A Strategic Vision for Leading in Socially Responsible Procurement Practices

Summary Report

University of Michigan
President’s Advisory Committee on Labor Standards and Human Rights

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Context
In fiscal year 2015, the University of Michigan (UM) procured $3.75 billion in goods and services from over 40,000 companies. These companies face diverse human rights challenges, made more complex through the globalized nature of business today. Increased public awareness through consumer activism, advocacy campaigns and social media places additional pressure on business to acknowledge and address human rights impacts. Over time, expectations of businesses have also grown due to the development of voluntary standards such as the United Nations Guiding Principles on Business and Human Rights, as well as the U.S. Dodd Frank Section 1502, or “Conflict Minerals” law and the California Transparency in Supply Chains Act.

Opportunity
Michael Posner, Co-Director of the New York University Stern Center for Business and Human Rights, in a 2014 symposium hosted by UM, challenged universities to broaden human rights efforts beyond current licensed goods efforts to also include procurement and investment. Posner offered a number of reasons to support this. First, in addition to training students to lead ethically, UM and other universities must also respect ethical principles in the way they operate. Second, universities are the thought leading institutions in the U.S. and have a responsibility to drive forward the national dialogue on human rights. Third, the potential for impact across university procurement (rough estimates place this national market at over $1 trillion) greatly surpass that for collegiate licensed goods (approximately $4.6 billion nationally). UM has a unique opportunity to lead universities in upholding human rights standards in its procurement practices. The case for UM’s leadership on this issue is rooted in four factors:

1. Leadership in practice: UM is committed to the principle of leadership, with “Leaders and Best” as its motto. From the Anti-Apartheid movement of the 1970’s and 1980’s to current human rights in licensed goods efforts, UM has embraced a leadership role in issues of societal importance.
2. Attract the best: Young people generally and UM students specifically care deeply about social responsibility. In order to continue to attract the best students, UM must also operationalize its ethics.
3. Proactive engagement: Institutions are frequently caught off guard by issues of human rights. Through proactive engagement, UM will be better equipped to both prevent and manage human rights impacts.
4. Human rights risks exist: Human rights impacts are a reality for virtually any company operating today; exploring and acknowledging these risks is a necessary first step.

Methodology
The research project to create a strategic vision for UM’s leadership in socially responsible procurement spanned January to April 2016, with four distinct phases:

1. Initial research and resource development
2. Stakeholder engagement
3. Analysis
4. Final product delivery

The information offered in this report and corresponding presentation is the result of: desk-based research, stakeholder and expert interviews (Appendix 1), university and private sector benchmarking, a procurement spend analysis and student focus groups and surveys. The Research Assistants (RA) met weekly with project advisors, including a Procurement Services representative, to discuss progress.
Licensed Goods
Beginning in 1997, student activists through groups such as the United Students Against Sweatshops demanded that universities uphold human rights in the production of licensed goods. UM responded by developing a network of internal and external structures designed to establish licensee standards and monitor licensee performance. Many lessons can be drawn from the licensed goods experience:

1. Positive engagement: UM’s President’s Advisory Committee on Labor Standards and Human Rights (PACLSHR) serves as a model for positive student engagement. It directly integrates students into the committee and sponsors research and action based learning opportunities.
2. Investment: Making progress on this issue requires investing in the resources and support necessary to do meaningful work.
3. External support: The licensed goods work involves a variety of external partners, from the Worker Rights Consortium (representing the worker voice), Fair Labor Association (monitoring and accrediting licensees) and the Collegiate Licensing Company (licensee contracting and leader of a supplemental “Ethical Supplier Engagement Program”).
4. University driven: External partners act on priorities as defined by the university; this places responsibility on the university – as customers of these services – to clearly define and communicate its priorities.
5. Integration: When determining the companies UM selects to license its goods, responsible business practices stand equally alongside traditional commercial criteria.
6. Journey: As knowledge and experience are gained, standards and efforts are continually evolving.
7. Influence: Universities have succeeded in influencing the practices of even major companies, such as Nike and Russell.

