

Procurement for People and Planet

INTRODUCTION GUIDE FOR
CORPORATE MANAGERS &
PROCUREMENT
PROFESSIONALS





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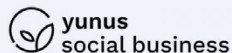
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This Introduction Guide has been developed for corporate managers and procurement professionals from leading businesses across Europe.

About the Authors and Contributors



Yunus Social Business- This Guide has been written by Yunus Social Business (YSB). Yunus Social Business' mission is to turn business into a force for good and support social businesses across the globe. In 2021, YSB released the Social Procurement Manual to improve corporate awareness and understanding of social procurement. Since then, the organisation has developed new research studies on specific industries (Textile, Plastic), implemented tailored training for procurement and corporate managers and facilitated match-making between corporations and social enterprises across more than 10 countries and helped corporates to develop their social procurement strategy. In parallel to the work in Europe, YSB acts as a catalyst to strengthen the social procurement ecosystem in the Global South through market research and capacity-building to social entrepreneurs.



Social Enterprise UK - The writing of this Guide has been supported by Social Enterprise UK (SEUK). SE UK developed the Buy Social brand back in 2012 and has been working on getting mainstream enterprises to "buy social" for over ten years. In 2016, they launched the Buy Social Corporate Challenge, an initiative working with 30 mainstream enterprises to embed social enterprises into their supply chains. To date these businesses have spent over €567 million with social enterprises. Meet the Buyer events have been crucial to this success and many of the lessons from the past ten years are in this guide.



Euclid Network - The writing of this Guide has been supported by Euclid Network (EN) - the European Social Enterprise Network. EN is a recognised European partner, expert and intermediary in the field of social enterprise and social innovation, including on the topic of social procurement (Buy Social), locally and globally. EN leads the Buy Social Europe B2B consortium, and coordinates, together with 45+ umbrella and social entrepreneurship support organisations, access to social entrepreneurs enabling match-making between social enterprises, support organisations, mainstream enterprises (small, medium and large) and the public or third sector, so that they can engage in trade relationships, or other valuable partnerships and initiatives. EN, collectively with its over 50 member organisations, represents more than 120,000 social economy organisations and enterprises in Europe and beyond.



Social Enterprise World Forum - The writing of this Guide has been supported by Social Enterprise World Forum (SEWF). SEWF is the co-creator and steward of the global verification system People and Planet First. This initiative engages the growing movement of enterprises that prioritise people and planet over private profit. They include social enterprises, social cooperatives, fair trade enterprises, regenerative businesses and others.

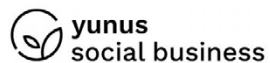
People and Planet First is a banner that unites this global movement and SEWF provides a globally relevant verification system, access to resources and collective advocacy. Together, through a network of 50+ trusted partners, including Buy Social Europe B2B, People and Planet First is tackling the challenge of fragmented identity. This includes meeting the needs of procurement professionals to identify verified suppliers, in a range of markets and geographies.

Buy Social Europe B2B

This Procurement for People and Planet - Guide for Corporate Managers and Procurement Professionals is a deliverable under the Buy Social Europe B2B project, co-funded by the European Union, SAP and all partners, coordinated by Euclid Network the European Social Enterprise Network.

Buy Social Europe B2B empowers social enterprises and businesses to find each other and forge sustainable trade partnerships. Together we partner, learn, create evidence, and build capacity to bring the social procurement movement in Europe to the next level. This project is part of the global social procurement, Buy Social and People & Planet First movements. This project is active in 17 countries and counting.

Core Partners



International Associated Partners



Country Partners





1. Understanding Social Procurement

Introduction to Social Procurement

In our rapidly changing world, we are increasingly aware of pressing global social, economic and climate challenges. Integrating sustainability into our business and economic practices is no longer a choice; it is a must for driving transformative change.

Today we are facing a period of deep transformation of the global value chains as we know them. This is due to many interlocking factors.

