

BCSPI

British Columbia
Social Procurement Initiative

VENDOR OUTREACH GUIDE

This Vendor Outreach Guide is designed to support British Columbia Social Procurement Initiative members with strategies and processes to engage with and enhance the relationships with your social procurement suppliers.



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Acknowledgements

This guide has been designed for British Columbia Social Procurement Initiative by [Buy Social Canada](#), [Scale Collaborative](#) and the BC SPI Vendor Engagement Working Group. We would like to recognize the members of BC SPI's Vendor Engagement Working Group for their ideas and guidance in developing this guide: Leah Hamilton, Bernd Guderjahn, Erin Annis, Patti Doege, Scott Hainsworth, Karen Garrett, Clinton Crook, and Colin Stansfield. The BC Ministry of Jobs, Tourism and Skills Training report on [Small Business Doing Business with Government Project](#) was a valuable reference that contributed to the content.

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Introduction

Social procurement seeks to leverage your existing spend to contribute to your organization's economic and social strategies and goals. Social procurement is purchasing that includes social value outcomes, along with competitive price, quality assurances, and environmental considerations.

The 'Buy Social Canada Guide to Social Procurement' and social procurement training are all part of BCSPI membership. Visit www.bcspi.ca to access more resources.

Engaging and communicating with potential and current vendors is critical to a successful social procurement practice.

This Vendor Outreach Guide is designed to support British Columbia Social Procurement Initiative members with strategies and processes to engage with and enhance the relationships with your social procurement suppliers.

There are 10 key areas that can contribute to successful relationships and engagement between social value purchasers and social value suppliers.

1. Make your procurement process simple, clear, and accessible
2. Provide staff training on doing business with social value vendors
3. Provide a key contact for your social procurement program
4. Communicate opportunities on a variety of platforms
5. Use the social procurement tag for relevant bids
6. Provide supplier training
7. Host engagement events
8. Leverage existing business networks to build relationships with the vendor community
9. Create a social value supplier directory
10. Report regularly on social value objectives and outcomes

Importance of vendor outreach and engagement

The social value objectives you seek from your social procurement practice will be achieved or not achieved based on the capacity and awareness of your social procurement strategy amongst the vendor community. It is vendors who are creating social value through procurement, and they need to know what the objectives are and how they will be measured.

The social value, direction and objectives are set by you, the purchaser, but they need to be clearly communicated with and corroborated by the vendor community you are working with. Through outreach and engagement with vendors you can create the supportive ecosystem and communication necessary for successful contributions to your social value objectives through procurement.

Engagement with the vendor community is an opportunity to build relationships and to explore what could be possible. The vendor community may need support and education if they have not yet done business with local government and institutions, or if they are unfamiliar with social value considerations in procurement.

This guide is an overview of vendor outreach strategies and practices to address both of those challenges. Vendor outreach and engagement should include:

- Education for the vendor community on doing business with local government and institutions
- Coaching on how to respond to social value considerations
- Awareness-building for public purchasers about the capacity and capabilities of the vendor community

With a comprehensive approach to vendor outreach you will be better equipped to identify opportunities to contract with vendors who can contribute to your social value objectives.

The BCSPi team is available to provide support in many of the ten steps detailed throughout this guide. Please contact Rob Fisher at rfisher@scalecollaborative.ca to discuss how we can help with your vendor outreach and more.

What is a social value vendor?

A social value vendor contributes to the social value objectives of the local government or institution they contract with through the vendor's business practices or through the contract design.

