

**Report
on
Sustainability Practices throughout the Service Supply
Chain in Consulting Industries of Bangladesh**

Submitted by

S A RAFIUZZAMAN

ID-21282040

MASTERS IN PROCUREMENT AND SUPPLY MANAGEMENT

A report submitted to BRAC Institute of Governance and Development (BIGD) in partial fulfillment of the requirements for the Degree of Masters in Procurement and Supply Management

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DECLARATION

It is hereby declared that

1. The report submitted is my own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

Student's Full Name & Signature:



S A Rafiuzzaman

Student ID - 21282040

Masters in Procurement and Supply Management (MPSM)

BRAC Institute of Governance and Development (BIGD)

Supervisor's Full Name & Signature:



8/12/2024

Hasan Maksud Chowdhury

Assistant Professor at BRAC Business School

BRAC University

LETTER OF TRANSMITTAL

Mr. Hasan Maksud Chowdhury
Assistant Professor
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Report on Sustainability Practices throughout the Service Supply Chain in Consulting Industries of Bangladesh

Dear Sir,

I am pleased to submit my report titled "Sustainability Practices throughout the Service Supply Chain in Consulting Industries of Bangladesh" for your review and evaluation.

The report outlines the current state of sustainable practices in the consulting industries of Bangladesh, the challenges they have been facing in incorporating sustainability into the supply chain of consulting services, and some significant recommendations to overcome these challenges. I have adhered to the guidelines provided and incorporated the suggestions you made in the course of my research work.

I trust that the report will meet your expectations and requirements for the degree of MPSM.

Sincerely yours,



S A Rafiuzzaman

Student ID - 21282040
Masters in Procurement and Supply Management (MPSM)
BRAC Institute of Governance and Development (BIGD)
BRAC University
Dhaka, Bangladesh
Date: 24 November, 2024

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S A Rafiuzzaman

Student ID# 21282040

Masters in Procurement and Supply Management (MPSM)

BRAC Institute of Governance and Development (BIGD)

EXECUTIVE SUMMARY

Sustainability in service delivery aligns with sustainable development principles, emphasizing a balanced approach to societal, environmental, and economic well-being. Organizations integrating sustainability commit to enhancing efficiency while fostering an equitable society within environmental limits. The research explores sustainability in the service supply chain, focusing on environmental management, fair labor practices, cost-effectiveness, and stakeholder well-being. While sustainability is increasingly adopted in developed countries, developing nations like Bangladesh face challenges such as economic constraints and limited awareness, hindering effective implementation. The study aims to understand these sustainability practices among consulting entities in Bangladesh and identify challenges to improve public sector service delivery.

The study utilized a participatory methodology to engage stakeholders within the consulting industry, facilitating a thorough examination of sustainability practices through a combination of primary and secondary data sources. This included structured questionnaires and direct interviews with key stakeholders, ensuring a diverse range of perspectives and robust insights. The methodology was organized into three distinct phases: preparation, implementation, and processing. The preparatory phase involved developing research instruments to collect both qualitative and quantitative data. During the implementation phase, structured questionnaires were distributed via Google Forms, complemented by follow-up communications to encourage participation. The processing phase focused on analyzing and synthesizing the collected data systematically, allowing for clear conclusions and actionable recommendations. A targeted sample of eight consulting firms was selected, representing various sectors and sizes, with a total of 20 respondents providing meaningful insights into sustainability practices within the industry.

The study findings reveal that the consulting firms have been trying to emphasize sustainability in their internal operations. Most of them gave strong opinion in pursuance sustainable factors during all procurement activities of the company while they emphasized lowest whole life costing in procurement. They have been trying to introduce energy-efficient equipment, energy management, effective waste management systems with focus on quality management through ISO 9001 certification. They utilize high-quality tools and technologies to improve performance and minimize energy consumption, implement green office initiatives like energy-efficient lighting and HVAC systems, and promote paperless operations to reduce waste. Some of the consulting firms started practicing remote work and teleconferencing further reduce carbon footprints by decreasing travel-related emissions. It was found that the compliance with government regulations is generally robust, and trainings on professional skills, business management and ethics are provided on a need basis. The firms are committed to

integrating sustainability into project operations, practices such as the e-GP system for transparent tendering, strict ethical standards, comprehensive insurance for risk mitigation, and adherence to environmental and social management protocols ensure responsible and sustainable project execution. Projects emphasize safe working conditions, insurance coverage, and provisions for compensating affected individuals, while ensuring adherence to Public Procurement Rules and donor guidelines.

The study highlighted several challenges that the consulting organizations face in integrating sustainability into their supply chain operations. Key issues include knowledge gap regarding sustainability practices, reluctance in integrating sustainability into the organizational culture, and the inefficiency in resources optimization and management. Some of the consulting firms struggle complying with regulatory compliance, balancing client expectations for quick results against long-term sustainability goals, and integrating technologies that promote environmental responsibility without disrupting operations. Additionally, the firms sometimes fail to uphold stakeholder interests, manage high innovation costs, ensure transparency and accountability in their sustainability efforts and address cultural barriers that impede the adoption of sustainable practices across diverse contexts.

With an aim to embrace sustainability effectively, consulting organizations should implement a series of strategic steps, including adapting to changing norms, investing in employee education, forming cross-industry partnerships, engaging with local communities, developing comprehensive sustainability strategies, and committing to continuous improvement. Concurrently, governments and regulatory bodies should play a vital role by standardizing practices, ensuring effective monitoring and enforcement of regulations, incentivizing sustainable behaviors, funding research and innovation, and publicly recognizing firms that excel in sustainability. The support of governments and regulatory bodies, alignment of organizational culture, and a focus on innovation are essential for creating a thriving sustainable ecosystem in the consulting industry of Bangladesh.

TABLE OF CONTENTS

<i>Declaration</i>	<i>i</i>
<i>Letter of Transmittal</i>	<i>ii</i>
<i>Acknowledgement</i>	<i>iii</i>
<i>Executive Summary</i>	<i>iv</i>
<i>Table of Contents</i>	<i>vi</i>
<i>List of Tables</i>	<i>viii</i>
<i>List of Figures</i>	<i>ix</i>
<i>List of Abbreviations</i>	<i>x</i>

CHAPTER 1 INTRODUCTION

1.1 GENERAL INTRODUCTION	1
1.2 SUSTAINABILITY IN SERVICE SUPPLY CHAIN.....	2
1.3 OVERVIEW SUSTAINABLE PRACTICES	3
1.4 OVERALL OBJECTIVE OF THE STUDY	3
1.5 SPECIFIC OBJECTIVES OF THE STUDY	3
1.6 LIMITATIONS OF THE STUDY	4
1.7 REPORTING OUTLINE	4

CHAPTER 2 LITERATURE REVIEW

2.1 INTRODUCTION.....	6
2.2 CONSULTING INDUSTRY AND CONSULTING SERVICES	6
2.3 SUPPLY CHAIN OF CONSULTING SERVICES	7
2.4 THE CONCEPT OF SUSTAINABILITY	7
2.5 THE CONCEPT OF SUSTAINABLE DEVELOPMENT	8
2.6 INTEGRATION OF SUSTAINABILITY IN SERVICE SUPPLY CHAIN.....	9
2.7 THE CONCEPT OF SUSTAINABLE PROCUREMENT	11
2.8 BENEFITS OF SUSTAINABLE PROCUREMENT	12
2.9 PUBLIC PROCUREMENT	13
2.10 POTENTIAL DRIVERS FOR SUSTAINABLE PROCUREMENT	14
2.11 BARRIERS TO SUSTAINABLE PUBLIC PROCUREMENT.....	16
2.12 SUSTAINABLE PROCUREMENT: DRIVERS VERSUS BARRIERS	19
2.13 KPIs FOR SUSTAINABLE PROCUREMENT	19
2.14 SUSTAINABLE PUBLIC PROCUREMENT STANDARDS IN BANGLADESH	21
2.15 SUSTAINABILITY AND PUBLIC PROCUREMENT.....	23

CHAPTER 3 METHODOLOGY FOR THE STUDY

3.1 TOPIC OF THE RESEARCH.....	25
3.2 PROBLEM STATEMENT	25
3.3 GENERAL AIM OF THE RESEARCH.....	25
3.4 RESEARCH QUESTIONS.....	26
3.5 DETAILED METHODOLOGY FOR THE STUDY	26
3.5.1 Approach towards the Study	26
3.5.2 Specific Methodology for the Study	27
3.6 DESCRIPTION OF THE TASKS PERFORMED	28
3.6.1 Tasks under Preparatory Phase	28

3.6.2 Tasks under Implementation Phase.....	30
3.6.3 Tasks under Procession Phase.....	31
CHAPTER 4 DATA PRESENTATION AND ANALYSIS	
4.1 INTRODUCTION.....	33
4.2 SURVEY QUESTIONS AND RESULTS.....	34
4.3 CATEGORY AND NUMBER OF RESPONDENTS	34
4.3.1 Knowledge Level of the Respondents about Sustainability.....	35
4.3.2 Importance of Sustainability in Supply Chain of Service	36
4.4 SUPPLY CHAIN SUSTAINABILITY IN INTERNAL OPERATIONS.....	37
4.4.1 Economic Aspects of Sustainability	37
4.4.2 Environmental Aspects of Sustainability	38
4.4.3 Social Aspects of Sustainability.....	41
4.4.4 Governance Aspects of Sustainability	43
4.5 SUPPLY CHAIN SUSTAINABILITY IN EXTERNAL OPERATIONS.....	44
4.5.1 Economic Aspects Sustainability	44
4.5.2 Environmental Aspects of Sustainability	46
4.5.3 Social Aspects of Sustainability.....	47
4.5.4 Governance Aspects of Sustainability	49
4.6 IMPORTANT FACTORS IN INTRODUCING SUSTAINABILITY	51
4.6.1 Importance of Awareness and Knowledge about Sustainability.....	51
4.6.2 Role of Procuring Entities and Financial Partners	51
4.7 QUALITATIVE ANALYSES	51
4.7.1 Sustainable Practices in Business Operation	52
4.7.2 Sustainable Practices in Project Operations.....	56
CHAPTER 5 RESULTS AND FINDINGS	
5.1 RESULTS OBTAINED FROM THE QUANTITATIVE ANALYSIS.....	59
5.1.1 Supply Chain Sustainability Aspects in Internal Operations	59
5.1.2 Supply Chain Sustainability Aspects in External Operations	60
5.2 RESULTS OBTAINED FROM THE QUALITATIVE ANALYSIS.....	61
5.2.1 Sustainable Practices in the Supply Chain of Business Operations	61
5.2.2 Sustainable Practices in the Supply Chain of Project Operations.....	62
5.3 SUSTAINABILITY CHALLENGES FOR CONSULTING ORGANIZATION	63
CHAPTER 6 RECOMMENDATIONS AND CONCLUDING REMARKS	
6.1 RECOMMENDATIONS FOR INTEGRATING SUSTAINABILITY	66
6.1.1 Essential Steps for Consulting Firms.....	66
6.1.2 Actions for Governments and Regulatory Bodies	67
6.2 CONCLUSION	68
References.....	69
Appendix A: Questionnaires (Quantitative)	70
Appendix B: KII Checklist (Qualitative)	76

LIST OF TABLES

	Page
Table 1: General External Drivers for Sustainable Procurement	14
Table 2: General Internal Drivers for Sustainable Procurement	15
Table 3: Barriers to Sustainable Procurement	16
Table 4: Barriers to Sustainable Procurement in the Public Sector	17
Table 5: KPIs for Sustainable Procurement	20
Table 6: SPP Standards in Public Procurement Process of Bangladesh	21
Table 7: Sample Respondent Number	30
Table 8: Number of Respondents in Each of the Company	33
Table 9: Distribution of Respondents based on the Areas of Work	34
Table 10: Knowledge Level of Respondents	35
Table 11: Potential Sustainable Factors for Service Supply Chain	36
Table 12: Opinion on Importance of Sustainability in Procurement	37
Table 13: Organization's Policy in Response to Carbon Emission Control	39
Table 14: Skill Development Trainings Offered by the Firms	42
Table 15: Preferred Method of Procurement with Respect to Areas of Work of the Respondents	45

