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FEATURES
Moving from Strategic Procurement to Supply Chain Management within Higher Ed
Andrea Tung
When a large university system faces drastic budget cuts along in the wake of increasing fixed costs, something extraordinary must be done. Bold projects by the University of California system provide wonderful examples of how Procurement can serve as the leader in identifying and carrying out the solution.

Will a Strategic Partnership with Suppliers Help Make You a Strategic Partner to Your University?
Shane Boyle
The NAEP Innovators Forum research paper focused on how to enhance supplier value and performance. NAEP Members should download the full report after reading this high-level summary.

Minority Wealth Management: A Growing MBE Opportunity
Jim Roberts
Until now, the primary focus for diversity and minority business opportunities has been on manufacturing and distribution. Minority representation in the services sector—especially financial advising—has been woefully weak. But with more and more non-minority advisers approaching retirement, there are exciting opportunities for a much larger minority footprint in this critical sector.

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LETTER FROM THE CEO
It’s a Small World After All
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Creating a culture of procurement excellence.

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Certification:
1001 Smartest Things Ever Said
Bob Ashby, C.P.M., CPCM
What can a bathroom and mentoring have in common? According to our columnist and super-counselor, Bob Ashby, much more than you think. Here is another inspirational offering by our good doctor of encouragement.

Heard on the Street: A New Name and New Ideas—Hot Topics from the NAEP Exchange
Greg Macway
In its continuing effort to stay vital, relevant, and ahead of the curve, NAEP leadership has rebranded its online “Forum” to the “Exchange.” The new name updates the existing and future use of the tool as the best way for NAEP Members to engage in meaningful discussions and the sharing of ideas.

Roamin’ with Yeoman: The Confusion of Price versus Value
Brian K. Yeoman
Thanks to the introduction and growth of best-value procurement, the conundrum of price versus value is fading away. Nevertheless, there is still much that needs to be accomplished in the space of procuring goods and services that are sustainable.

Best and Final: Learning—Within School and Out
Ryan Holliday, J.D.
Many of us practicing the profession of procurement within higher education are privileged to be presented with all kinds of learning opportunities. What shall we do with them? Shall we let them perish or shall we embrace them with appreciation?
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It’s a Small World After All

Last month I was invited by the Australian University Purchasing Network (AUPN) to attend their Procurement Leaders annual meeting in Sydney, Australia. I was honored to participate and represent NAEP. Australia has 42 universities of higher education, only two of which are private. The rest are public. Quite a difference from the United States higher education landscape, where we boast over 2,000 universities of higher education. Even though our demographics are very different, we are similar in many ways.

Like a lot of U.S. public and private universities, Australian universities struggle with significant budget cuts, small staff, undeveloped talent, minimal campus influence and a lack of appreciation or understanding from leadership. Past the most recent economic decline of 2009-2010, many of NAEP’s members are still facing year-over-year budget cuts, travel restrictions and dwindling staff resources. We are very similar to our Australian counterparts.

Recognizing the challenge, like NAEP, the AUPN is working towards creating a culture of procurement excellence. Procurement individuals and organizations are going through continuous improvement assessments, gaps are identified and learning objectives are put in place. Strategies are being developed to hire or train strong procurement leaders to have a high level of influence as a business outcome enabler, rather than a compliance monitor. Process, people and technology combine to form a perfect union of opportunity where organizational strategy, competencies and effective governance work hand in hand elevating procurement’s role.

Higher education procurement is global. Many U.S. universities have campuses operating globally and procurement professionals are sourcing and supporting those campuses all over the world. It would be a benefit to both the AUPN and NAEP to look for collaborative opportunities to help innovate and solve those global challenges. We are all a part of the equation: the power of a network of like-minded partners creating principles and strategies that benefit the good of the whole. Together there are professional development opportunities the AUPN and NAEP can work on. There is strength in numbers.