Procurement Services
UM Procurement Services (UMPS) outlines on its site a commitment to “providing exemplary service to the university and to our suppliers, and to conducting UM’s purchasing initiatives in an ethical and sustainable manner.” UMPS manages supplier relationships on behalf of UM, including signatory authority on purchasing agreements. Purchases below $10,000 may be made by faculty and staff across campus, while those above $10,000 must pass formally through UMPS. UMPS has implemented a strategic contracts program with over 100 suppliers to encourage the purchasing of best value goods and services for UM.

A large portion of UM’s $3.75 billion fiscal year 2015 spend is highly concentrated. Of 67 total categories, four – Human Resources, Medical, Construction and Financial Services – total over 60% of spend, and Human Resources nearly 30%. Consistent with the UMPS’s data management services contract, 5% of spend remains “unclassified,” while information beyond the first, broad spend categorization is also often unclassified. UM’s spend with some suppliers, although significant for the university, may represent only a small fraction of revenue for major companies such as Bank of America (0.001%) or Apple (0.004%). This highlights an opportunity to expand supplier leverage through collaboration with other universities.

UM’s Vendor Code of Conduct (CoC) was developed in 2004, applies to all suppliers and is separate from the Licensee Code of Conduct. The CoC outlines UM’s “primary” standards for suppliers with respect to issues of discrimination, affirmative action, freedom of association, labor standards, forced labor, health and safety and harassment or abuse; as well as “preferential” standards related to living wage, international human rights, environmental protection and foreign law. The CoC is not explicitly enforced; it is not written into the terms and conditions of UM’s agreements with suppliers.
Concerns surrounding supplier compliance with the CoC can be raised by any UM organization. The CoC calls for an ad hoc Purchasing Dispute Review Board (DRB), comprised of at least five members including a UMPS representative, faculty and students, to review the charges made and offer recommendations to UM. The first and last known gathering of a DRB was in 2004 surrounding the “Killer Coke” campaign involving charges made against Coca Cola for its business practices in India and Colombia. The DRB was tasked with both defining processes and handling the contentious issue simultaneously, resulting in a challenging but ultimately positive outcome.

Spend Analysis
The below analysis offers an overview of the potential intersection between UM’s procurement spend and human rights impacts. With additional information from suppliers on product details, including materials used and the geographic scope of production, more specific human rights impacts could be identified. This is information UMPS could request of suppliers in the future.

The offshoring of production from the U.S. to countries around the world has become a business reality. From 1990 to 2008, manufacturing firms increased offshoring, even in areas such as procurement and innovation, from 2% to 18%-36%. Industries present in UM’s procurement spend conduct a significant portion of manufacturing overseas:

- ~93% of car models assembled in U.S. are less than 75% domestic made (2015)
- ~77% of U.S. computers and electronics are made outside the U.S. (2012)
- ~50% of petroleum/coal products are made outside the U.S. (2012)
- ~40% of medications are made outside the U.S. (2014)
- ~21% of U.S. food, beverage and tobacco is imported (2013)

UM spends significantly in areas that are therefore likely to offshore production. The following is a breakdown of UM fiscal year 2015 high procurement spend areas likely to involve manufacturing:

- Drugs and Pharmaceuticals: $313 million
- Medical Supplies and Equipment: $284 million
- Laboratory Equipment: $134 million
- IT Hardware: $76 million
- Furniture: $25 million
- Office Supplies: $25 million
- Fuel: $3 million
- Vehicles and Parts: $2 million

This global manufacturing model offers both advantages and new complexities for business today. Using the Social Hotspot Database tool, the manufacturing sector was found to face “high” to “very high” risks in areas such as wages paid below minimum wage, forced labor and lack of respect for international human rights standards, in regions where production is likely to occur. Once again, more specific supplier information would make the results of risk assessment tools such as this more meaningful.
Even large U.S.-based companies confront significant, complex and diverse human rights challenges. A study published in the *International Journal of Human Rights* found that companies domiciled in the U.S. score "nearly on par" with those in Sub-Saharan Africa with respect to human rights adoption. In relation to UM procurement, human rights impacts may be categorized as follows:

