Green Procurement Trends within Higher Education

2010 NAEP Green Procurement Survey Results – Complete Results

By Brian Yeoman & Eric Zoetmulder
Dear Members,

We are excited to present the results from the second annual NAEP Green Procurement Survey to the NAEP membership. The strategic goal of the survey is to measure progress of green procurement practices at our 1200+ member institutions. This second survey gives us great comparables and renewed insight against the 2009 baseline.

With the economic crisis bearing down on the schools, we enhanced the 2010 survey to include ‘economic questions’, so we could find out what impact the economy has had. Without tipping our hand on conclusions, we were thrilled to see that in 2010 the response rate nearly doubled, which is one way to tell that Sustainability continues to be a BIG topic on campus.

We will present these results throughout 2010 and provided our contact information for follow up questions below. A big thank you to our participants and we hope you continue the drive towards a greener future!

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• Introduction

• 2010 NAEP Green Procurement Survey Results
  1. Institutional commitment & the impact of the new economy
  2. What we think about our programs
  3. What we are really doing
  4. Understanding challenges & roadblocks

• Final Conclusions
Goals of the Survey

Identify the current state of green procurement trends within higher education

Create a broader baseline for annual replicable surveys to measure progress

Measure progress of adoption, toolsets and activities compared to the 2009 survey

Assess impact of the down economy on green procurement
The NAEP 2010 Green Procurement Survey was sent to over 4000 individuals who work at 1,246 NAEP Member institutions during February 2010.

Respondents: 230 (Up from 125 in 2009) 84% increase

- **Institution Size**
  - Small: 53% (<10,000 FTE)
  - Large: 47% (>10,000 FTE)

- **Institution Type**
  - Private: 40% (38%)
  - Public: 60% (62%)

*The NAEP 2010 Green Procurement Survey was sent to over 4000 individuals who work at 1,246 NAEP Member institutions during February 2010.*
Q: What are the main drivers for your sustainability initiatives?

- "Do the right thing": 80% (2010) vs. 86% (2009)
- Reduce Carbon: 74% (2010) vs. 74% (2009)
- Reduce Consumption: 71% (2010) vs. 70% (2009)
- Improve Image: 70% (2010) vs. 70% (2009)
- Reduce Costs: 66% (2010) vs. 58% (2009)
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Formal Green Procurement policies are up 153% 74/30 in 2010 consistent with what was identified in 2009 and by 8% as a percentage of respondents.

Q 9: Does Your Campus have a Sustainability Plan?
Q 11: Do you have a formal Green Procurement Policy?
Q 10: Do you have a Climate Action Plan?

We can now go to 70+ institutions and find a formal policy, compared to 32 in 2009.
53% of respondent organizations recognize Green Procurement as an official part of their sustainability initiative.

Q 3: Is Green Procurement an official, recognized component of your organization's sustainability initiative?
Some progress was made on incorporating social justice in 2010 however, it remains dramatically under engaged

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<thead>
<tr>
<th></th>
<th>Yes</th>
<th>Not Yet</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q 4: Environmental Considerations</td>
<td>55% 29% 26%</td>
<td>31% 30% 35%</td>
<td>7% 7% 20%</td>
</tr>
<tr>
<td>Q 5: Economic Considerations</td>
<td>62% 55% 25%</td>
<td>25% 24% 26%</td>
<td>9% 9% 26%</td>
</tr>
<tr>
<td>Q 6: Social Justice Considerations</td>
<td>55% 62%</td>
<td>25% 24% 26%</td>
<td>7% 6% 6%</td>
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</table>

Does your Green Procurement initiative include:
Continuing the trend there is lots of new planned activity for 2010

Q 13: In what timeframe are you planning to add a green procurement program?
Institutional Commitment

The survey attracted significantly more AASHE members in 2010

Q 8: Is your institution a signatory of the ACUPCC?

Q 7: Is your institution a member of AASHE?
Leadership is moving away from the no single owner model we saw in 2009 31% to 15%

Q 14: Who is responsible for sustainability initiatives?