LIST OF FIGURES

	Page
Figure 1: The Main Components of Supply Chain in Consulting Services	7
Figure 2: Approach to the Study	27
Figure 3: Study Activities by Phase	28
Figure 4: Working Areas of the Respondents	34
Figure 5: Level of Knowledge about Sustainability Practices	35
Figure 6: Source of Information about Sustainability	36
Figure 7: Importance of Sustainability in the Supply Chain of Consulting Service	36
Figure 8: Importance of Sustainability in Internal Procurement	38
Figure 9: Maintenance of Cashflow and Retained Earnings	38
Figure 10: Excellence of Energy Management System	39
Figure 11: Status quo of GHG Emission Control Policy	39
Figure 12: Quality of Waste Management System	40
Figure 13: Adherence to Labor Codes and Ethical Standards	41
Figure 14: Types of Training Offered	42
Figure 15: Compliance with Guidelines, Regulations and Legislation	43
Figure 16: Extensiveness of Due Diligence Process in Recruitment	43
Figure 17: Economic Sustainability Linked to Effective and Efficient Procurement	44
Figure 18: Preferred Procurement Method to Maximize Economic Benefits	45
Figure 19: Carrying Out EIA Prior to Project Implementation	46
Figure 20: Responses on Formulating EMP before Work Execution	46
Figure 21: Conducting SIA Prior to Project Implementation	47
Figure 22: Formulation of SMP Before Execution of Field Work	47
Figure 23: Health and Safety Conditions at Project Sites	48
Figure 24: Provision of Insurance Coverage from the Projects	48
Figure 25: Compensation for Affected Persons and Grievance Mechanism	49
Figure 26: Due Diligence Process in Project Expert Recruitment	49
Figure 27: Data/ Information and Cyber Security Level	50
Figure 28: Degree of Alignment of the Projects with SDG	50
Figure 29: Responses on Importance of Awareness and Knowledge about Sustainability	51

LIST OF ABBREVIATIONS

CIPS	-	Chartered Institute of Procurement and Supply
CSR	-	Corporate Social Responsibility
DOE	-	Department of Environment
e-GP	-	Electronic Government Procurement
EIA	-	Environmental Impact Assessment
EMP	-	Environmental Management Plan
EMP	-	Environmental Management Plan/ Policy
EMS	-	Environmental Management System
ESG	-	Environmental, Social and Governance
GHG	-	Greenhouse Gas
HVAC	-	Heating, Ventilation and Air Conditioning
KPI	-	Key Performance Indicator
LCA	-	Life Cycle Analysis
LCS	-	Least Cost selection
LED	-	Light-Emitting Diode
PPA	-	Public Procurement Act
PPR	-	Public Procurement Rules
QBS	-	Quality Based Selection
QCBS	-	Quality and Cost Based Selection
RFI	-	Request for Interest
RFP	-	Request for Proposal
SCM	-	Supply chain management
SDG	-	Sustainable Development Goals
SIA	-	Social Impact Assessment
SMP	-	Social Management Plan
SMP	-	Social Management Plan/ Policy
SP	-	Sustainable Procurement
SPP	-	Sustainable Public Procurement
SRFP	-	Standard Request for Proposal Documents
TBL	-	Triple bottom line
WLC	-	Whole Life Costing

CHAPTER 1

INTRODUCTION

1.1 GENERAL INTRODUCTION

Sustainability in service delivery aligns with the core principles of sustainable development, which advocate for a balanced approach to societal, environmental, and economic well-being. By integrating sustainability into service delivery, organizations commit to fostering a robust, equitable society while remaining within the planet's environmental constraints. This involves crafting strategies that not only enhance organizational efficiency but also contribute positively to the broader community. It encompasses ensuring that services are accessible and beneficial to all segments of society, thereby promoting social justice and inclusivity, while also addressing environmental concerns such as reducing carbon footprints and conserving resources. In practical terms, sustainability in service procurement and delivery means making decisions that weigh social and environmental impacts alongside traditional financial considerations. This holistic approach not only enhances the long-term viability of the organization but also contributes to the well-being of the planet and its inhabitants, embodying the principles of good governance by ensuring transparency, accountability, and ethical stewardship in all aspects of service provision.

This research delves into the multifaceted aspects of sustainability within the service supply chain, encompassing various dimensions such as environmental, social, and economic management. Environmental management focuses on minimizing the ecological footprint of service operations by implementing practices like waste reduction and energy efficiency. Social management involves ensuring fair labor practices and community engagement, while economic management emphasizes the need for cost-effectiveness and long-term financial viability. Additionally, customer or client management is crucial for maintaining transparency and responsiveness, whereas health, safety, and risk management prioritize the well-being of all stakeholders and the mitigation of potential hazards. Information and technology management is also essential for optimizing operations and ensuring that technological tools are used effectively to support sustainable practices. The study further explores how service-oriented organizations can integrate technical and institutional sustainability, which involves both adopting advanced, eco-friendly technologies and adhering to robust organizational policies that support long-term sustainability goals.

The paper introduces a novel conceptual framework designed to evaluate the performance of sustainable practices in service delivery through two distinct measurement criteria. The first criterion, project management and implementation performance, assesses how consulting entities manage and execute projects with sustainability in mind, focusing on external factors such as client satisfaction and project

outcomes. The second criterion, business management and administrative performance, evaluates internal operations, including how effectively organizations manage their resources, staff, and administrative processes to support sustainable practices. By differentiating these performance measures, the framework aims to provide a comprehensive evaluation of how consulting entities incorporate sustainability into both their external project engagements and internal business operations, thus offering a holistic view of their overall effectiveness in achieving sustainable service delivery.

1.2 SUSTAINABILITY IN SERVICE SUPPLY CHAIN

Sustainable consulting service to public sector clients may be defined as a process of providing services to the people, community and the country as a whole in a way that fosters the economic, social, environmental and governance well-being for now and for the future as well. Through sustainable practices, the consulting organizations not only provide inclusive services following three aspects but also leverage their purchasing power to send a market signal that supports sustainability.

Economic aspects: It focuses on achieving the best value for money by considering the life-cycle costs of products and services, rather than just initial expenditures. This involves assessing quality, functionality, and availability to ensure long-term efficiency and effectiveness. Additionally, it includes managing business risks, enhancing competitive advantage, and improving reputation and client perceptions, which can facilitate better access to capital and investment opportunities.

Environmental aspects: It emphasizes reducing waste and improving resource efficiency, along with lowering carbon emissions and energy consumption. These practices aim to minimize negative environmental impacts through rigorous monitoring and compliance with environmental guidelines. By addressing these areas, organizations can enhance their sustainability performance and contribute positively to environmental conservation.

Social aspects: This may reflect issues such as investing in projects that enhance citizens' quality of life, making a positive societal impact through poverty alleviation, engaging employees in community initiatives, ensuring equitable resource distribution, improving labor conditions, and upholding human rights, health, well-being, quality of life, and social capital. It should also address factors like unemployment rates, female participation in the labor force, health-adjusted life expectancy, etc.

Governance aspects: It involves ensuring transparency and accountability through clear reporting and stakeholder engagement. They require adherence to relevant regulations and standards, ethical leadership, and integration of sustainability into strategic planning. Effective governance also includes

ongoing performance monitoring and risk management to address environmental, social, and economic impacts.

1.3 OVERVIEW SUSTAINABLE PRACTICES

While sustainability in consulting service delivery has become a standard practice in many developed countries, where stringent regulations and a high level of public awareness drive widespread adoption, the situation in developing countries remains notably different. In Bangladesh, the awareness and implementation of sustainable practices are often limited due to a range of factors. Economic constraints, lack of infrastructure, and fewer resources can hinder the adoption of advanced sustainability measures. Additionally, there may be less regulatory pressure and fewer incentives for businesses to prioritize sustainability, which can result in slower progress.

Moreover, developing countries may face challenges such as inadequate education and training on sustainability issues, and a focus on immediate economic development goals that can overshadow long-term environmental and social considerations. As a result, while there are notable efforts and some progress in sustainability practices, the overall level of integration and impact is still relatively low compared to their developed counterparts. Addressing these disparities requires targeted support, capacity building, and increased awareness to promote and implement sustainable practices effectively.

1.4 OVERALL OBJECTIVE OF THE STUDY

The main objective of this study is to gain a clear understanding on the sustainability practices by the consulting entities of Bangladesh in the procurement and delivery of their services to the public sector clients. Moreover, the study aims to examine the sustainability challenges to overcome for better delivery of services.

1.5 SPECIFIC OBJECTIVES OF THE STUDY

The purpose of the research is to understand how economic, environmental and social considerations can improve the delivery of services to the public sector projects and contribute to the sustainable development of the country. It is also endeavored to identify the potentials and constraints for the integration of sustainability in the consulting organizations in Bangladesh. With the above intention, the study aims to achieve the following specific objectives-

- To understand existing sustainable practices by the consulting firms starting from procurement to the ultimate delivery of services

- To study the global standards and international practices with regard to sustainability of services procurement in public sector projects.
- To find the scopes and challenges for consulting organization to implement sustainable practices under the current scenario
- To make recommendations to overcome the challenges and introduce more sustainable services.

1.6 LIMITATIONS OF THE STUDY

The study faced several limitations, both conceptual and technical. Conceptually, there was a significant gap in understanding among respondents and stakeholders within the consulting industry regarding the concept of sustainability. This lack of awareness created challenges in gathering accurate and relevant insights. Additionally, the niche nature of the research area posed difficulties in obtaining comprehensive data through primary research methods.

Technically, the study encountered obstacles due to lack of practice and emphasis on sustainability among local consulting firms which contributed to difficulties in finding required information. Moreover, the professionals contacted for the study were often engaged in other tasks, which led to delays in completing the Google Form of questionnaire. This logistical challenge considerably slowed down the research process and impacted the timeliness of the study's findings.

1.7 REPORTING OUTLINE

The structure of this report is organized to provide a comprehensive understanding of the research topic and its implications.

Chapter 2: Literature Review: This chapter offers a concise overview of previous research and theoretical perspectives related to the study's focus. It synthesizes key findings from relevant academic sources, identifying trends, debates, and gaps in the current body of knowledge. By reviewing prior research, this chapter establishes the foundation for the study and contextualizes its objectives within the broader scholarly context.

Chapter 3: Methodology for the Study: In this chapter, the report outlines the research design and methods used to investigate the study's questions. It details the procedures for data collection, including sampling methods, data sources, and instruments utilized. The chapter also describes the approach to data analysis, justifying the chosen methodology and discussing its suitability for addressing the research objectives.

Chapter 4: Data Presentation and Analysis: Chapter 4 focuses on presenting the research data in a structured manner, using visual aids such as tables, charts, and graphs to illustrate key findings. This

section includes an analysis of the data, highlighting significant patterns, trends, and correlations. The results are examined to provide an initial interpretation, setting the stage for a deeper discussion of their implications in subsequent chapters.

Chapter 5: Results and Findings: This chapter delves into the interpretation of the results, linking them back to the research questions and objectives outlined earlier. The discussion also considers the implications of the results, potential explanations for observed phenomena, and the broader significance of the findings.

Chapter 6: Recommendations and Concluding Remarks: The final chapter offers practical recommendations based on the study's findings, suggesting actionable steps for stakeholders or practitioners. Concluding remarks provide a final reflection on the study's impact and significance.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter outlines the theoretical background of sustainable practices in service procurement and supply chain management from a public procurement perspective. It also discusses the emergence of sustainable procurement and its connection to sustainable development, presenting key concepts relevant to the field. The research began with a critical review of literature focused on sustainability in service procurement, environmental and social management in public sector procurement, and the drivers and constraints of sustainable procurement. Various books, journals, and publications were reviewed for in-depth knowledge. Additionally, websites of international consulting firms and select Bangladeshi consulting companies practicing sustainable procurement and supply chain management were examined to understand the latest developments. The Public Procurement Act, 2006, Public Procurement Rules, 2008, Sustainable Public Procurement Policy, etc. were also reviewed to assess the scope and current practices of sustainability in service procurement in Bangladesh.

2.2 CONSULTING INDUSTRY AND CONSULTING SERVICES

Consulting Industry is represented by the companies or organization that have various experts or professionals who have experience in certain fields and also have extensive knowledge about various problems (Tordoir, 1995). There is also another opinion that gives meaning to professional consultants or consultants according to Shenson (1990), which states that individuals or companies have special skills and talents available to those who need them (clients), by receiving a certain amount of compensation (wages).