Hopefully, you will see some of our new Australian friends at our Annual Meeting in Orlando!
Several years ago, the University of California (UC) embarked on an ambitious journey to transform its procurement services program from a structure of campus-by-campus siloes to a more holistic organization, leveraging its system-wide purchasing power. The UC system comprises ten independently operated campuses, five medical centers, and three labs. It spans 500 miles and is populated with more than 244,000 students and 190,000 faculty and staff. The system faced significant challenges, including state budget cuts and sequestration, rising benefits-costs, and reduced philanthropic donations.

In response to these pressures, campus procurement organizations and the Office of the President created the Procurement 200 (P200) Program, which primarily involved the ten campuses. Launched in 2012, the P200 Program aimed to redirect, by the end of FY 2017, $200 million in annual benefit to the University’s core missions of teaching, research, and public service. The program significantly exceeded its benefit goals every year since inception and by the end of FY 2017 reached nearly $300 million.

In the meantime, the offices of the Chief Financial Officer and Chief Operating Officer were preparing their 2016-2020 strategic plans. These efforts converged in a new initiative: Supply Chain 500 (SC500). Leveraging the successes of P200—including the “One UC” governance model by which all campuses have equal voting rights on business cases—UC set its sights on an integrated supply chain.

SC500 aims to increase the annual benefit from $200 million to $500 million, by evolving the current procurement program into a powerful, system-wide supply chain. The goal is an annual target of $500 million by July 2022.

UC relished the idea of a transformation from procurement to supply chain. It would involve integrated Plan-Source-Delivery-Pay processes; consistent approaches among the campuses toward structure, governance, and resource expectations; and a proactive project pipeline to

by Andrea Tung, University of California
$555 million in incremental benefits with limited net annual investment. Total ROI was estimated at between 1800 percent to 6200 percent.

After careful analyses, UC was able to determine that the target was realistic. The top-down analysis reviewed current and future spend coverage, velocity, category yields, compliance, period costs, structural investments, and additional benefits. The bottom-up analysis looked at total spend by category and associated sourcing opportunities. It also explored opportunities for cost savings, revenue generation, and other benefits offered by an integrated supply chain.

What would UC need to change to achieve this target? The answer emerged as a familiar theme from P200: governance, structure, process, technology, people, and capabilities. Examples include implementing a common balanced-scorecard; defining an asset management process; implementing contract and supplier management technology; and a dedicated role for proactive customer engagement. Eventually UC would also need to consider establishing centralized transaction centers.

To what extent is UC ready to embrace these changes? As a whole, it is receptive. Campus-by-campus the readiness varies. Other system-wide and campus-specific initiatives are already in play. Their timing and impact will need to be considered.

In compromise, the proposal was revised to offer a more phased approach, focus the initial work on Procurement, provide a longer timeline, and adjust the estimated benefits accordingly.

Rolling out the plan will require balancing unique campus needs with system-wide objectives, keeping lines of communication open, and closely monitoring the outcome of each phase. Staff will need to be fully
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Cornell University congratulates the winners of the sixth annual Supplier Recognition Awards for outstanding performance during fiscal year 2017 in five key categories: product and service quality, pricing/cost, order fulfillment/delivery, customer satisfaction/support, and social responsibility.

Front seated (left to right): Tammy Teitelbaum – Friedman Electric Supply Co.; Emily Dixon – VWR International LLC; Becky Martin – The Computing Center; Mary Stazi – The Computing Center; Michele Alphonse – Krackeler Scientific; Liza Casella – Casella Waste Management of NY Inc.; Sharon Meleca – Laboratory Products Sales Inc.; Ronnie Smith – W. W. Grainger


What advice can UC offer other Higher Ed institutions that may be embarking on a similar journey?

