

## IMPORTANCE OF SUSTAINABLE PROCUREMENT IN NIGERIAN PUBLIC INSTITUTIONS

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**Abstract:** *Given the potential benefit it offers in preserving the environment and other aspects of human life and development, sustainable procurement has recently attracted a great deal of interest worldwide. This seems to be used more frequently in private businesses than in organizations operating in the public sector. The study aimed to advance knowledge of sustainable procurement and how Nigerian public sector organizations can use it to promote growth and service delivery. The study discussed the value of sustainability and the difficulties organizations encounter when putting initiatives into practice. Today in Nigeria, most public institutions lacked clear policy guidelines for embracing and implementing the sustainability pillars. The top management's commitment to ensuring that sustainability is implemented in public institutions was also lacking. In order to promote implementation and awareness throughout the organization, especially among procurement professionals, the study advises Nigerian public institutions, among other things, to make sure that thorough skills development and training in sustainable procurement is undertaken.*

**Keywords:** *Sustainable procurement, public institutions, public procurement, service delivery, sustainability*

### Introduction

Sustainable procurement, which has recently attracted a lot of interest, is a process used by organizations to satisfy their needs for goods, services, works, and utilities in a way that maximizes value for money over the course of its entire life cycle, benefiting not only the organization but also society, the economy, and the environment. Studies on the variables influencing the adoption of sustainability initiatives within an organization have been conducted. Most of these studies on sustainability were carried out by businesses in the private sector. Today's public sector places a high priority on sustainability (Bansal & Roth, 2000). There are potential advantages of public procurement in terms of sustainability, given the size and influence of the public sector in terms of its percentage expenditure on the Gross Domestic Product of a country. Few studies have examined how the public sector contributes to the creation of sustainability initiatives (Elkington, 2004; Adebayo, 2015; Zambika, 2022). Managers in public institutions frequently deal with legal and bureaucratic obstacles. Other internal and external stakeholders can affect how successfully sustainability initiatives are implemented.

The purpose of the study was to determine the significance of sustainable procurement in Nigerian public institutions and what difficulties organizations encountered in putting sustainable procurement initiatives into practice in the Nigerian public sector. The study was important because it sought to suggest ways Nigerian public institutions can incorporate sustainability into their daily operations in light of the growing global demand for organizations to support broader policy objectives like resilient, environmental stewardship, inclusive economic development, and social protection. This research will

contribute to the body of knowledge already available on sustainability and how businesses integrate sustainability into their practices. The study will also look for actors and variables that might affect sustainable procurement in Nigerian government agencies.

## **Review of Related Literature**

### *Public Procurement*

One of the main economic activities of the government is public procurement, which is the acquisition of goods and services by the government or a public sector organization (Gelderman, Semeijn & Vluggen, 2017). Most economies have sizable public procurement sectors. Public procurement is a very important component of any nation's development plans, accounting for roughly 20 to 25 percent of Nigeria's GDP.

### *Sustainable Procurement*

International policies now place a lot of emphasis on sustainable procurement and are very interested in it. Sustainable Procurement is a process by which organizations meet their needs for goods, services, works, and utilities in a way that achieves value for money over the course of their entire life, generating benefits for the organization as well as for society, the economy, and the environment (Meehan & Bryde, 2011). Sustainable procurement ensures that social, environmental, and economic factors are sought in procurement decisions, whereas the earlier emphasis was on environmental procurement.

Early research in this field focused primarily on minimizing supply chain operations' impact on the environment while highlighting the environmental threats and opportunities from a strategic perspective. Studies on sustainable procurement issues have a long history in private sector companies and were first primarily focused on managing environmental concerns in supply chains, or "green supply chain management" (Bowen, Cousins, Lamming & Farukt, 2001). While other studies have concentrated on social issues, the majority of current research on sustainable procurement centers on environmental issues. In more recent studies, it has become clear that it is important to examine sustainability in supply chain activities holistically, taking into account both social and environmental concerns. In the private sector, sustainable procurement has a long history, with a focus on supply chain environmental management issues in particular (Hoejmose & Adrien-Kirby, 2012).

### *Sustainable Public Procurement*

Incorporating consideration for broader social and environmental impacts into government or public sector organizations' procurement practices is known as sustainable public procurement. Studies have concentrated specifically on sustainable procurement policies and the creation of strategies to support policy implementation. It was discovered that green procurement has been promoted through legislation, information provision, and the removal of obstacles (Adebayo, 2015). In the private sector, research on various aspects of sustainable procurement has a long history, with a focus on the management of environmental issues in supply chains (Zambika, 2022).