Three main reasons¹ can be identified, as:

- **Operational pressure:** the pandemic and geopolitical conflicts have created unprecedented stress and disruptions on logistics and supply chains. Many experts and Chief Procurement Officers (CPOs) agree that diversification of the supplier base is needed to reduce these increasing risks².
- **Consumer pressure:** New generations of consumers are increasingly demanding action to promote sustainability and socially responsible products, with growing pressure from employees to put sustainability at the forefront.
- **Societal and regulatory pressure:** Our society is facing massive challenges due to climate change, income inequality, and human rights concerns. Regulations and legislation towards companies are shifting according to it³.

In the face of this overall transformation, Social Procurement is a highly valuable measure to lead supply chain sustainability and increase resilience and social and environmental impact in supply chains.

Social procurement - or procurement for people and planet - is the practice for companies of proactively selecting social enterprises as suppliers in their value chain for goods and services.

What is a Social Enterprise

According to the [European Commission](#), a Social Enterprise is an operator in the social economy whose main objective is to have a social impact⁴ rather than make a profit for their owners or shareholders.

Today, to identify social enterprises, verification systems exist across the world, such as the global [People+Planet First](#) verification system, stewarded by the [Social Enterprise World Forum](#) collectively with over 50+ locally embedded verification partners on the ground.

Social Procurement, though it has been long existent and practised by some of the partners of the Buy Social Europe B2B consortium for over a decade, has in more recent years started to spread more quickly and it has become a rising topic for supply chain sustainability.

1. [The Social Procurement Manual](#), Yunus Social Business, 2021.

2. [A Global Rewiring Redefining global value chains for the future](#), World Economic Forum, 2023.

3. i.e. EU Corporate Sustainability Due Diligence Directive (CSDDD), Germany Supply Chain Act.

4. Note: the social impact of social economy organisations and enterprises also includes positive environmental impact.

Over the past years, an increasing number of frontrunner and leading companies from various industries have committed to social procurement.

To cite just a few of the leading examples: SAP, Zurich, EY, IKEA, Johnson & Johnson, Audi, PWC, Otto, Suez, Rituals, Wates or Siemens. Social Procurement can be implemented by any Mainstream Enterprise from all industries, throughout the various parts of the value chain and procurement:



Strategic Relevance of Social Procurement

Integrating sustainability and social impact is no longer a moral argument for companies, but a strategic one. According to the Boston Consulting Group⁵, there are 7 main benefits of leading topics of ESG - which stands for Environmental, Social and Governance:

1. **Higher sales & employee attractiveness**, especially for the new generation of managers that are increasingly choosing their company according to an alignment with their values.
2. **Market expansion and new businesses** that fit with new consumer trends.
3. **Higher profitability** with 2 to 5 margin premium for the companies leading in sustainability.
4. **Management of regulatory risk**, with an evolving regulation across many regions that will be accelerating in the coming years.
5. **Lower cost of capital** and better financing access with 0.2 to 0.4 points lower cost of capital for companies leading in sustainability.
6. **Influence on investor decision making** with a third of Assets under Management that is invested with a sustainability focus.
7. **Higher market valuation** with more than a 10% valuation premium.



ADDITIONAL
RESOURCES

Social Procurement is a highly valuable and very effective way to integrate sustainability, social and environmental positive impact in your organisation's day-to-day operations. Through the purchase of products and services from Social Enterprises, you can directly contribute to the positive impact on people and the planet that these enterprises are creating.

A \$500 Billion Market Opportunity for Real Impact.

The following report points out how the massive contributions of supply chains to companies' ESG footprints can already be tackled by redirecting only 0.1% percent of procurement budgets toward social suppliers.

Social Procurement: Finding a better way to grow, SAP 2020.

Podcast: Procurement with Purpose, with Peter Smith.



5. From Compliance to Courage in ESG, Boston Consulting Group, 2022.

The Benefits of Social Procurement

Social procurement has not only become strategically important, it also creates concrete direct value for your organisation. Yunus Social Business, together with the World Economic Forum, INSEAD and the Porticus Foundation, has interviewed over 40 practitioners across the world and from 8 different sectors to understand the benefits of social procurement⁶. Based on their answers, they have defined three layers of value for a procurement manager, but also for their company at large:

1. Core reasons to engage, values, brand and business innovation: Corporate leaders described a wide range of reasons to engage with Social Enterprises in their value chains. For 80% of them, Social Procurement is tied to their company's core values, purpose and culture. For others, Social Procurement is part of their brand differentiation strategy or their business innovation, as it answers customer demand for socially sourced products and services.

