

## US cities' buy-green schemes reduce their environmental liabilities and costs

Researchers suggest five actions they should take to increase their success rate - by Nicole Darnall, Justin Stritch, Stuart Bretschneider, Lily Hsueh, and Won No



As the U.S. federal government pulls back from policies and agreements that reduce greenhouse gas (GHG) emissions, local governments are poised to pick up the slack. More than **270 U.S. mayors** have affirmed their **continued commitment** to reducing GHG emissions following the Trump administration's recent withdrawal of the U.S. from the Paris Climate Accord.

How can local governments work to further curb GHG emissions? One way is through green purchasing.

Local governments purchase **\$1.72 trillion** of goods annually. To address environmental concerns and save money, some local governments have implemented policies to encourage “green” or sustainable purchasing. These policies include formal directives, but also informal approaches, such as adding green purchasing language to a city's existing sustainability plan.

By purchasing green products, local governments can reduce energy-related carbon emissions and solid waste as well as a host of other negative impacts in the community and workplace. At the same time, green purchasing can increase internal efficiencies (e.g., reduced energy use) that lead to cost savings.

Additionally, successfully implemented green purchasing may have important spillover effects. When large purchasers, such as cities, demand green products from suppliers, this can affect supply chains and product availability, as well as the cost of products, and stimulate the global market's production of eco-friendly products and services.

Many local governments, however, struggle to implement green purchasing.

To better understand these concerns, our research team conducted a national survey to assess the successful features of local governments' green purchasing activities. The survey was sent to 1,825 directors of finance, public works, and environmental departments in a representative sample of 791 U.S. cities with populations greater than 25,000. More than 600 city directors from nearly 460 cities responded.

## Successful Green Purchasing Policies

City directors reported that 28 per cent of their cities have a green purchasing policy; 60 per cent reported they have no policy and 12 per cent did not know if their city had such a policy. Of the 28 per cent of the city directors who reported having a green purchasing policy, over half (58 per cent) indicated that their policy was successful. By contrast, 42 per cent of the adopters said that the implementation of their green purchasing policy was not successful.

Our initial survey findings suggest that success in implementation is conditional on five broad factors:

### 1. Existence of complementary policies and practices

Complementary policies and practices can facilitate green purchasing. These policies vary, ranging from energy or water conservation guidelines to sustainable building policies and recycling practices. The presence of these policies and practices creates commitment and shared vision around similar issues, creating opportunities to embed green purchasing into a city's routine operations. They can also reduce the cost of adopting a green purchasing policy and facilitate the overall implementation success.

### 2. Access to information

Since product information shapes purchasing decisions, it is not a surprise to learn that directors in cities that reported green purchasing success were more likely to have access to relevant environmental information. For instance, access to information about the environmental impacts of products increases the probability of reporting a successful implementation to 68 per cent, compared with just 45 per cent when the information is not available. The conditional relationship holds for other categories of information as well, including green product or service lists, tracking of spending on environmental products and services, and access to an online database of green products and services.

### 3. Leadership and clear implementation responsibility

Leadership, employees and resources are often cited as critical elements in the success of organisational policies. Leadership also appears essential to the implementation success of cities' green purchasing activities. Indeed, when department directors' "agree" that top managers are responsible for the implementation of the department's environmental practices the probability of reporting a successful implementation of green purchasing is 80 per cent, compared with 67 per cent when they "disagree."

Directors are also more likely to report green purchasing success when mid-level managers and staff employees *are not responsible* for the implementation of green purchasing policies. These findings underscore the importance of top-management accountability, as opposed to lower-level responsibility in the implementation of green practices and policies.

### 4. Collaborative relationships with vendors

The roles of vendors are also important to successful green purchasing activities. More specifically, when department directors “agree” that when their department vendors offer environmentally friendly products and services the probability of reporting a successful implementation increases to 80 per cent, compared with 33 per cent when directors “disagree”. Additionally, when directors reported “agreement” that vendors help their city learn about green purchasing options the probability of green purchasing success increases to 83 per cent, compared with 50 per cent when directors “disagree” that vendors help a city learn.

These findings point to the potential importance of collaborative relationships with vendors. Cities with green purchasing policies tend to regard their vendors more as collaborators when it comes to implementing their green purchasing policies, as vendors may serve as useful allies who share information and increase capacity for green purchasing in local governments.

## 5. Innovation climate

An organisation’s culture is a function of leaders’ and employees’ values, norms, messages and behaviours. Strong cultures for innovation encourage organisational change and openness to new ideas. Department directors’ “agreement” that rewarding employees for developing innovative solutions is associated with a 75 per cent probability of green purchasing success, compared with 17 per cent when directors “disagree” that their department rewards employees for developing innovative solutions. Similarly, departmental commitment to innovation and allowing employees to take risks are both positively associated with greater probabilities of green purchasing success.

In an increasingly connected world, local governments are positioned to be leaders in global environmental governance. The take-home message from our preliminary findings is that local governments can improve the success of their green purchasing activities. The five broad areas we identify above are the foundation for our recommendations on how local governments can further advance their green purchasing efforts.



- *This blog post is based on the authors’ report [Advancing Green Purchasing in Local Governments](#), the Sustainable Purchasing Research Initiative (SPRI) of Arizona State University’s (Phoenix) Center for Organization Research and Design. The SPRI assesses how public organisations, businesses, and nonprofit agencies can address their environmental concerns, save money, and demonstrate leadership through green purchasing. Twitter: [@SustainPurch](#)*
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