NACUFS (2025)

Sustainable Procurement

Supplier Sustainability Scorecard Pilot

University of Michigan

Essay:

Overall Impact of Initiative or Program

Michigan Dining plays a critical role in the University of Michigan's campus operations and is a key driver in advancing sustainability initiatives. Through its extensive purchasing network and collaborations with vendors and peer institutions, MDining can influence sustainable procurement practices significantly. This project, which centers around a vendor sustainability scorecard, builds upon three previous phases of research on sustainable procurement practices (see Appendices A, B, & C). By increasing the weight of sustainability in procurement decision-making using a vendor sustainability scorecard, MDining hopes to further align itself with the University of Michigan's sustainability goals and the United Nations Sustainable Development Goals.

Social Sustainability is one of MDining's goals that addresses diversity, equity, inclusion, collaboration, and sustainable procurement (see other goals in Appendix D). By integrating social sustainability principles into food procurement, institutions can ensure that their purchasing decisions promote fairness, inclusivity, and resilience in the food supply chain while advancing global sustainability efforts. Phase Four focuses on developing a vendor sustainability scorecard and establishing recommendations to enhance sustainability metrics across procurement while maintaining or improving vendor diversity.

The scorecard was piloted with three existing MDining vendors, who gave thoughtful feedback and identified opportunities for improvement in their sustainability practices. The scorecard and recommendations were also shared with the University's Procurement Services team with the goal of broad implementation across campus purchasing. MDining's efforts in

advancing sustainable procurement are particularly valuable to the University's Procurement Services team, as it provides subject matter expertise and the bandwidth needed to research and develop frameworks that drive sustainability initiatives. By leveraging MDining's extensive purchasing network and partnerships, this project provides practical tools—like the vendor scorecard and sustainability guidelines—to help procurement professionals make informed, sustainable decisions. The groundwork laid in Phase Four and the vendor sustainability scorecard ensures that sustainability metrics are not only integrated into procurement processes but also accessible and practical for implementation across campus, ultimately strengthening the University's commitment to responsible sourcing. While specific data sets measuring the initiative's impact are not yet available, we are confident that this initiative will drive meaningful progress in sustainable procurement and create lasting improvements in purchasing practices across campus.

Creativity and Innovation

Master's students approached this research using benchmarking, tracking system development, stakeholder collaboration, vendor engagement, and final deliverables. They engaged with selected vendors known for their strong sustainability initiatives, allowing for effective piloting of the scorecard. Historically, vendor selection criteria have focused primarily on quality, price, and availability. While these factors remain essential, sustainability is increasingly recognized as a critical consideration for both food service providers and their suppliers. A focal point of the benchmarking process was to identify and explore ways to increase the importance of sustainability as a consideration in procurement decisions.

As a result, several recommendations were developed to foster strategic partnerships, promote innovative sustainable procurement practices, and enhance the competitive bid process. These recommendations were categorized into short, medium-, and long-term objectives (see Appendix E for the proposed implementation timeline). The project's inputs and outputs included benchmarking, scorecard creation, data collection and analysis, vendor engagement research, and the development of a vendor engagement strategy.

Low Start-up Resource Costs/High Return

This initiative was conducted through the Online MBA program at the Ross School of Business, leveraging graduate student expertise to connect academic learning with real-world challenges. This collaboration provided valuable experiential learning opportunities for students while contributing to the university's sustainability objectives. Additionally, sharing findings with colleagues at other institutions has the potential to drive broader change in sustainable procurement.

The project's financial investment was minimal, with total costs under \$4,000. Approximately half of these expenses were covered by the business school, with the remaining costs allocated for student travel to conduct on-campus interviews and dining program evaluations. While the long-term return on investment is still being assessed, anticipated outcomes include improved procurement practices, strengthened vendor partnerships, and enhanced social equity through increased support for disadvantaged vendors.