2. Offer competitiveness: Over the past decade, the Social Enterprise sector has matured in its ability to compete with conventional suppliers. This was confirmed by corporate interviewees across a range of sectors (food, apparel, FMCG, construction, etc.), who are working with Social Enterprises at different parts of their value chain. This proves wrong to the myths and assumptions that social enterprises might have a higher price and potentially a lower level of quality or overall professionalism.

3. Impact premium: On top of this performance equivalence with traditional suppliers, social enterprises also bring an 'impact premium': a tangible positive impact on key non-financial business levers. In more than 80% of the cases, companies that are doing social procurement notice a positive impact on employee engagement. 80% of them also find that social procurement triggers mindset shifts, cultural change, and corporate transformation towards more sustainability and purpose. And half of the time, companies also notice the impact on brand differentiation, achieving ESG targets and improved corporate brand equity.



How and Why Companies Partner with Social Enterprises, Moving Worlds, 2021.



6. The Social Procurement Manual, Yunus Social Business, 2021.



Meet Social Entreprises who supply to Mainstream Enterprises

According to the last Global State of Social Enterprise 2024 from the World Economic Forum, including research from Euclid Network and the Social Enterprise World Forum, there are around 10 million social enterprises globally, united by the principle of putting purpose before profit.



There are around 10 million social enterprises globally, united by the principle of putting purpose before profit.”

They are creating 200 million jobs across various sectors, from agriculture to financial services, while generating around \$ 2 trillion in revenue each year while creating positive impact. To date, the social enterprise sector is larger than the \$1.57 trillion apparel industry and twice the size of the \$875 billion advertising industry.

You can find Social Enterprises suppliers for many of the products or services that your organisation is buying. The Buy Social Europe B2B consortium, has started to gather an increasing number of examples of Social Enterprises across Europe, that cover various parts of the value chain in different industries. One of these examples is featured on the next page.

EkoBag & Erste Bank Serbia

2nd March 2023

About the company

EkoBag is the first ecological social enterprise in Serbia. They recycle PVC foil from old advertising billboards, which would otherwise take up to 1500 years to decompose in nature. Out of it, they produce bags, folders, holders and wallets. In addition to reducing waste and contributing to the circular economy, the enterprise also presents a social purpose. They support women over the age of 45, who struggle to find a job. providing them with training and employment on jobs like bag designing, production (cutting, sewing) and sales.

Procurement

As Erste Bank Serbia - the oldest financial institution in the country - was looking for new social enterprises to buy from, they met the founder of EkoBag in 2013, during a CSR Forum fair organised by Smart Kolektiv. Since then, both organisations have established a strong partnership, with Erste Bank purchasing the EkoBag laptop bags, laptop backpacks, smaller document bags and locker bags for their employees.

Thanks to the partnership, EkoBag was able to recycle almost 5,000 square metres of PVC foil into laptop bags.



ADDITIONAL
RESOURCES

Read the full case study on the [Buy Social Europe B2B website](#).

New case studies will also feature on the [Buy Social LinkedIn channel](#).



We believe that social enterprises represent a great potential of our society, and, at the same time, we are aware that they need the support of larger companies. On the other hand, such partnerships provide benefits to all participants and are, therefore, important for the further prosperity of the society”

Sonja Konakov Svirčev, CSR, Diversity and Inclusion Manager at Erste Bank Serbia



Many more Social Enterprises across Europe

There are more case studies to come, with other inspiring Social Entrepreneurs! Here are already a few examples of them. Stay tuned on our website in the coming weeks.

Stay tuned for case studies from...