Examples of possible social value objectives:

- Contribute to local economic development
- Create local employment opportunities
- Increase skills training and apprenticeships
- Create employment for persons facing barriers to employment
- Increase the diversity of the current supply chain
- Contribute to Indigenous reconciliation

Examples of social value vendors who might help meet these objectives:

- **Local businesses:** Local economic development is often a strategic priority. Local businesses reinvest and recirculate money within the community through profits, payroll, purchasing, philanthropy and other business practices. They directly contribute to the social fabric and wellbeing of a place. There is no set definition of a local business. You can use community engagement to help define what local means for your community.
- **Social enterprises:** Social enterprises are businesses that sell goods or services, embed a social, cultural or environmental purpose into the business, and reinvest the majority of profits into their social mission. Buy Social Canada offers third party certification for social enterprises and lists them in the [Certified Social Enterprise Directory](#). Social enterprises could be incorporated as non-profit societies or as a hybrid model like a Community Contribution Company (CCC).
- **Diverse-owned businesses:** A business that is majority owned, operated, and controlled by a member of one of the following diverse groups: Indigenous community; members of a visible minority group; immigrants and refugees; people with recognized disabilities; racialized communities; women; members of the 2SLGBTQ+ community. This is not an exhaustive list, and may be adjusted to meet your goals and objectives.

- **Indigenous businesses:** Truth and Reconciliation Commission Call to Action #92 for economic reconciliation can be contributed to by supporting Indigenous businesses. An Indigenous business is a business which is 51%, or more, owned, operated and controlled by an Indigenous person(s). Some purchasers use a tiered system where a business owned 100% by an Indigenous nation, band, government or community receives higher preference to an Indigenous business with majority ownership by an Indigenous person. Engage with the Indigenous community in your area to determine the appropriate approach.
- **Businesses with a social value:** Ownership and incorporation structure set the direction and goals for a business, but there are many other ways for businesses to create social value. Business practices, initiatives and policies around employment, skills and training, social value in the supply chain and community development are all ways businesses can work to contribute to your social value objectives. This may include co-operatives, for-profit Benefit Companies or B-Corporation certified businesses.



Certified Social Enterprise: Embers



Access to social value vendors in your supply chain

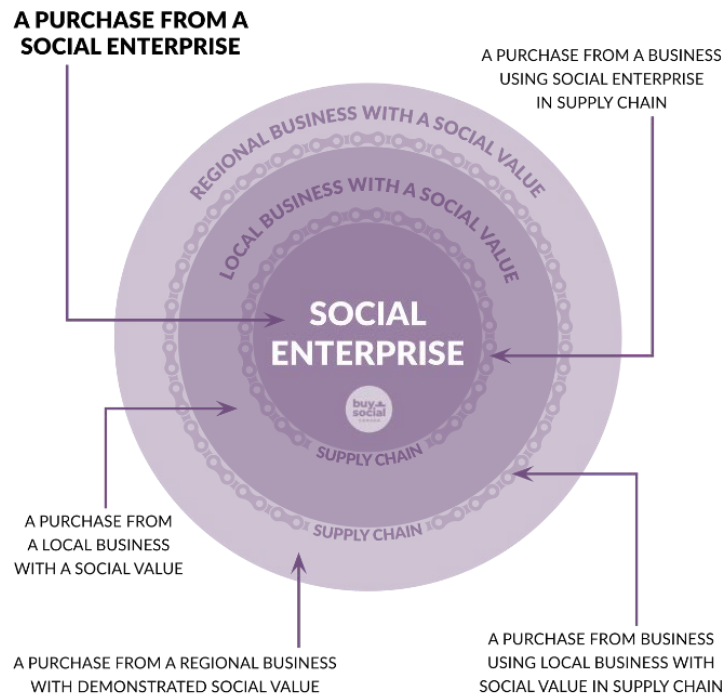


Figure 1: Buy Social Canada Concentric Circle Model

When practicing social procurement, the spectrum of available vendors for a given product in each area varies. On the concentric circle model, you will find social enterprise in the centre of the target. By reinvesting their profits back into their mission, social enterprises prioritize mission over profit. Other social value vendors can also be found in the model, including social purpose businesses, co-operatives, local businesses, diverse ownership, or businesses with social enterprise within their supply chain.

For social value vendors who are at early stages in their capacity to contract with larger public purchasers, you can encourage laddering up opportunities over time to increase contract capacity. Start with low value p-card purchases and encourage vendors to look for subcontracting opportunities. After that, progress to under threshold quotes and direct awards, and finally above threshold competitive bids and tenders.

