ask germane questions regarding a vendor’s legal and financial position, and focuses on critical issues.

---

**Figure 2. Excerpt from Certification Tool**

**B. Legal Information**

All questions must be answered Yes or No. If the answer is YES, provide information requested below.

10. Is your company currently barred from doing business with any local, state, or federal governments/agencies or institutions that receive federal funding?
   Select Yes / No If Yes, Explain: Duration:

11. Has your company ever been barred from doing business with any local, state, or federal governments/agencies or institutions that receive federal funding?
   Select Yes / No If Yes, Explain: Duration:

12. To your knowledge, has any current University staff member ever been or still is an owner/officer/board member with your company or any of its subsidiaries?
   Select Yes / No If Yes, Name(s) / Title(s):

13. Are there any pending lawsuits, legal actions, or litigations against your company?
   Select Yes / No If Yes, Explain:

14. Does your company have any liens against goods/services which could impact service delivery?
   Select Yes / No If Yes, Action taken to remove lien:
   Lien holder: Expected removal date:

15. Has your company ever filed or petitioned for bankruptcy?
   Select Yes / No If Yes, Type of bankruptcy:
   Filing date: Current status:

16. Has your company ever been assessed any damages in excess of $500,000, including liquidated damages under any contract? Please explain in space provided.
   Select Yes / No If Yes, Organization Name(s):
   Incident Amount(s):
operational concern, such as organizational resiliency and planning; subcontractor management; and sophistication of the network security and privacy environment.

The information gleaned should be supplemented with data from the institution’s vendor intelligence network (see Figure 3). The depicted network relies on a variety of metrics, observations, and reports from multiple sources. The goals of any intelligence network are to obtain holistic, enterprise-wide vendor data and to mitigate end-user bias. Essentially, we want our perception of risk to be a product of objective, concrete data punctuated by the nuances of our individual institutions.

Effective use of the network requires collaboration with vendors, internal customers

---

**Figure 3. Vendor Intelligence Network**

Vendor Risk Intelligence Network consists of three components:

**Vendor**
- Vendor Certification Form
- Meetings with vendor’s key executive Management
- Site visits to vendor’s headquarters
- Site visits to vendor’s headquarters or to customer facilities

**Internal Sources**
- One-on-one interactions with vendors
- Vendor scorecards or surveys
- Key performance indicators (KPI’s)
- Internal departments — observational data

**Third Party**
- Service Organizational Controls
- Dun & Bradstreet Reports
- Moody’s
- Google searches
- Glassdoor

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(e.g., through completion of scorecards and KPI reports), external parties (e.g., Dun & Bradstreet, Moody’s), and internal support departments (e.g., accounts payable, risk management, information technology).

Internal support departments are often overlooked when gathering risk assessment data. However, they should be involved in any initial assessment and can provide important alerts when we are monitoring vendor risk over time.

Accounts payable, for example, may receive a request from a vendor for accelerated payment. Such requests may indicate a temporary cash flow issue; however, repeated requests may signify financial distress. Similarly, risk management may have information regarding a vendor’s involvement in a large and protracted law suit, which could negatively impact a vendor’s performance over time and diminish both financial reserves and available insurance.

Third-party providers, such as Moody’s, Dun & Bradstreet, and auditing firms, through certification of a vendor’s service organizational controls (SOC) reports, also provide key assessment information.

The totality of information gathered should be evaluated using a tool that incorporates and rates responses from the certification tool and notes any material data obtained from the intelligence network. The risk assessment tool depicted in Figure 4 directly corresponds to the questions raised in the certification tool shown in Figure 2 and calculates an overall perceived risk score based on weighted numerical ratings assigned to each response. This perceived risk score, in conjunction with additional intelligence data, offers a holistic and quantifiable assessment.

Now that we’ve employed our personalized risk exposure, vendor certification, and risk assessment tools for each of our vendors, how do we retain and share assessment information across our organization so that others may access and, hopefully input, vendor data?

Point Park University’s Information Technology Department has created a vendor intelligence database complete with observational fields that can be used by various departments to note vendor alerts. The vendor’s completed certification and assessment tools will be uploaded to the database,

<table>
<thead>
<tr>
<th>Certification Questions</th>
<th>Answer</th>
<th>Meets?</th>
<th>Weight</th>
<th>Raw Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Legal Information</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Is your company currently barred from doing business with any local, state, or federal governments/agencies or institutions that receive federal funding?</td>
<td>No</td>
<td>Meets</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>11. Has your company ever been barred from doing business with any local, state, or federal governments/agencies or institutions that receive federal funding?</td>
<td>No</td>
<td>Meets</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>12. To your knowledge, has any current University staff member ever been or still is an owner/officer/board member with your company or any of its subsidiaries?</td>
<td>N/A</td>
<td>Maybe Meets</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>13. Are there any pending lawsuits, legal actions, or litigations against your company?</td>
<td>No</td>
<td>Meets</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>14. Does your company have any liens against goods/services which could impact service delivery?</td>
<td>Unsure</td>
<td>Maybe Meets</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>15. Has your company ever filed or petitioned for bankruptcy?</td>
<td>No</td>
<td>Meets</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>16. Has your company ever been assessed any damages in excess of $500,000, including liquidated damages under any contract? Please explain in space provided.</td>
<td>Yes</td>
<td>Does Not Meet</td>
<td>5</td>
<td>0</td>
</tr>
</tbody>
</table>

Figure 4. Risk Assessment Tool Excerpt
as well as any other documentation obtained from the intelligence network. The Procurement Department is currently working on an advanced vendor-rating scorecard that can be accessed online and ultimately integrated with the vendor intelligence database.

The planned outputs of this database are vendor-risk profiles that can be shared across the organization to guide sourcing decisions, perform risk/reward analyses, and develop effective risk mitigation strategies.

