

S

Sustainable Procurement



Haris Alibašić
Public Administration Program, University of
West Florida, Pensacola, FL, USA

Synonyms

[Purchasing](#); [Resilience](#); [Sustainability](#); [Sustainable procurement](#)

Definition

Based on the quadruple bottom line principles, sustainable procurement may be defined as the acquisition of materials and services using the most effective and efficient means with application of the environmental, economic, social, and good governance significances. The ideals of sustainable procurement apply to both the public and private sectors with some minor differences in approaches, goals, and outcomes.

Introduction

By default, sustainability incorporates the concept of value-added benefits to procurement with an emphasized focus on the environmental and social benefits of sustainable purchasing of goods and services. In explaining the concept of sustainable

procurement fully, the basic postulates and principles of what purchasing it must be evaluated and understood. The acquisition is one of the core internal services inherent to almost any organization, in the public, private, and non-profit sectors. The intrinsic nature of purchase lies in its hierarchical position within the organization. Purchasing is at the core of the service delivery in governments, and the more effective procurement services are, the more efficient delivery of service is. Theron and Dowden (2017) argued in favor of strategic sustainable procurement practices by the private and public sectors. In most cases, the public and private sector conduct sustainable procurement practices to either meet mandates set by various levels of governments and enforced by governmental agencies. Sustainable procurement is in alignment with the environmental and social justice issues, social responsibility, and governance (Alibašić 2017, 2018a).

Additionally, sustainable procurement practices may be set in place as a result of voluntarily imposed policies, out of concerns for environmental degradation. For example, in discussing innovative climate action planning strategies, Bassett and Shandas (2010) raised the awareness of procurement and purchasing of recycled content, using products with minimal packaging. The authors included sustainable supply in transportation strategies, including purchasing of low carbon fuels, replacing vehicles with hybrid and electric cars in fleets, and other relevant greenhouse gas (GHG) emissions reduction strategies.

In more recent years, out of social concerns, socially conscientious procurement policies have been put in place. Those include the strategy to be more inclusive of minority and women-owned businesses, veteran-owned firms, and companies owned by economically disadvantaged individuals in the procurement opportunities. Filho et al. (2019) analyzed various barriers to sustainable procurement practices in the UK, Canada, the USA, and Australia. In addition to cost, political pressures and differences are the main reasons for lack of organizational commitment to sustainable procurement.

Good Governance of Sustainable Procurement

A long-term application of sustainable procurement necessities that all four elements of sustainability, environmental, social, economic, and governance are included in strict procurement policies. The ecological aspect of sustainable procurement entails understanding the impact of greenhouse gas (GHG) emissions and the environmental effects the purchasing has on communities, organizations, and society. In recent years, purchasing also includes socially conscientious elements such as cultural diversity and promotion of women and minority-owned businesses. Moreover, sustainable purchasing has different qualities necessary to promote diverse industries and diverse products and services. The economic pillar of sustainability is a crucial component of sustainable purchasing in organizations committed to sustainability and reveals the cost reduction as a defining element of sustainable purchasing.

All of these three elements are then tied together into the component of good governance, sustainable purchasing it has historically been viewed as environmentally friendly the way of delivering services and buying goods for public service organizations. However, sustainable procurement is utilized in other organizations too, including the adoption of green purchasing in the private sector devised within supply chain or other aspects of business operations. Walker and Brammer (2009) reaffirmed sustainable

procurement as good governance in organizations. Good governance, along with integrity, and transparency coalesce around policies focusing on bringing about positive social changes. Sustainable procurement policies have the potential of addressing climate change concerns and social concerns, allowing for the implementation of sustainability measures to counter the adverse impacts of environmental degradation and to create a more just, safer, and healthier society (Alibašić 2018b).

Green Procurement

Most sustainable procurement policies are focused on the environmental benefits of such strategies. Shakya (2019) provided ample examples of green public procurement strategies focusing on environmental sustainability. Organizations interested in furthering environmental goals and reducing greenhouse gas emission are vital considerations in understanding sustainable procurement policies. In recent years, organizations embraced the ecological benefits of procurement, and greening of procurement embedded within organizations. Some examples of the green procurement practices include “energy-efficient computers, low energy buildings, recycled paper, cleaning services using environmentally friendly products, electric, hybrid or low-emission vehicles” (Theron and Dowden 2017, p. 45). Other leadership strategies include sustainable energy policies with renewable energy contract and energy efficiency improvements, as examined by Alibašić (2018a, c).