Vendor considerations

As a purchaser wishing to expand inclusion and diversity of your vendor opportunities, there are some things you may want to consider as you develop your communications and engagement processes.

Vendors may be new to doing business with your organization. Here are some barriers and challenges they might face, and issues you may have to help resolve or address:

- Uncertain where to find procurement opportunities and how to participate in the process
- Confused about the different steps and requirements
- Feel that the procurement process is challenging and time consuming
- Elements of the procurement process like the pay schedule, time needed to respond to the bid, insurance requirements etc., might limit participation
- Don't know who to talk to within the organization to learn more or ask questions

Vendors may be new to incorporating social value considerations into the bid process. Here are some barriers or challenges they might face:

- Don't know what types of social value are being sought and how points will be awarded
- Unfamiliar with language and responses for social value considerations
- Don't realize what existing practices could contribute to social value objectives
- Qualify as a social value vendor but don't have third party certification

Strategies to Support Vendors' Engagement & Success

Outreach to social value vendors is an effective way to provide education about procurement processes and opportunities, learn about the capacity and capabilities of vendors and build relationships between vendors and purchasers. Outreach strategies which will be explored further include having a central point of contact, leveraging existing business networks, creating a vendor database, and hosting engagement events.

In social procurement, actions and decisions follow from your social value objectives. Vendor outreach is the same. Review your social value objectives to determine what outreach and engagement strategies can best assist with connecting with social value vendors. At the same time, be open and create space for input from vendors on ways they can contribute to your goals that you may not have considered. Many of the strategies listed here complement each other so think about how you can combine tactics to optimize your specific strategy.

1. Make your procurement process simple, clear and accessible

Use plain language in all materials and make processes simple and clear to ensure your procurement is as accessible as possible to a wide variety of social value vendors. Develop centrally accessible information and resources. Endeavour to streamline all procurement processes and templates.

If you are not sure where there is room for improvement, ask the vendor community if there are any barriers, real or perceived, in the procurement process that can be addressed. Be critical of your processes and ensure that all steps and requirements are necessary and not just accumulated over time.

Review your e-procurement platform to make it as accessible as possible. Consider reducing or eliminating fees if they are currently in place, as these could be a barrier to small-sized social value vendors.

As you work on your accessibility, be inclusive but not biased. Find the balance between the two so that social value vendors have access to the information needed and can respond to opportunities, but the process is still open, fair and transparent. Part of accessibility is allowing vendors time to prepare and respond to opportunities. Provide communication about opportunities ahead of time. For example, provide next year's projections for purchasing and projects publicly through multiple channels. Provide ample lead time and share with related industry networks such as local construction associations or chambers of commerce.

Contact the BCSPi team for coaching on how to make your procurement process as simple, clear and accessible as possible.

Procurement departments or financial services may not get notification of upcoming projects ahead of time. To provide projections and advance notice of upcoming projects, work with the financial planning department and review the annual budget for what projects and spending has been included. Infrastructure grants can signal upcoming projects so connect with the engineering department to see what has been awarded and if there are projects in the pipeline.

Standardize the bid process within your organization. Researching and drafting a government proposal can be challenging for potential vendors, as the bidding process is often different for each type of proposal and each government agency.

By offering a standardized electronic bidding, or e-bidding, process, the purchaser provides a level of transparency to potential contractors, allowing them to learn how the request for proposal (RFP) cycle works, and what to expect for each job they submit. A great way to do this is with automated e-bidding and matching software. Once vendors learn and get comfortable with the user interface, submitting RFPs for projects will become a much less daunting process.

2. Provide staff training on doing business with social value vendors

Enhance staff training to promote best practices when working with social value vendors throughout the procurement process and contract management. Working with new vendors and vendors who aren't accustomed to selling to local governments and institutions will require staff to know how to best support and respond to social value vendors.

Training can encompass an overview of the social procurement goals and how staff can support these with their purchasing. P-card spending in particular is a great opportunity to target decentralized purchasing that can be directed to social value vendors. This training can be done in one hour or less.

BCSPI has resources to support your staff training. Reach out to discuss how we can provide assistance.