- *Local and Direct*: Impact is domestic and directly related to a good/service procured by UM
- *Local and Indirect*: Impact is domestic and involves a UM supplier but not specifically a good/service procured by UM
- *Global and Direct*: Impact is international and directly related to a good/service procured by UM
- *Global and Indirect*: Impact is international and involves a UM supplier but not specifically a good/service procured by UM

Industry examples of these categories are demonstrated below in *Exhibit 1*. Although these challenges vary in proximity to UM procurement, the *United Nations Guiding Principles on Business and Human Rights* calls upon an institution to manage human rights impacts linked to its operations or business relationships, including "entities in its value chain." 

Exhibit 1: Industry examples of human rights challenges by proximity to UM Procurement

In order to better understand specific human rights challenges faced by companies within high spend industries for UM, the RAs gathered examples from major suppliers outlined below in *Exhibit 2*. These examples, some historical, are provided in an effort to demonstrate the diversity and complexity of human rights issues UM’s suppliers face, rather than either an exhaustive overview or a criticism of any given company or industry. This type of transparency may be considered a starting point for UM’s meaningful engagement in human rights issues moving forward.

An indicator of a company’s initial engagement in human rights issues is often the existence and public sharing of a human rights code of conduct or policy. In an analysis of the top ten suppliers by spend within the top five procurement categories by spend found varying adoption of human rights policies by key UM suppliers. While large suppliers within Medical, IT Hardware and Laboratory adopted human rights policies at
approximately 70% to 80%, Financial Services (43%) and Travel (33%) were significantly lower. Perhaps most surprising, however, was Construction, at 0%. This may suggest that the construction industry more generally, rather than specific UM suppliers, is lagging with respect to human rights engagement.

Exhibit 2: Human rights challenges, UM supplier examples in high spend categories

<table>
<thead>
<tr>
<th>SPEND CATEGORY</th>
<th>UM SPEND (% FY15)</th>
<th>% TOP 10 SUPPLIERS W/ HR CODE</th>
<th>SUPPLIER</th>
<th>SUPPLIER SPEND FY15</th>
<th>SUPPLIER HUMAN RIGHTS CHALLENGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEDICAL: Medical Devices</td>
<td>$600M (16%)</td>
<td>67%</td>
<td></td>
<td>$17M</td>
<td>Accused of facilitating female feticide in India with distribution of low cost ultrasound product</td>
</tr>
<tr>
<td>CONSTRUCTION: Engineering Contracting</td>
<td>$410M (11%)</td>
<td>0%</td>
<td>Turner</td>
<td>$17M</td>
<td>Accused of not providing protective gear to workers in WTC cleanup (Class Action Lawsuit)</td>
</tr>
<tr>
<td>FINANCIAL: Tax Preparation Banking</td>
<td>$233M (6%)</td>
<td>43%</td>
<td>Renaissance</td>
<td>$1M</td>
<td>Funded coal mine in Indonesia that contributed to water pollution &amp; land loss for locals</td>
</tr>
<tr>
<td>LABORATORY: Supplies Chemicals</td>
<td>$157M (4%)</td>
<td>80%</td>
<td>Siemens</td>
<td>$3.4M</td>
<td>Partner in Honduran dam project amid significant opposition; local activist killed in March 2016</td>
</tr>
<tr>
<td>TRAVEL: Airlines Hotels</td>
<td>$121M (3%)</td>
<td>33%</td>
<td>Marriott</td>
<td>$4M</td>
<td>In renovation of Boston Marriott contractors paid workers half minimum wage without overtime</td>
</tr>
<tr>
<td>IT HARDWARE: Computers Printers</td>
<td>$93M (2%)</td>
<td>70%</td>
<td>HP</td>
<td>$14M</td>
<td>Supplier factory used student forced labor and excessive work hours in violation of Chinese regulations</td>
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</table>

Although not highlighted above among the highest spend categories, food represents another opportunity area for UM for a number of reasons. First, food and beverage is a relatively high spend area for the university, at approximately $36 million. Second, there are known human rights challenges in food and agriculture, including child labor, low wages, excessive hours, human trafficking and land conversion. Third, student engagement in food is high, as demonstrated by over 12 student groups dedicated to food causes as well as an active boycott of the Wendy’s fast food chain on campus due to its treatment of farm workers. Last, UM’s Office of Campus Sustainability has a sustainable food sourcing effort already underway, primarily focused on environmental issues but with the potential to integrate social considerations as well.