In my next article, I will provide a practical guide to integrate these tools into routine procurement processes to ensure sustainability of VRM efforts. In the meantime, let’s focus on crafting and perfecting the right tools for the right job.

Resources

Acknowledgments
The Vendor Certification Tool was derived from a supplier questionnaire used by the Procurement and Strategic Budget Management Division, International Monetary Fund, and is used with permission of the International Monetary Fund.

The Vendor Risk Assessment Tool was developed by Lisanne Sison, Bickmore (www.bickmore.net), and Ruth Rauluk, Point Park University, April 2016.
What’s so wrong with being fair? What’s so wrong with being equal? Why is it that some people have everything they need to be successful in business, while others are still striving for access to opportunities so that they can have the same success? Have we considered being equitable instead of equal? When we begin to unpack the notion of equality versus equity, we reveal the true meaning of inclusion, as well as the understanding that some may need more advocacy than others, so that both have access to opportunities, contracts, and the ability to succeed.

Equality, or being equal, is about sameness. It is the act of everyone being provided the exact same amount of whatever is needed, even if some need more and others need less. On the other hand, equity, or being equitable, is about what’s fair; it’s about giving what is needed based in whole or in part on historical barriers, roadblocks, or even current trends and conditions and providing what is needed to create that access.

True support, intercession, leverage, and consideration rest on the shoulders of those who stand in the gap for others; this is the real value of supplier diversity professionals. Advocates for supplier diversity are in a unique position to function as liaisons to opportunities for minority- and women-owned suppliers, while serving a vital role to the supply chain and the organizations they serve. As supplier diversity professionals, we continuously juggle the demands of our role in the design, development, and implementation of initiatives to advance inclusion in our supply chain system-wide. Our customers are internal sourcing professionals, project managers, and executives, as well as external business owners, the communities we serve, and other stakeholders.

The following 10 STEPS TO SUCCESSFUL ADVOCACY describe the approaches supplier diversity professionals should take to impact the diverse suppliers we serve.

**STEP 1:**
**Become a Subject Matter Expert**

Whether it be in construction, goods and services, information technology, facilities, professional services, we must endeavor to get well versed in the strategies of each area of focus. One important place to start is to learn the language—the acronyms and the buzzwords—of each unit within the university. For example, I focused a great deal on construction and attended workshops, along with our project managers, architects, and engineers so that I could speak their language. In doing so, I earned their respect when it came time to discuss an upcoming opportunity.

Consider the areas of your biggest spend. Applying the Pareto Principle (the 80/20 rule) helps you realize that the majority of results come from a minority of inputs. Once you’ve determined the top three areas of your focus, start there, giving those 80% of your attention. Yes, you’ll get 80% of your impact from 20% of your categories. Likewise the 20% of your categories will represent about 80% of your overall inclusion spend. Once you have determined where you will spend most of your time, begin to become a subject matter expert in those areas, being mindful of what’s important to your end-users. Read articles, watch for the types of RFPs that are submitted, read them, and ask questions. Be sure to pay attention to the industry leaders in each category. By determining what they are doing well, you will discover what qualities will impress your end-user so much. As an advocate, you can look for these same qualities among your suppliers. If they lack those qualities, help them understand the power of benchmarking and following industry leaders in an effort to replicate best practices so they can potentially gain market share.

Continued on page 22
10 STEPS TO SUCCESSFUL ADVOCACY IN SUPPLIER DIVERSITY
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Continued from page 18

**STEP 2: Build Relationships with End-Users**

Make it a point to get to know those who actually make the buying decisions and can issue the purchase orders. Often, when coaching other supplier diversity professionals, I say to them, “Don’t always go in with your hand opened, face-up. Sometimes, go in with your hand face-down, giving purchasing decision-makers something that will benefit them.” Inclusion is inclusion and if you discover an amazing supplier at a conference or a matchmaker, be sure to pass that information on to the purchasing department for consideration no matter the demographic—there is enough room for us all!

A great supplier diversity strategy also includes non-minorities who make excellent supplier diversity partners. While working with end-users or budget owners, as they are often called, be certain to have the conversation around second tier spending, especially for certain categories that are unique and rare. Invite end-users to events and conferences so that they can meet suppliers firsthand. We are striving to help them solve their problems and meet their needs, so be sure to ask how you can help. Be aware of what concerns them and support projects other than your own.

One of my favorite quotes from Zig Ziglar, author, salesman, and motivational speaker is: “You will get all you want in life if you help enough other people get what they want.” When I began to live this philosophy, I was astounded to find that I began to shift from focusing on what I wanted in life to meeting the needs of others.

**STEP 3: Identify Potential Advocates**

Often times, the biggest advocates will be in the areas that contain the largest spend for the institution. These purchasers are always on the lookout for the best and brightest, not to mention the most cost-competitive and fiercest suppliers to work with. One rule of thumb I always follow is to make sure that I am delivering those ready, willing, and able suppliers in a variety of forms and methods. For example, when I am soft-vetting a supplier and discover he or she has extensive experience in an area we frequently purchase, I don’t wait for the supplier to request a one-on-one appointment with the university; I bring the supplier’s capabilities to the attention of the most likely end-user or budget holder who will be making that purchasing decision.

Many times, the end-user is just as intrigued as I am and, several times, it has resulted in a closer look at a supplier not on our original radar. Here’s where we strike a connection—the purchaser is now looking to me to continue to identify these strong suppliers and is also becoming just as concerned as I am that we invite them to respond to RFPs. In fact, what’s really happening here is that we are not only meeting our needs for inclusion, but we are helping the department and buyer meet their goals of finding excellent competitive suppliers who just happen to be minority- and/or woman-owned.