3. Provide a key contact for your social procurement program

Provide a central point of contact for any inquiries related to your organization's procurement, to receive feedback on bids and processes and to build relationships with the vendor community. This will make it easier for communication to flow both ways between the purchaser and vendors. Vendors will also then be able to bring innovative ideas forward. Relationships can lead to social value opportunity identification.

Give the gift of time to vendors who are looking to learn, connect, and do business with you.

4. Communicate opportunities on a variety of platforms

Share opportunities to sell to local government online and through additional channels. Have more opportunities to sell to governments and institutions posted online, especially low value and under threshold opportunities. This could be as simple as a list of the common low value purchases that you make, available on your website.

Create awareness of these opportunities and ensure interested vendors know who to connect with for more information or to express interest. Implement a strategy to communicate about existing and future contract opportunities likely of interest to social value vendors. This will increase accessibility and allow for more responses and more inclusion of social value vendors.

Another avenue of communication is to encourage larger suppliers to diversify their supply chains through subcontracting opportunities with social value vendors. This encouragement can be included in your RFx documents. Many social value vendors may be smaller and not yet have the capacity to contract directly with institutional purchasers. By asking your larger procurement contractors what the subcontractor selection process includes, and by awarding points for subcontracting practices that favour social value vendors, you can encourage larger businesses to create subcontracting opportunities for social value vendors.

Here are some examples of communication channels you can use:

- Organization's website
- Organization's social media
- Organization's email list
- Economic development department network
- Local business network's website
- Local business network's social media
- Local business network's email lists
- Events
- Newspapers
- General contractor subcontracting

5. Use the social procurement tag for relevant bids

The social procurement tag is available to include in your bids on virtual bid platforms like BidCentral and Bids and Tenders. Include this tag on bids that ask for a social value so vendors looking for this type of opportunity can find them.

6. Provide supplier training

To support vendors in learning about the procurement process and about responding to social value considerations, it is important to provide education and training. Information can be available in written form, in-person meet the buyer and reverse trade show events, or in webinars with recordings made available online. Work with business networks to promote training and education opportunities and design a training strategy that aligns with the vendors you are working with.

Keep in mind that time is a resource for many social value vendors. Consider how you can meet them where they are at. This could be going to them in

person or presenting at existing events they may be likely to attend like those hosted by chambers of commerce and rotaries. Invest in building relationships.

We're here for support

The BCSPi team is available to provide customized support for your social procurement design and implementation. Contact Rob Fisher rfisher@scalecollaborative.ca to discuss how we can help with your vendor outreach and more.

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Training should cover:

- Procurement rules
- The processes you use to make purchases
- How to find opportunities and to be notified about new opportunities
- How bids are posted so that small businesses know about them
- Registering in and using your e-procurement system
- Marketing goods and services to government and institutional purchasers
- What is needed to write an effective proposal and compete for and win business (e.g., the top 10 mistakes made when bidding)
- Building relationships and understanding what government and institutional purchasers are looking for (i.e., who buys what)
- What you are trying to achieve
- What you can do to support social value vendors
- Introduce sub-contractors to potential general contractors (reverse trade show)

Supplier Guide to Social Procurement

Buy Social Canada has a free open-source tool, "The Supplier Guide to Social Procurement." Following the social procurement user journey of Learn, Identify Opportunities, Discover, Respond and Deliver the Supplier Guide can help social value suppliers learn the ins and outs of social procurement. The Supplier Guide includes fillable pdfs and worksheets to help become ready for social procurement opportunities.

[Download a free copy of the Supplier Guide to Social Procurement here](#)

7. Host engagement events

Hosting engagement events gives an opportunity to achieve many social value vendor outreach goals. You can provide education on your procurement process, build relationships between vendors and your central point of contact, learn what capacity and capabilities the vendor community has, and gain momentum to support the social value objectives that your procurement is working towards.