- VP and above: 36% (No single owner: 36%)
- Director: 24% (Institutional Level: 40%)
- Manager: 8% (Institutional Level: 11%)
- Institutional Level: 12% (No single owner: 12%)
- No single owner: 15% (No initiative: 31%)
- No initiative: 7% (No initiative: 6%)
Was Green Procurement in Higher Education in trouble?

Q 30: Have any of your green procurement efforts been affected by the current economic conditions?

Yes: 41%
Unchanged: 28%
No: 31%

Q 31: How have these efforts been affected by the current economic situation?

Increased: 6%
No Change: 55%
Reduced: 39%
Was Green Procurement in Higher Education in trouble?

- Have any of your green procurement efforts been affected by the current economic conditions **by size**?

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<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Unchanged</th>
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<tbody>
<tr>
<td>Large &gt;10,000 FTEs</td>
<td>41%</td>
<td>33%</td>
<td>28%</td>
</tr>
<tr>
<td>Small &lt;10,000 FTEs</td>
<td>39%</td>
<td>28%</td>
<td>33%</td>
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</table>

- Have any of your green procurement efforts been affected by the current economic conditions **by private vs. public**?

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<thead>
<tr>
<th></th>
<th>Yes</th>
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<th>Unchanged</th>
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<tbody>
<tr>
<td>Public</td>
<td>44%</td>
<td>29%</td>
<td>28%</td>
</tr>
<tr>
<td>Private</td>
<td>35%</td>
<td>33%</td>
<td>32%</td>
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</tbody>
</table>
Conclusions

• The economy impacted programs in 2009, but the actual activity and adoption of new policies shows growth is still happening.
• 50% of respondents have a green procurement champion.
• 80 institutions (36%) have a VP level or higher leading the show.
• 53% of institutions plan to add green procurement programs in 2010.
• 27% are still not committing to a formal policy vs. 26% in 2009.
• Social justice considerations continue to lag behind.
• Economic Impact ➔ steady growth and continued focus
• In 2009 we predicted a tipping point in 2010. It did not happen but there was substantial growth.
• The “tipping point” in adopted Green Procurement policies will come in 2011
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What we think about our programs

Self Assessment
Respondents think they are getting their arms around the program

Q 29: What grade would you give your green procurement initiatives?
What we think about our programs

• Eight respondents wanted us to know that they were just starting their programs.
• Some said that the lack of resources to track and measure efforts has a stifling impact.
• And, vendors cannot provide data at the item level nor can university financial systems.
• One said, ‘It gets a lot of lip service but is still far to the periphery of our everyday work, although the institution has a reputation for being very green, our department does little to support it.’
• There were negatives also such as, ‘green’ has to be green for the budget or it’s a waste of time.

Q 34: Would you share additional thoughts of ideas on your green procurement initiatives
Drivers of Sustainability

No significant change in drivers for sustainability initiatives EXCEPT Reduce Costs (up from 58% to 65%)

Q 16: What are the main drivers for your sustainability initiatives?
76% have no method in place to measure ‘success’. Size makes No difference!

Q 26: How do you measure the success of Green Procurement?

- No formal measurement: 76% (77%)
- % spend on green products: 20% (15%)
- Cost savings: 10% (9%)
- % unit volume on green purchases: 9% (5%)
- % green suppliers in ERP: 4% (3%)
- Other: 5% (6%)

2010 Green Procurement Survey Sponsored by:
68% never report externally to stakeholders trend up 4%
56% never report to institutional leadership trend up 2%

Q 27: How often do you report progress – Externally? Internally?
Of the 32% who do report, large Institutions report only slightly more often than small institutions.

<table>
<thead>
<tr>
<th>Do you report on your green procurement performance?</th>
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<tbody>
<tr>
<td><strong>INTERNAL Yes</strong></td>
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<tr>
<td>Large &gt;10,000 FTEs</td>
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<tr>
<td>Small &lt;10,000 FTEs</td>
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</tbody>
</table>
No progress is made managing Green Spend either. Trend up 2%. 63% still do not know what their green spend is.

Q 25: What % of spending is on Green products and materials?
We think we are doing better, but we don’t really know and generally we don’t have the tools to do the job.