The job of a professional consultant is to advise and often assist others in carrying out an intellectual work for the client. Consulting services refer to the providing expert knowledge, technical assistance or strategic advice to support decision-making. Consulting Services means the provision of expertise or strategic advice that is presented for consideration and decision-making. An individual or organization is considered to be a consultant if they provide the following services:

- Management Consulting (i.e., assisting organization in the enhancement of performance, mainly by analyzing existing issues and creating improvement plans. It covers a wide range of areas, like strategy development, operational improvement, organizational change, etc.);

- Information Technology Consulting (i.e., refers to advisory services that assist clients in evaluating various information technology strategies, aligning their implementation approach with the business goals of the organization);
- Technical Consulting (i.e., strategic advice related to actuarial science, appraisal, community planning, employment placement, engineering, health sciences, interior design, realty, social sciences);
- Policy Consulting (i.e., the provision of advisory services to provide policy options, analysis and evaluation);
- Communication Consulting (i.e., the provision of strategy and advice in conveying information through various channels and media).

2.3 SUPPLY CHAIN OF CONSULTING SERVICES

A supply chain is commonly seen as a network of essential connections that links various organizations (stakeholders) and integrates each organization's inputs with its outputs. It encompasses all activities related to the transformation and movement of goods and services, along with the associated flows of money and information, from the sources of raw materials to the final consumers. Supply Chain Management (SCM) involves the coordination, oversight, and optimization of these activities, including strategies, initiatives, and management processes designed to ensure the efficient operation, control, and continuous improvement of the entire supply chain (Bowersox, 2002). The goal of SCM is to streamline operations, reduce costs, and enhance value delivery across the network. The key components of a supply chain are similar in both manufacturing and service industries. However, supply chain components and functions in consulting services are depicted in Figure 1 below.

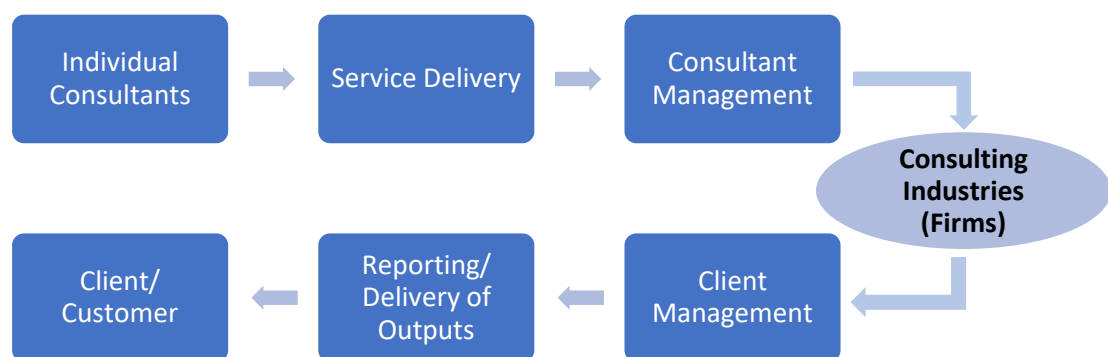


Figure 1: The Main Components of Supply Chain in Consulting Services

2.4 THE CONCEPT OF SUSTAINABILITY

Sustainability is a long-term objective that serves as a guiding principle for decision-making across global, national, organizational, and individual levels. It involves meeting the needs of the present without compromising the ability of future generations to meet their own needs. Sustainability

encourages balancing economic, social, and environmental considerations to ensure the well-being of both people and the planet over the long run. This concept extends beyond just environmental concerns to include social equity, economic development, and responsible resource management, making it a comprehensive framework for creating a more resilient and equitable future for all. Sustainability involves balancing economic growth with environmental conservation, ensuring that efforts to improve human well-being do not harm the environment, as this would undermine the long-term potential for future development. It emphasizes the need for responsible use of resources and the protection of the environment to ensure a sustainable future for generations to come.

2.5 THE CONCEPT OF SUSTAINABLE DEVELOPMENT

The main concept of sustainable development is improving human and social well-being while ensuring the long-term preservation of the environment and resources. It emphasizes two key dimensions: achieving economic growth to secure a higher standard of living for both present and future generations, and protecting and enhancing the environment to maintain these benefits. Sustainable development seeks to create a stable relationship between human activities and the natural world, ensuring that future generations can enjoy a quality of life at least as good as that of the present. Additionally, it incorporates social justice and human rights, highlighting the importance of equitable development.

The three-dimensional perspective of sustainability—encompassing economic, environmental, and social dimensions—was widely accepted over time. In 1997, John Elkington coined the term "triple bottom line" (TBL) to emphasize the importance for nations and organizations to assess their performance in all three areas. Today, this holistic approach to sustainable development is expressed in various forms, such as:

- ❖ The 3Ps—Profit, People, and Planet—Profit focuses on long-term economic and financial success, People emphasizes social responsibility and community well-being, and Planet addresses environmental sustainability through resource conservation and reducing ecological impact.
- ❖ The 3Es—Economics (financial growth and stability), Environment (environmental protection), and Equity (social justice and equal opportunities) —together aim to achieve balanced, inclusive, and sustainable development.
- ❖ The 2Rs—Resources and Respect—Resources emphasize the sensible management and utilization of both economic and natural resources, while Respect highlights the importance of valuing and honoring people, communities including all living beings.

2.6 INTEGRATION OF SUSTAINABILITY IN SERVICE SUPPLY CHAIN

The recent economic crisis has prompted a shift toward leaner, more cost-effective supply chains. At the same time, stricter regulations and growing pressure from communities, legislators, and consumers require companies to integrate sustainability into their supply chain operations. This integration, known as Sustainable Supply Chain Management (SSCM), is gaining importance across industries through collaboration among stakeholders, including suppliers, customers, and regulators. SSCM focuses on delivering quality products and services while improving efficiency, reducing waste, and being environmentally responsible. Effective management of suppliers and customers is crucial for smooth supply chain operations, particularly in service-based supply chains. Sustainability in service supply chains is increasingly seen as essential for long-term profitability and positive societal impact. However, sustainability in services differs from manufacturing due to the structural variations between product-based and service-based supply chains. Service supply chains often involve high customer engagement, less structured processes, and intangible, non-standardized products that cannot be stored.

Integration of sustainability is considered to be as one of the most important factors in the supply chain of services. Currently, most of consulting companies in the world recognize sustainability in the service delivery as the key to a successful business. Following 5 common practices were identified for integrating sustainability as a competitive device.

1. Creating a Sustainability Strategy

The sustainability strategy must involve the entire organization, guaranteeing a broad, practical and relevant vision of its impact on the environment and society. Sustainability should also be present in the adoption of good ESG (Environment, Social and Governance) practices and in the way that the company relates to its clients/ customers, suppliers, professionals/ consultants, employees and other stakeholders.

These concerns and guidelines have emerged as a top issue for decision-makers seeking to pursue responsible management. In this new mindset organizations are not only concerned with achieving economic success but have started to include environmental protection and social equity in their objectives. At present sustainability is considered to be the new fuel for economic, social and environmental capital.

2. Developing Organizational Culture

Developing an organizational culture with sustainability principles plays a critical role in the success of a company's sustainability strategy. A culture that values sustainability not only drives innovation and

resilience, but also creates an environment where sustainability is truly embedded in the organization's DNA. Organizational culture is the set of values and behaviors that guide actions in a company. When an organization embraces sustainability, it creates an environment that leads to the effective implementation of the strategy.

Educating and involving the entire organization is fundamental. This can be done through training programs, awareness-raising and incentives to performance evaluation and adoption of sustainable practices. Human Resources can become sustainability ambassadors and contribute significantly to the success of the company's initiatives.

3. Integrate Life Cycle Analysis Tools

Life cycle analysis (LCA) is a tool that allows companies to assess all the activities that a company carries out to create and deliver a product or service, from the acquisition of raw materials until the final product reaches the customer. This includes the company's internal operations and external activities that directly or indirectly impact sustainability.

Through LCA, companies can identify areas where they can make improvements, such as: reducing greenhouse gas (GHG) emissions; reducing water consumption; sustainable purchasing; prioritizing suppliers/ partners/ associates in line with the organizational strategy; and leveraging the application of circularity to transform passive resources into active resources. Carrying out an LCA analysis requires experience and technical knowledge, and it can be useful to involve sustainability experts or consultants in conducting the analysis.

4. Implementing a Sustainable Project Roadmap

Implementing a project roadmap and identifying material topics are key steps to directing efforts more efficiently, responding to stakeholder's expectations and to stand out as leaders on the journey towards a more sustainable future. A sustainable project roadmap is a structured plan that establishes clear goals and steps for achieving corporate sustainability. This roadmap represents a guide that helps companies navigate challenges and opportunities.

It starts by identifying clear sustainability goals that are aligned with the organizational values and strategies. The next step is to carry out a comprehensive gap analysis of the current sustainability status. The prioritize projects that will have the greatest impact and create an implementation plan, with metrics and performance indicators to monitor progress towards the defined sustainability objectives and achieve a sustainable and profitable company.

5. Comply with Sustainability Regulations

Regulations play a significant role in driving sustainable practices within businesses, influencing everything from corporate reporting to day-to-day operations. With the visible threat of extreme events in near future, companies and countries feel pressured to show their commitment to sustainable practices. The regulations and policies directly or indirectly aimed at promoting sustainability in terms of water or energy management, environmental protection, specific business practice regulations, reporting obligations and monitoring. Some international initiatives are attempting to impose such obligations, with varying degrees of success. There are a number of regulations, good practices and initiatives related to sustainability were developed by United Nations and its agencies, EU, US, China, India. But the regulations alone are not enough rather strict enforcement and monitoring can transform national and international entities, regional authorities, businesses, communities, and individuals into responsible actors. It has become evident that sustainability regulations at both national and international level are crucial for addressing environmental and social challenges. It is essential to be aware of this new sustainability language and to comply with sustainability regulations.

2.7 THE CONCEPT OF SUSTAINABLE PROCUREMENT

Sustainable procurement is a strategic approach to procurement that incorporates environmental, social, and governance (ESG) factors into the decision-making process, ensuring that purchases and contracts contribute to the long-term sustainability goals of the organization while still meeting stakeholder needs. It goes beyond traditional procurement by emphasizing the importance of minimizing environmental impact, promoting social responsibility, and ensuring ethical governance practices.

In this context, sustainable procurement focuses on sourcing goods and services that have a lower environmental footprint, such as those with reduced carbon emissions, less waste, or more sustainable raw materials. It also involves considering the social implications of procurement decisions, such as promoting fair labor practices, supporting local communities, and fostering inclusivity. Additionally, governance factors such as transparency, ethical sourcing, and compliance with regulations are key considerations.

Sustainable procurement seeks to balance economic objectives with the broader needs of society and the environment. It encourages organizations to make decisions that not only optimize costs but also contribute positively to social well-being, improve working conditions, and reduce harm to the planet. By integrating these sustainability criteria into the procurement process, organizations can help drive the transition to a more sustainable and responsible economy, where both business success and societal benefits are achieved together.

2.8 BENEFITS OF SUSTAINABLE PROCUREMENT

Sustainable procurement offers significant long-term benefits by leveraging purchasing decisions to drive positive environmental, social, and economic outcomes. Buyers, particularly governments and large organizations, have considerable influence over the manufacturing processes and practices of the companies they purchase from. Every purchase made is essentially a "vote" supporting the practices of the company providing the product or service. When buyers purchase from companies with poor ethical standards, such as those exploiting workers or harming the environment, they unintentionally support the continuation of unsustainable practices. Therefore, using purchasing power to favor companies that produce sustainable products is a critical opportunity for driving positive change.

For governments, sustainable procurement is not just about meeting immediate needs but also ensuring long-term value for money. By prioritizing sustainability in procurement processes, governments can avoid supporting practices that harm society or the environment, thus fostering a future that balances development with responsibility. Sustainable procurement helps to achieve development goals while minimizing negative social and environmental impacts.