Examples of engagement events include:

- **Reverse Trade Shows:** Where procurement opportunities can be showcased, and social value vendors can market their solutions to government and institutional buyers.
- **Meet the Buyer:** Where the procurement process is explained and there are a series of short meetings, speed dating style, where buyers with specific areas of interest meet with relevant suppliers.
- **Bid-specific meetings:** For specific projects with a social value component, host engagement events where you can meet potential bidders and they have the opportunity to both meet you and ask questions about the project.

When designing your engagement events, consider what you want to accomplish from the event, what the value proposition is for vendors to attend, and how the event can contribute to success in your social procurement practice. The time of day you set your meeting can make a difference as business owners may not be able to attend during the work day.

8. Leverage existing business networks and build relationships with the vendor community

Existing business networks are likely already working with social value vendors in your community. These include but are not limited to Small Business BC, chambers of commerce, Community Futures, industry associations, LOCO BC, Buy Social Canada, Island Good, and Indigenous business networks.

Connect with these organizations to gain advice on your outreach and awareness strategies that would best align with their member needs. Co-host events, share information on training and engagement, send them notifications of bid opportunities or an RFI for social value vendors.

9. Create a social value supplier directory

Explore establishing a supplier management tool that facilitates an increase in social value vendor procurement while meeting the needs of various programs and priorities of government or other public institutions. The BCSPi Member Resource centre has a Request for Information template you can use to build a supplier directory and learn about your local vendor community.

Work with business networks to promote the RFI and share widely.

Access the BCSPi RFI template via the online member portal and reach out to discuss how we can help support with a vendor information session and associated marketing.

10. Report regularly on social value objectives and outcomes

When you begin to incorporate social value considerations into your procurement, you begin to ask about the practices and actions of vendors. There can be a concern that a vendor might win a bid based on a response to social value consideration and then not follow through on creating that social value. This risk discourages other vendors and can breed distrust. For this reason, it is critical to have successful proponents report on any social value commitments on contracts, and for the local government and institutions to publicly report on social procurement progress towards achieving the social value objectives.

Establish clear accountability and process for reporting by vendors and to the community on social value objectives.

Conclusion

As we seek to leverage our existing spend to foster healthy, vibrant communities, your social procurement implementation work will always be evolving. The vendor community can inform and provide many opportunities to create social value and community capital. Leverage your relationships and this local knowledge to work together and create impact. British Columbia Social Procurement Initiative is here to support as we work together to improve the health of our communities and the strength of our economies by changing the culture of public sector procurement.

If you have any questions, please contact Tori Williamson at tori@buysocialcanada.com.

Glossary

Best Value: The optimal combination of total cost, performance, economic, environmental and social sustainability.

Bid: A written formal offer, submitted in response to an invitation to supply goods, services or infrastructure.

Certifications: Third party verified designations that confirm social and/or environmental practices.

Community Benefit Agreement (CBA): An agreement between community, government, and developers that ensures development projects enhance local social, environmental, and economic opportunities.

Community Capital: The health of a community is not measured by economic value alone. Community capital consists of the five main types of capital: social capital, human capital, cultural capital, economic capital, and physical capital. Building community capital is the means for creating healthy communities.

Community Employment Benefits (CEB): Infrastructure Canada initiative which seeks to provide employment and/or procurement opportunities for at least three of the groups targeted by the initiative: apprentices; Indigenous peoples; women; persons with disabilities; veterans; youth; recent immigrants; and small-sized, medium-sized and social enterprises.

Contract: An agreement between supplier and purchaser of goods, services or construction, including a purchase order, formal agreement or other document evidencing the obligation, and any amendments.

Corporate Social Responsibility (CSR): Policies and practices that demonstrate a business is operating in ways that enhance society and the environment, instead of contributing negatively to them.

Direct Award: Purchases that are contracted without a competitive bid process. These can be under trade agreement thresholds, purchasing policy thresholds or to businesses who are exempt from the trade agreements.

Diverse-owned Business: A business that is majority owned, operated, and controlled by a member of one of the following diverse groups: Indigenous community; members of a visible minority group; immigrants and refugees; people with recognized disabilities; racialized communities; women; members of the 2SLGBTQ+ community or others.