Greece



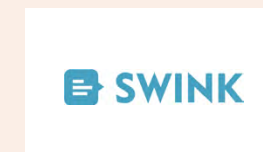
Slovenia



The Netherlands



The Netherlands



Serbia



Hungary



Lithuania



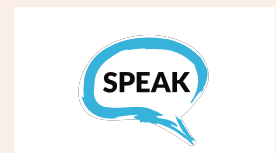
UK



Ireland



Portugal



France



France



Spain



Latvia



Germany



Germany



Sweden





2. Getting Started

Designing a Social Procurement Strategy

Now that you are familiar with the concepts of Social Enterprises and Social Procurement, its relevance and its benefits, let's start talking about implementation.

Building an internal strategy is crucial to effectively identify, onboard and work with Social Enterprises. Here are a couple of guidelines to build your internal strategy:

- **Build the strategic vision:** it is highly valuable - and recommended - to link social procurement and its positive impact on people & planet with your existing sustainability or corporate strategy. This can also help you to make sure you build a strong case on how partnering with Social Enterprises will help you achieve your existing strategic goals, while getting products or services that your company needs.
- **Establishing KPIs:** no matter if you decide, or not, to communicate externally your KPIs, it is important to set up quantifiable metrics to monitor your progress and align across internal teams. We see three types of KPIs and commitments that the Mainstream Enterprises who lead this field have implemented and that you can take as an inspiration:
 - **Impact KPIs:** you could set up a target on the number of inclusive jobs or the number of beneficiaries or families that are impacted by the contracts you set up with Social Enterprises, it can be tonnes of CO2 saved. It

is centred around what actually matters the most and what can be communicated, but requires that you set up clear definitions and ways to monitor your progress across all your Social Enterprise suppliers.

- **Total Spending towards Social Enterprises:** you can decide to set up a target spend (i.e. 100,000 euros or 1 million euros) towards Social Enterprises every year, which is very tangible and easy to track internally. Depending on the size of your business, it might be better to set it up as a % of addressable spend (i.e. 1% or 5% of the addressable spend). You can then divide it by categories, or countries / regions.
- **Number of Social Enterprises onboarded:** Mainstream Enterprises who get started with social procurement often set up an easier target around the number of onboarded / contracted Social Enterprises (i.e. 5 social enterprises year 1, and 8 during year 2).

● **Identifying relevant categories and scope:** finally, you should determine the relevant categories (types of products and services) where you can find and partner with Social Enterprises. Based on your business model and industry, as well as the market you operate in, you might want to focus only on indirect products or services (such as corporate gifts, cleaning services, coffee or soaps for the office) or on the contrary, look at your supply chain and find opportunities to integrate social enterprises for your raw materials, your logistic services, your packaging...

You can look at the [Engagement Strategy Matrix](#) developed by Yunus Social Business that can help you define the relevant scope according to the complexity of your industry and the 'Impact Premium'.



Sourcing & Verifying Social Enterprises

Finding the right Social Enterprises for your Mainstream Enterprise's needs and making sure that it has an impact on People & Planet is one of the most common challenges that corporate managers and procurement professionals face. Social procurement is indeed a relatively new topic and it hasn't reached all mainstream procurement platforms. Nevertheless, the ecosystem around Social Enterprises is quite solid and will continue to grow and strengthen in the coming years. Therefore you're not alone with this challenge and we share with you some tips.

- **Definition:** following the European Commission definition: "a social enterprise is an operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities." A growing number of EU countries have adopted national strategies and legal acts that define social enterprises at the national level, that are usually articulated around three dimensions: social, economic and inclusive ownership-governance, with different criteria and degrees.

Definition: The Social Enterprise World Forum's (SEWF) definition of Social Enterprises aligns with the definition by the European Commission. The SEWF definition, in addition, brings more detail and nuance, through its official social enterprise verification system People and Planet First (for more information see the verified social enterprise section below).



ADDITIONAL
RESOURCE

If you want to deep-dive into the social enterprise definition and comparison across European markets, here is a [synthesis report from the European Commission](#).



ADDITIONAL
RESOURCE

Or here a comparative benchmarking report based on a survey of close to 2,000 social enterprises across 21 countries - the [European Social Enterprise Monitor by Euclid Network](#).



