

## **“GEC Webinar Series: Sustainable Procurement Through the Public and Private Sector Lens”**

### **Session 1: Organizational Motivations**

#### **Panelists:**

- **Betsy Hayes, Chief Procurement Officer, State of Minnesota**
- **Pat Hopper, Managing Director of Sourcing, FedEx**

GEC is hosting a four-part webinar series titled, “Sustainable Procurement Through a Public and Private Sector Lens.” The series brings together procurement professionals from the public and private sectors to share their unique sector-specific experience in implementing sustainable procurement within their organization. The series addresses four topics including:

- Organizational Motivations
- Sector Successes and Challenges
- Sector Roles and Expectations
- Leadership in Sustainable Procurement

In each installment of the series, panelists provide an overview of their sustainable procurement program, and following panelist presentations, GEC staff facilitates a conversation that address the topic of the webinar series.

The first session was held on April 17, 2018 and featured panelists Betsy Hayes, CPO, State of Minnesota, and Pat Hopper, Managing Director for Sourcing, FedEx. Topics of conversation addressed in the first installment included:

- 1) What are some fundamental differences between public and private sector procurement?
- 2) How do differences in motivation, process, and goals influence each sectors ability to be successful when pursuing sustainable purchases?
- 3) What can each sector learn from the other?

Some takeaways from the presentation included the following:

- Both panelists agreed that there are distinct differences in what motivates and govern action in the public and private sector. Panelist Betsy Hayes indicated that “whereas the private sector can do anything not prohibited by law, the public sector can do only what is authorized.”
- Panelist Pat Hopper noted that FedEx is enabled by its leadership first and foremost. FedEx efforts to promote sustainability are a function of a desire to improve the communities within

which FedEx functions. He said this desire translates into developing solutions that are often a part of engaging supply chains, and communicating appropriate values to management teams.

- He noted that profit is a factor but a “sell doesn’t have to be in place” for FedEx to engage sustainability. In his capacity as sourcing manager, he notes that FedEx maintains strong relationships with business partners, its employees, and its communities and customers. Pat noted that FedEx is particularly effective at seeking out sustainable solutions because he does not need to seek out buy-in for sustainable approaches as leadership has already made it a part of its core value system.
- Panelist Betsy Hayes said that in the public sector motivation comes from a mixture of top down edicts such as Executive Orders and Legislation and also from an Enterprise-wide desire to take on work that “creates a connection to a broader purpose.” Betsy noted that highly prescriptive pieces of legislation and regulation are necessary because leadership needs to more closely mitigate risk in the public space. She said MN’s “Best Value Approach” to procurement allows there to be a balance between competing priorities such as cost, risk, and sustainability. Betsy noted that legislation plays a large role in creating the motivation for pursuing sustainable approaches.
- Betsy noted that embodying a sustainable value system not only helps MN to embody its commitment to sustainability, but also does much to attract and maintain talent. She noted this is especially valuable as public sector employees now face a “graying” workforce.