



Green Procurement

Recap of Green Project Management:

Green Project Management (GreenPM) integrates environmental thinking into all of the project management decisions. It is a way to ingrain “greenthink™” into every project management process.

The point about green project management is not that you make every decision in favor of the one that is most environmentally friendly. The point is that you start to take the environment into account during the decision-making process. You might make most decisions the same as you do today. But there might be some decisions you would make differently.

Procurement

Procurement refers to the aspects of project management related to obtaining goods and services from outside companies. This specifically refers to vendors and suppliers. Procurement is an area that project managers definitely need to understand at some level, and it is an area into which the project manager will give input. However, in many, and perhaps most companies and organizations, procurement is an area that the project manager does not own. The project manager normally does not have the authority to enter into contracts on behalf of the company, and he normally is not asked to administer the contracts once they are in place.

If you are purchasing goods or services on your project, you should determine your project procurement strategy and plans. In some cases, you will simply follow the procurement contracts and plans that are already established by your company or your organization. For instance, you may purchase hardware from companies using a standard company contract. You may acquire contactors using your company’s preferred vendor list under prior master contractor agreements. In some cases, you will need to work with your Procurement Department to establish your own project-level vendor management plans.

Green Procurement

An organization that follows GreenPM can add environment considerations into its procurement process. Since Procurement is often “larger” than a project or project manager, an organization initially needs to determine where green procurement resides.

If the organization is adopting a green procurement approach to all of its purchases, green procurement may be owned, defined, and deployed through a Procurement department. When practicing GreenPM on specific projects you should first look to



see if your organization has an Environmental Management Policy (or something similar) and green procurement processes aligned to your environmental standards. If so, then you should make sure that your project aligns to these environmental policies and green procurement processes as well.

Green procurement also relates to the specific purchases that we need for our project. Beginning with the Procurement Management Plan, it is important to understand and note any organizational policies and standards you are adopting on your project. The Procurement Management Plan describes how items will be procured on your project and the approach you will use to managing vendors. If a project manager is practicing GreenPM, he should describe the aspects of the project's procurement management process that will consider the environment. For example, you may identify how you expect vendors to adhere to your environment processes (such as GreenPM) or meet your environment requirements.

There are a number of areas within procurement that can be enhanced to consider the environment and help you establish a green procurement approach. Following are some ideas:

- Plan Procurements – As you gather and rank the needs against which you will evaluate vendors, you can now include environment criteria that the vendors need to meet. You can also establish the weighting factors for these needs and ultimately rate the vendors on their ability to meet your environmental requirements.
- Obtain Seller Responses –In your RFP, you may include information on your organization's environmental focus (such as describing your GreenPM processes) and have the vendor comment on how they will align to these, or make a general inquiry regarding the vendor's use of green project management processes. Each vendor should be able to explain and demonstrate how they can accomplish your environmental goals, possibly describing how they have completed similar goals previously.
- Select Sellers – Map the vendor capabilities against your requirements and weighting factors, including the environment requirements that you have established. Using GreenPM, it is possible that your vendor selection may result in a different vendor. For example, if your environment requirements are weighted high, it is possible that there is a vendor with a significant focus in this area who perhaps would not have been your top ranked vendor without environment requirements. Therefore, if you did not consider environmental factors in your evaluation, you may not be determining the vendors who can meet your top needs. Then again, it is possible that the environment



requirements and weighting factors may not have any impact on the vendor results and your vendor selection.

- Administer Procurements – You should validate that the vendor is proceeding as planned and agreed throughout the project. This includes confirming that the vendor is following green project management processes (GreenPM) and meeting any defined environment criteria for deliverable completion. Procurement audits can be one approach to validating the compliance to your expected standards and processes.

Procurement is not simple and organizations seek to continually streamline and improve their procurement approaches. It is possible that green procurement is in its infancy and may add another dimension or complexity to improving procurement processes. However, if the results have a positive affect on the environment and possibly achieving your organization's environmental policy, isn't it worth the effort?

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