What is ‘social value’?

YPO’s head of procurement services Gillian Askew explains.

Let’s start with what Google tell us social value is…

‘Social value’ is a way of thinking about how scarce resources are allocated and used. It involves looking beyond the price of each individual contract and looking at what the collective benefit to a community is when a public body chooses to award a contract.

The reality is that ‘social value’ is a hugely complex area; it’s difficult to deliver beyond the obvious and the topic itself is so broad it can often confuse even those with the best of intent by the sheer scale, complexity and challenge of practical interpretation.

‘Social value’ is about aiming beyond a long-standing volunteering program and a well-established apprenticeship scheme. It’s about seeing further ahead than a local business target into societal and community development. Social value is about using the spend in any organisation to drive social and economic opportunities to those most in need, to the most vulnerable in society. It’s about protecting our planet one procurement at a time and it’s about breaking down barriers and developing opportunities to do good business that does good.

Examples of social value can come in lots of shapes and sizes. Some of the more obvious and usually well embedded examples include:

1. Apprenticeship schemes
2. Graduate schemes
3. Training and development programs to up-skill employees
4. Work placements or work experience
5. Reduce waste to landfill (recycling)
6. Carbon reduction initiatives
7. Local business
8. SME initiatives
9. Volunteering programs
10. Charitable donations/awareness campaigns
11. Sustainable product sourcing/design/manufacture

Many organisations will have some, if not all of the above in place to varying degrees and are to be congratulated for wanting to do good business. But is it enough? Does the above really get to the heart of social value?

Through this knowledge partnership, YPO aims to explore, question, challenge and develop answers to how we can take these initiatives, and therefore take social value to the next level. How do we use our privileged roles in business to create opportunities for those most in need, for the most vulnerable?

Speak to us for more info on YPO’s centre for business skills, our SME buying club, entrepreneurship and YPO SOS!