Here’s where the advocate is born. The buying signals begin to surface—not necessarily for the particular supplier(s) you’re representing—but for the process itself. Through your engagement, you will build trust with the end-user and you will become an important resource in helping them to build their supply chain. Internal advocates are everywhere in the organization just waiting to be discovered.

**STEP 4: Work Closely with Buyers**

Buyers are the best partners in meeting your supplier diversity goals. They should be considered a resource and a customer. They are a resource because they can keep you abreast of what RFP or RFQ is coming up next or what small goods or service is needed for a P-card spend. Buyers are customers as well, and we must be mindful of our best customer service strategies in serving them. We serve them when they ask us if we know of a supplier who can provide certain products and services and we immediately go to our database to research. We serve them when they have trouble getting in touch with a supplier we have recommended, and we jump in to help. We serve them when we go to matchmakers and other inclusion events and bring back our bounty of both non-minority and minority suppliers.

Working closely with buyers is critical in any supplier diversity strategy. Buyers can tell us if a category is saturated and when we are scarce in a particular commodity or category. So listen closely and adhere. Serve on committees with buyers and end-users and form your own relationships with them, as it is often the quality and level of your own relationships with buyers that will lead to access for your suppliers. If you don’t agree with a decision or the result of a bid, don’t pick a fight with your buyer. Rather, pick your battles and continue to take the high road. Find paths of collaboration and one that will lead to more open discussion. Continue to educate yourself on the processes, including where opportunities exist and how to win them. Learn more about the nuances of their jobs and the difficulties they face when selecting candidates. Communicate that understanding and offer to help.
STEP 5:
Identify University Gaps and Needs

Working in supplier diversity is not only about paying attention to and searching for outstanding diverse suppliers, it’s also about being aware of the needs of end-users, by encouraging them to forecast their future needs. Whether you’re successful in getting a formal forecast or not, you must always pay attention to what’s coming down the pike. This can be done by staying abreast of upcoming developments, renovation plans, and other changes on your campus through your newsletters, websites, by simply inquiring, and keeping your ear to the ground.

Often, buyers are looking to create the next RFP and have the finger on the pulse of what is going to be purchased and know more than anyone, especially in the area of goods and services. You might look at project managers in the office of the architect, for example, for upcoming construction projects or in the facilities department for other significant purchases being planned. You might ask around for opportunities under $50,000 or $200,000. These smaller projects may be low-hanging fruit for your suppliers. At the same time, don’t forget to ask about poor performers who may be on their way out. These are times where you can be proactive in recommending several suppliers to meet an urgent need.

What happens when a go-to supplier is retiring? You guessed it! The department will be looking for new supplier(s) to fill that need. As an advocate, you can be ready and armed with the knowledge and capabilities of diverse companies that can fill that gap.

Let’s face it, sometimes there are go-to suppliers for really small projects, and many buyers also have them for those times of immediate need. What happens when a go-to supplier is retiring? You guessed it! The department will be looking for new supplier(s) to fill that need. As an advocate, you can be ready and armed with the knowledge and capabilities of diverse companies that can fill that gap. This process works well on all size projects.

STEP 6:
Prepare Minority Suppliers Before Introduction

Once you have been given the go-ahead to set up the introductory meeting, be sure to take time with your suppliers to advise them on the culture of the organization, or whether or not the buyer has another meeting following their appointment. Encourage them to stay on topic and on-time, respecting the buyer’s scheduled...
Each of my suppliers in a format that is developing a capability statement for practice I have found to be exceptional. End-users is different for everyone. One 24 EDUCATIONAL PROCUREMENT

show and tell seems to work really well if it can be condensed to work in a meeting environment. Sharing this tidbit can make all the difference in your supplier's delivery.

Show and tell seems to work really well if it can be condensed to work in a meeting environment . . . Offer to help the supplier prepare for the meeting by suggesting they bring in samples of their work, as well as few photos, if applicable, as substantiation in their dialogue. Provide tips on how quantitative and qualitative supporting data can be useful in this interaction.

Offer to help the supplier prepare for the meeting by suggesting they bring in samples of their work, as well as few photos, if applicable, as substantiation in their dialogue. Provide tips on how quantitative and qualitative supporting data can be useful in this interaction. Getting to the meeting can also be a challenge, so be sure to discuss the meeting location, best places to park, and any particulars in logistics that could cause them a delay. Finally, encourage them to be themselves, enjoy the process, and remember that they are the experts at what they do. Make sure they communicate that fully and with confidence.

End-users and buyers appreciate this type of data and will come to rely on it. In my experience, this tool has resulted in many opportunities to introduce suppliers formally and has also led to relationship building. Ultimately, when buyers and end-users are comfortable with the capabilities of a supplier, there is more likelihood that business with that supplier will occur.

STEP 7: Share Viable Companies with End-Users

The process of sharing capabilities with end-users is different for everyone. One practice I have found to be exceptional is developing a capability statement for each of my suppliers in a format that our end-users are accustomed to. These capabilities statements highlight certain key areas needed to communicate their probability for success. Capability statements include:

- Relevant past projects or experiences;
- Capacity in terms of bonding and insurances;
- Key clients served (at least top 10);
- Certifications from third party entities and their certificates;
- Company summary, which includes its competitive advantage;
- Key personnel and decision-makers;
- Full contact information with emails, phone, and website; and
- Core products and or services offered.

End-users and buyers appreciate this type of data and will come to rely on it. In my experience, this tool has resulted in many opportunities to introduce suppliers formally and has also led to relationship building. Ultimately, when buyers and end-users are comfortable with the capabilities of a supplier, there is more likelihood that business with that supplier will occur.