By considering sustainability in procurement, the following benefits can be realized:

1. **Achieving Value for Money:** Sustainable procurement ensures that purchases provide long-term value, considering not just cost but also environmental and social impacts over the product or service's lifecycle.
2. **Sustaining Economic Development:** By supporting businesses that prioritize sustainability, economic growth can be sustained without depleting natural resources or harming communities.
3. **Improving Ethical Behavior of Suppliers and Contractors:** Sustainable procurement encourages ethical business practices, helping to raise standards within the supply chain and promoting transparency, fairness, and responsibility.
4. **Reducing Harmful Emissions and Waste Generation:** By choosing environmentally-friendly products and services, sustainable procurement helps to lower emissions, reduce waste, and contribute to overall environmental health.
5. **Improved Air and Water Quality:** Sustainable sourcing of goods and services helps reduce pollution and protect natural resources, leading to better air and water quality.
6. **Enhancing Global Competitiveness of Local Industries:** Local industries that adopt sustainable practices can gain a competitive advantage on the international stage, increasing market opportunities and innovation.
7. **Increasing Wealth and Health of Society:** Sustainable procurement contributes to societal well-being by fostering a healthier environment, which, in turn, improves living standards and overall quality of life.

8. **Improved Working Conditions:** By prioritizing fair labor practices, sustainable procurement promotes better health and safety standards, fair wages, and improved working conditions, benefiting workers and communities.
9. **Reducing Labor Agitation:** Companies that practice sustainable procurement are more likely to respect workers' rights, leading to fewer labor disputes and a more stable workforce.
10. **Improving Conditions for Disadvantaged Groups:** Sustainable procurement practices can support marginalized and disadvantaged groups, improving their economic and social conditions.
11. **Accelerating the Achievement of the Millennium Development Goals (MDGs):** Sustainable procurement contributes to achieving global development targets, especially those related to poverty reduction, social equity, and environmental protection.
12. **Creating a Better Society:** Ultimately, sustainable procurement helps build a society where businesses, communities, and the environment thrive together, promoting social justice, economic stability, and environmental responsibility.

2.9 PUBLIC PROCUREMENT

Procurement strategies are diverse and can include in-sourcing, outsourcing, competitive bidding, direct negotiation, and various other approaches depending on the specific needs of the organization. Once a strategy is established, the execution phase involves market engagement, where Requests for Interest (RFI) and Requests for Proposal (RFP) are issued, or direct negotiations take place. Following the evaluation of offers, the best solution is selected, and a contractual agreement is established to formalize the arrangement.

In the context of public procurement, this process involves the purchasing of goods, services, and works by public bodies using taxpayer money to fulfill their operational needs. Public procurement is a key function of government and has significant implications for society. It influences economic development, social equity, and environmental sustainability. Well-managed procurement can promote national development, support social and environmental objectives, and ensure the effective use of public funds. Conversely, inefficient or politically driven procurement can undermine public trust and hinder government effectiveness.

The performance of public procurement directly impacts citizens' quality of life. Whether the procurement process succeeds or fails, it has lasting consequences on the government's ability to meet its responsibilities. Poor procurement practices can lead to subpar public services, missed development opportunities, and failure to meet citizens' expectations.

Public procurement is governed by a set of rules, policies, and procedures designed to ensure transparency, fairness, and accountability. Government officials are required to follow these laws and regulations when making procurement decisions. These rules cover various aspects, including how suppliers should be invited to tender, the criteria for supplier selection, and the enforcement of contractual requirements. The overarching goal of these procurement systems is to foster open competition among suppliers, minimize the risk of corruption, coercion, and collusion, and ensure the efficient use of public resources for the benefit of society (Tariquzzaman, 2018).

2.10 POTENTIAL DRIVERS FOR SUSTAINABLE PROCUREMENT

Drivers are the elements that compel actions towards sustainable procurement. Aspects such as resource limitations, regulations, reputation risks or opportunities, and stakeholder pressure are significant forces that propel organizations to embrace sustainability practices. These drivers usually occur prior to the initiation of a sustainability program, acting as influencing factors. Drivers for sustainable procurement can be divided into external and internal elements. Tables 1 and 2 highlight some of the main external and internal drivers for sustainable procurement.

Table 1: General External Drivers for Sustainable Procurement

Drivers	Indicators of the drivers
Political factors	- Government policies, objectives, and regulations - Incentives and penalties imposed to encourage sustainable practices - Government's role as a buyer, supplier, and employer in promoting sustainability
Economic factors	- Declining demand for products/services that are unsustainable - Growing market demand for environmentally and socially responsible products/services
Social/ Ethical factors	- Shifting social values and public attitudes driving media, consumer, labor, and public pressure for sustainability - Emerging ethical concerns such as corporate governance, fair trade, human rights, and labor rights - Industry and professional ethical standards and codes of conduct
Technological factors	- Innovation and adoption of sustainable technologies by competitors and markets - Increased scrutiny of unsustainable technologies - Growth opportunities in markets for sustainable technologies
Environmental Factors	- Resource depletion and escalating costs, particularly energy expenses - Environmental concerns of key stakeholders, such as climate change, deforestation, water management, and pollution control

Drivers	Indicators of the drivers
	National and international sustainability targets as part of global agreements
Legal factors	- National and global regulations on sustainability, including waste, pollution, emissions, and employment standards - Legislation affecting health and safety, consumer rights, and corporate governance, as well as public sector procurement practices
External Stakeholder Factors	- Influence and pressure from external stakeholders like customers, labor groups, investors, and activists, creating both opportunities and risks for organizations in securing resources and fostering collaborations - Potential for cause-related marketing driven by external sustainability interests

[Source: Sustainable Procurement, official CIPS course book]

Table 2: General Internal Drivers for Sustainable Procurement

Drivers	Indicators of the drivers
Corporate Goals	The organization's vision, mission, and objectives, with a focus on integrating sustainability values and long-term goals.
Organizational Status	The existing policies and initiatives related to Corporate Social Responsibility (CSR) and corporate citizenship.
Top Level Buy-in	Commitment from senior leadership, including key supporters, champions, and advocates of sustainability efforts.
Business Factors	- The business case for sustainability, such as improving reputation, strengthening brand value, and increasing revenue. - Reducing costs and waste through eco-efficiency measures. - Driving innovation and improving efficiency within the supply chain. - Lowering the regulatory compliance burden.
Accountability Factors	Systems for monitoring and ensuring progress on sustainability initiatives, with rewards tied to achieving sustainability goals.
Risk Awareness	- Prioritizing risk management by recognizing potential risks to business, reputation, and supply chains from unsustainable practices. - Awareness of the reputational harm that can result from non-sustainability.
Stakeholder Expectations	The need to meet internal stakeholder expectations for sustainability, including attracting and retaining high-quality employees, investors, and supply chain partners.

[Source: Sustainable Procurement, official CIPS course book]

It is clear that some of these factors are more important and pertinent in certain sectors than in others. Therefore, public sector organizations must determine which drivers they can influence most effectively to promote a sustainable procurement initiative.

2.11 BARRIERS TO SUSTAINABLE PUBLIC PROCUREMENT

Besides drivers, there are barriers to sustainable public procurement which can hinder progress. These factors obstruct the adoption of sustainable procurement practices. Table 3 outlines the key barriers.

Table 3: Barriers to Sustainable Procurement

Barriers	Forms of the Barriers
Cost Barriers	Sustainable procurement options can often be more costly due to several factors. These options may involve purchasing innovative products or services that are new to the market or based on emerging technologies, which typically come at a higher price. Additionally, sustainable practices can require more labor-intensive processes and additional risks. They may also limit the organization's ability to secure the best available price for goods and services. Implementing sustainable procurement often demands the development of new processes, capabilities, and infrastructure, which require significant investment in plant, equipment, and systems. This shift can lead to organizational changes that require resource allocation, training, development, and potential productivity loss. Furthermore, businesses may need to invest in carbon offsetting or other compensatory sustainability initiatives to meet environmental goals.
Stakeholder attitudes	Stakeholder attitudes may either support or hinder sustainable procurement efforts. The expectations, values, and influence of different stakeholder groups may create barriers to implementing sustainability initiatives within an organization. Some stakeholders, such as certain investors, customers, or suppliers, may be indifferent to sustainability goals, viewing them as secondary to other priorities like cost reduction or short-term profits.
Cultural Barriers	Cultural barriers can hinder sustainable procurement practices. Different countries and cultural groups have distinct values and norms that influence business and consumer behavior, which may conflict with sustainability goals. Organizational culture also plays a key role, as the values and behaviors promoted by management can either support or obstruct

Barriers	Forms of the Barriers
	sustainability efforts. If sustainability is not prioritized or rewarded within the organization, it becomes a significant barrier to achieving long-term sustainable procurement.
Macro-economic Barriers	Macro-economic factors can hinder sustainable procurement. Economic growth may drive over-consumption, resource depletion, and environmental harm, while economic downturns prioritize short-term cost cuts over long-term sustainability. Recession can reduce investment and increase unemployment, pressuring public procurement to focus on immediate savings. Protectionist policies, though beneficial for local industries, can restrict international trade, limiting broader sustainability and global economic benefits.
Policy Conflicts	Policy conflicts can create significant challenges for sustainable procurement. While economic growth policies aim to improve living standards, they often lead to the overuse of finite resources, increased pollution, and waste. Similarly, policies promoting free trade and globalization can result in the exploitation of low-cost labor, harm to local cultures, and unsustainable environmental practices. Additionally, open tendering procedures designed to ensure fair competition may limit the ability of public authorities to apply sustainability criteria, such as supplier diversity, that go beyond the immediate purchase.

[Source: Sustainable Procurement, official CIPS course book]

On top of the aforementioned barriers, the UK's Sustainable Procurement National Action Plan highlights several key internal obstacles to sustainable procurement within the public sector. These barriers are outlined in Table 4.

Table 4: Barriers to Sustainable Procurement in the Public Sector

Area	Identified Barriers
Leadership, Clarity and Ownership	Barriers to sustainable procurement in the public sector include a lack of leadership and commitment, which can leave sustainability efforts directionless and unsupported. Confusion over ownership of sustainability goals can lead to fragmented, disjointed efforts, while poor incentive systems fail to motivate procurement teams to prioritize sustainability. Additionally, mixed messages to suppliers, where cost savings are emphasized alongside

Area	Identified Barriers
	sustainability goals, can create confusion and inefficiency, hindering effective collaboration and implementation of sustainable solutions.
Clarity on Policy Priorities	Barriers to clarity on policy priorities in sustainable procurement within the public sector stem from several challenges. These include a lack of clear direction and an overwhelming number of conflicting priorities, making it hard for procurement teams to focus on key sustainability objectives. Additionally, a lack of cross-government buy-in can lead to fragmented efforts, and a "one size fits all" approach may not be suitable for diverse sectors or regions. Furthermore, excessive or contradictory guidance from various authorities can overwhelm procurement teams, hindering effective decision-making and slowing progress on sustainability goals.
Meeting Minimum Standards with Setting a Challenging Future Goal	The barrier of balancing minimum standards with ambitious future sustainability goals in public sector procurement stems from several issues. A lack of prioritization often leads to a focus on immediate compliance with basic standards, hindering the development of long-term strategies. The absence of enforcement of mandatory standards weakens accountability, and without clear consequences, both organizations and suppliers may not fully commit to sustainability. Additionally, failure to communicate future sustainability trends to the market leaves suppliers unprepared for future needs. Lastly, inadequate supply chain risk management exposes organizations to potential disruptions, undermining sustainability efforts.
Developing capabilities	Barriers to sustainable procurement in the public sector related to developing capabilities include a lack of training, information, and accountability, which limits procurement teams' ability to effectively integrate sustainability practices. Ignorance of sustainability issues among staff and stakeholders further hinders adoption, as individuals may not fully understand the environmental, social, and economic impacts of their decisions. Additionally, skepticism about the benefits of sustainability, especially if perceived as costly or ineffective, can deter long-term commitment. Mixed messages from leadership or external sources also create confusion, making it difficult for teams to align with sustainability goals and implement them effectively.
Ensuring budgetary mechanisms that enable and support	Barriers to sustainable procurement in the public sector related to budgetary mechanisms include challenges like the failure to apply whole life costing (WLC), which considers long-term impacts beyond initial costs. Without WLC, decisions may focus on short-term savings rather than long-term

Area	Identified Barriers
sustainable procurement	sustainability. Additionally, a focus on immediate efficiency gains can overshadow the potential long-term benefits of sustainable procurement, leading to cheaper but less sustainable choices. Concerns about affordability and the difficulty of offsetting long-term savings against short-term budget constraints further hinder sustainable procurement. Finally, uncertainty about how to account for non-monetary benefits, such as environmental or social gains, makes it difficult to prioritize sustainability in budgeting decisions.
Enhancing market engagement to stimulate innovation	Barriers to sustainable procurement in the public sector related to market engagement and innovation stem from several factors. Public sector supply chain management often lags behind private sector best practices, with outdated processes that hinder the adoption of new technologies. There is also resistance to innovative supplier solutions, especially those that challenge traditional procurement methods or involve unproven technologies. Risk aversion further compounds this issue, as public organizations prioritize familiar, low-risk options over potentially more sustainable alternatives. Additionally, concerns about delivering value to taxpayers can make decision-makers hesitant to invest in innovative solutions, fearing poor outcomes or high costs, which limits progress toward sustainable procurement.