The above spend analysis leads to the following key conclusions:
1. Manufacturing risks exist across many UM spend categories.
2. Suppliers face complex human rights challenges.
3. Both direct and indirect human rights issues concern UM.
4. More information from suppliers is needed for a complete assessment.
Benchmarking
The RAs conducted desk-based research on current university and private sector efforts to incorporate human rights standards into procurement practices.

A diverse set of 20 universities was selected largely through stakeholder and expert recommendations for potential work related to human rights in procurement. 25% of the universities researched have a publicly available Vendor CoC, but it is unclear the degree to which the CoC is enforced. 100% of these universities are engaged in sustainable food sourcing initiatives, much of which is environmentally focused. A summary of these findings can be found in Appendix 2.

Given this limited action, UM has a unique opportunity to lead among universities. In addition, collaboration between universities on identifying and communicating standards to suppliers (similar to what is done with licensed goods) could increase UM’s leverage over even the largest companies. A suggested list of initial university collaborators includes: Brown University; Emory University; Georgetown University; Harvard University; University of Notre Dame; University of California, Berkeley; University of California, Los Angeles; University of North Carolina at Chapel Hill; University of Washington; University of Wisconsin and Yale University.

The private sector has significantly stepped up human rights efforts over the past decade. A 2015 Economist Intelligence Unit survey of 853 senior corporate executives found that 83% agree that human rights concern government and business alike and 71% agree that companies’ responsibilities exceed simply obeying local law. Key drivers for socially responsible business practices include: building sustainable relationships with local communities, protecting the company’s brand and reputation, meeting employee expectations and moral/ethical considerations.

Social responsibility is also considered a key component of employee attraction and retention. Studies have found that companies investing in social responsibility attract and retain talent, especially millennials, better. Millennials express social responsibility as a clear priority; 75% of young adults believe corporations should address societal needs, while 70% consider themselves “social activists” and 67% prefer to work for a company that is socially responsible.

While many stakeholders report the private sector’s challenges in operationalizing human rights, a number of promising practices exist. First, leading companies were found to be more likely than others to acknowledge and address the fact that their operations intersect with a wide range of human rights impacts. Second, a Social and Labor Convergence Project, led by the Sustainable Apparel Coalition and major companies like adidas, H&M and Target, aims to standardize assessment methodologies and ultimately achieve greater progress through collaboration. Third, leading companies integrate standards into existing tools and procedures; for example, Nike has operationalized its CoC by embedding sustainability (social and environmental) standards alongside traditional standards of cost, quality and on-time delivery when assessing supplier performance and making sourcing decisions.

In summary, the university and private sector benchmarking leads to the following conclusions:

1. There is an opportunity to both lead among and collaborate with other universities.
2. Companies are increasingly acknowledging and addressing human rights issues.
3. Private sector talent recruitment and retention is tied to social responsibility.
4. Operationalizing human rights standards remains a challenge for companies.
Student Voice
UM student opinions on this topic were collected via small focus group discussions and a survey.

The focus groups involved 13 total students divided into two separate undergraduate and graduate discussions. The format was an informal conversation guided by the RAs following a series of questions (Appendix 3) in an effort to gauge student understanding of and interest in the topic of human rights in UM procurement practices. Discussions revealed the following trends, including select quotations to demonstrate:

- **Student understanding of UMPS’s role and the intersection with human rights is somewhat limited.**
  “I never really thought about laboratory equipment, but I work in a lab all day.”

- **Students are concerned about human rights issues, even if indirect in nature.**
  In response to a scenario in which a UM supplier is involved in a contested infrastructure project overseas that is unrelated to what it supplies to UM: “Who knew that in this room that we are connected to this murder?”

