



**Forum 1:
Procurement and Social Value**



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Social
Enterprise
World Forum



Procurement and Social Value



enterprising non-profits

David LePage
September 4, 2008

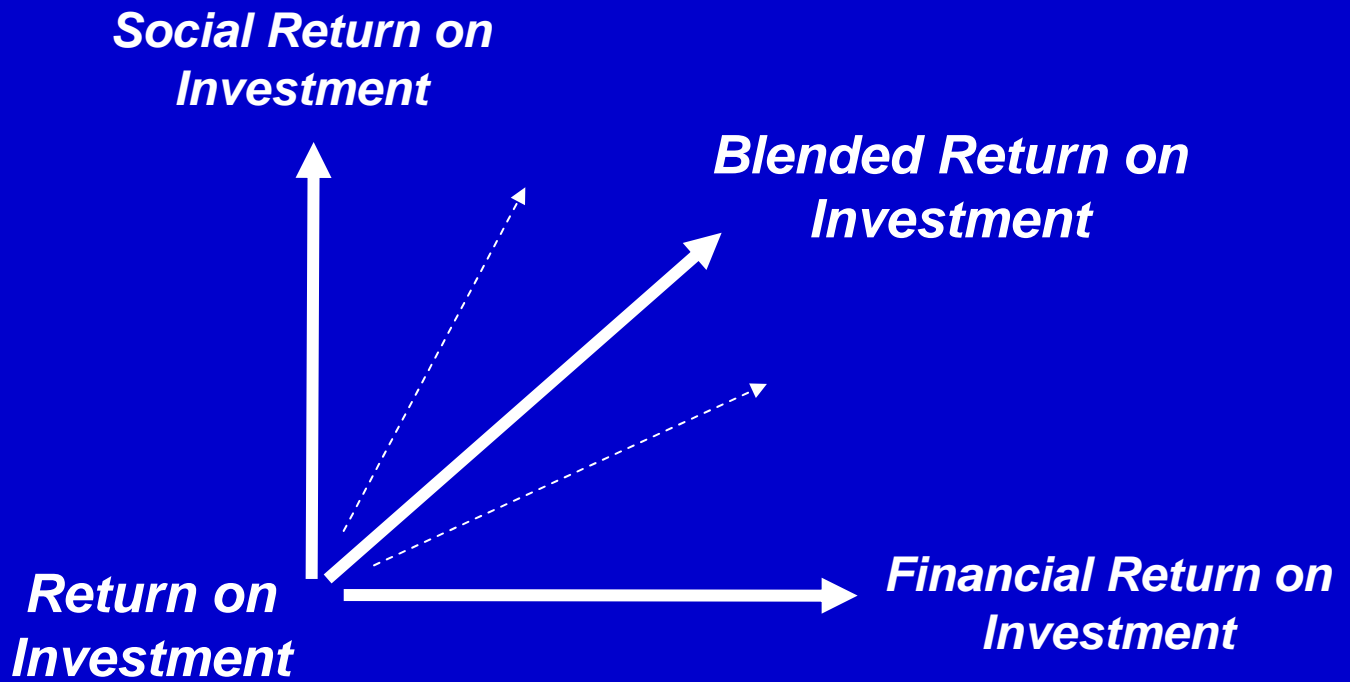
Every purchase has a ripple effect...