[Source: Sustainable Procurement, official CIPS course book]

2.12 SUSTAINABLE PROCUREMENT: DRIVERS VERSUS BARRIERS

The tables outlining the drivers and barriers of sustainable procurement reveal that certain factors can act as both drivers and barriers, depending on the specific context or the broader internal and external environment. For instance, while economic growth can improve the standard of living—one of the goals of sustainable development—it can also hinder sustainability by promoting over-consumption, resource depletion, waste, and negative environmental impacts. Similarly, although sustainable procurement may incur higher costs, it should still be prioritized in the public sector due to the government’s responsibility for the well-being of its citizens. Additionally, while the Whole Life Costing (WLC) approach advocates for a lower overall price in the long term, this can be challenging to implement within the constraints of government budgeting systems.

2.13 KPIs FOR SUSTAINABLE PROCUREMENT

Key performance indicators (KPIs) are specific measures used to evaluate a unit's or organization's performance. They should be relevant, clear, and easily measurable at the operational level. Table 5 presents some representative KPIs for sustainable procurement.

Table 5: KPIs for Sustainable Procurement

Area of Performance	Procurement KPIs
Economic performance	▪ Cost Efficiency: Measures such as the procurement cost as a percentage of total spend, or cost savings achieved as a percentage of total spend annually. ▪ Procurement Productivity: Indicators like cost per procurement cycle or the time taken to complete each procurement cycle. ▪ Supplier Engagement: The proportion of suppliers contributing 80% or more of the total annual spend. ▪ Delivery Performance: The percentage of orders that are delivered on time and in full, reflecting customer satisfaction levels.
Environmental performance	▪ Resource Consumption Reduction: Measures such as the percentage decrease in energy and water usage across procurement activities. ▪ Carbon Footprint Reduction by Suppliers: The percentage reduction in greenhouse gas emissions from logistics, or the procurement process. ▪ Sustainable Resource Usage by Suppliers: The percentage reduction in water and energy consumption by suppliers. ▪ Recycled Material Usage: The proportion of total purchases made from recycled materials. ▪ Sustainable Fleet Management: The percentage of the vehicle fleet that is hybrid or uses alternative fuel sources. ▪ Waste Reduction: The total volume of waste sent to landfill by both the buyer and suppliers. ▪ Supplier Environmental Compliance: The percentage of procurement spend with suppliers who either report their environmental impacts or have an active Environmental Management System (EMS).
Social performance	▪ Workforce Diversity and Equality: Measures the representation of diverse groups and equal opportunities among procurement staff. ▪ Employee Development and Engagement: Tracks the availability and uptake of training and professional development opportunities for procurement teams.

	▪ Compliance with Ethical Standards: Assesses adherence to workplace laws, ethical sourcing, and fair-trading practices within the procurement process. ▪ Health and Safety Improvements: Monitors reductions in health and safety incidents, as well as grievance cases within the organization. ▪ Supplier Diversity and Inclusion: Evaluates the proportion of suppliers that are women-owned, minority-owned, or small businesses. ▪ Supply Chain Monitoring: Measures the percentage of the supply chain that is actively monitored and managed for ethical compliance. ▪ Supplier Compliance Performance: Tracks improvements in supplier compliance, including a year-on-year reduction in incidents of non-compliance.
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[Source: Sustainable Procurement, official CIPS course book]

2.14 SUSTAINABLE PUBLIC PROCUREMENT STANDARDS IN BANGLADESH

In the context of Bangladesh, a Sustainable Public Procurement (SPP) framework has been developed, outlining various SPP standards across the entire public procurement process. Table 6 highlights these SPP standards within the public procurement cycle.

Table 6: SPP Standards in Public Procurement Process of Bangladesh

Pre-procurement	▪ Procuring Entities (PEs) are required to conduct a need assessment, market analysis and market engagement to evaluate any of the following: - Need to purchase some goods or the possibility of meeting the needs in another way; - Assessment of impact of the sustainable goods intended to be procured; - Possibility of reducing the quantity or scale of goods or service without compromising the achievement of the same service delivery; - Availability of alternate goods or services to be used to meet their needs; - Applicability of whole-life cycle assessment for the goods or works to be purchased; and - Availability of sustainable alternatives. ▪ The development, letting, and management of procurement documents, i.e., procurement plan, tender documents, etc., shall endeavor to support the procuring organizations' ability to meet as
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	mandatory obligations under the government commitments and shall align with this SPP policy and strategies.
Deciding the procurement procedure	▪ Competitive tendering process must be utilized. ▪ As far as practicable, flexible procurement procedure may be taken into account for reasons such as maximizing the participation of small and medium enterprises (SMEs), including women-owned enterprises (WOEs) in tendering. ▪ Measure to expand SMEs and WOE's such as minimizing the complexity of tender documentation, dividing contracts into smaller lots, limiting the number of lots that can be awarded to one Tenderer allowing longer period of time for the submission of expression of interest (EOI) and also tenders might be permitted upon approval of the competent authority.
Defining the subject of the contract	▪ The standard to be pursued in defining the subject of the contract should be seen as a backstop and minimum standard must be achieved when procuring the relevant goods and services. ▪ In doing so, the subject matter of the contracts should clearly indicate that a sustainable product and services would be purchased.
Selection/exclusion of tenderers	▪ The selection/exclusion criteria for sustainable suppliers, service providers and contractors (as may be developed from time to time) are included in the Standard Tender Documents (STDs).
Technical specifications	▪ There shall be a standard product certification process (e.g., BSTI, ISO, etc.) that would be used to certify in determining the sustainable products and services. ▪ All procuring organizations and suppliers must comply with the mandatory government standards as mentioned in the procurement documents. ▪ Suppliers are encouraged to bring forward proposals to go beyond the mentioned standards in the procuring documents, but that should represent the best practice.
Award criteria	▪ With SPP implementation, PEs shall review and follow the SPP policy for tender evaluation. ▪ Tenders that have met the minimum general criteria, financial criteria, and qualification and expertise criteria may be evaluated against specific set of award criteria for sustainability – social criteria,

	economic criteria and environmental criteria using the rating system that may be developed by competent authority from time to time. ▪ All sustainability criteria that will be used including the rating system given to each criterion should be clearly indicated in the call for tenders.
Contract management	▪ All contracts must ensure compliance with all relevant existing public procurement legislation along with the social and environmental legislation to be provided, to the extent possible, in the procurement documents. ▪ Ongoing performance monitoring is necessary for the duration of the contract to ensure compliance of suppliers & supplies with the specifications and contract terms. Review meetings and periodic audits of suppliers throughout the life of the contract should be carried out to verify that the sustainability practices meet the agreed requirements. ▪ Sustainability results should be reported openly and transparently in the PE's reports, such as annual report.

[Source: Draft Sustainable Public Procurement Policy of Bangladesh]

2.15 SUSTAINABILITY AND PUBLIC PROCUREMENT

Environmental concerns have been a global priority for several decades, with both the public and private sectors acknowledging their responsibility in addressing these challenges. Recently, the focus has expanded to encompass sustainability, yet while sustainable procurement practices are widespread in many developed countries, awareness and implementation of these practices remain limited in most developing nations.

Public procurement plays a key role in how government organizations allocate taxpayer funds for goods, services, and works. It is governed by principles of transparency, accountability, and ensuring value for money. Since the government is often the largest buyer in a country, its purchasing decisions can significantly influence private sector behavior, encouraging suppliers to adopt more sustainable practices.

As public demand for sustainability in the supply chain increases, the government is held accountable for ensuring taxpayer money is spent in ways that maximize societal benefits. While sustainable procurement has traditionally been seen as a public sector initiative driven by policy, this view is shifting as legal and commercial pressures are raising the priority of corporate social responsibility in

the private sector. Sustainable procurement, therefore, represents a broader shift where procurement professionals move beyond traditional concerns of price, quality, and time to include economic, environmental, and social considerations, leveraging public procurement as a tool to drive positive change and innovation in the economy.

CHAPTER 3

METHODOLOGY FOR THE STUDY

3.1 TOPIC OF THE RESEARCH

The topic of the research is – Sustainability Practices throughout the Service Supply Chain in the Consulting Industries of Bangladesh.

3.2 PROBLEM STATEMENT

The consulting firms of Bangladesh working in the public sectors in general follow the Standard Request for Proposal Documents (SRFP) for Services under different threshold values stated in the Public Procurement Rules 2008 as well as in the Procurement Guidelines of the financial partners and subsequent terms and conditions of the contract agreement signed with the procuring entities. The consulting firms i.e., service providers only follow the sustainability issues as it has been expressed in those documents.

Despite these guidelines, consulting firms encounter several challenges in effectively implementing sustainability practices in their services. These challenges are particularly pronounced in the Bangladeshi context and differ from those faced by other industries within the country. Factors such as limited resources, lack of specialized expertise, and gaps between regulatory expectations and practical realities contribute to difficulties in adhering to sustainability requirements. Additionally, cultural and contextual issues unique to Bangladesh further complicate the integration of these practices, making it crucial to address these specific challenges to enhance the effectiveness of sustainability in public sector consulting.

3.3 GENERAL AIM OF THE RESEARCH

The primary objective of this study is to assess and analyze the current levels of commitment to sustainable practices within the consulting industry, particularly in relation to the existing landscape. By evaluating how consulting firms are integrating sustainability into their operations, the study provides a comprehensive understanding of their practices and identifies areas for improvement. Recognizing that sustainability within the supply chain of both products and services plays a critical role in advancing sustainable development, the study explores the significance of these practices.

To achieve this, the research examines various facets of sustainability in service delivery, including the importance of sustainable practices, the problems and barriers firms encounter, the potential

opportunities for enhancing sustainability efforts, and the specific challenges unique to the consulting industry. By addressing these aspects, the study offers actionable recommendations for improving the implementation of sustainability practices, thereby contributing to the broader goals of sustainable development and ensuring that consulting firms are better equipped to meet contemporary sustainability standards.

3.4 RESEARCH QUESTIONS

The research question guides the researcher to formulate specific research objectives as specified in Chapter 1. The research question states the specific issues or problems that the study focuses on. It also outlines the task that needs to be completed. Research question provides a synthesis of diverse viewpoints from stakeholders so that the results represent integration of overall research outputs. Three basic research questions were identified for the study that are-

1. **What is the level of understanding about sustainability in services delivery among different level officials and employees in the consulting industries of Bangladesh?** This question seeks to assess how well different stakeholders grasp the concept of sustainability and its application in their roles and responsibilities.
2. **What is the present condition of sustainability in process of procurement and supply/delivery of services in the consulting industries with respect to global and international standards?** This question aims to evaluate how consulting firms are currently implementing sustainability practices in their processes and what specific practices are being employed.
3. **What are the scopes and challenges to implement sustainable practices in the consulting organizations under present scenario of Bangladesh?** This question explores the potential for integrating global sustainability standards into local practices and identifies the specific obstacles that consulting firms face in this endeavor.

3.5 DETAILED METHODOLOGY FOR THE STUDY

3.5.1 Approach towards the Study

The study was conducted in a participatory manner with direct involvement of stakeholders within the consulting industry. This approach facilitated a comprehensive examination of sustainability practices by incorporating both primary and secondary data sources. The primary survey involved collecting a range of qualitative and quantitative data to provide a well-rounded perspective on the subject. It was ensured that no variables can influence the overall objective of this study.

The study's methodology included a thorough review of existing secondary information related to sustainability practices in the consulting industry. This was complemented by direct interviews with key stakeholders, utilizing structured questionnaires to gather targeted insights.