- **There is uncertainty regarding the best course of action.**
  “We have to do something, but I’m not sure what.”
  “I like that idea of huddling with other universities and coming out together to make a stronger statement.”

- **Students want UM administrative leadership.**
  “There’s only so much students can do if the university doesn’t care.”

- **Students acknowledge the need for consistency with UM mission.**
  “We are teaching people to make a difference in the world, and I feel like that’s the mission of the university; more than just educating people, it’s educating people to make a difference and for that reason it’s very important that we uphold human rights.”
  “It has to be a priority. If the university is at all congruent with its values, we have to hold suppliers accountable, and ourselves accountable.”

- **Students suggest research opportunities.**
  “Could we help somehow through research in these different areas?”
  “Does UM use its professors to explore these issues?”

To collect a broader perspective on student understanding, priorities and ideas for action, a survey was also conducted across a variety of UM schools, with 362 total responses (42% undergraduate and 58% graduate).

With respect to student’s understanding of the issue at hand, 75% of students report being “unsure” if UM upholds human rights in its procurement of goods and services, but 59% believe that it is “very important” that companies offering goods and services to UM respect basic human rights. In defining the role of UMPS, the highest response (85%) was selecting high quality goods and services, while the second and third highest responses included selecting suppliers who uphold environmental sustainability (63%) and human rights (60%).

Students were also asked to define areas of concern in an effort to gauge where their priorities may lie. Human rights issues of greatest concern include: child labor (83%), human trafficking (81%), unsafe working conditions (78%), forced labor (77%) and sexual exploitation (77%). The procurement areas of greatest concern include: UM logoed clothing and goods (66%), food (63%), construction (42%), IT hardware (32%) and medical equipment (32%).

With respect to the potential direct/indirect nature of human rights impacts described above, 61% of students describe being “very concerned” if a human rights issue arose with a company directly related to
goods and services it supplies to UM, while 41% describe being “very concerned” if a human rights issue arose with a company *unrelated* to goods and services it supplies to UM.

Students suggest a variety of actions in the event a human rights issue arises. 45% believe that UM should issue a statement condemning any supplier involved, 41% believe that UMPS should make the UM community aware of the issue, 41% believe that UM should privately contact the company to encourage change and 39% believe that UM should form an internal committee to investigate. A large group of students, 44%, also stated they would need additional information prior to suggesting a particular course of action.

Approximately 40% of students report being likely to take action if they found out that a company supplying goods or services to UM was not upholding human rights. A large group of students (78%) state that they would research the issue further. Others would: turn to a UM student group (33%), take part in a social media campaign (32%), turn to UM administration (19%), protest on campus (15%) or turn to UM student government (15%).

The following summarizes the student voice on this topic:

1. Students want UM to do business with companies respecting human rights.
2. Students are concerned by both direct and indirect human rights issues.
3. Students acknowledge that implementation is difficult.
4. Students are interested in engagement and research.

Path Forward
This section offers an overview of the vision, guiding principles, approach, stakeholders involved and suggested next steps in order for UM to lead in socially responsible procurement. In addition, planning for the strengths, challenges, opportunities and threats (SCOT Analysis) outlined below in *Exhibit 3* will facilitate more effective action.

Exhibit 3: SCOT Analysis

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Existing Vendor Code of Conduct</td>
<td>• Decentralized procurement model</td>
</tr>
<tr>
<td>• Robust PAKLSHR</td>
<td>• Code of Conduct in need of review</td>
</tr>
<tr>
<td>• Engaged Procurement Services department, students and faculty</td>
<td>• Action will demand investing resources &amp; time, including support from external partners</td>
</tr>
<tr>
<td>• Looked to for leadership</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Leadership in action</td>
<td>• Risks exist</td>
</tr>
<tr>
<td>• Proactive risk mitigation</td>
<td>• Limited visibility</td>
</tr>
<tr>
<td>• Productive student engagement</td>
<td>• Limited leverage with some suppliers</td>
</tr>
<tr>
<td>• Other universities interested</td>
<td>• Potential for supplier frustrations</td>
</tr>
<tr>
<td>• Numerous organizations involved</td>
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</tbody>
</table>
UM has a unique opportunity to lead universities in socially responsible procurement. The vision is for UM to integrate social responsibility standards (rooted in international guidance) into its procurement of goods and services in order to:

- Proactively address human rights impacts;
- Facilitate productive dialogue and awareness on human rights; and
- Incite broad university action through leadership.