STEP 8: Maximize the Appeal of Advocacy

Once you have identified your advocates, be sure to highlight their contributions, whenever and wherever possible. Brag about these champions for diversity, and let it be known how they advocate for inclusion and the impact they have made in your overall supplier diversity strategy. Compliment these valuable people often and sincerely. Finally, reward their efforts by nominating them for an inclusion award or a diversity trailblazer award for their hard work. Remember, we don't own supplier diversity in our organizations. We are shared partners, and without these advocates, we cannot do our job.

STEP 9: Stay by Their Side

When you get the green light to bring in a supplier to meet with the buyer and budget holder, try to accompany them to their first introductory meeting. Stay engaged with the supplier throughout the process by keeping informed of their interactions. Assist in getting the conversation started at that first meeting by re-introducing them and saying a little bit about the supplier, as well as the buyer. Make appropriate small talk and then retreat, but not too far away; sit back in your chair and be prepared to jump in and rescue the conversation, if need be. Listen for buying signals and take notes on behalf of your supplier and end-user. Listen carefully because you might need to make an interjection or two throughout the conversation or ask for clarity for your supplier, if you sense they are getting a bit confused about the process.

If the supplier doesn’t ask for the next steps, take this opportunity to request a follow-up or an indication as to what the supplier should do next. Remember, not every introduction will lead to a request for quote or an opportunity.

Be sure to give your supplier a smile, or a head nod, encouraging them during the meeting and helping them relax and enjoy the process. Be ready with strategic follow-up strategies that you might suggest on behalf of your supplier, both at the close of the meeting and later when you debrief. If the supplier doesn’t ask for the next steps, take this opportunity to request a follow-up or an indication as to what the supplier should do next. Remember, not every introduction will lead to a request...
for quote or an opportunity. Most times, these introduction meetings are merely relationship starters, which is extremely important in the process.

When the meeting is over, take a minute (after the buyer has left the room) to go over the conversation and allow the supplier to ask you questions about the interaction. This would be a great time to make suggestions, clarify, and thank the supplier for taking the time to come in. Also, be sure to check back with both the supplier and the buyer/end-user to ensure that the next steps, if any, went smoothly. This will allow you to advocate for the supplier and catch any dropped balls that may have been lost in the follow-up.

**STEP 10:**
**Show Up**

It is not enough to identify diverse suppliers and simply point them in direction of the end-user by providing a phone number and an email. As advocates for supplier diversity, we are called to connect those suppliers in the best and most effective manner. We should be very particular about how this is done, so that we form a standard or a best practice when advocating for others.

**At the end of the day, whether we are successful advocates in supporting our suppliers in getting a contract or not . . . “You must be the change you wish to see in the world.”**

Providing access to detailed information about potential suppliers and educating our internal partners before the contact has been made will make a great deal of difference in the flow of the interaction between the supplier and buyer. In the end, we will have earned the respect of the supplier and internal buyer, whether or not business was awarded or a contract has been received. This is the type of customer service-mindedness that must be in place when we show up for others.

At the end of the day, whether we are successful advocates in supporting our suppliers in getting a contract or not, let us not tire of this work, yet, let us be reminded of this famous quote by Mahatma Gandhi: “You must be the change you wish to see in the world.”

Veronica Cook-Euell is Supplier Diversity, Program Manager for Kent State University, where she is responsible for developing strategies to increase minority business representation in securing contracts, driving supplier diversity initiatives, and serving as advocate and liaison for diverse suppliers. She has a MBA from Kent State University, a MA in psychology from Cleveland State University, and a MA from Kent State University in special education/American Sign Language. Her numerous awards include Asian American Commerce Group Award, Women of Power Award from the Akron Urban League, Advocate of the Year Award from Ohio Minority Supplier Development Council, Minority Business Advocacy Award from Black Pages Ohio, and President’s Excellence Award from Kent State. She led her university in receiving the Best-In-Class for Supplier Diversity by the Commission on Economic Inclusion in Northeast Ohio. Email: vcook3@kent.edu.
Currently, there is almost no quantifiable distinction among cooperative programs competing for market share of public institution and governmental agency spending. Which one is better, and by what standard or measure should they be evaluated? Which cooperatives would yield better savings for the agency? Which cooperative’s due diligence is aligned with the agency’s procurement statutes and provisions? There is no industry benchmarking available, no standard method of measurements or matrix that public agencies could independently and unbiasedly rely on (minus the sales pitch) representing true cost savings to present to the governing board.

The checklist provided by Wayne Casper, author of *Cooperative Contracting*¹, is a helpful tool to guide public agencies seeking cooperative programs that would meet and exceed the public statutory procurement requirements. It may be used as a general guide for selecting cooperatives that are most aligned with the customer segments that your agencies are serving. While this is a conventional public procurement practice, let’s explore the next generation of cooperative programs in public procurement.

What drives the increased use of cooperative programs in public agencies? The increasing demand of public institutions and governmental agencies for utilizing cooperatives is primarily human-resources driven (staffing shortage), as discussed in Dietrich von Biedenfeld’s article, *Broaden Your Job Search*², within the constraints of compliance with the statutory requirements of competitive bid process—often lengthy and time-consuming step in the procurement cycle. However, meeting only the fundamental requirements of public procurement is not forward thinking.

Public agencies should leverage the use of cooperative programs as a tool for maximizing their own organization’s core competencies,
where public procurement professionals would become strategic thinkers and solution providers, rather than transactional processors and compliance reviewers. A greater share of public agencies’ procurement staff time could be focused on negotiating for better value contracts (such as enhanced customer service, discounted pricing, longer warranty, free repair and maintenance, free upgrades, recycling program, internship program, larger rebates, employee discount pricing, profit sharing, mutually beneficial terms and conditions) in products and services we are procuring for our organizations. Also, more focus could be on managing contractor performance and relationship for operation effectiveness and efficiency. Finally, improvement could be made on response times to internal and external stakeholders.