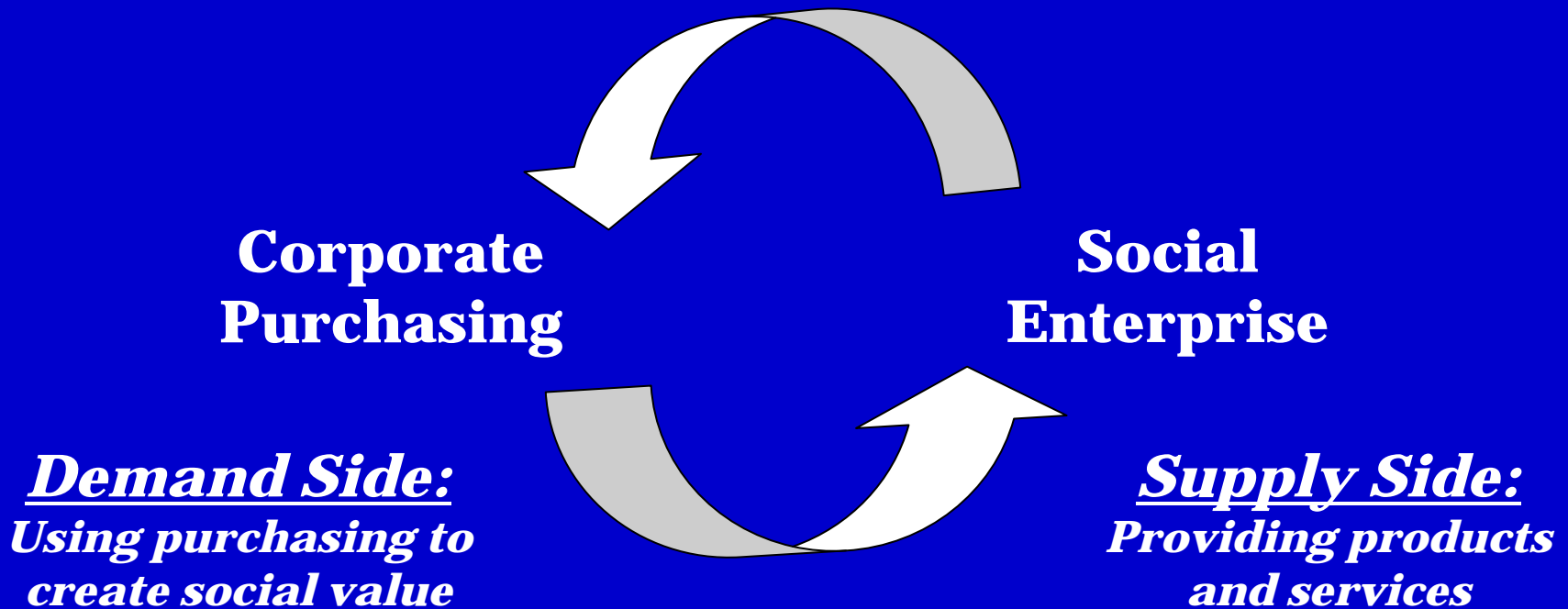
Whether unintentional or intentional

“Examining and experimenting with how markets and business can advance public interest and address systemic social problems.”

Market-based Strategies to Poverty Alleviation – Kahane & Weiser / Ford Foundation



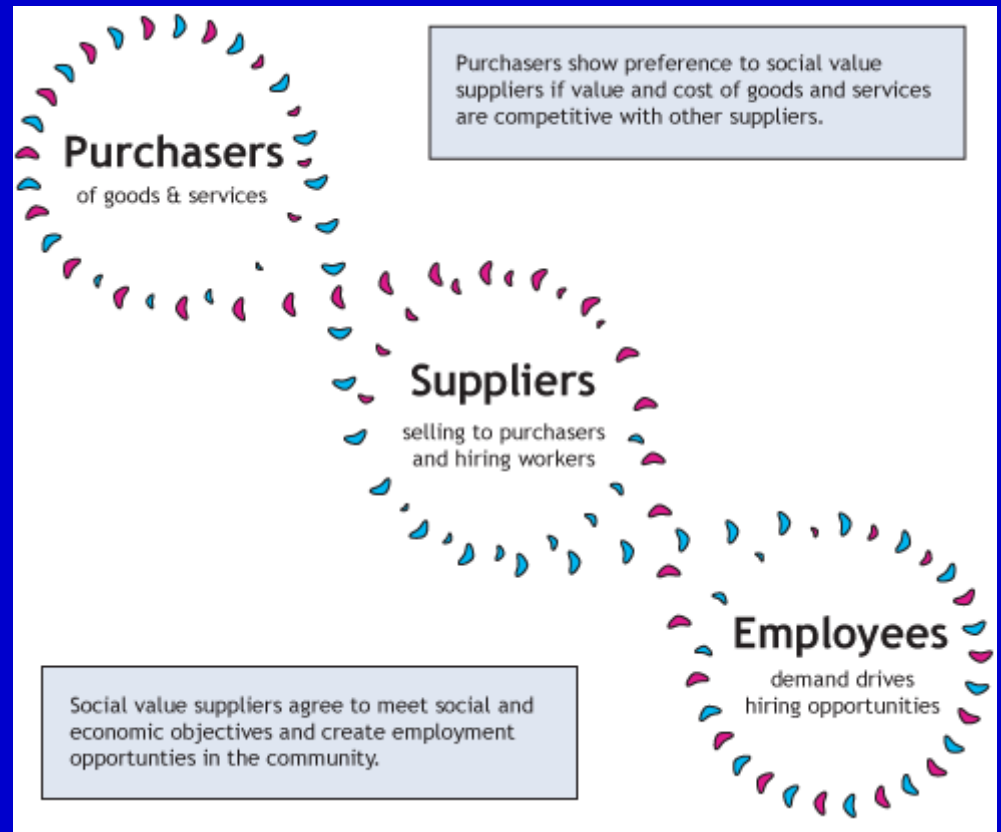
Using the Market Place to Create Social Value