- Stakeholders: Identify them early in the process. Proactively solicit input. Know their concerns and gain individual buy-in.
- Consultants: Establish roles, rules, and responsibilities early. Revisit periodically. Make sure there is representation from your organization in all meetings. Translate “consultant speak” to your organization’s culture.
- Data Management: Understand why data is needed. Question how it will be used and whether there are more efficient ways to achieve the same outcome. Convey the purpose and benefit to those asked to provide it.
- Engagement: Trust your knowledge of your organization and culture. Consultants bring the subject matter expertise. You have the unique experiences to share. Be an active participant.
- Time Management: Leverage existing meetings. Avoid delays. Schedule group meetings as far in advance as possible. Allow sufficient time for review. And finally,
- Communicate, communicate, communicate! Check-ins and multiple messages through various channels are important when communicating to stakeholders in all stages. In the absence of information, people tend to assume the worse. Keep them in the loop.

At UC, key participants have vetted the recommendations. As part of the phasing, Procurement Services is moving forward with the technology initiatives and some of the more limited-scope recommendations. Staff members have kicked off a project to address sourcing, contracting, spend analytics, and supplier information management. Other project members have initiated the effort to normalize terms and data across the campuses as a precursor to moving all campuses onto a single instance. Team members are implementing initial P2P process changes and are reviewing Strategic Sourcing process improvements that were launched this summer.

Building on UC’s solid procurement platform, with continued support and funding, future phases will address other substantive changes toward achieving the SC500 objectives by 2022.

Andrea Tung is Communications and Training Manager for Procurement Services at the University of California Office of the President. She has eleven years of experience in the University system working in training, communications, and academic personnel. She is a former small-business owner and nonprofit director. Email: Andrea.Tung@ucop.edu.
Will a Strategic Partnership with Suppliers Help Make You a Strategic Partner to Your University?

by Shane Boyle, Manager of Membership & Marketing, NAEP

Can a change in mindset about keeping suppliers at arms-length versus partnering with them to achieve strategic goals—both yours and theirs—lead to a beneficial relationship all around? The focus of NAEP’s 2016 Innovators Forum on Enhancing Supplier Value and Performance tackled this issue. The consensus of the experts involved with this project was a resounding, “Yes.”

This article highlights and excerpts several key points from the Innovators Forum Report and is not intended to share all of the findings and recommendations. The full paper can be found on the NAEP website and is available to NAEP members in good standing.

The NAEP Innovators Forum is a yearly gathering of subject-matter experts from within and outside of higher education procurement who meet to discuss current and future trends in higher education and their effects on procurement. The 2016 Innovators Forum brought together 22 panelists from both inside and outside higher education and from both the university and supplier perspectives to focus on Strategic Supplier Relationship Management (SSRM).
relationship with your handful of key suppliers—and moving beyond the tactical framework of enforcing and working with your contracts. SSRM helps you to extract value beyond price and builds strong relationships that eventually turn into partnerships.

The forum panelists identified a full Strategic Supplier Relationship Management framework for this complex topic, starting with the Procurement Vision. After guiding the reader to gaining a clear idea of what makes up the vision, the paper then details the next components, including strategy, engagement, and supplier performance.

Adopting a vision of suppliers as your strategic partners is not done easily. It is traditionally at odds with how procurement operates at a tactical level. But the procurement professionals who excel at relationship management are realizing significant benefits after having made the case for a change in mindset, including seeing process efficiencies, consolidated spend, and an appreciation by their executive teams for the importance of this endeavor.

Your procurement vision is the start of the connection to your campus leadership and involvement in strategic, university-wide conversations. To begin, does your vision match with the goals and objectives of your institution? If not, how can you realign?

As you plan for SSRM, it is crucial to align your vision and seek input from campus leadership. Your procurement vision should incorporate ideas such as risk mitigation, best practice in customer service, business-process excellence, and unique, innovative ideas to help with cost management, to name just a few.

Your procurement team has limited resources and you must ensure that they are focused on the right strategic supplier relationships that will bring about the greatest returns. Your vision needs to include input and agreement from your strategic suppliers to determine what your specific partnership means and what metrics will be used to define success.