Figure 2: Approach to the Study

Key methods for engaging industry stakeholders involved a combination of consultation meetings, ongoing communication and most notably, questionnaire surveys and key informant interviews. These methods were designed to capture a diverse range of perspectives and ensure a robust and reliable assessment of sustainability practices within the industry.

3.5.2 Specific Methodology for the Study

The methodology for the study was based on the action plan and accomplishing list of tasks/ activities by phase. The similar tasks associated with the major study components were performed simultaneously and depended tasks were addressed sequentially.

Phase 1 Preparatory Phase involved initiating the study and preparing for data collection. This phase included the development and refinement of research instruments such as questionnaires, and checklists. These tools were crucial for gathering both quantitative and qualitative data, ensuring that the information collected was comprehensive and relevant to the study's objectives.

Phase 2 Implementation Phase focused on the actual collection of data. During this phase, the structured questionnaire was converted into Google Forms, and the link to the form was sent to potential respondents via email. Follow-up phone calls were made to address any queries and encourage completion of the form. Qualitative data were collected from stakeholders through various means, including direct interviews, phone calls, and other data collection methods.

Phase 3 Processing Phase involved analyzing the collected data and synthesizing the results. This phase required sequential completion of tasks, such as data processing, analysis, and interpretation, to ensure that each step built upon the previous one. The final analysis integrated the diverse sets of data collected, leading to the formulation of conclusions and recommendations.

The study's methodology was carefully designed to ensure that all tasks were completed systematically, with a clear progression from preparation and data collection to analysis and reporting. The phased approach allowed for efficient management of the research process and ensured that each component of the study was thoroughly addressed. The process and its phases are illustrated in the figure below, which outlines the chronological order and interdependencies of the study's tasks.

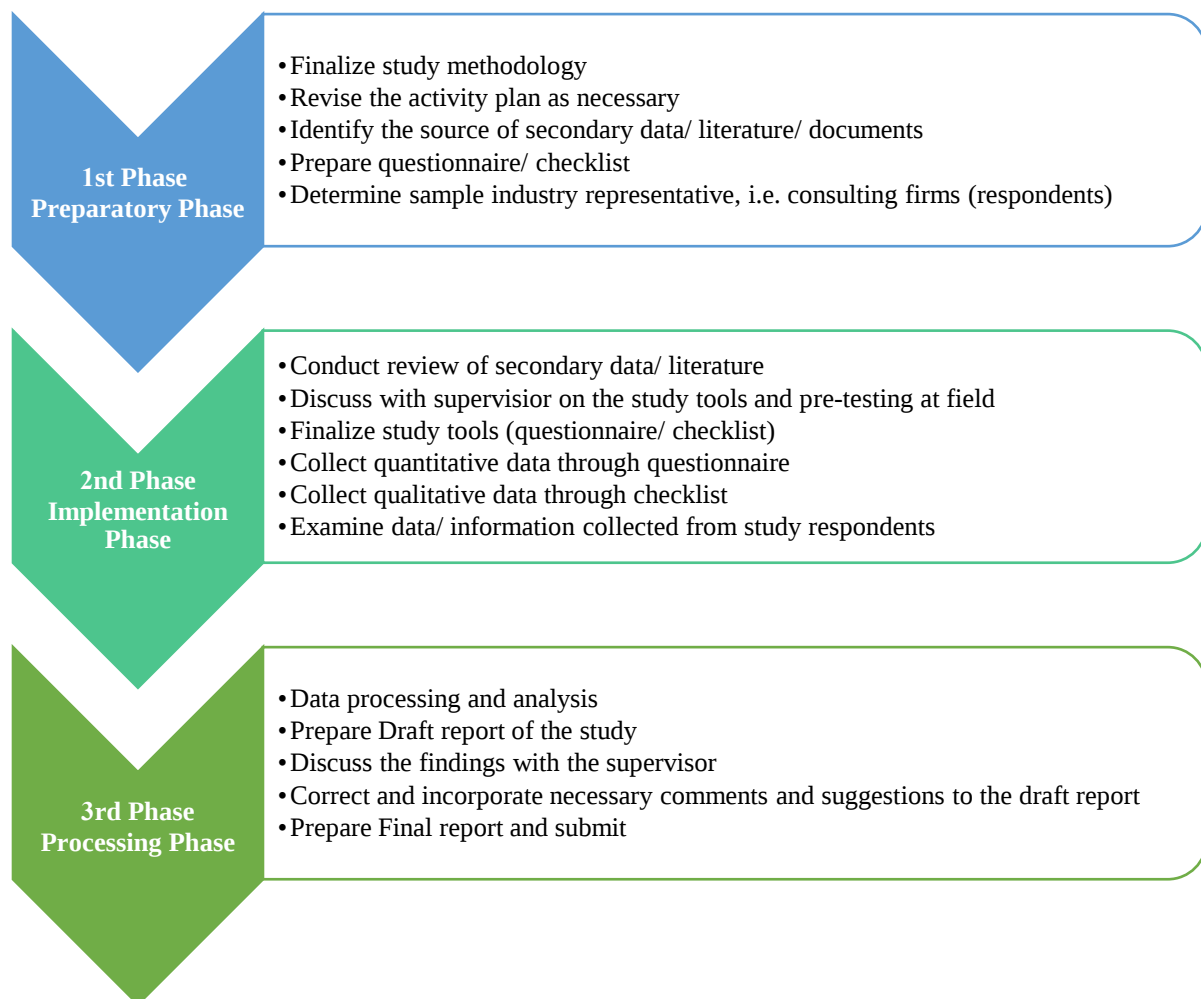


Figure 3: Study Activities by Phase

3.6 DESCRIPTION OF THE TASKS PERFORMED

3.6.1 Tasks under Preparatory Phase

Finalize Study Methodology: Finalizing the study methodology involved establishing a detailed and coherent plan for how the research will be conducted. This included defining the research design and

methods, such as qualitative, quantitative, or mixed-method approaches. It also entailed specifying data collection and analysis procedures to attain the study objectives.

Revise the Activity Plan as Necessary: Revising the activity plan involves making necessary adjustments to the initial plan based on real-time progress and feedback. This process included evaluating the status of the data collection activities, getting on time feedback from respondents or stakeholders, integrating preliminary findings and making updates to the timeline as needed. It is to mention that delayed feedback from respondents through google form of questionnaire impacted the timeliness of the study.

Identify the Source of Secondary Data/Literature/Documents: This included identifying sources of secondary data, literature, and documents, in particular, locating academic studies, reports, and articles, data sources, industry reports, and government documents that provide context and background, built on prior knowledge and helped identifying the gaps.

Prepare Questionnaire/Checklist: Preparing the questionnaire or checklist involves designing tools to systematically collect data from respondents. This process includes formulating clear, relevant questions that align with the study's objectives, organizing them in a logical sequence, and ensuring that the tool is user-friendly.

Determine Sample Industry Representatives, i.e., Consulting Firms (Respondents): Determining the sample of industry representatives involved selecting a group of consulting firms that will participate in the study. This selection was based on factors such as firm size, sector of activities, its engagement in public sector and location. Communications were then established to approach these firms, explain the study's purpose, and encourage their participation to ensure that they provide meaningful and accurate insights.

Following categories of respondents were selected to collect necessary information for the present assignment.

- Management representative of the various consulting entities registered in Bangladesh and providing services to government entities
- Officials and employees of the consulting entities operating in Bangladesh and providing services to public sector clients

Data were collected from 8 (eight) sample consulting firms who are legally registered in Bangladesh and engaged in different projects of the Government. The number of sample respondents in the sample

firms were limited to 20 nos. (covering 2 to 3 respondents in each organization). Following table shows the number of respondents covered under the study.

Table 7: Sample Respondent Number

Sl. No.	Type of Information	Sample Organization (Nos.)	Sample Respondent
1	Quantitative Data	8	20
2	Qualitative Data	8	8

3.6.2 Tasks under Implementation Phase

Conduct Review of Secondary Data/Literature: This process included a thorough review of identified academic articles, industry reports, government publications, and other sources of information. All the pertinent secondary information/ literature, available in the open source, were thoroughly reviewed. The documents/ information covered - Reports/ Documents on Global Standard and International Practices with regard to sustainability in service delivery, Sustainable Public Procurement Policy of the Government of Bangladesh, Procurement Guideline of Financial partners like WB, ADB, Standard RFP documents for service, Service Contract Clauses in Public Sector Contract Agreement, etc.

Discuss with the Supervisor on the Study Tools and Pre-Testing at Field: The study tools were sent to supervisor and a discussion was held to get his significant comments and at the same time, pre-testing was conducted to review and refine the research instruments, such as questionnaire and checklist. This discussion ensured that the tools are effectively designed to capture the necessary data and that any potential issues are addressed.

Finalize Study Tools (Questionnaire/Checklist): The tools were finalized by making the final revisions to the research instruments based on feedback from pre-testing and discussions with the study supervisor. It ensured that the questionnaire or checklist is clear, comprehensive, and aligned with the study objectives. There were 2 (two) types of data collection instrument for the study as delineated below.

- 1 Study Questionnaire: To gather quantitative data on various sustainability aspects in the internal and external operations of the consulting firms. **(Appendix-A)**
- 2 Key Informant Interview Checklist: A semi-structure questionnaire to gather qualitative data from management representatives of the consulting firms. **(Appendix-B)**

The study questionnaire to gather quantitative data was then converted into google form for the purpose of accurate and efficient data collection.

Collect Quantitative Data Through Questionnaires: The link to the google form of structured questionnaire was sent to potential respondents via email. Follow-up phone calls were made to address any queries and encourage completion of the form. The collected responses were recorded automatically on google platform, providing numerical data that can be analyzed statistically to identify trends, patterns, and correlations relevant to the study's objectives.

Collect Qualitative Data Through Checklists: Collecting qualitative data through checklists involved using structured checklists to gather detailed, descriptive information from respondents. This process includes conducting interviews or discussions over phone calls where respondents provided open-ended answers to the checklist items. The data collected through this method offers in-depth insights into respondents' experiences, opinions, and perspectives, which can be analyzed to understand complex issues and themes related to the study.

Examine Data and Information Collected from Study Respondents: This task involved examining both quantitative and qualitative data and information collected from study respondents. This step began with cleaning the data to address any inconsistencies or errors checking for completeness and accuracy.

3.6.3 Tasks under Procession Phase

Data Processing and Analysis: Data processing and analysis involved systematically organizing and interpreting the collected data to extract meaningful insights. Since the quantitative data were collected and recorded on google platform, it produced data analysis findings by automatically compiling responses into a summary dashboard with visual representations like charts and graphs. It also generated basic statistical insights to facilitate quick and easy interpretation of the data. Besides, qualitative data analysis was conducted by categorizing text or narrative data to identify key themes and patterns. The data was interpreted into broader themes to uncover underlying meanings and insights. Ethical standards and confidentiality and privacy of the respondents was ensured at all stage of data collection and analysis.

Prepare Draft Report of the Study: Preparing the draft report involved compiling and presenting the study's findings in a structured format. This includes outlining the research objectives, methodology, data collection processes, and key results. The draft report clearly articulated the analysis and interpretation of the data, highlighting significant findings and recommendation. It serves as an initial version that will be reviewed and refined before final submission.

Discuss the Findings with the Supervisor: The draft report with study findings was discussed with the supervisor. This discussion provided an opportunity to receive feedback on the analysis and study

results. The supervisor's insights helped identifying the gaps or areas needing further clarification, ensuring that the report aligns with academic standards and effectively addresses the study objectives.

Correct and Incorporate Necessary Comments and Suggestions to the Draft Report: After receiving feedback from the supervisor, this step involves revising the draft report to address any comments, suggestions, or corrections. This included clarifying ambiguous sections, adding missing information, or refining the results based on the supervisor's input. The goal was to enhance the report's accuracy, coherence, and overall quality, ensuring that it effectively communicates the study's findings and conclusions.

Prepare Final Report and Submit: Preparing the final report involved integrating all revisions and finalizing the document for submission. This includes ensuring that the report is well-organized, free of errors, and presented in the prescribed academic format. The final report should include all necessary sections such as an introduction, literature review, methodology, results, discussion, and recommendations. Once the report was complete, it was formally submitted to academic channels.