Progressive Insurance has a widely viewed television commercial on comparison rates, where it compares and shares its rates with competitors serving in the same market.

Why not apply a comparable business model on cooperative programs and have each cooperative compete for incentivization for the use of its program. Moreover, cooperatives should be expected to compete for economy of scale for more favorable pricing and for better consumer products and services. In fact, there should be an increase to the number of cooperative programs in today’s market to drive healthier competitions, as it was candidly discussed by Marc Selvitelli in Advocating for Choice. More market-driven competitions will result in better quality consumer products, services, and pricing. Public agencies would benefit from such competition, just as the private sector has for many years. As competition increases, cooperative programs offering more attractive packages to public agencies will thrive. The less competitive cooperative programs would phase out from the competition. Laws and regulations could limit healthy competition and impede the fundamental principle of supply and demand.

One innovative idea would be to create a centralized database using cloud computing (or other internet-based computing) for cooperative programs to share contracts for piggybacking, resources, competitive pricing, and best practices. Because each government entity—higher education, municipality, county, and state—has its own set of statutes and provisions requirements, it may be sensible to segment cooperative programs by government entities, market segment, and specializations, where due diligence, products, and services could be easily identified, distinguished, and differentiated.

Today’s public procurement core function is still very much transactional and administrative. Why do public agencies continue down this path? We do what is traditionally comfortable. “Don’t rock the boat” and “Stay in your own lane” are mottos we have lived by in public procurement. Instead, we should shift our mindset and become design thinkers, constantly pushing and moving forward, drawing collaboratively on diverse subject matter expertise and breaking down silos within public agencies across the nation.

Moreover, cooperative programs provide an array of benefits to public agencies:

- They are an extension of public agencies’ procurement office in administering and conducting competitive bid process (outsourcing administrative responsibility);
- They hire professional, experienced, procurement retirees/staffs from public agencies (technical expertise);
- They assist public agencies with resolution in regard to vendor performance issues (vendor management);
- They provide competitive and negotiable pricing for cost saving (economy of scale);
- They re-shape public procurement to be more external customer-based and organization-focused entity (core competencies driven).

Doing more with less should not always translate to an overburdened procurement cycle of ineffectual response to organizational growth and demands, or mean that we have to sacrifice timeliness for less satisfactory quality products and services. Doing more with less means public agencies are now being challenged to innovate to shorten the procurement cycle without sacrificing quality and service level, while still being in compliance with the respective statutes and provisions. In today’s public procurement arena, agility and rapid response to shifting customers’ growing demands and needs are more important than ever. Working alongside our cooperative partners, we will catapult and orbit public procurement into the next generation of design thinkers—designing a new blueprint to the future public procurement.

References
Wow! How embarrassing! I had written the perfect construction-bid document. I included project management timelines and checkpoints. I listed the reports required, to whom they had to be delivered, and the penalties for failing to comply. The manufacturer’s standard warranty was weak, so I wrote a much better and more detailed one that provided the necessary protection. I required the necessary bonds. I held a pre-bid meeting with all potential bidders. I met with the apparent low-bidder’s insurance agent to insure the bonds were written to my satisfaction. I thought of everything!

But once the bid was awarded everything went wrong! My perfect bid became “the bid from hell.”

Once this project was successfully completed, I presented a recap in an NAEP Conference workshop entitled I Did Everything Right—and It Still Went Wrong. I detailed every error and mistake I made, including how the conniving construction company owner tried to work around—often very successfully—my perfect requirements. One workshop participant noted that I was often made to look like a fool and wondered why I would let everyone see that, not only was my document not perfect, but I had been outsmarted time and again.

My response was that I could try to hide this abysmal project and hope that word never got out, that although I finally prevailed, I had been made to look like a rookie who had just handled his first bid. My other choice, I noted, was to share this experience with my peers so they knew what traps to look for when they faced similar circumstances and, therefore, not have to look like a fool to their bosses, to the campus construction departments, to their universities’ lawyers, and the local newspapers.

How rewarding it was to hear subsequent feedback that my sharing of that brutal story had helped others avoid the pitfalls and traps I had experienced. That made it all worthwhile.

My reward for sharing how I circumvented my boss without him realizing

Continued on page 31
Who doesn’t like scholarships, right? Scholarships are a key component of most of our academic institutions. They provide the means for smart, talented students to attend our institutions through academic, athletic, service, diversity, and other types of awards. Most NAEP Members understand that scholarships can be both incentives to attend a chosen institution and rewards for excellence that has already been demonstrated by the potential recipients.

NAEP has a variety of committees that are focused on serving NAEP Members. The Scholarship Committee is staffed by a group of volunteers who seek to serve and to engage the Members-at-large.

NAEP offers three scholarships: the William E. Haas Memorial Scholarship; the Nancy Tregoe Scholarship; and the Sons & Daughters Scholarship. The first two scholarships focus on giving NAEP Members funds to pursue professional development opportunities, including attending NAEP’s regional and national meetings, the Procurement Academy, and other procurement-related institutes. All of these programs are excellent for novice to expert professionals and offer a variety of industry topics and networking opportunities.

The William E. Haas Memorial Scholarship is given to NAEP regions to distribute at their own discretion. It is currently a rotational scholarship, and each region receives the funds every other year. The 2016-2017 Scholarship Committee’s charge is to raise this fund to $400,000, which will allow for a $1000 scholarship per region each year—eliminating rotation!

The Nancy Tregoe Scholarship is for small-school Members of both E&I & NAEP, who may not have significant resources for professional development. This scholarship is truly a benefit to smaller institutions that might need a boost to prove to their organizations that NAEP programs add value to their bottom lines and more than pay for themselves in procurement best-methods over time.