And as your vision develops and your SSRM plan matures, you will be able to move from establishing the basics in using your resources, managing your suppliers, and developing efficient processes to focusing on more complex ideas and jointly developed goals. All of this is not done in a vacuum. Throughout the entire process, you must continuously educate all of your stakeholders, including your executive team, your procurement team, and your suppliers.

Ready to take the deep dive into the framework? Download the full Innovators Forum paper from the NAEP website, if you are a current NAEP Member. If you are not a Member, consider joining now to have access to this paper as well as to the six other papers in the series. Many of the topics are intertwined with each other. After taking the lessons of SSRM, read the Procurement Branding paper to help you market your department to all of your stakeholders including your senior management, your internal customers, and your supplier base, among others. The Procurement Branding research paper leads into our most recent 2017 discussion on Customer Engagement Management, detailing strategies to enhance proactive relationship building with your customers.

To answer our headline question, “Will a strategic partnership with suppliers help make you a strategic partner to your university?” the answer is a resounding, “Yes”—and there is a road map developed by higher education procurement experts to help you achieve that advantage.
I have often believed that it does not matter if your skin is white, black, brown, red or yellow. There is only one color that helps to normalize the disparities that exist, and that color is green.

The creation of generational wealth within minority communities will be one of the things that helps us reach racial equality.

Over the past 35 years, we’ve seen growth within the minority business enterprise (MBE) community. Most of the growth comes from commodity-based MBEs. Approximately 40 years ago, an initiative was started under the presidency of Richard Nixon to encourage development of disadvantaged minority businesses. Since that time, corporations have focused most of their procurement efforts on commodity-based companies, for a number of reasons.

While this segment of the market is an important part of our economy, we need to develop the full spectrum of minority businesses, including intellectually-based MBEs that provide services to C-suites and senior executives. By developing the full spectrum of businesses, we will build a sustainable ecosystem for the MBE business community.

As our minority businesses grow, we are creating wealth within the minority community. However, this is where we start to encounter problems. With the historical emphasis on minority-owned, commodity-based companies, we have created a void of minority professionals in the services and intellectual property market space.

An example is the financial advisory industry. Please consider these four key points:

8 Percent
As MBEs create wealth within our communities, we assume there are minority financial adviser professionals who can help guide the investments of our fellow community members. However, that is not the case. In 2014, Financial Planning magazine’s Charles Paikert reported, surprisingly, that only 8 percent of financial advisers in the United States are people of color. Let that sink in for a moment. In an industry that provides the expertise to guide wealth management across our country, 92 percent of the investment advisors are Caucasian. With the number of ethnic minority financial advisers being so low, it should be no surprise that ownership of a financial advisory company is rare. This issue was also addressed in the November 2014 edition of The Chronicle of Philanthropy in an article titled, “Foundations Struggle to Show Diversity in Hiring Money Managers.”

A Growing Opportunity
The problem becomes even more relevant as we look at the changing demographics of the country. In 2014, the U.S. Census Bureau stated that 50.2 percent of all children under the age of 5 were minorities. In addition, the Census Bureau estimates that in 2043, the minority population of the United States will become the majority. Our growing diverse
population has very few professionals to help guide the wealth being created in our communities.

Financial Role Models
As people of color, we have unique cultures. Many of the current 92 percent of the financial advisers will have a hard time relating to Native American, Hispanic, African American, and Asian communities. If we are to grow a sustainable MBE ecosystem, we need many more people of color serving as financial advisers. These people can then serve as role models to help encourage our children to save, invest, and grow generational wealth for our future communities.

An Aging Industry
Another interesting dynamic in the financial advisory market space is the age of financial advisers. In an article titled, “Signs of Aging May Soon Affect Financial Advisers-and Brokerages,” the Chicago Tribune reported that over 43 percent of existing financial advisers are over the age of 55, and only 5 percent of advisers are younger than 30. This creates a tremendous opportunity for young minority professionals and students who have the skills, or are working on the skills, to look at a career in wealth management.