CHAPTER 4

DATA PRESENTATION AND ANALYSIS

4.1 INTRODUCTION

This chapter represents an analysis of the data gathered through the interviews and provides the detailed information on the findings from the survey. The data were collected through the interviews with responsible core professionals of various consulting companies in order to achieve the research objectives mentioned in Chapter 1. Sustainable service supply chain mainly has three dimensions e.g., economic, environmental and social aspects. A questionnaire was designed including a number of questions which covered the above mentioned three aspects of sustainable services including the governance aspects of the organization. Some general questions were asked to get the perception about the potential drivers and barriers in introducing sustainability in consulting business operations in their respective organization. The respondents were also asked to provide valuable suggestions, opinions, or comments regarding their efforts to minimize negative environmental impacts or environmental management plan (EMP) both in internal and external operations of organization, organization's social/ethical standard or social management plan (SMP), health and safety policy, the areas of governance the company takes into account during their business operation, etc. A total of 20 (twenty) senior level employees were interviewed with the same questionnaire to conduct the survey. These employees were selected from company's business development, management and implementation who are directly involved in company's service procurement through engagement of firm and individuals and producing ultimate delivery to the client through supply chain of services in their respective organizations. A total of 8 (eight) professional consulting firms who mainly provide services to public sector clients were selected for this survey. Table 8 shows the number of respondents from various organizations.

Table 8: Number of Respondents in Each of the Company

Name of Companies	Number of Respondents
Development Project Design and Services Ltd.	3
MR Consultants Limited	3
KS Consultants Limited	3
Design Planning and Management Consultants Ltd.	3
BETS Consulting Services Limited	2
DevConsultants Limited	2
Engineering & Planning Consultants Ltd.	2
SA Consult International Limited	2
Total	20

In addition to this, top management of the above-mentioned organizations were interviewed for qualitative data collection in order to get an overall picture about the sustainability issue in the service supply chain of the consulting industry.

4.2 SURVEY QUESTIONS AND RESULTS

This section presents the findings and analysis of the survey data. A total of 20 (twenty) respondents were interviewed under the questionnaire survey. The data gathered from the key informant interviews were analyzed according to the questions posed during the interviews. Each key question was analyzed individually to provide a comprehensive understanding of the current sustainability practices in the consulting industry, mindset of the organization, sustainability challenges and other pertinent matters. Quantitative data were collected from different aspects of sustainability as much as possible and most of the analyses were conducted based on the questionnaire interviews with the respondents. However, some qualitative analyses were also made based on the discussion held and information provided by the respondents. The questions were asked to the respondents along with an analysis of the responses are presented in the following sections.

4.3 CATEGORY AND NUMBER OF RESPONDENTS

The respondents belong to different working areas of the consulting firms. There are three different types of areas- management and administration, business development and project implementation. Out of 20 respondents, 8 respondents are from Management and Administration, 8 from Business Development and rest of the respondents work in Project Implementation.

Table 9: Distribution of Respondents based on the Areas of Work

Working Areas	Number of Respondents	Weightage (%)
Management and Administration	8	40%
Business Development	8	40%
Project Implementation	4	20%
Total	20	100%

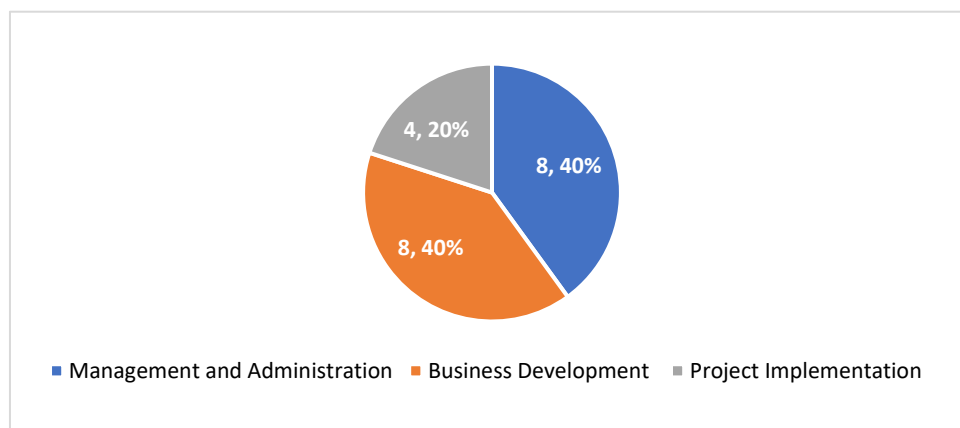


Figure 4: Working Areas of the Respondents

4.3.1 Knowledge Level of the Respondents about Sustainability

The respondents from different functional departments were asked about their knowledge of sustainable practices in consulting business operations. The responses are appended in the following table.

Table 10: Knowledge Level of Respondents

Knowledge Level about Sustainability	Number of Respondents				Weightage (%)
	Management	Development	Implementation	Total	
Very Good	1	0	1	2	10%
Good	3	1	2	6	30%
Medium	3	4	1	8	40%
Below Average	1	3	0	4	20%
No Knowledge At All	0	0	0	0	0%
Total	8	8	4	20	100%

Only 2 of the respondents claimed to have very good knowledge, while 6 and 8 respondents claimed to have good and medium knowledge, respectively. The remaining 4 respondents indicated that they had below-average knowledge regarding sustainability practices in the consulting business. It was observed that, among the 3 functional departments, employees (total 7 respondents) in the management and implementation departments exhibited comparatively higher knowledge (ranging from good to very good) compared to those in the business development department.

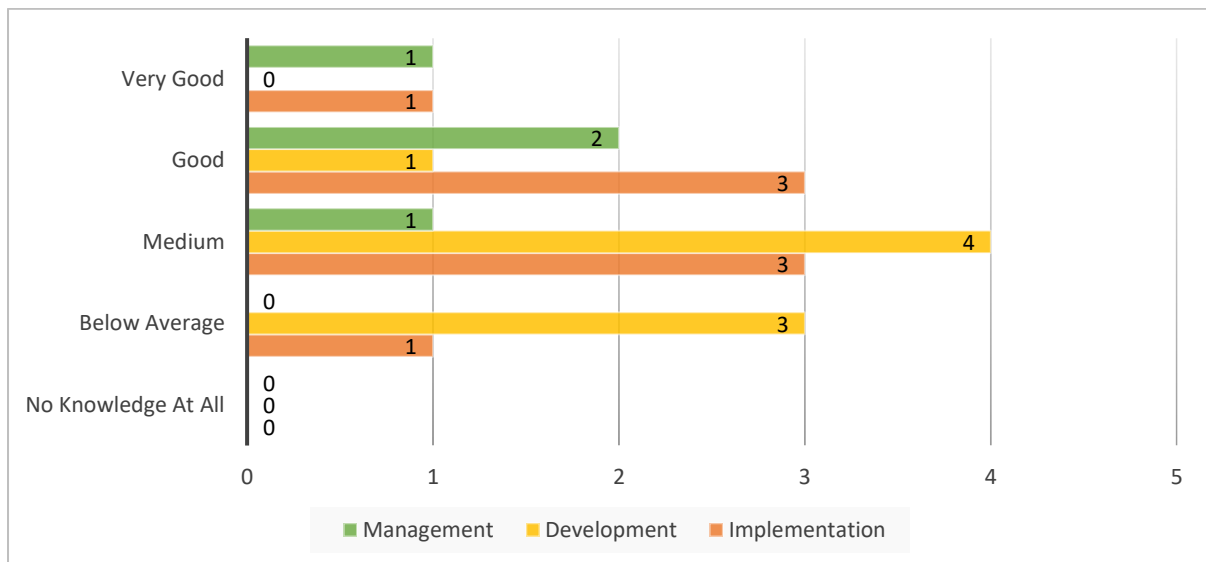


Figure 5: Level of Knowledge about Sustainability Practices

The next question concerned how the respondents became aware of sustainability issues. Most of them (50%) stated that they gained their knowledge of sustainability from donors/clients as a regulatory compliance. Meanwhile, 35% reported obtaining this knowledge from their seniors/fellows, and the remaining 15% mentioned about website information related to sustainability concepts.

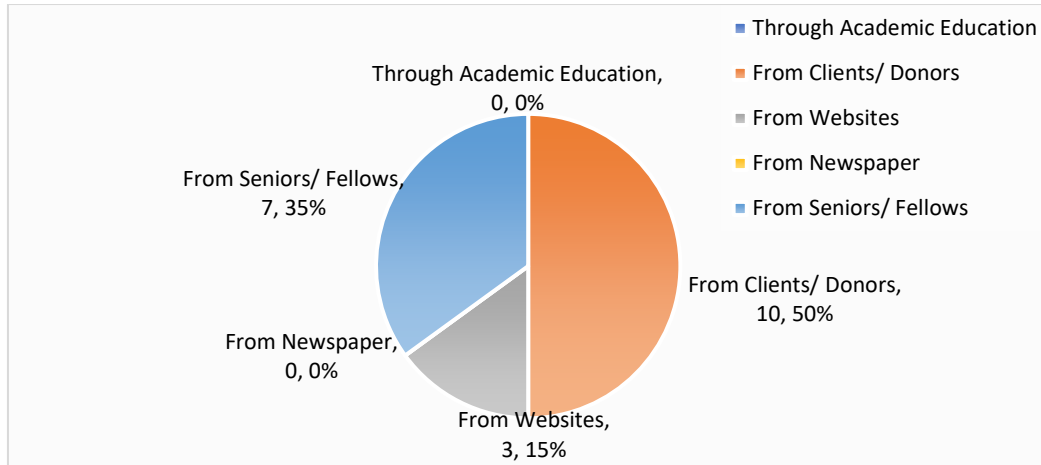


Figure 6: Source of Information about Sustainability

4.3.2 Importance of Sustainability in Supply Chain of Service

The respondents were asked how much they agree that sustainability issues are important in the supply chain of consulting services. 60% of the respondents fully agreed that sustainability is crucial while forty percent expressed about its significance in delivering consulting services.

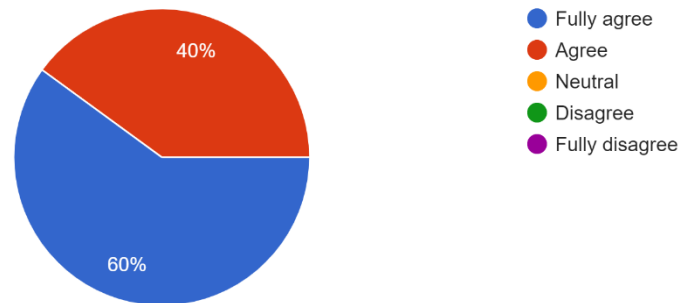


Figure 7: Importance of Sustainability in the Supply Chain of Consulting Service

The respondents highlighted the importance of incorporating several key factors into the service supply chain to enhance its sustainability. They provided various insights (multiple answers), which have been summarized in the table below.

Table 11: Potential Sustainable Factors for Service Supply Chain

Sl.	Key Factors to include in Service Supply Chain	Number of Responses
1	Economic Viability	15
2	Environmental Considerations	20
3	Social Responsibility	18
4	Regulatory Compliance	8
5	Transparency and Traceability	8
6	Continuous Improvement	10

Sl.	Key Factors to include in Service Supply Chain	Number of Responses
7	Client Engagement	6
8	Collaboration and Partnerships	4

4.4 SUPPLY CHAIN SUSTAINABILITY IN INTERNAL OPERATIONS

In the context of a consulting company's internal operations, sustainability across economic, environmental, social and governance (ESG) dimensions plays a pivotal role in shaping its supply chain dynamics. Economically, sustainability involves optimizing resource allocation and cost efficiencies without compromising long-term profitability. This might include investing in renewable energy sources or adopting circular economy principles to minimize waste. Environmentally, the focus lies on reducing carbon footprint, promoting eco-friendly practices, and ensuring compliance with environmental regulations throughout the supply chain. Socially, the company strives for fair labor practices, diversity and inclusion in its workforce, and fostering community engagement initiatives. Governance-wise, transparency, ethical standards, and accountability are crucial, ensuring that suppliers adhere to stringent ESG criteria. By asking several questions to the respondents it was assessed to what extent the consulting organizations of Bangladesh have been able to integrate these pillars into its supply chain operations.