The Sons & Daughters Scholarship is awarded based on the parent’s involvement in NAEP and the child’s own academic goals and personal history of excellence. This scholarship is very near and dear to my heart, as two of my five children have now received this award prior to my becoming a member of the Scholarship Committee. Since all of our institutions are dedicated to academic excellence, I truly appreciate that NAEP recognizes this fact and provides scholarships to support the academic mission of our institutions and our own sons and daughters.

There are two other components of the Scholarship Committee that are all about engaging Members:

**Volunteer Opportunities**

The Scholarship Committee is always looking for additional members, so please consider signing on to participate. Contact me or the NAEP office or sign up on our website: www.naepnet.org/?page=VolunteerCtr.

**Donations**

Show Me the Money! NAEP needs continued donations to support these
it—and sometimes even making him think he had come up with my ideas—was instantaneous. Workshop participants often approached me later thanking me for showing them creative, modern ideas they could implement in spite of the roadblocks thrown in front of them.

I have shared many such stories with my peers through this column and presenting at NAEP workshops. But I know you, too, have stories of success and failure that, if shared, would help your fellow supply-management professionals fight roadblocks, work around obstacles, and avoid the same holes you have stepped in.

At the 2017 Annual Conference in Reno, Nevada, March 26–29, Nancy Brooks, Interim Assistant Vice President for Business Services, Iowa State University; Burr Millsap, Associate Vice President, Administration & Finance (Purchasing), University of Oklahoma (Norman); and I will address the concerns or issues that have kept you from presenting a workshop or writing an article for NAEP’s Educational Procurement Journal. We are doing this to encourage you to share your experiences and lessons learned with all of us NAEPers. We are looking forward to helping you become a presenter or author.

Have questions? Contact me at ashbybob@embarqmail.com.

Bob Ashby, C.P.M., CPCM, is retired from his position as Director of Purchasing and Contracts for the University of Nevada, Las Vegas, where he also served as an Adjunct Professor in the Management Department. Bob has been active in NAEP since 1997. In 2006, he received NAEP’s Distinguished Service Award, and in 2008, he won the newly established Mentor of the Year Award. NAEP renamed the award in his honor to the Bob Ashby Mentor of the Year Award in 2009. Email: ashbybob7@gmail.com.

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Certification Continued from page 29
Recognition Shines the Light on Procurement Talent

by Greg Macway
University of California, San Francisco/Berkeley

Spring is the season of new beginnings and renewed focus and excitement. For many of us, this is the calm before the storm known as fiscal year-end and is a perfect time for planning and developing programs for the coming year. One proactive strategy to reinvigorate your team and drive engagement is recognition.

Internal staff recognition can be given peer-to-peer and supervisor-to-staff through direct methods. This includes cards, notes to supervisors, and the highlighting of achievements at staff meetings. Internal recognition is an important aspect of workplace culture and should be a regularly occurring activity. A 2013 study showed 70 percent of employees reported their most meaningful recognition “had no dollar value,” and 83 percent of respondents said recognition for contributions was more fulfilling than rewards or gifts.

Similarly, external recognition creates an opportunity for the efforts of an entire team to be highlighted. Not only does it recognize staff for a job well done, it provides external validation for stakeholders and executive management. External recognition usually requires a submittal process and may necessitate the tracking of metrics not currently used. The process of seeking external validation is a great way to engage a cross-functional team in meaningful work and potentially provide opportunities for operational improvement.
Focusing in on external recognition, here are a few specific opportunities worth your thoughtful consideration.

**NAEP Award of Excellence in Procurement**

The NAEP Award of Excellence in Procurement (http://bit.ly/2ijdQuT) is conferred upon an institution based on the procurement department’s contribution to, and support of, the institution’s mission. Applications are evaluated for scope and complexity of the endeavor, technological leadership, benefit to the institution and key constituents, and demonstration of excellence and professionalism. The endeavor, product, or service should be innovative and exemplary, and provide significant advantage to the institution, faculty, staff, and/or students.

**Young Professional in Procurement Award**

The Young Professional in Procurement Award (http://bit.ly/2i5fLEg) recognizes the efforts of an outstanding young procurement professional. This award is presented to a young professional who has been an active Member of NAEP for at least one year and has made great strides and contributions to the profession. Nominees must have fewer than 10 years of experience in educational procurement and be 40 years of age or younger.

**NPI Achievement of Excellence in Procurement®**

The Achievement of Excellence in Procurement Award (AEP) (http://bit.ly/2hWEivt) is earned by public and nonprofit organizations that obtain a high score based on standardized criteria. When the program was established in 1995 by the National Procurement Institute, the founders identified five key categories as benchmarks of procurement excellence:

- Innovation;
- Professionalism;
- Productivity;
- Leadership; and
- e-Procurement.

This program encourages the development of excellence, as well as continued organizational improvement to remain deserving. These are just a few examples of external recognition. But don’t forget to look for opportunities within your institution. One last tip: Sustainability and green efforts are always looking for programs to highlight. Have you found a procurement recognition opportunity not on this list? Share it with other NAEP Members via our online forum at www.naepnet.org/forums.

Greg Macway is the Director of Strategies & Communication in Supply Chain Management at the University of California, San Francisco/Berkeley. He is a member of the Editorial Board for the NAEP Educational Procurement Journal. Email: Greg.Macway@ucsf.edu.

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**Educational Procurement JOURNAL**

**Author Opportunities**

The NAEP Editorial Board is seeking informative and original articles pertinent to the purchasing industry in higher education for publication in the Educational Procurement Journal. Author guidelines are available on NAEP’s website at www.naepnet.org. Send your ideas or articles to Editorial Board Chair Mike Chmielewski, mchmielewski@lsac.org.