Equity-deserving Groups: Groups who have historically been denied equal access to employment, education, and other opportunities and includes, without limitation, the following: members of an Indigenous community; members of a visible minority group; immigrants and refugees; people with recognized disabilities; racialized communities; women; members of the 2SLGBTQ+ community; low-income residents; people with mental or physical health barriers; people facing employment barriers, unemployment or underemployment; and others experiencing barriers to economic opportunity and participation.

Fair Wage: Hourly wage rates set for specific occupations based on community market conditions and/or local government policy.

Inclusive Employment: Employment practices that provide flexible options that support people from a variety of different backgrounds and abilities to participate in the workforce.

Indigenous Business: A business that is 51% or more owned, managed and controlled by an Indigenous Person(s).

Invitation to Quote (ITQ): Similar to an Invitation to Tender (ITT), this solicitation method is a price-based competition that is typically used for small-dollar, under-threshold contracts.

Invitation to Tender (ITT): Sometimes called a Request for Tender (RFT) or Call for Tender (CFT) an ITT is a price-based competitive solicitation process used for higher-value contracts. An ITT is most often used for the purchase of goods, construction or straightforward buys where there is a clear set of specifications and the purchaser wants to find the lowest price.

Living Wage: The hourly wage necessary for a full-time employee to meet their basic needs. Needs are defined to include food, housing, and other essential needs such as clothing. Each community has a different living wage calculation.

Negotiated Request for Proposals (NRFP): An NRFP solicitation that includes a rigorously structured and clearly identified negotiation process as part of selecting the successful proponent for contract award.

People who face barriers to employment: Barriers to employment can include lack of access to transit, needing accessible workplace accommodations, hiring and retention biases, needing flexible work hours and/or requiring additional workplace supports. Some equity-deserving groups are more likely to face these barriers; people with disabilities, Indigenous youth, newcomers to Canada, etc.

Prequalification: Often the first stage of a multiple-stage procurement process, prequalification is designed to evaluate certain criteria or information provided by potential respondents, for the purpose of shortlisting. Those who qualify for the shortlist are then invited to respond to the subsequent solicitation process.

Procurement: Acquisition by any means, including by purchase, rental, lease or conditional sale, of goods, services or construction.

Request for Proposal (RFP): A solicitation process used to seek both competition and creative input from proponents. An RFP typically sets out what the purchasing organization wants, and why, but the “how” is typically left to proponents and is one of the key areas for evaluation. An RFP includes both mandatory and weighted criteria that will together help the purchasing organization determine best value among proposals.

Request for Qualification (RFQ): A non-binding process in which suppliers may put forth their qualifications to perform service or supply goods. Typically used to prequalify for a shortlist or to create a standing offer list.

Request for Quote (RFQ): A term used in many jurisdictions with the same meaning as Invitation to Quote (ITQ).

Small- or medium-sized enterprise (SME): A small business has 1–99 paid employees. A medium-sized business has 100–499 paid employees.

Social Enterprise: A business that sells goods or services, embeds a social, cultural or environmental purpose into the business, and reinvests the majority of profits into their social mission.

Social Procurement: Every purchase has a social, economic, cultural, and environmental impact. Social procurement is about using your existing purchasing to capture those impacts to achieve overarching institutional, governmental, or individual goals that helps shape inclusive, vibrant and healthy communities.

Social Purpose Business: A business with a social, environmental or cultural mission or purpose that may or may not reinvest profits back into the mission.

Social Value: The impacts of programs and organizations on the wellbeing of individuals and communities. Social enterprises and social purpose businesses can generate social value by innovating products and services that meet community needs and participating in social procurement.

Social Value Outcomes: Social, environmental or cultural impacts shown in quantitative metrics. These include: employment hours; jobs; contract spend; number of contracts; etc.

Social Value Vendor or Supplier: A business who contracts or bids to contract with local government or institutions and through their business practices or contract design contribute to the social value objectives defined by the purchaser.

Sustainable Procurement: Purchasing requirements, specifications and criteria that support the protection of the environment, resource efficiency and social value for communities.