Applicability of Initiative

The vendor scorecard was designed with flexibility to accommodate different weighting values depending on the specific Request for Proposal (RFP) or Request for Information (RFI) process. This adaptability allows the tool to be applied to various commodity categories beyond food procurement. While MDining is a major campus food service provider, other food stakeholders—including the medical campus, the Business School, and the athletics department—can integrate these sustainable procurement practices into their vendor selection processes.

Beyond the scorecard, the MBA team proposed additional recommendations, including the expansion of a green purchasing program focused on reducing environmental impact. Other key recommendations include the appointment of a supplier diversity program to support engagement with underrepresented vendors, the promotion of authentic sustainability practices, and the development of collaborations with other Michigan universities.

Effectiveness of Measurement

The MBA students conducted a pilot program to assess the effectiveness of the vendor scorecard. By engaging selected MDining vendors and analyzing their anonymized responses, the team demonstrated the tool's viability. The pilot received positive feedback from vendors and procurement professionals alike. Vendors shared that most questions were relevant to their businesses and felt the questionnaire was comprehensive, with no significant gaps. Highlighting areas of focus educates the procurement professionals and other internal stakeholders on the sustainability efforts made by each vendor and can help inform their decision-making. For example, waste reduction efforts were identified through the scorecard as an opportunity for more sustainable practices and initiatives for each vendor. See Appendix F for the complete pilot study results.

The project also outlined additional recommendations for advancing sustainable procurement practices, categorized into immediate, medium-term, and long-term goals:

Immediate Goals: Implementing the scorecard and exploring Third-Party Purchasing Programs.

Medium-Term Goals: Integrating the scorecard into Jaggaer (procurement software platform used by UM), evaluating tools such as HowGood and EcoVadis, enhancing sustainability criteria in RFPs, fostering stakeholder engagement, serving as a liaison for vendors, and piloting exceptions to RFP limits.

Long-Term Goals: Establishing collaborative efforts with other Michigan universities. (See Appendix F for the full final report.) As MDining works through future RFPs and RFIs, we can track and monitor progress toward vendor diversity and sustainability initiatives by vendors, and convey our university's commitment to sustainable advances to those bidding on the RFPs.

Education, Outreach, and Marketing/Communications

Throughout the project, active engagement with stakeholders facilitated the development and dissemination of recommendations for future sustainable procurement efforts. Transparency in communication fostered stakeholder buy-in and increased ownership of the final recommendations.

For students, the project served as a significant applied research endeavor, directly contributing to their MBA coursework and professional development by allowing them to engage with real-world procurement challenges and sustainability strategies. Additionally, vendor engagement not only demonstrated the University's commitment to sustainability but also facilitated ongoing conversations between MDining and its suppliers on advancing sustainability initiatives. By fostering these discussions, the project strengthened supplier relationships, encouraged knowledge sharing, and created opportunities for vendors to align their practices with the university's sustainability goals. This engagement also prompted tangible improvements in RFP and RFI processes, ensuring that sustainability considerations are increasingly embedded in procurement decisions and supplier evaluations.

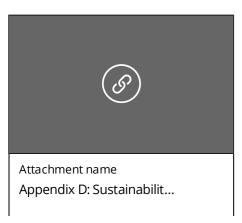
Looking ahead, the University of Michigan will host a Sustainable Procurement Conference in April 2025, where this initiative's findings will be presented through a dedicated poster session. (See Appendix G for the conference poster.)

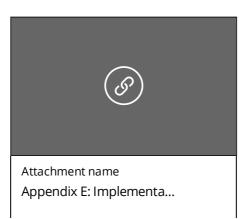
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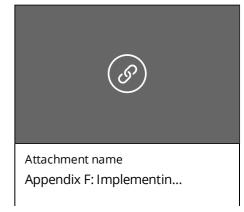








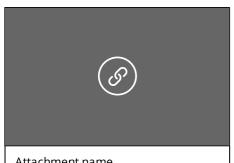




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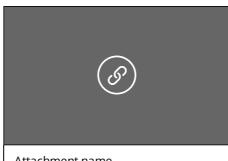
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Appendix G: Summary P...

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