We have the opportunity to change the direction in which we are going, and if we can get in front of this dilemma, our children and young professionals will have great career opportunities. In order to do this, the minority community needs to do a couple of things. The first is to utilize the minority financial advisers who have pioneered the way in the financial advisory industry. Better yet, use a financial advisory company that is minority-owned.

Second, and more importantly, we need to encourage younger minority students and young professionals to consider becoming financial advisers. I encourage MBEs and corporations to look beyond the typical areas of commodity purchases and include professional services and intellectual property companies as well. The color green is out there; we just have to expand our ideas and start making an impact by using minority professionals in an underutilized area of the professional industry.

Jim Roberts is a financial adviser and owner of three companies; one is a registered investment advisory firm. He is a two-time winner of the Michigan Minority Supplier Development Council – Supplier of the Year (Class I); winner of the Grand Rapids Area Chamber of Commerce EPIC Award – Minority Business of the Year; recognized by Corp! Magazine as a Diversity Business Leader; and a Michigan State University EMBA Distinguished Alumni. Email: jim@jimrobertsenterprises.com.

keep cute little books around my house for guests to peruse while they get to know their way around, specifically the bathroom. One cutie that gets rave reviews is 1001 Smartest Things Ever Said, compiled by Steven D. Price. I agree with the word “smartest” because many of the quotes have to do with those of us in Supply Management.

As my regular readers know, my passion is mentoring up-and-coming individuals who truly want to learn the tricks that will help them climb the ladder of success. Doing this requires me to, (1) honor those before me by using their experience and words of wisdom, (2) inspire those behind me so they’ll strive to catch up with their peers and, (3) challenge those beside me to help their fellow NAEPers by sharing their expertise and experience.

Let’s see if I can bring these thoughts together.

Juvenal, a first-century Roman satirist, said, “All wish to possess knowledge, but few, comparatively speaking, are willing to pay the price.”

In the early 1900s Economist John Kenneth Galbraith observed, “The
They who need, want, and will accept professional meetings.

at various workshops and regional conferences and bring it to us at our annual knowledge, these educators comes to learning. That no man is an island when it others in our field who also realize by sharing their inquisitiveness with others. They do this, of course, sought, and still seek, the perspective of others. They are going to be, well, stuck! Those stuck in conventional thinking models. The presenters realize that the world is changing, and that includes business models. The presenters realize that those stuck in conventional thinking are going to be, well, stuck!

Second, they realize that the business world is too complex for one person to learn more than a fraction of what is known, so they have sought, and still seek, the perspective of others. They do this, of course, by sharing their inquisitiveness with others in our field who also realize that no man is an island when it comes to learning.

Third, with all this new-found knowledge, these educators bring it to us at our annual and regional conferences and at various workshops and professional meetings.

And last, they offer to mentor those who need, want, and will accept personal assistance and guidance on their journey toward solid footing.

The viability of this approach was recently brought home to me a number of times. After my first bout with cancer, the Leukemia and Lymphoma Society suggested I attend their Support Group. I declined, because I was handling the situation well—I thought. They turned the tables on me, though, by saying, “Maybe you don’t need the Support Group, but perhaps the Support Group needs you.” And since I am a 70-plus-year-old survivor who runs marathons, indeed my presence gives newly diagnosed patients hope. So—maybe your sharing of knowledge can give your peers the glint of hope they are looking for.

Recently, at a church service I attended, a brand-new priest announced he was extremely nervous because it was his first mass and homily since graduating from the seminary. After the mass I told him that he would not reach everyone at every mass but that, on this day, he would reach at least one. And I let him know that I was that one. Many of us have wisdom to pass on but are afraid we won’t reach everyone in the room. To that I say there is someone out there waiting and needing to hear what you have to say.