In order to more clearly define the spirit of these efforts, the following serve as “guiding principles” for UM:

- **This work is about both rewarding high performance and addressing low performance.** Encourage and reward the work of high performing suppliers; identify and address risks with low performing suppliers.
- **Human rights challenges will be addressed through dialogue rather than supplier threats or criticisms.** Use risk to identify opportunities for engagement; rather than to make immediate region or supplier specific sourcing decisions.
- **It is not feasible to address everything at once; while UM’s standards for suppliers will be universal, it will focus its supplier support through a phased approach.** Establish global supplier expectations; provide focused supplier monitoring and support.

The following summarizes the key recommendations for UM in realizing the above vision:

1. Establish a “Social Responsibility in Procurement” Committee modeled after the PACLSHR and replacing the ad hoc DRB.
2. Revise the existing Vendor CoC to reflect current priorities and international guidance on human rights.
3. Create ongoing student engagement and research opportunities on the topic of socially responsible procurement.
4. Explore responsible food sourcing opportunities in tandem with the Office of Campus Sustainability’s existing efforts.
5. Partner with external organization(s) to create the network necessary to conduct this work.
6. Conduct an in-depth impact assessment to complement the above spend analysis based on additional product, material and geographic information provided by suppliers.
7. Identify priority areas of focus, potentially based on: salient issues, strategic contracts, high spend, geographic risk or supplier leverage.

The below timeline provides a suggested path for implementation of these recommendations. It is important that these efforts are thoughtfully rolled out over time in order to allow suppliers the time necessary to adapt and ensure that the internal and external structures are in place to work effectively. By clearly defining and communicating UM’s standards to suppliers in the immediate future (Steps 1 and 3), coupled with the collection of objective self-reported information regarding supplier practices (e.g., geographic scope of production, materials used in products) UM will have the information it needs to provide focused support in the future (Step 4).

**Step 1: Establish Standards (June-September 2016)**
- Create Committee (PACLSHR/DRB model)
- Define Committee processes
- Revise Code of Conduct & establish supplier standards

**Step 2: Identify Partners (September 2016-April 2017)**
- Convene universities
- Identify external partner(s)
Step 3: Integrate Standards (Begin May 2017)
- Communicate standards to suppliers
- Allow time for internal/external adaptation
- Gain visibility through supplier information

Step 4: Determine Priorities (Begin May 2018)
- Analyze supplier-provided information
- Conduct in-depth impact assessment
- Identify priority areas of focus for monitoring

Step 5: Assess and Address (Begin September 2018)
- Monitor supplier performance
- Provide feedback & support
- Enforce decisions

Similar to the licensed goods work, a number of stakeholders are necessary in order to realize this vision. Four key stakeholder groups and their associated roles are described below. Additional research is needed to identify and define the role of the external partner(s); the following organizations support existing licensed goods efforts and/or were interviewed for this project: Sumerra, Worker Rights Consortium, Fair Labor Association, SGS and BSR. Verité was also recommended.
- Procurement Services: Manage supplier relationship, communicate standards to suppliers, collect supplier information, implement decisions about suppliers
- Committee: Investigate concerns (trends, incidents, student-raised), advise UM on supplier relationships based on performance relative to CoC
- Suppliers: Uphold human rights as outlined in the CoC, provide information to UMPS, work with UM and partners to address impacts
- External Partner(s): Assess supplier performance; conduct supplier monitoring, training and support; provide information to Committee and UMPS

The meaningful involvement of students will also reinforce these efforts. The below summary provides an overview of opportunities to engage students throughout this process.