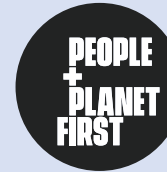
- **Partner with Support Organisations:** there are many Support Organisations that have a network of Social Enterprises and provide them with financial or non-financial support, at a national or regional level. We are a consortium of Support Organisations and can help you find Social Enterprises in your relevant market, either through available directories and membership lists or with direct advice and sourcing support.

Are you looking for a local partner to help you source Social Enterprises? Check the map below showing the Support Organisations of our consortium partners and more broadly the [list of members of Euclid Network in Europe](#) and the [list of partners of the Social Enterprise World Forum across the world](#).



Procure from Verified Social Enterprises - if for the selection of your supplier you cannot follow a national definition of Social Enterprise or want to bring consistency across different markets, you can choose to follow certain verification or certification systems.

- **Our consortium supports and is a partner of 'People and Planet First'**, the first global verification system for Social Enterprises, stewarded by the Social Enterprise World Forum, supported and implemented through expert partners regionally and locally, such as Euclid Network, Yunus Social Business, Social Enterprise UK, inter alia.
- **Through this verification system**, to date 50+ acknowledged local expert partner organisations across the world verify social enterprises, and perform the verification assessment in alignment with the globally recognised People and Planet First verification standard.



- **Verifying Social Enterprises: People and Planet First.** Stewarded by the Social Enterprise World Forum, People and Planet First takes a global view of Social Enterprise verification and uses a collaborative approach working with multiple networks and support organisations across the world.

It verifies the impact of social enterprises according to 5 standards:

1. **Purpose:** Exists to solve a social and/or environmental problem.
2. **Operations:** Prioritises purpose, people and planet over profit in operational decisions.
3. **Revenue:** Has a self-sustaining revenue model.
4. **Structure:** Chooses legal structures and financing that protect and lock-in purpose long-term.
5. **Use of surplus:** Reinvests the majority of any surplus towards its purpose.

People and Planet First has been developing integrations into purchasing and impact mapping software tools, to support buyers to find, track impact and verify in real time if a social enterprise is verified. People and Planet First verified social enterprises can be found in [Givvable](#) software and is in development with Supplier.io, commonly used by Mainstream Enterprises. Verified social enterprises can also upload their verification certificate in their SAP Business Network supplier account.

More information can be found here on the [People and Planet First website](#).

- **Be loud and promote the opportunity:** on top of partnering with Support Organisations, you can also be proactive and communicate about your willingness to partner with Social Enterprises. From a simple request form on your website that Social Enterprises can fill in, up to a dedicated communication campaign to call for Social Enterprises or dedicated events at your office, there are many ways to have a 'Push' strategy and reach Social Enterprises around you.



Proactively communicating about the demand will stimulate the offer in the long run.”

This fosters marketing benefits for your organisation, but also opens doors to social enterprises that might not have been able to reach out to you.

You can also work with the partners of the Buy Social Europe B2B consortium, to prepare such campaigns or to organise an event. The consortium has ample experience in organising so-called matchmaking Meet the Buyer events.

Furthermore, proactively communicating about the demand will stimulate the offer in the long run, and draw more enterprises and entrepreneurs to integrate social innovation and become a Social Enterprise supplier, with positive impact on People and Planet.



Developing a Social Procurement Process

Not all, but in general, many Social Enterprises fall into the SME category (Small & Medium Enterprises). These Social Enterprises do not (yet) have the dedicated resources to navigate complex and sometimes rigid, corporate processes. **While they might be able to provide you with a competitive offer in terms of products or services, developing an adapted, or even specific social procurement process for social procurement will enable you to create sustainable, effective and impactful business partnerships.**

We share here some of the best practices and slight adjustments that can make a partnership and an onboarding process smoother for Social Enterprise, identified from other Mainstream Enterprises:

- **One single point of contact:** consider designating one point of contact for the Social Enterprises, overall or per procurement category, that they can refer to. This person can provide them with initial visibility and understanding of the process and support them throughout the steps.
- **Create internal visibility and awareness:** one common challenge faced in social procurement lies in the lack of awareness inside the Mainstream Enterprise. In-person meetings and presentations with the Social Enterprise, internal communication campaigns and cross-team alignment will ensure that the different stakeholders and decision-makers are aware and supportive of the initiative.