Volunteer to present your knowledge and experience at a conference, a workshop, or via an article in the NAEP Journal. Don’t deny that person who needs to hear what you have to offer.

Final story. Some Little League baseball kids I coached more than 30 years ago have recently reached out to me. Many said I was a major influence in their development. Many said I was the main male relationship in their formative years. Many said I was like a dad to them. You can imagine how emotional it has been for me to think back on how I influenced a lot of kids—some white, some black, some Hispanic. None of us may realize today what influence we are having on those around us, but I can assure you that it is definitely either positive or negative. Which one it is will be strictly up to you.

Benjamin Disraeli, British Prime Minister in the mid-1800s, famously said, “The fool wonders, the wise man asks.” Which will you be? The one who just goes along, wondering why you are making no progress in your life and career? Or the one asking how you can help bring others to the top?

Contact me at ashbybob7@gmail.com if you’d like guidance and help in accepting or offering a helping hand. I might even share with you a few more of the 1001 Smartest Things Ever Said.

**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 Mentor of the Year Award. In 2009 NAEP renamed the award in his honor to the Bob Ashby Mentor of the Year Award. Email: ashbybob7@gmail.com.**
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Exclusive Pricing for Education
A New Name and New Ideas: Hot Topics from the NAEP Exchange

by Greg Macway
University of California, San Francisco/Berkeley

NAEP’s online bulletin board, The Forum, has been rebranded as The NAEP Exchange. It is a community tool for members who want to share ideas, ask questions, and provide advice about the procurement profession. In addition to the national dialogue in the Main Forum, there are opportunities to engage in regional forums and on specific topics like supplier diversity and sustainability. Here are some trends and themes from recent posts on the NAEP Exchange.

**eCommerce**

eCommerce systems are always a heavy topic on the Exchange. Institutions are making the migration away from paper processes and embracing standard workflow. Many are satisfied with their SciQuest (now Jagger) solutions, but smaller campuses, or those with technology limitations (Banner, anyone?) are opting for smaller-footprint systems like Unimarket. Others are going through larger ERP implementations like Workday and are seeking advice during the transition. Interesting conversations are beginning around extending the eCommerce tools to cover construction buying. For schools with segmented responsibility between traditional procurement and capital procurement, this is a big step toward overall efficiency. On the periphery of the eCommerce conversation is Amazon: “Who’s working with Amazon?” “What are you doing with Amazon?” “Are Amazon’s terms and conditions a sticking point?” These topics indicate that a change in the online marketplace may be on the horizon.

**Asset Management**

After 15 years of stable use in the private sector, radio frequency identification (RFID) technology is being re-investigated in higher ed for asset tracking purposes. As more procurement departments transition to supply chain management organizations, this broader responsibility drives the need for process improvement. Multiple topics are being posted in the Exchange about asset tracking solutions. Beyond RFID, Bluetooth LE (low energy) beacons are being discussed as an alternative technology that uses cell phones rather than old, bulky RFID readers. Asset management has great potential to transform the procurement model in higher ed. With the proper visibility and total-cost-of-ownership (TCO) analysis, many routine purchases related to those assets can be scheduled, or better yet, eliminated. This will be an interesting topic to follow.

**Alternative Contracts, Innovation and Revenue**

There seems to be an uptick in posts about improving the procurement model or generating additional revenue. Procurement departments are seeing more and more responsibility in areas like stadium naming rights and pouring rights. This is a departure from contracts for consumables and equipment. Some institutions are asking their procurement departments to assist with contracts around healthcare and disability insurance. Procurement is being seen as an integrated, critical partner for the operation of the institution.

The NAEP Exchange continues to have its finger on the pulse of higher education procurement. Be sure to visit, log in and check it out. www.naepnet.org/exchange.

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**Greg Macway** is 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.