Ethical Considerations of Sustainable Procurement

Ethics is an essential consideration in understanding strategic sustainable procurement plans. Reid (2009) viewed sustainability through an ethical framework. Climate change, social inequalities, poverty levels, access to health care, housing, environmental degradation, energy, and other crises crisis are among the most relevant issues

facing the public and private sectors. The public sector agencies are taking a proactive approach to become self-sustained and sustainable, including investing in strategies for more sustainable procurement policies. Preuss (2007) discussed the changing paradigm of sustainable procurement as an investment in the future. Such system change and a new standard are needed for the actual implementation of sustainable acquisitions and sustainable investments within the public and private sectors.

The case of ethical consideration in sustainable procurement is essential to the preservation of the highest standards in providing services in the public sector. Such ethical considerations are consistent with the idea of long-term planning and ethical responsibilities discussed 600 years ago by Ibn Khaldun (1406, 1969), in his work *The Muqaddimah: An introduction to history*. Rooted in morality, faith, and ethics, sustainable procurement initiatives activities are consistent with the concerns over global stewardship over the earth. Zaidi (1981) pointed to the issue of justice in exploiting natural resources. Sustainable procurement policies lead to better environmental and social outcomes, with what Worrell and Appleby (2000) described as good stewardship of natural resources.

Private Sector Sustainability in Procurement

The interconnectedness and dependency of procurement and purchasing transcend sectors. A relevant interaction of the public sector is its dependency on the efficient provision of materials and goods from the private sector organizations, local, national, and international firms and businesses. The foundations of sustainable procurement in the private sector can be traced back to the environmental goals of the private sector and the desire of private-sector leadership to engage in sustainable practices through triple bottom line (TBL) initiatives. The more creative and dynamic efforts for sustainable procurement are linked to the supply chain and logistics of organizations, as evaluated and discussed by Wallace and Xia

(2015). Theron and Dowden (2017) argued the private sector must adopt strategies of procurement from the public sector due to the fact that private sector organizations depend on billions of contracts in procurement from the public sector. Moreover, conceptually, private sector organizations are interested in the dynamic application of sustainable strategic purchasing decisions. Meehan and Bryde (2011) perceived sustainable procurement as a strategic opportunity for organizations.

From the very beginning of sustainability efforts, corporations and businesses played a leading role in supporting the notion of a just and equitable society through positive impacts in their communities. Importantly, sustainable procurement has been expressed in the context of the economic situation of an organization. According to Theron and Dowden (2017), “many companies also view the adoption of sustainable procurement practices as a means to gain market share and deliver better service provision,” including “commercial opportunities driving sustainable procurement, improving brand value, increasing sales with ‘ethical consumers’, meeting corporate social responsibility objectives, avoiding negative publicity, and fostering stakeholder goodwill” (p. 65).

Quadruple Bottom Line (QBL) Sustainable Procurement

Sustainable procurement is viewed as a tool policy for positive social change in the public and private sector and is essential for effective implementation of sustainability-related initiatives. Defining the effectiveness of sustainable procurement through the lens of the overall impact on internal and external services delivery, stakeholder engagement, and the impact are essential steps in ensuring the relevance of sustainable purchasing in an organization. The ethical norms and moral standards are applied in executing policies. The effectiveness of sustainable purchasing policies is relevant to economic growth and the long-term fiscal stability of the organization, as sustainability for organizations, regardless of the sector,

begins with the financial impact, coupled with the community-wide benefits. The overall effectiveness of the quadruple bottom line (QBL) approach to sustainable procurement is evaluated using the standardized sustainability measurements with specific environmental, social, and economic outcomes against the firmly established benchmark data. To provide for better transparency and integrity of sustainable procurement policies, regular reports on outcomes and results are incorporated into standard purchasing strategies within an organization.