Questions? Contact Shane Boyle, NAEP Membership and Marketing Manager, sboyle@naepnet.org, or 443.543.5540.
Building a Fund of Sustainability Knowledge, One Book at a Time—Part Five

by Brian K. Yeoman
NAEP

We introduced a series of book reviews in 2015. This is the fifth installment in the series; hopefully you enjoyed some of the earlier reviews and perhaps some of the books. Partake of them. If you are interested in purchasing any of the books, I’ve provided the ISBN number with each review. Enjoy! And remember: it’s all about the journey, not the destination.
Mid-Course Correction: Toward a Sustainable Enterprise: The Interface Model  
By Ray C. Anderson  
Published in 1998  
ISBN 0-9645953-6-2

My good friend and mentor, Ray C. Anderson, was a graduate of the Georgia Institute of Technology, School of Engineering. After graduating, Anderson went to work in the carpet manufacturing industry. In 1973 he invented the notion of carpet tiles and founded Interface, Inc. By the time Anderson decided to make Interface a sustainable corporation in 1994, it was already a Fortune 500 company.

Anderson readily admitted how Paul Hawken’s The Ecology of Commerce and Daniel Quinn’s Ishmael profoundly influenced the path for his company in 1994. He described his transformation as a “spear to my chest.” Embracing a core lesson—that you cannot control what you cannot measure—Anderson undertook a comprehensive assessment of his company’s supply chain. The results floored him. For the year 1995, the supply chain assessment indicated that his company was responsible for 1.2 billion pounds of material being extracted from the earth. Of that amount, 800 million pounds was petroleum based. This number represented only resource extraction. It did not address the pollution or waste resulting from his processes. This struck Anderson hard. He viewed himself as an intergenerational plunderer stealing resources from future generations and oftentimes said he feared being prosecuted as an environmental criminal.

He studied Hawken, William McDonough, and Karl Henrik Robert. Anderson wanted to transform his company into a company of the future. Toward this end, he developed the goal of Mission Zero, that is, a successful company that produced high-quality flooring with zero environmental footprint. This was no small undertaking for a large company undergoing rapid expansion. Most major companies at that time had written off being green as too expensive.

Anderson brought about change in multiple ways. First, he changed how Interface ran. He modified operations to use fewer materials, be more energy efficient, and produce a smaller footprint—all while increasing quality. Second, he tasked his suppliers with providing materials that had a smaller environmental footprint. Third, he brought about a change in his customers through goodwill. By educating his customers about the decreased environmental footprint of his product, coupled with its superior performance and cost-competitiveness, he earned loyal customers (Interface flooring is sold in 110 countries, and manufactured on four continents.) These three steps were so effective that he ended up forcing competing companies to follow suit. He clearly demonstrated the value of using purchasing power to achieve dramatic environmental improvements.

The Interface story remains inspiring for me. It demonstrates that the conversion to sustainability can occur in even the most resource-intensive industries. It also demonstrates how operating sustainably improves competitiveness and the bottom line. Finally, it illustrates the power of ideas. Anderson had the idea to lease the flooring to companies, because when the floor tiles were worn out, he wanted those raw materials back so he could re-process them into more carpet. This fulfilled the concept of the closed loop in industrial manufacturing. This process decreased the amount of energy expended, further decreased the environmental footprint, and gained him entry into the service business—leasing floor coverings versus selling them. Harvard Business School performed a case study on one of the earliest attempts to operationalize the concept; the study is posted on NAEP’s Sustainability Forum (www.naepnet.org/forums).

Ray became an evangelist for all things related to sustainable development. He was selected as the Co-Chair of the Clinton Administration’s President’s Council of Sustainable Development, a TIME magazine Hero of the Planet, and the Chairman of The Natural Step U.S.A., a transformative macro-level, scientific, principle-based framework for teaching sustainable development. He was a tireless advocate. Though he is now gone, he influenced hundreds of thousands of individuals with his vision. He was a humble, unassuming, and gracious warrior. Mid-Course Correction tells this story.

Once, in a protracted conversation over business issues, he complimented me on leading my boss and the university to a better place. He said, “The power of the logic behind the notion of sustainable development has become very obvious to him (my boss). Long a bean-counter, he has now become a bean planter.” Shortly after he wrote Mid-Course Correction, we were discussing his career and success. I asked him if he was making any substantive progress on the toughest issue in sustainable development: transforming it from a conversation amongst interrelated cognitive elite of white people to one that was more diverse and inclusive. He answered, “No, not as much as will be required, but you can help me out. I would like to talk to your Sustainability Officer with the university.” My Sustainability Officer was the first in higher education in North America. I could not refuse him. Ray hired the young man to become Interface’s first Sustainability Director. He also became the Vice President for Sustainability at Interface and Chairman of the United States Green Building Council. Yet another example of a Mid-Course Correction!
The Ecology of Commerce: A Declaration of Sustainability
By Paul Hawken
Published in 1993
ISBN: 978-0-88730-704-1

This is one of the truly seminal books in the sustainability arena. In his TED Talk, Ray C. Anderson, founder of Interface, Inc. described how reading *Ecology of Commerce* in the summer of 1994 allowed his reformation away from being a plunderer of the earth. The book also deeply affected Amory Lovins and Karl Henrik Robert, both of whom are titans in the field. Hawken was a wildly successful entrepreneur and businessman when he undertook the most meaningful work of his life, after recognizing that business as usual could not go on forever and that he possessed the ability to help articulate the way forward.

Paul Hawken became the leader of the Natural Step USA, after being trained by Robert, the founder. I was fortunate enough to have been trained by Paul and Karl Henrik. Ray Anderson, twenty or so Interface employees, and ten Rocky Mountain Institute employees were in that class. Four or five years later, Ray became the chairman of The Natural Step USA. The Ecology of Commerce was an important additional source of inspiration and knowledge.

