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Steps K-12 schools can take to practice social responsibility on a budget

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Do you know what buyers across schools, businesses, and other organizations are prioritizing now more than ever?

You might think the answer is cost savings. That would make sense in a time of tight budgets and high inflation. But, in fact, three of their four procurement priorities center on socially responsible purchasing.

In a 2022 survey by Amazon Business, buyers reported they have focused on:

- improving sustainability in their purchasing practices.
- supporting local businesses.
- increasing the diversity of the businesses from which they buy.

If you're a K-12 school leader or procurement specialist, you may need to account for these factors to comply with spending policies. But you need to stretch your budget dollars, too. Can you do both? Or will budget realities prevent you from improving sustainability and supporting diverse businesses?

Actually, you can balance cost efficiency with social responsibility.

Here are four steps to doing so.

Balance social responsibility and procurement cost efficiency

1. Find out where your dollars go

Prioritizing socially responsible purchasing demands action. Still, schools should not leap right into tactical responses.

A Bain & Company analysis of supplier diversity in business found that "tactical initiatives often lack focus, resources and accountability." Why? Because they don't fit into a "broader procurement or commercial strategy." The need for strategy applies to school leaders as well.

The first step is to get a good handle on everyday purchasing. "A lot of customers I talk to struggle to see where their dollars are going," said Antwaun Griffin, Head of Socially Responsible Purchasing at Amazon Business. "Without that visibility and transparency, it's hard to be strategic about procurement."

Griffin added: "Districts and schools tell us how tough it is to have transparency when they're reconciling the books manually. Reviewing credit card receipts or doing quarterly reports doesn't give you real-time insight into spending."

Overcoming such challenges will give you a clear view of your procurement practices. That, in turn, will allow you to develop a strategic approach to purchasing.

2. Eliminate inefficiencies

Many people assume that buying from sustainable, diverse and local businesses will increase costs. In reality, organizations that spend the most on diverse suppliers save money, according to analyses from both Bain and McKinsey & Company.

Even if some socially responsible purchases cost more, you can offset the higher prices by making your procurement process more efficient. Griffin explained: "Once districts and schools gain a clear view of their spending, they often find that they're operating inefficiently."

For example, different purchasers in the same school might be buying the same item. Once you see that pattern, you can bundle purchases for greater savings. You might also see overspending on certain purchases. You can use that data to establish spending thresholds on products.

Griffin advised school and district leaders to "set up guardrails to better manage spending." Clear spending policies "curb inefficient behaviors and incentivize other kinds of purchases."

3. Determine your goals

The umbrella term "socially responsible purchasing" covers a wide assortment of practices. It can mean supporting local businesses, or focusing on the environmental effect of your purchases. It may be important to buy from Black-owned, veteran-owned, or LGBTQ-owned companies. The question then becomes: Which will you prioritize?

Priorities will vary from state to state, district to district, even school to school. So setting concrete goals becomes crucial. According to the MIT Sloan Management Review, organizations that establish specific supplier diversity goals buy almost twice as much from businesses owned by underrepresented groups, compared to companies that don't. Griffin said, "One thing that consistently hamstrings organizations is that they're not clear about what their goals are or how to translate those goals into measurable outcomes."

4. Don't go at it alone

Once you commit to socially responsible purchasing, you may struggle to find qualified suppliers. Finding compliant vendors that meet their ESG standards is a problem that plagues many companies, as the Harvard Business Review and the Hackett Group have shown.

Before joining Amazon Business, Griffin served as chief of staff at the U.S. Small Business Administration. In that role, he set the federal government's small-business and diverse-spending goals. He spoke bluntly about the challenges schools face. "It is a nightmare to try to scale your own supplier-diversity program," he said.

How can K-12 districts expect to succeed when they don't have the resources to hire large procurement teams? Even major corporations have difficulty finding qualified partners, Griffin said.

The key is not to try to build your own custom network of suppliers. Instead, work with an established, reliable procurement partner. Make your purchases through a storefront that identifies and continually vets diverse suppliers — and that makes it easy for you to find the right vendors to achieve your goals.

Did you know that K-12 school districts across the country use Amazon Business to improve compliance, reduce costs and increase socially responsible purchasing? Learn more at

https://business.amazon.com/en/work-with-us/education? b2b_solutions_3P_K12_social_responsibility_budget.