Greg is currently serving on the Program Committee for NAEP’s 97th Annual Meeting, being held in April, 2018 in Orlando, Florida.
The fact that there remains a confusion of price vs. value is a testament to just how difficult this differentiation can be. Granted, it is much more prevalent in the consumer economy than it is in our world of the professional buyer. Rest assured that it does, nonetheless, exist in our world. As an advocate for the procurement of sustainable goods and services, I am frequently amazed at how many individuals struggle in their decision-making on this price-versus-value issue—so much so, that I have heard it referred to as the “Price vs. Value Conundrum.” A conundrum is “a situation in which there is no clear right answer or no good solution.”

Consider that for a while, and perhaps you can more clearly see the difficulties inherent in believing that, in our world, the Price vs. Value Conundrum continually frustrates the carrying out of our responsibilities. In fact, one of the reasons procurement departments exist in the higher education community is precisely because there must be an end in the chain of accountability for the expenditure of funds. We refer to this as executing our fiduciary duties. So perhaps you see the conflict. We are looked to by senior institutional management—by definition of who and what we are to the institution—as the place where conundrums should not exist. Thus, we find ourselves on the horns of a dilemma, the procuring of sustainable goods and services often doing that for us.
Now it is our destiny and challenge to achieve best value for our institutions—by including all costs, including those environmental costs, when we evaluate alternatives.

We have moved as a profession into new ground with the advent of best-value procurement, life-cycle costing methodologies, total cost of ownership, and ecological footprint considerations. The federal government led the way under presidents Clinton, Bush and Obama. Many states have closely followed with the adoption of statutes and administrative procedures that mirror current federal practices, and that flows down to most institutions of higher learning.

A couple of examples—one from more than 40 years ago and a current one—may help illustrate. Forty-plus years ago, when I was a very young and somewhat inexperienced buyer, I received from the campus central dictation pool a requisition for a large purchase of AAA batteries. I issued a request for quote and had what I thought was a clear winner: a brand-name, carbon-zinc battery. The second bidder had responded with an alkaline battery that was 5 percent greater in cost. This was a no brainer on the surface. Price wins, and the notion of value was not seriously considered. The head of the central dictation pool said, “Wait a minute.” He argued that the alkaline battery was the better value due to the extended service life and the less time spent in changing. After taking the time to listen and understand, I agreed that he was right. So, I avoided being pennywise and pound foolish. I wonder if similar conversations take place in the lithium-vs.-alkaline world we live in today, and just where a rechargeable would find itself.

Before you laugh too hard at that anecdote, consider: When you buy T-shirts and sweatshirts for every department on campus, do you buy them from big discount stores that employ sweatshop workers? Or have you considered buying a 30-year-guaranteed product for, say, $80?

Please don’t cast this off as some bizarre question. It is real. Fashion and sustainability are on a headlong collision course. Why? Because fashion is the second-most polluting industry on the planet, eclipsed only by oil and natural gas. Surprised? Don’t be. Think deeply about the amount of energy it takes to produce raw materials and fibers, create textiles, dye and treat them, manufacture the clothing, deliver the finished goods to distribution hubs, transport to retailers, and then market and sell the goods to consumers. If that is not enough, turn around quickly and repeat the cycle rapidly because a new season is set to begin. The commonly held belief is that to maintain the enterprise it must stay competitive and profitable, never once thinking about its impact on the planet.

The environmental impact of the fashion industry continues to grow, and the notion that “fast fashion” is going to help is nonsense. If anything, it will grow even worse. This is true because the underlying premise of “fast fashion” is that the clothing is designed to wear out before it fashions out. But along comes a British startup with the objective not to have people stop buying things, but to buy less and to buy better. Simply and powerfully, this is the crux of sustainable purchasing. So, is a 30-year sweatshirt a viable and desirable goal? Apparently. The company has sold 20,000 of them in three years, repaired only 30, and replaced only 10.

The key is to use the very best cloth and employ the very best manufacturing practices. Secondly, limit the product line to the basics to avoid fashioning out a product. And finally, employ only the best craftsmen at the best factories.