Beginning September 2016:
- Students serve as Committee members
- RAs work with Committee and Procurement Services to research external partners and elaborate on “Step 3”

September 2016-May 2017:
- RAs work with Office of Campus Sustainability on food sourcing (social dimensions)

September 2017-May 2018:
- RAs work with external partner to analyze supplier information collected

September 2018-May 2019:
- RAs work with external partner to conduct Human Rights Impact Assessment
**Next Steps**

While the above section provides a broad overview of a suggested path forward, the below are a series of concrete next steps necessary to begin realizing this vision.

1. Share project findings with stakeholders and experts involved
2. Establish a Committee composed of UMPS, faculty and students
3. Revise the CoC and define supplier standards (Committee)
4. Seek support for additional 2016-2017 RA positions (Committee)
   - RAs tasked with assessing potential external partner(s) and more clearly defining “Step 3” above
5. Conduct outreach to potential collaborating universities (with the vision of convening a symposium of universities in stakeholders in the 2016-2017 school year)

UM has a unique opportunity to lead universities in the socially responsible procurement of its goods and services. This will allow UM to put its leadership principles into practice, continue to attract the best students who care deeply about these issues, proactively engage in addressing and preventing human rights impacts and stand alongside other leading organizations who have acknowledged that broad and serious human rights impacts are a reality of global business today.
Appendix 1: Stakeholders and Experts Consulted (By Institution)

**Licensed Goods**
- Fair Labor Association
- Collegiate Licensing Company
- Worker Rights Consortium

**Human Rights**
- Georgetown Kalmanovitz Institute
- Labor Voices
- NYU Stern Center for Business & Human Rights
- Service Employees International Union

**Business Services**
- Chartered Institute of Procurement & Supply
- Business for Social Responsibility (BSR)
- Sumerra
- SGS
- At Stake Advisors

**Private Sector**
- Ford Motor Company
- Fiat Chrysler Automobiles

**Universities**
- University of California (Berkeley)
- University of California (Los Angeles)
- Georgetown University
- University of Notre Dame
- Harvard University

**UM**
- Procurement Services
- Licensing
- Office of Campus Sustainability
- United Students Against Sweatshops
- Students
- Faculty
- PACLSHR (current/former)
### Appendix 2: Summary of University Benchmarking

<table>
<thead>
<tr>
<th>University</th>
<th>Global Supplier CoC</th>
<th>Food Efforts Include Social</th>
<th>CLC Supplier Program</th>
<th>PACL/SHR Equivalent</th>
<th>Recommended</th>
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<tr>
<td>Brown</td>
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Appendix 3: Student Focus Group Questions

1. What is your idea of what role procurement plays on campus -- what are procurement’s responsibilities and what kinds of decisions does procurement make?
   - What are your thoughts on the types of goods/services that UM procures?
   - *(Offer some clarifying information if there are misunderstandings)*

2. How important is it for UM to invest in upholding human rights and labor standards in general?

3. How important is it to you that the companies offering goods and services UM respect basic labor standards and human rights?
   - What about if the human rights violation is not directly linked to the products/services UM procures? For example: A large MNC make many different products and are even involved in multiple sectors. What if a company that supplies you a good is also an engineering firm that is partner in an infrastructure project in Latin America that has been protested for environmental and social reasons? What if a leading indigenous protester (of this) was recently murdered? What role should UM play in this issue/how should UM react?

4. Show Coca Cola Case clip: http://www.thecoca-colacase.org/ (as an example of the type of activity media that exist)
   - What is your initial reaction to this?
   - If allegations like this came up like this today, how might you react? What would you do?

5. If you found out there were human rights issues in XX area of procurement, which would you find most concerning and why? What might you do?
   - Financial Services
   - Food
   - Medical equipment
   - Construction and contracting
   - IT
   - Laboratory equipment
   - Travel

6. If you found that there were issues in XX human rights areas in the goods/services or vendors UM uses, which would you find most concerning and why? What might you do?
   - Child labor
   - Excessive working hours
   - Working conditions
   - Human trafficking
   - Conflict minerals
   - Low wages
   - Sexual exploitation
   - Privacy

7. What role do you envision students playing in upholding labor standards and human rights at UM?
   - What are positive models of student engagement on social issues?
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