### *Dimensions of Sustainable Public Procurement*

The three pillars of sustainable procurement are as follows. They are known as the environmental, social, and economic pillars (Brammer & Walker, 2011). There are sustainable issues that need to be incorporated into an organization's operations and purchasing decisions under each sustainability pillar:

#### *Economic*

Economic sustainability ensures that the community from which the product was manufactured as well as the community in which it was sold both benefited economically from the sale of the product. Economic in this context means that the product or service was procured through effective procurement procedures that took into account usage, maintenance, and disposal costs once the product had reached the end of its useful life (Brammer & Walker, 2011; Walker, 2015).

#### *Environment*

A service or product that is purchased has an effect on the environment throughout its life cycle. Examples could include the gathering of raw materials, the manufacturing process, use of the product, and finally disposal. The good or service you purchase must have fewer detrimental effects on the environment during its production, use, and disposal (Brammer & Walker, 2011; Walker, 2015).

#### *Social*

Due to the social impacts of procurement activities, public procurement can be used to promote and advance social advancement in the nation where the organization operates. This can be accomplished by ensuring that employees of contractors hired by the organization have suitable working conditions, installing or constructing offices with access for the disabled, and fighting against child labor or forced labor. Another illustration is buying products that were produced ethically and fairly traded to guarantee sustainability from the sources of supply to the areas of consumption (Brammer & Walker, 2011; Walker, 2015). Berns (2009) developed the idea of the "triple bottom line," which clarifies that sustainability is the interrelationship of economic, environmental, and social dimensions. This idea was built upon these fundamental sustainability pillars. The traditional emphasis on quality management systems has given way to inquiries about ethical and sustainable purchasing practices from stakeholders. It is important to make sure that procurement professionals are acting sustainably because they are responsible for keeping track of expenditures for their organizations.

### **Benefits of Sustainable Public Procurement**

It is obvious that how and what the governments buy affect their ability to provide sustainable development for their citizens as well as how well-regarded they are with their development partners. When goods are purchased from unethical businesses for instance, businesses that exploit their employees or harm the environment through their operations those businesses are compelled to continue using such unsustainable business practices (Walker, 2015). Therefore, organizations ought to help businesses that make environmentally friendly goods. Sustainable public procurement seeks to have a lasting

positive impact on issues relating to the economy, society, and the environment by supporting. Among other things, one should seek to: 1. get value for money; 2. ensure sustainable economic growth; 3. reduce emissions of harmful substances and waste generation; 4. ensure improved ethical behavior of suppliers or contractors; 5. improve working conditions health and safety, labor standards; and 6. ensure a fair and better society (Bansal & Roth, 2000).

The procurement staff must possess the necessary qualifications to aid in the implementation of sustainability in the organization because they are the primary actors in sustainable procurement in public institutions. Professionals in procurement are crucial in connecting external knowledge to an organization's internal needs. Therefore, by suggesting sustainable solutions to different users, procurement professionals can have an impact on sustainability initiatives within the company (Elkington, 2004). Organizational awareness and the sustainability knowledge of procurement professionals are crucial components in the support of sustainability initiatives (Hoejmose & Adrien-Kirby, 2012). It can be difficult to adopt sustainable procurement if people don't know what it is or what advantages they can offer an organization. When sustainability is explicitly stated in the procurement act, however, top management support will enable businesses to implement it correctly.

## **Conclusion and Recommendations**

Governments in developing nations have looked for ways to address the issue of sustainable development by using their influence as the major consumers of goods and services, so sustainable procurement is essential. An overview of the significance of sustainability in public procurement has been given in this study. Given that they have the most influence, training procurement professionals in the implementation of sustainable procurement is essential. Therefore, the study suggests the following:

Nigerian public sector organizations should create clear sustainability policies that would direct personnel involved in procurement as well as the entire organization. To accomplish this, sustainability objectives and statements can be incorporated into the overall strategic and operational plans. The departments will find it simple to adopt sustainability in their operations once clear sustainable policies are stated, and implementation would be successful given that top management support is present.

To better understand how suppliers operate, Nigerian public sector organizations should pay visits to their facilities. Regular, unannounced visits will guarantee that the organization's suppliers stay in compliance with labor laws and other rules. This will make it easier to identify vendors who might be engaging in child labor, forced labor, or unsafe working conditions. Make sure the Whole Life Costing cycle is followed when buying any materials or equipment. This will guarantee that the cost of the equipment is accurately calculated at each stage, including purchase, maintenance, and disposal.

The study also recommends that the organization needs to invest heavily in sustainable procurement training. The organizations should spend money on sustainability training for their procurement staff and other stakeholders. When personnel assigned to oversee procurement receive adequate training in sustainable procurement, the organization's profile of sustainability will be raised.

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