Hawken begins the book by sharing an experience in which he was accepting an environmental award on behalf of the company he owned, when he realized that conventional sustainability measures like household recycling, refilling ink cartridges, and the notion of a paperless office would not save the environment nor heal the planet. He strongly believed, and for that matter, still does believe, that there are fundamental issues of far greater magnitude that have to be changed. The three major issues he identifies are: linear rather than cyclical resource cycles; externalized costs; and large corporations’ insatiable need for growth.

Hawken’s second point is that, although our market system is unmatched at setting prices for an efficient economy, it does not include the full costs. Thus, the external ecosystems on the planet, there is no waste; any byproducts from one organism are food for another, so the entire system is a closed loop, where the same resources are cycled through over and over again. When the ecosystem has reached this mature state, the only ingredient necessary to make it run is sunlight, the only prime source of energy on the planet. This is true for all types of systems, from rainforests to tundra to tallgrass prairies and oceans.

He argues successfully that our economy and society do not function in this manner. Instead they function like a different type of ecosystem, similar to invasive, colonizing weeds. We don’t seek a stable equilibrium. We take more and more out of the environment and emit wastes that are unusable and deadly to nature. He argues further that if our manufacturing and economic systems were redesigned so that any byproducts could be used by other businesses as raw materials, then waste and natural resource extraction would be greatly reduced or eliminated. This would benefit the environment and the economy as the inefficiencies of harvesting and waste were removed.

Hawken’s second point is that, although our market system is unmatched at setting prices for an efficient economy, it does not include the full costs. Thus, the external
costs are passed in a system that privatizes the profits but socializes the risks. This means that because companies aren’t required to pay the costs of environmental or cultural damage, they can offer a lower price—and, therefore, have an advantage in business—over a responsible company that avoids causing that damage.

For instance, a farmer who uses lots of fertilizer and pesticides on a single-crop monoculture can sell at a lower price than a small-scale, organic farmer who builds up topsoil and biodiversity and employs more labor and fewer machines. If the first farmer had to pay for the damages to soil, water, and air, his costs would be higher than the second farmer, and his farming methods would no longer be competitive. If activities were taxed according to the damage they caused, then all the advantages and efficiencies of the market economy would be harnessed to heal and regenerate the environment, instead of effectively destroying it.

The final point he makes is a condemnation of the impact large corporations have on society and the environment. Paul feels that because they exist for one purpose and one purpose only—to maximize profit, they have the incentive to take drastic and destructive measures to meet that goal. This includes the usual cost-externalization he talked about in his second point, but taken to another level.

The world’s largest corporations have grown so large that they supersede all levels of government. They avoid countries that have environmental protection laws and play countries and governments against each other when planning to locate factories and offices, creating jobs and growth for the politicians. They have so much money, and the stakes of their business are so high, that they infiltrate and influence every level of government for their benefit, and to the detriment of the environment and citizens.

He argues that although this single-minded pursuit of profit has been used for destructive ends, the game could be changed with the application of proper taxes and fees. However, the scale of the largest corporations and their ability to operate in multiple countries means that green taxes and fees would have to be instituted at an international level, a daunting if not impossible task.

This book is dense yet quite wonderful, thought-provoking, maddening, and well researched. Paul Hawken has written six later books, notably Natural Capitalism and Blessed Unrest. You should explore them as well!

Keep doing great things, because it takes all of us together, sometimes, to truly do so.
A university I know of has a department—let’s call it the Runaround Department—that won’t accept anything electronically. Anyone having the misfortune to interact with the Runaround Department has to print out their forms, complete them in ink, and then physically deliver the paper form to that Department’s office. What should be a three-minute email task becomes a three-hour tribulation: the runaround.

I suspect that process may be all too familiar to most of us. While our industry is slowly moving, or being dragged, into the digital age, there’s still an army of Runaround Departments. More importantly for procurement professionals, our departments are often the worst offenders. If you dig into the history of a Runaround Department, you’ll generally find an understandable explanation of why a particular runaround exists. For example, “We had a serious problem with X, so now everyone has to do Y to prevent that from happening again.” Perhaps more frequently, the inefficiency exists just because the department hasn’t reviewed and updated its processes to use the currently available technology.

When the Procurement Department gives someone the runaround, it’s usually a little of both. We have some painful hoops to jump through because of the risks associated with purchasing. There are real, defensible reasons to require bids, carefully revise specifications, and so forth. We can’t, and wouldn’t want to, eliminate those hoops, because they’re important checks and balances. What we can eliminate are the hoops that exist for no good reason: (1) we’ve always done it this way; (2) we haven’t kept up with technology; or (3) we’ve let our processes develop without actually planning them out. Inertia drives a great deal of higher education—including procurement. Adapting to new technology can be a lot of work. Our processes, if they’re not carefully planned, will just evolve on their own, and usually they won’t evolve in the most easy, efficient way. Those three reasons may explain the status quo, but none of them are good justifications.

Look at the stops your department creates and think about whether you really need them. Do you truly need a wet-ink approval from a department on a particular form, or would an email work just fine? Are you still sending contracts for signature on paper, or have you adapted to the quicker and cheaper electronic signature? Do you actually need to send a document back to the department for revisions, or can you make the two corrections you discussed on the phone and complete the task yourself? What about terms and conditions? Are you making only the changes required by law and school policy, or are you also making some edits simply based on your personal preferences?

Procurement will always be the source of some complaints for the reason that it must use the word “Nono” from time to time. But even so, if we’re intentional and plan our processes carefully, we can avoid being the Runaround Department.

I’ve left the school and the department nameless to protect the innocent and also in my own self-interest, because I’m certain that sometimes, as hard as I might try not to, I may be the one giving the runaround.
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