So we simply don’t report anything very often.

The drivers identified a stronger emphasis to ‘Do Green → Because it Saves Money’.

We won’t succeed in this effort until we can and do measure and report progress to leadership.

Large public schools may lead the way.

The big question is, will institutions invest in IT infrastructure to measure and report progress?
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Commodity program Focus

Most commonly included product categories
Are paper products and office supplies at market saturation?
No changes vs. 2009, but Energy down?

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Paper Products</td>
<td>84%</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>71%</td>
</tr>
<tr>
<td>Energy</td>
<td>57%</td>
</tr>
<tr>
<td>Computers</td>
<td>53%</td>
</tr>
<tr>
<td>Office Furnishing</td>
<td>40%</td>
</tr>
<tr>
<td>Food</td>
<td>36%</td>
</tr>
<tr>
<td>Logistics</td>
<td>17%</td>
</tr>
<tr>
<td>Other</td>
<td>11%</td>
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</tbody>
</table>

Q 23: Other categories mentioned: Janitorial, Cleaning Supplies, Lab Supplies & Construction
Most commonly included service categories
Are recycling and cleaning at market saturation?
Increased focus on Landscaping & Pest Control

Q 24: Other categories mentioned: Construction, Lab Equipment
Buy recycled products policies are increasingly ineffectual
Why are they not enforced?

Q 15: Do you have buy recycled products policies in place?
Recognized Green Labels are Energy Star, Green Seal and Green Guard. All make advances in adoption

- **Energy Star**: 57% used, 55% consider
- **Is Recycled**: 40% used, 45% consider
- **Green Seal**: 32% used, 25% consider
- **Green Guard**: 20% used, 18% consider
- **Green Product**: 17% used, 17% consider
- **Is PCW Recycled**: 17% used, 18% consider
- **Other Certifications**: 9% used, 8% consider
- **Don't Use Any**: 38% used, 39% consider

Q 22: What green product certifications are in your procurement system?
People do what is easy! Energy Star and **recycled products** top the list of most important issues, while **measurement** moves down!

### Issues for Green Procurement programs in order of importance

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<table>
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<tbody>
<tr>
<td>1</td>
<td>Purchasing products that contain ENERGY STAR certification</td>
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<tr>
<td>2</td>
<td>Increasing total post-consumer recycled content in purchased products</td>
</tr>
<tr>
<td></td>
<td>Ensuring that all paper products purchased contain recycled content (3)</td>
</tr>
<tr>
<td>3</td>
<td>Measurement of green procurement compliance (2)</td>
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<tr>
<td></td>
<td>Increasing suppliers with eco-label (Green Seal, GREENGUARD)</td>
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<tr>
<td></td>
<td>Reducing total shipments of delivered goods</td>
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<tr>
<td>4</td>
<td>Increasing spend with diversity suppliers</td>
</tr>
<tr>
<td>Q18</td>
<td>Increasing spend with local suppliers</td>
</tr>
</tbody>
</table>
What we are really doing

• The focus in products remains first and foremost on the ‘office/classroom’.
• The focus in services remains recycling and cleaning.
• Surprisingly, there continues to be limited focus on logistics since 1/3 of carbon emissions happens in transportation.
• Buy recycled products policies are widespread, but ineffectual due to non-enforcement.
• Energy Star is the “green label leader”. It creates a level of confidence that is not realistic, but perception is reality.
• Meanwhile 38% of respondents make no use of green certifications whatsoever.
• Conclusion → people do what is EASY! Making buying recycled and Energy Star products the most important issues reflects this.
• Introduction

• Summary of Key Findings
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• Final Conclusions
Challenges & Roadblocks

Challenges stay challenges, but for those w/green procurement policies in place much less so!