The company does not distribute the products to retailers. This model for getting sustainable products into the public’s hands is similar to Harry’s razor blades and Tesla’s electric cars. If you want to check out the 30-year guaranteed T-shirts and sweatshirts go to www.tomcridland.com.

So, imagine the first time you engage the athletic department, housing or the bookstore in the price vs. value conversation on 30-year guaranteed T-shirts and sweatshirts. It will not be fun but it can and should be done. There is no need for a conundrum in our world. The penetration of best value procurement paved the way to solve many of the issues. Now it is our destiny and challenge to achieve best value for our institutions—by including all costs, including those environmental costs, when we evaluate alternatives.

You, too, can do great things. Start by considering sustainable procurement practices on every transaction.

Brian K. Yeoman is Director of Sustainable Leadership at NAEP and is the retired Associate Vice President for Facilities Planning and Campus Development at the University of Texas Health Science Center at Houston. Email: byeoman@c40.org.
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# NAEP Calendar of Events

## ANNUAL MEETING

### 2018 NAEP Annual Meeting

**Innovating for Impact: A World of Opportunities**

- **Location:** Orlando, FL
- **Dates:** April 8-11, 2018

## REGIONAL MEETINGS

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## WEBINARS

- **Innovators Forum Report on Customer Engagement Management**
  - **Date:** September 12
  - **Time:** 2:00 pm Eastern

## TOPIC SPECIFIC INSTITUTES

- **Negotiations Institute**
  - **Location:** Hanover, MD (Outside of Baltimore)
  - **Dates:** December 11-12

- **Facilities Institute**
  - **Location:** Hanover, MD (Outside of Baltimore)
  - **Dates:** December 11-13

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As professionals working in education procurement, many of us enjoy one of the greatest benefits available: the constant opportunity to learn. From the formal (certifications, conferences, and continuing education courses) to the informal (webinars, white papers, and the like), we are offered a seemingly unending stream of encounters to learn and expand. By capitalizing on these opportunities, we can benefit both ourselves and our schools.

On a personal level, I’ve found this to be extremely worthwhile. My university, like many others, allows me to take classes for credit—free. I don’t think I need to elaborate on the value of a free degree! Similarly, the support that many of our employers offer for obtaining certifications or attending conferences is a wonderful gift that allows us the chance to learn and apply new skills. This continued educating and credentialing is beneficial to us, not only in the positions we currently serve but as building blocks for our careers.

The personal benefits we appreciate are also advantages for our employers. Procurement professionals who are more knowledgeable are better able to serve the school. The information we acquire when pursuing a certification or working toward another degree is information we can use professionally every day. It improves our own performance along with the procurement processes for the school as a whole.

Another area that can improve us both personally and professionally is participating in groups or courses that don’t directly apply to procurement. The payback accrued from education outside procurement might not be obvious at first, but it certainly exists. For example, I’ve attended several industry-focused webinars, and while they don’t apply directly to my own work, they’ve certainly given me a better understanding of the constraints affecting our suppliers. Similarly, I’ve attended some on-campus discussion groups focused on university business issues. They may not have a direct effect on procurement but they do impact the departments we support. Even with subject matter that would seem to have no overlap with procurement, there’s always the possibility of serendipitous discovery—some little piece of information we can bring back and use.

Every bit of expanded knowledge that we bring to the table is an opportunity for our schools to do something better or to pursue a goal differently. Importantly, every bit of learning we pursue increases our value as individuals. We are fortunate to work for employers who support continuing education, and we should all take advantage when we can.

Ryan Holliday, J.D., is Strategic Procurement Manager for the University of Tennessee (System Administration) and an attorney licensed in Tennessee. Ryan’s professional focus is strategic procurement and process improvement. Prior to working for UT, Ryan practiced law, and has a background in technology and business. Email: ryanholliday@tennessee.edu.
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December 11-13, 2017

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