- **Dedicated process:** some Mainstream Enterprises created a specific process to evaluate and award Social Enterprises. Some have a special committee for social procurement, others put in place a trimmed compliance (splitting critical and non-critical compliance criteria) or a fast-track onboarding procedure, and some allocated specific categories (i.e. catering, cleaning services) for Social Enterprises, so they don't get into competition with conventional suppliers, but only among Social Enterprises.

- **Social Value clause:** within mainstream procurement processes, a common practice is to add social or environmental impact as part of your selection criteria in your FRP, RFX or tender processes. It is sometimes called 'Social Value' and you can allocate the weight according to the categories (i.e. from 5% to 30%). This gives an edge to Social Enterprises which tend to score very well on these criteria, on top of overall market competitiveness.

Financial terms: Social Enterprises often struggle to finance their activity when the mainstream banking system and investors don't understand the concept of a Social Enterprise valuing social impact over financial profitability yet. This is changing rapidly, but to date in several countries, this can still be an issue. It can become costly for them to deal with working capital, especially when facing long payment terms. It is common for Mainstream Enterprises to adapt their financial terms for Social Enterprises, either by decreasing the terms and / or allowing advance payments.



You can also follow the [5S Adaptation Framework](#) developed by Yunus Social Business to help you think about your Strategy, Stakeholders, Systems, Scale and Storytelling.

3. Scaling Social Procurement

Collaborative Ramp-up strategies

Once you start partnering with some Social Enterprises and implementing Social Procurement processes, you can develop and expand these partnerships in order to achieve the targets you have set up in your strategy.

- **The Pilot Trap or the Need for Continuity:** many Social Enterprises are approached by a Mainstream Enterprise with a specific need for a short-term project or pilot, such as a capsule collection or a marketing event, that often don't extend beyond the pilot. Working only on short-term contracts can actually endanger the Social Enterprise's impact with difficulties to manage the breaks between contracts, especially as most of the B2B Social Enterprises focus on providing stable incomes to marginalised or vulnerable groups of people. Therefore, and wherever you can, think about spreading as much as possible the demand to avoid such breaks and ensuring them midterm or long-term visibility.

- **Build a Joint Development Plan:** once you have onboarded a Social Enterprise, you can sit down with them and develop together a joint roadmap or development plan, that will be a set of milestones and KPIs to achieve together. In this, you can follow your regular supplier development plans if you have some in place (volumes, turnover, compliance and standards, quality control and innovation etc.), and don't forget to include the impact component into the plan (i.e. how many jobs, how many beneficiaries, potential risks on

the quality of the impact when scaling and associated mitigation strategies).

- **Client Diversification:** you should also discuss with the main Social Enterprises you work with about their client diversification and ensure that they're not too dependent on your contracts. Some Mainstream Enterprises set a target to represent 30% maximum of a Social Enterprise income. You can support them or work with SESOs to improve their business capabilities – which will be in your benefit as well– and get more contracts and clients to become more resilient.



Working only on short-term contracts can actually endanger the Social Enterprise's impact"

- **Soft Exit Strategy:** One final aspect to consider in your ramp-up plan is your exit strategy. For various reasons, you might have to pull back at one

point from the partnership. To mitigate the negative consequences that an end of the partnership can have on the social enterprise, it's important to agree with the Social Enterprise on facilitated conditions and notice time for them. The more flexibility you can give them, the better they can safeguard their impact.



**ADDITIONAL
RESOURCE**

Podcast: [Social Procurement with the Body Shop and Plastics for Change: how plastics can lift waste pickers out of poverty.](#)

Impact Measurement

It is one thing to create positive social and environmental impact through your organisation's value chain, but how do you measure it?

It is important that you understand and measure the impact you are contributing to through your procurement, in order to improve it and communicate about it.