Conclusion

Modern organizations in public and private sectors embrace the ideals and principles of sustainable procurement. The concepts of sustainable procurement are emphasized through the economic, social, and environmental elements of sustainability. However, the increased trends see organizations deploying sustainable procurement strategies to address societal ills and improve governance, using the quadruple bottom line (QBL) approach. Organizations involved in sustainable procurement and implementation of sustainable purchasing policies are rewarded with good governance and efficient and effective ways of delivering services, leading to better leadership and ownership through a holistic, system-wide approach. The inclusion of sustainable procurement policies strengthens all the parts of an organization's strategic planning, ensuring that sustainability efforts are thorough and implemented efficiently. The quadruple bottom line approach to sustainable procurement enables a robust framework for inclusion and measurement of procurement efficacy in the organization.

Cross-References

- ▶ [Economics](#)
- ▶ [Ethics](#)
- ▶ [Ethics and Public Policy](#)
- ▶ [Ethics and Social Policy](#)
- ▶ [Global Ethics](#)

- ▶ [Governance](#)
- ▶ [Governmental Accountability](#)
- ▶ [Green Purchasing](#)
- ▶ [Leadership](#)
- ▶ [Management](#)
- ▶ [Procurement](#)
- ▶ [Purchasing](#)
- ▶ [Resilience](#)
- ▶ [Sustainability](#)
- ▶ [Sustainable Procurement](#)
- ▶ [Transparency](#)

References

- Alibašić H (2017) Measuring the sustainability impact in local governments using the quadruple bottom line. *Int J Sustain Policy Pract* 13(3):37–45
- Alibašić H (2018a) Sustainability and resilience planning for local governments: the quadruple bottom line strategy. Springer, Cham
- Alibašić H (2018b) Paris climate accord sans the USA: the role of local governments in confronting the effects of climate change and increasing resilience. *Glob Stud J* 11(2):33–39. <https://doi.org/10.18848/1835-4432/CGP/v11i02/33-39>.
- Alibašić H (2018c) Leadership strategies for embedding sustainability and resilience in organizations with an emphasis on sustainable energy. *Creighton J Interdiscip Leadersh* 4(1):17–26. <https://doi.org/10.17062/cjil.v4i1.63>
- Bassett E, Shandas V (2010) Innovation and climate action planning. *J Am Plan Assoc* 76(4):435–450
- Filho WL, Skouloudis A, Brandli LL, Salvia AL, Avila LV, Rayman-Bacchus L (2019) Sustainability and procurement practices in higher education institutions: barriers and drivers. *J Clean Prod* 231:1267–1280
- Ibn Khaldun, A. A. bin M (1406,1969) *The Muqaddimah: an introduction to history*, 3 vols, Abridged edition (trans: Rosenthal F). Princeton University Press, Princeton
- Meehan J, Bryde D (2011) Sustainable procurement practice. *Bus Strateg Environ* 20(2):94–106
- Preuss L (2007) Buying into our future: sustainability initiatives in local government procurement. *Bus Strateg Environ* 16(5):354–365
- Reid R (2009) The moral imperative for sustainable communities. *Public Management (PM) magazine* by ICMA, Washington, D.C.
- Shakya RK (2019) Green public procurement strategies for environmental sustainability. *Engineering Science Reference*. World Bank, USA. <https://www.igi-global.com/book/green-public-procurement-strategies-environmental/202761>
- Theron C, Dowden M (2017) Strategic sustainable procurement: law and best practice for the public and

- private sectors. Routledge, London. <https://doi.org/10.4324/9781351274487>
- Walker H, Brammer S (2009) Sustainable procurement in the United Kingdom public sector. *Supply Chain Manag: Int J* 14(2):128–137
- Wallace WL, Xia Y (2015) *Delivering customer value through procurement and strategic sourcing: a professional guide to creating a sustainable supply network*. Pearson FT Press PTG, Upper Saddle River
- Worrell R, Appleby MC (2000) Stewardship of natural resources: definition, ethical and practical aspects. *J Agric Environ Ethics* 12(3):263–277. Retrieved from <http://search.proquest.com/docview/196564943>
- Zaidi IH (1981) On the ethics of man's interaction with the environment: an Islamic approach. *Environ Ethics* 3(1):35–47