<table>
<thead>
<tr>
<th>Most Challenging</th>
<th>Challenging 2010</th>
<th>Challenging 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measuring progress with green procurement</td>
<td>43%</td>
<td>67%</td>
</tr>
<tr>
<td>Changing user behavior to focus on sustainability</td>
<td>42%</td>
<td>75%</td>
</tr>
<tr>
<td>Justifying cost for green purchasing</td>
<td>42%</td>
<td>63%</td>
</tr>
<tr>
<td>Validating supplier's green claims</td>
<td>38%</td>
<td>73%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Less Challenging</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securing executive support for green programs</td>
<td>15%</td>
<td>10%</td>
</tr>
<tr>
<td>Getting suppliers to provide accurate and updated product information</td>
<td>23%</td>
<td>33%</td>
</tr>
<tr>
<td>Effectively promoting certified products and suppliers to end users</td>
<td>32%</td>
<td>47%</td>
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Q 17: Rate how challenging the following actions were to implement
Perception could be altered by education

The ‘how to’ educational opportunity for NAEP members remains underutilized
2009 → 44 readers, 2010 → 56 readers

Q 12: Have you read the NAEP Green Purchasing Policy Roadmap?

Yes
25%
(35%)

No
75%
(65%)
Q 21: Does your procurement system have the capability to do the following?

- Promote green certified suppliers in search results: 29% (do not have), 30% (yes)
- Identify green service providers in search area: 26% (do not have), 35% (yes)
- Promote green products in search results: 20% (do not have), 18% (yes)
- Track spend on green products: 23% (do not have), 14% (yes)
- Track spend on green certified suppliers: 19% (do not have), 15% (yes)
- Filter search to only green products: 13% (do not have), 10% (yes)
- None of the above: 53% (do not have), 51% (yes)

Challenges & Roadblocks

Purchasing systems are not in place or not set up to support the data capture to monitor and report.
1 in 3 people has no training at all
1 in 3 people has poor or just fair training
Only 1 person qualified training as ‘outstanding’

Q 34: Please rate the green procurement training received at your institution

- Poor: 16%
- Fair: 18%
- Good: 9%
- OK: 12%
- Reasonable: 8%
- Above Average: 4%
- Not Available: 33%
## Challenges & Roadblocks

### More training available at public schools

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<thead>
<tr>
<th></th>
<th>Not Available</th>
<th>Poor</th>
<th>OK/Reasonable/Fair</th>
<th>Good</th>
<th>Above Average</th>
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<tbody>
<tr>
<td>Public</td>
<td>28%</td>
<td>18%</td>
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<td>9%</td>
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<tr>
<td>Private</td>
<td>36%</td>
<td>14%</td>
<td>36%</td>
<td>11%</td>
<td>4%</td>
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### More training available at large schools

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<thead>
<tr>
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<th>Poor</th>
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<tr>
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<td>45%</td>
<td>9%</td>
<td>4%</td>
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<tr>
<td>Small&lt;10,000 FTE</td>
<td>35%</td>
<td>19%</td>
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<td>11%</td>
<td>3%</td>
</tr>
</tbody>
</table>
Challenges & Roadblocks

• Leadership supports green procurement initiatives, but seems to need more data and reporting.

• Measuring progress and justifying costs become, therefore, more important and challenging; especially with limited infrastructure for measuring success or progress.

• Validating supplier green claims remains hard regardless.

• A massive barrier exists for more than 3/4 of respondents because there is no or only marginal quality green procurement training available.
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• Summary of Key Findings
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Final Conclusions

- Green Purchasing in this economy has largely remained unchanged. This certainly flies in the face of conventional opinion.

- The survey showed growing support for Green Procurement initiatives.

- Institutional decision makers are receiving little if any measurement data to support their policy initiatives and that is not sustainable.

- Institutional leadership needs to invest in a better infrastructure to validate, promote, measure, and report Green Procurement Programs.
Final Conclusions

• Availability of quality green procurement training is a major issue.

• NAEP has an opportunity and a leadership role to play in providing green procurement training.

• NAEP and the higher education sector have a barometer to measure green procurement adoption progress in 2011.

• Green procurement is the greatest opportunity to leverage the purchasing profession in the last 40 years.

• No one on the campus can make the contributions procurement professionals can!
THANK YOU
PARTICIPANTS
OF THE 2010 NAEP GREEN PROCUREMENT SURVEY

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