For this, there are three tools that you can use:

- **United Nations Sustainable Development Goals:**

The first step to measure impact is to define the impact areas that your organisation is covering: i.e. inclusive employment, fight against poverty, circular economy, etc. At a global level, we have a common reading grid for impact that are the Sustainable Development Goals. Developed by the UN and adopted in 2015 by more than 190 members, they are the world's blueprint for a better, more sustainable future for all.

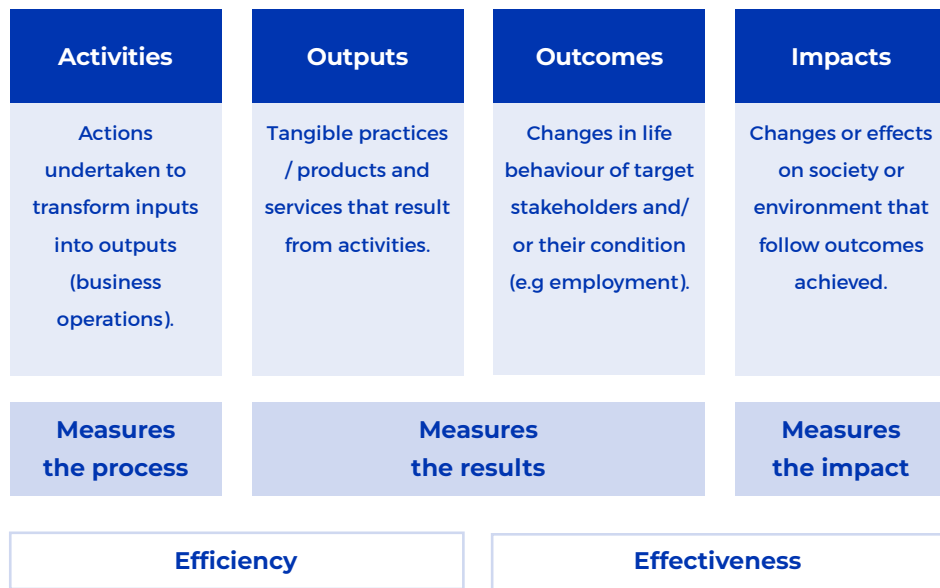
There are 17 goals and they are quite comprehensive. Each goal has around 5 to 10 targets, for each target has one to three indicators associated with it. Find them all on the [Sustainable Development Goals website](#). They are intended to be achieved by 2030. Sadly we are not on track to achieve them by 2030, but still, they provide a vision and enable all stakeholders, such as governments, companies, NGOs, or civic societies to use a common language and shared purpose.

- This framework represents a great basis that can be adapted to your company's context. And it is actually common for companies to refer to SDGs. For each goal, take a look at their targets and identify the ones that are relevant to your initiatives.



- **Theory of Change:** This is another tool that will help you define and measure your impact. A Theory of Change is a framework that describes how and why a desired change is expected to happen. It is read from left to right, from the list of activities to its results - which are the outputs and outcomes - to finally lead to the impact. The Impact section is where you can link it to the SDG targets.

- This is a useful framework to use with your supplier to provide a shared understanding of the impact and guide the process to set up the metrics that you want to monitor. The social enterprise you are buying from might already have a Theory of Change for their activities and mission, that you can use as a basis to build the one dedicated to your partnership.



With the two first tools, the SDGs and the Theory of Change, you can already think of ways to define your impact metrics that will be common across all your social procurement suppliers, and why not all your suppliers.

● **Impact Classes Matrix:** It is important to keep in mind that your supplier's impact is different from your impact. You are not the one that is employing persons with disabilities, you are buying products or services from a company that does that, and you, as a buyer, can do different things to help do this. Therefore, your social procurement impact is a function of two variables:

1. The ABC impact classification for your suppliers (at the top of the framework)
2. Your own contribution as a buyer to enable the supplier to achieve that impact.

	Act to avoid harm	Benefit stakeholders	Contribute to solutions
Engage proactively			
Provide flexibility on contracts			
Contribute to supplier growth			
Contribute to ecosystem growth			

○ You can use this matrix as an assessment for your overall supplier basis and your own role as a buyer in their sustainability journey. In the ABC classification, Social Enterprises would typically fall into the C category. On the other end, many conventional suppliers would fall into the A classification if they're implementing strong compliance and human rights principles, and a few of them can be categorised in the B classification if they are leading certain sustainability topics, such as living wages, carbon footprint reduction etc.