“Purposeful Purchasing”

Social Purchasing Portal

*a way to engage
the purchasing
of the private
sector to create
social value*



canada
social purchasing portal



Ottawa

Social Purchasing Portal

Portail de Commerce Social

Range of Purchasers

Software, Finance, Legal, Government, Accountants, etc.



*Blends the business and the social value
on everyday business purchasing
without added costs*

Suppliers

Increase their sales by connecting with businesses already inclined to purchase from SPP Suppliers



pcwe
PHOENIX COMMUNITY WORKS ENTERPRISES



✳️ Social enterprises participating in the Toronto SPP have had a 30% increase in revenues in the past 2 years.

✳️ Through the Vancouver's SPP over 100 hard to employ persons now working and over \$1,500,000 annually in purchasing

✳️ SPP suppliers in Winnipeg have increased sales by an average of 37% since they joined the portal two years ago. The suppliers are small businesses in the inner city.



Key Operational Issues

- *SPP is one tool - Imbedded in a community economic development organization is vital*
- *Requires initial outside support for up to three years*
- *SPP is about building cross-sector relationships and partnerships – requires patience and persistence*
- *Results can be measured in several forms of capital: economic, human, and social*

Implementation Challenges

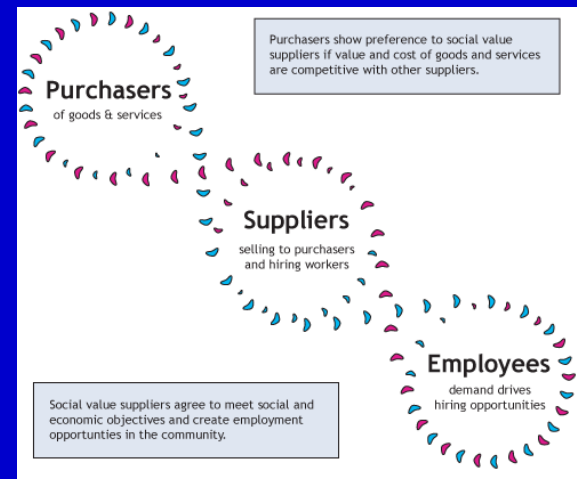
- ***Corporate Purchasing Priorities***
- ***Public Sector Procurement Policy***
- ***Social Enterprise Supply Capacity***
- ***Sustaining “Intermediaries” like the SPP***

Community Benefits

Economic capital - increasing sales and marketing opportunities for social enterprises and local businesses

Human capital - creating sustainable employment opportunities

Social capital - building and nurturing relationships and networks among purchasers, suppliers and community based service providers



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www.enterprisingnonprofits.ca

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September 4, 2008



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