



## TERMS OF REFERENCE

### CONSULTANT-BUSINESS PLANNING FOR BETTER BUYING INITIATIVE

#### 1. Introduction and Background

Purchasing practices in global supply chains include decisions and behaviors in buying, product development, sourcing, and other business functions that impact the ability of suppliers to provide good working conditions. Challenging purchasing practices include constantly fluctuating forecasts; failure to meet critical deadlines; pressure inducing price negotiation strategies; failure to pay for orders as contractually agreed; and lack of incentives for providing workers better conditions. Information necessary to help buying companies understand their impacts and improve their purchasing practices is lacking.

[Better Buying](#) was created in 2015 to solve this problem. Better Buying's goal is to provide needed information and motivation for improvement. Better Buying aims to support industry-wide transformation of buyer purchasing practices so that business relationships support buyers and suppliers in achieving their financial, environmental, and social sustainability goals.

Better Buying gives suppliers the ability to anonymously rate their customers on seven aspects of purchasing practices. The ratings for a single buyer are aggregated, turned into a score and made available to the buyers. Ratings are updated by suppliers every six months. Suppliers, buyers, and other interested parties can get up-to-date information about purchasing practices and how they are changing over time. On May 22, 2018, Better Buying launched the Better Buying Purchasing Practices Index (BBPPI) and its first benchmark report designed to support industry efforts to improve purchasing practices in supply chains globally. The benchmark report summarizes the results and key findings from the first cycle of BBPPI data collection carried out in Q4 2017. It includes ratings from 156 suppliers across 24 countries and measures the performance of 65 buyers.

The Better Buying initiative was founded by Marsha Dickson, Ph.D. and Doug Cahn and is organized as a research project at University of Delaware (UD). Funding is currently provided by C&A Foundation and Humanity United.

Better Buying is both a working tool and bold idea that sets out to change the status quo in global supply chains. It's online rating system aims to shift the power imbalance that exists between brands and their manufacturing partners, allowing suppliers to pass benefits of a more balanced relationship to the workers that produce our consumer goods. Work was started in the apparel, footwear, and household textiles industry, but as funding allows, Better Buying will expand to other industries, such as toys and electronics.

While the original vision for Better Buying was and remains to improve working conditions for those on the factory floor, during the process of creating Better Buying and while gathering proprietary data, it became clear that the information that Better Buying is bringing to light has significant value that goes beyond just the CSR and ESG departments. It is relevant for C-Suite executives as well as many external third parties. The underlying principle



driving Better Buying's transition is based on packaging and monetizing this information and analysis for multiple customer types.

## 2. The Consultant

Better Buying wishes to work with a highly-qualified consultant, with expertise in the apparel, footwear, and household textiles sector and broad understanding of the problems Better Buying is addressing to carry out the following activities:

1. Conduct research to understand similar initiatives.
2. Develop a business model.
3. Translate the business model into an operational plan.
4. Build a 3-4-year financial model.
5. Translate the above into a comprehensive business plan that will serve as an implementation manual for the development of the initiative from the start-up phase to the full fledged operation with a view for the long-term sustainability of the organization.

The consultant will take the lead on all business planning activities, including interfacing with Better Buying's co-founders and select strategic advisors.

The work will be carried out over a 5-month period with deliverables associated with each of the five activities. Tentative start date is July 1, 2018, pending receipt of grant funding.

In addition to the activities listed in section 2, which are required of the consultant, Better Buying is open to proposals that offer capabilities to engage in delivery of the first round of funding.

Better Buying's goal is to become a high impact, social enterprise that is financially self-sufficient and that no longer requires philanthropic funding. While several important initiatives are focused on improving purchasing practices, Better Buying makes a unique contribution by providing a working tool that: gives companies information that can focus areas of needed improvements; independently verifies company performance; highlights examples of best practices; measures change over time; and points to supply chain risks and opportunities for increased operational efficiency. Knowledge gained during nearly three years of work on Better Buying provides a solid foundation for the co-founders and small staff to work with a highly-qualified consultant on business planning.

## 3. Deliverables

- Presentation of the results of the desk research on similar initiatives.
- Presentation of business model.
- Receipt of business and financial plans.

## 4. Selection Criteria



Selection will be based on the following criteria:

- Professional competence, including expertise in the apparel, footwear, and household textiles sector; track record of success working in business development and with a variety of business models.
- Broad understanding of the problems Better Buying is addressing.
- Capacity to do the work in the time frame allotted.
- Day rate value for money.
- Consideration will be given to consultants who can integrate a first round of fund-raising as part of their offer and who have a successful track record of fundraising.

#### 5. Expressions of Interest

Candidates are requested to submit an expression of interest, which is to include:

- Cover Letter
- CV and summary of relevant experience
- Outline of approach to the work
- Total cost for this work
- Indication of availability from June through December 2018

The deadline for submissions to Better Buying is **15th June 2018**. The work should start by July 1, 2018 and be completed by December 2018, pending receipt of grant funding.

Queries and submissions should be sent to Marsha Dickson, Better Buying Co-Founder ([marsha.dickson@betterbuying.org](mailto:marsha.dickson@betterbuying.org))