

These key takeaways will help you employ effective procurement policy to shape a fairer and more equitable Australia - and are applicable to local, state and federal levels of government, and their agencies.

Seven key takeaways for social procurement policy makers

#### 1. Start with the end in mind.

Strategic alignment means understanding that your procurement practices can achieve a wide range of social and economic policy objectives for your jurisdiction. Social procurement is not the outcome, it's the tool. Identify what outcomes your jurisdiction is trying to achieve and use social procurement as a mechanism to build from there.

#### 2. Strong language is critical to show leadership.

Public statements, questions asked in tenders and senior support send signals to stakeholders about what's important to the buyer - in this instance, government.

When the Social Value Act UK changed its language from 'consider', to 'evaluate' social value, behaviour changed. When Buy Social Canada developed a Benefit Drive Procurement Questionnaire to

embed into their tender processes, they gathered important insights.

Remember, tender criteria without weighting is just a survey. Apply weighting to ensure your proposal is relevant, clear and worthwhile for all involved, including the tenderer.

### 3. Utilise guides, access, and agency.

Government staff are understandably risk averse and not all staff buying things are procurement experts. Staff need access to guides and processes that are easy to understand and follow, including training and applying change management principles to support and sustain the policy in practice.

And remember to celebrate the small wins – this is an ongoing journey.

VicRoads trained 1,000 staff across the state in implementing the Social Procurement Framework. Their leadership was recognised through their

Social Procurement Champion Award in 2019. (Check out these great videos on their website).

# 4. Government plays a key role in shaping the market.

As government, you are uniquely placed to leverage your role as a market shaper to fully capitalise on the opportunity of social procurement. Enabling access to Supplier Readiness Programs accelerates the capabilities and capacity of social benefit suppliers, making it easier for buyers to engage with them and create better outcomes, faster.

Social value can be created directly with social enterprises, or indirectly through the supply chain.

- Lead by example help to shape the market by doing social procurement and publicly sharing your successes.
- Engage early speak to suppliers and buyers to find out what their pain points are and what programs and initiatives you can offer to address these challenges proactively.
- Provide clear guidance on expectations to large mainstream suppliers – they need help identifying what's important to their customer (government as a buyer).

# 5. Put processes in place to avoid 'bid-candy'.

What is 'Bid candy'? It's when a tenderer proposes social suppliers within their supply chain, or lofty social ambitions to

increase their competitive advantage in the tender process. But then cut these social suppliers from an awarded project at first chance. The Victorian Government recently set up a new compliance team to support the Social Procurement Framework objectives. Consider what checks and balances you need to avoid unethical conduct.

#### 6. Success begets success

"Just get started" was the advice from social procurement expert Joanne Kennett of Transport for NSW. Nobody suggests we just throw out good procurement practice and bring in social procurement. But by starting to think differently about how we do procurement; we can find plenty of opportunities to engage social enterprises to drive positive outcomes.

Celebrating the wins and learnings through qualitative and quantitative reporting shows what is possible and derisks the ideas for others.

"We need to show that Australia won't sink if there is more social procurement", as David LePaige of Buy Social Canada poignantly states.

### 7. What gets measured, gets managed.

The inclusion of social procurement metrics drives change. Government staff are busy people, and what gets measured gets managed. Until we see space in executive dashboards and reporting templates for social procurement spend and impact, management will not focus

on it. We heard from a senior government decision maker at the roundtable who regularly asked questions of her team and management relating to social procurement. But we all agreed that until it was formally part of the reporting template and process, the drive, momentum and accountability would be easily lost.

Put business for good at the forefront. Create space for social procurement spend and impact in executive dashboards and reporting templates – and grab management's attention. Target's help, but they aren't the only way.

#### What's next?

SEWF22 was a powerful demonstration of the potential for our Australian social enterprise sector's ability to drive positive social, environmental and economic outcomes, but what happens next is even more critical. We all have a role to play, and the role of government as a policy driver and market shaper is essential in enabling the social enterprise sector to unlock their potential as a significant contributor to the Australian economy. We invite governments at all levels to join us in the switch to business for good.

If you need help applying this advice or want to discuss what's next for your government agency or jurisdiction, please reach out to me at alex.hooke@socialtraders.com.au