● **Impact Measurement through People and Planet First.** The People and Planet First Verification database also has integrations with impact measurement software tools that are used by several corporate buyers, as they already use certain platforms to measure and track their current impact, and would like to continue to extend the use of these systems already in place.

4. Recommended Social Procurement Checklist

Checklist

1

Get Started!

☐

2

Share this Introduction Guide with your colleagues and organise a meeting to assess the buy-in and strategic relevance of Social Procurement to your organisation.

☐

How does it fit with your existing sustainability / impact strategy?

With the mission of your company?

With your existing initiatives?

Who would be involved within your company?

3

Define your Social Procurement Strategy and link it to your ESG goals.

☐

How can social procurement contribute to your sustainability strategy? Which type of KPIs would you like to set up?

4

Identify the relevant product/service categories from which you could buy from Social Enterprises.

☐

Is it for your corporate gifts, the catering for your events, for logistic or distribution services, raw materials for your products or perhaps you could develop a new repair service for your customers in partnership with a Social Enterprise, and so on.

5

Define the geographical scope where it's most relevant to source and procure from social enterprises.

☐

Will you work in the country/region where your headquarter is located? Would you prefer to focus on countries or regions where your products are distributed?

6

Check our list of Support Organisations and reach out to the relevant ones, based on the region or countries you are interested in.

☐

7

Scout and identify relevant Social Enterprises who fit your product and service needs, potentially with the help of a Support Organisation.

☐

Try to meet Social Entrepreneurs directly, participate in "Meet the Buyer" events, visit their premises and operations, test their products, inter alia in order to get familiar with their ways of working.

8

Watch the training modules of the Social Procurement course, accessible under this [registration link](#).

☐

This highly valued course is - exceptionally - freely available to a limited number of corporate managers and procurement professionals until 31 October 2024.

5. Additional Resources

Additional resources



- [The Corporate Social Innovation Compass](#)
World Economic Forum, 2024
- [Global State of the Social Enterprises](#)
World Economic Forum and Schwab Foundation, 2023
- [Corporate-Ready: How Corporations and Social Enterprises Do Business Together to Drive Impact](#)
Acumen, 2021
- [Social Procurement Manual](#)
YSB, 2021 (also available in Spanish, Portuguese, Turkish)
- [A Guide to Social Procurement](#)
Buy Social Canada, 2021
- [The Social Enterprise Supply Chain Guide](#)
SEUK
- [A \\$500 Billion Market Opportunity for Real Impact](#)
YSB, BCG, 2023
- [Guide to Social Procurement in Construction and Infrastructure Projects](#)
Buy Social Canada, Chandos, 2021
- [Inclusive Loops: The Crucial Role of Social Enterprises in the Circular Economy](#)
Technoserve, IKEA SE, WEF, 2023
- [Social Enterprises as Influencers of the Broader Business Community](#)
SENL, 2020



ARTICLES

- [MOOC How Social Enterprises Enhance Corporate Value Chains](#)
SEWF, SEUK, SAP, 2019
- [The European Social Enterprise Monitor](#)
by Euclid Network
- [How and Why Companies Partner with Social Enterprises: Key Takeaways](#)
MovingWorlds 2021
- [Want to make a positive impact? Maybe change your supplier?](#)
Zurich Insurance, 2023
- [Social Enterprises and their Ecosystems in Europe](#)
European Commission 2020



PODCASTS

- [Procurement with Purpose, with Peter Smith](#)
- [Value chains as a force for good? How companies like IKEA and SAP aim to scale impact through social procurement](#)
- [Textiles for good: IKEA partners with Rangсутra to improve livelihoods for thousands of women artisans](#)
- [Social Procurement with the Body Shop and Plastics for Change: how plastics can lift waste pickers out of poverty](#)



CASE STUDIES

- [Sustainable Merchandise - Ekobag & Erste Bank Serbia](#)
- [Social and Green IT - AfB & Siemens](#)



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