4.4.1 Economic Aspects of Sustainability

a. Opinion on the Importance of Sustainability in Procurement

The respondents were asked whether they agree that sustainability issues are important for internal procurement of their organization. Below table shows responses received from various departments.

Table 12: Opinion on Importance of Sustainability in Procurement

Opinion On Importance of Sustainability in Procurement	Number of Respondents				Weightage (%)
	Management	Development	Implementation	Total	
Fully agree	3	1	0	4	20%
Agree	5	7	4	16	80%
Total	8	8	4	20	100%

In response to the question most of the respondents (80%) agreed that sustainability issues should be taken into account at the time of procuring goods and services for the organization and the rest 20% has given strong opinion in pursuance sustainable factors during all procurement activities of the company.

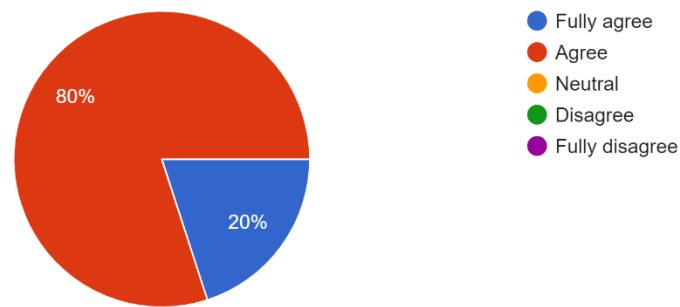


Figure 8: Importance of Sustainability in Internal Procurement

b. Opinion on the Preferred Specification Criteria

In view of the respondents' opinion about the priorities in preparing request for quotations or specifications for purchasing any items in organization, 100% respondents opined that they consider lowest whole life costing i.e., total expense of owning an item or asset over its entire life, from purchase to its disposal.

c. Opinion on the Status of Retained Earnings and Social Welfare Activities

With regard to the position of company's cashflow and retained earnings resulting from consulting business operation, 80% of the respondents stated that their company is able to maintain proper cashflow and retained earnings at the end of each financial year.

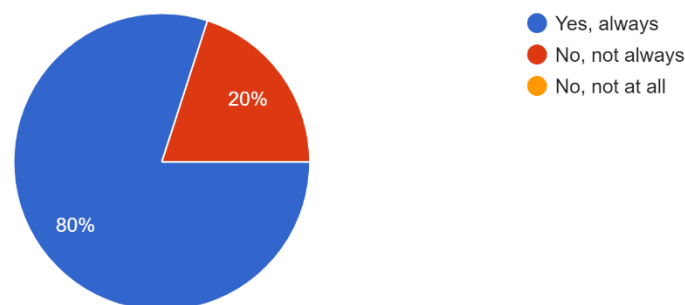


Figure 9: Maintenance of Cashflow and Retained Earnings

60% of the total respondents stated that their company provide donations for various social welfare activities.

4.4.2 Environmental Aspects of Sustainability

a. Environment Certifications and Standards

With regard to the company's certification on ISO 14001 - Environmental Management System, unfortunately none of the respondents stated to have obtained such certification from any recognized body. Despite that the company maintains a moderate energy management system by introducing energy efficient equipment/ devises in their regular operations, which was mentioned by 80% of the respondents and the rest 20% said that their companies have very little concern about energy management system.

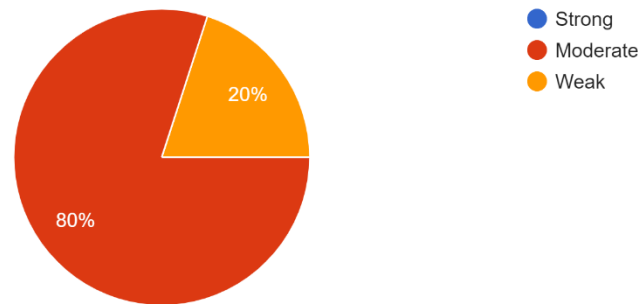


Figure 10: Excellence of Energy Management System

The respondents were asked whether their company has any policy to control greenhouse gas emission or carbon emission from burning fossil fuel i.e., emitting large quantities of carbon dioxide into the air by any operational activities of the company. In response to which 12 respondents (60%) stated that their company has moderate policy to control carbon emission, 4 respondents (20%) stated to have weak policy and rest 4 (20%) stated that their company has strong commitment with respect to carbon emission control.

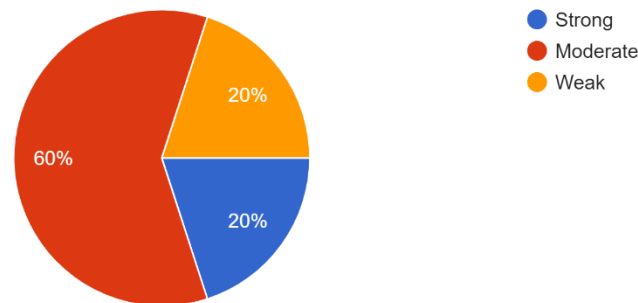


Figure 11: Status quo of GHG Emission Control Policy

The following table exhibit the responses received from the sample respondents regarding the carbon emission control practices implemented by their organizations.

Table 13: Organization's Policy in Response to Carbon Emission Control

GHG Emission Control Policy Level	Number of Respondents		Responses regarding Carbon Emission Control Practices				
			Introduce Shared Vehicles for Employees	Maintain Shortest Transport Routes	Minimize Short-Distance Vehicle Use	Ensure Maintenance of Vehicles	Promote Lighting/Illumination Controls
Strong	4	Respondent 1	√	√	√	√	√
		Respondent 2	√	√		√	√
		Respondent 3	√	√	√	√	
		Respondent 4	√	√	√	√	√

GHG Emission Control Policy Level	Number of Respondents		Responses regarding Carbon Emission Control Practices				
			Introduce Shared Vehicles for Employees	Maintain Shortest Transport Routes	Minimize Short-Distance Vehicle Use	Ensure Maintenance of Vehicles	Promote Lighting/Illumination Controls
Moderate	12	Respondent 1	√	√		√	
		Respondent 2	√		√	√	√
		Respondent 3	√	√		√	
		Respondent 4	√		√	√	
		Respondent 5	√	√		√	√
		Respondent 6	√		√	√	
		Respondent 7	√			√	
		Respondent 8	√		√	√	
		Respondent 9	√	√		√	√
		Respondent 10	√	√	√	√	
		Respondent 11	√			√	√
		Respondent 12	√	√		√	
Weak	4	Respondent 1	√			√	
		Respondent 2	√		√		
		Respondent 3	√			√	
		Respondent 4	√		√		

b. Opinion on Waste Management System

The respondents were asked whether their company has proper waste management system by using less materials in regular office operation. 80% of the respondents stated that their company has strong waste management system resulting minimum waste production and 20% respondents stated to have moderate waste management system. They maintain minimal paper-based processes and relies on digitized documents instead, reuse of papers and/ or materials to the maximum extent possible.

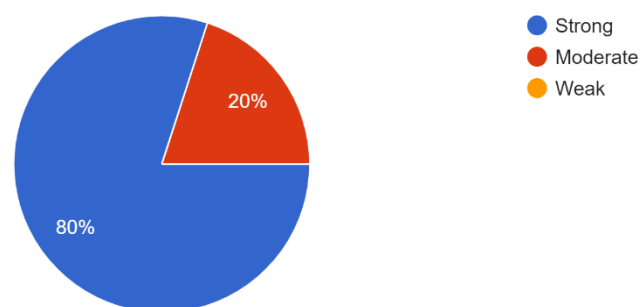


Figure 12: Quality of Waste Management System

c. **Opinion on Environmental Training Provisions**

Respondents were asked about the training provisions for employees on environmental management system/ environmental code of conduct by arranged the company. 60% of the respondents stated that their companies arrange such trainings for the employees while 40% stated to have no training on environmental management system/ environmental code of conduct.

4.4.3 **Social Aspects of Sustainability**

a. **Social Certifications and Standards**

As far as social certifications like ISO 26000 (Social Responsibility), ISO 45001 (Occupational Health and Safety Management System) are concerned, all the respondents stated that their company is not ISO certified on social aspects, but being a service provider, their company obtained ISO 9001 (Quality Management) certification which demonstrates their management performance, devotion to customer expectations and commitment to quality.

As regards labor codes and ethical standards, the respondents were asked whether their company maintains labor codes/ethical standards for employees by ensuring fair payment of wages/ salaries, other financial and non-financial benefits and decent and safe working conditions, 12 respondents (60%) stated that their company partially maintains labor codes/ethical standards while 8 respondents (40%) stated to have full commitment to labor codes/ethical standards for their employees.

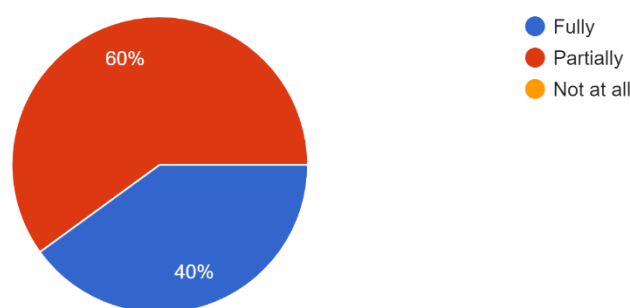


Figure 13: Adherence to Labor Codes and Ethical Standards

b. **Opinion on Skill Development Programs**

With regard to professional skills development, the respondents were asked whether their company provides any professional training to their employees. 100% of the respondents stated

that their company occasionally provides training to their employees with an aim to develop their managerial and technical skill. According to the respondents, the frequency of trainings is not as frequent as they expected.

The respondents provided their opinions on the type/ topic of training sessions their organizations occasionally conduct. Their responses, which included multiple answers, have been summarized in the table below.

Table 14: Skill Development Trainings Offered by the Firms

Sl.	Professional/ Technical Trainings Offered	Number of Responses
1	Public Procurement Rules/ Acts	5
2	e-Government Procurement	4
3	Technical Skills	14
4	English Proficiency	3
5	Computer Training	18
6	Professional Ethics/ Code of Conduct	6
7	Project Management	3

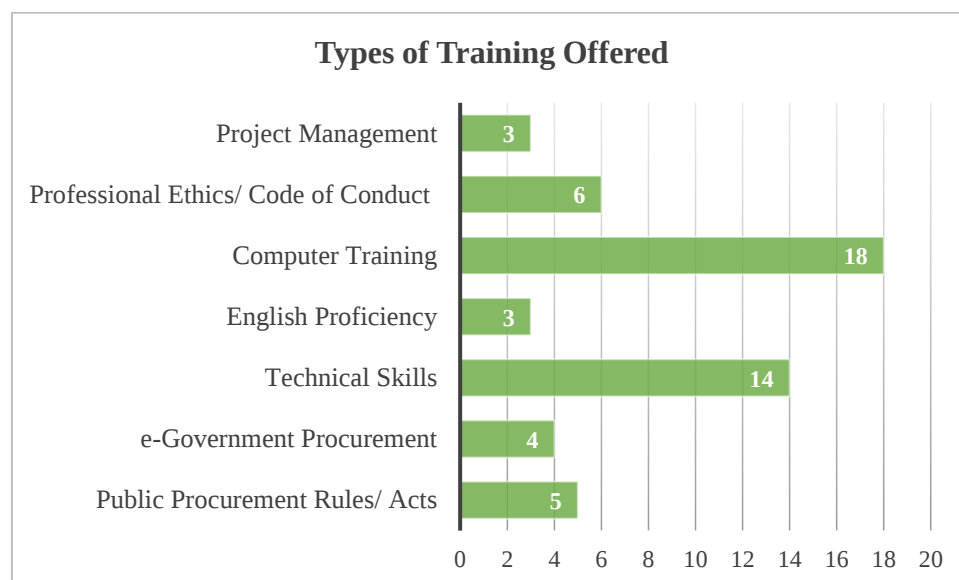


Figure 14: Types of Training Offered

Computer training and other technical skills training were reported by 18 and 14 respondents respectively as the most commonly conducted sessions.

4.4.4 Governance Aspects of Sustainability

a. Opinion on Legal Compliance

Respondents were asked whether their company comply with all the guidelines, regulations and legislation of the government. 80% of the respondents stated that their company fully comply i.e., adhere to laws, regulations, standards and other rules set forth by governments and other regulatory bodies while 20% respondents mentioned about partial adherence to some of the rules and regulations of the government.

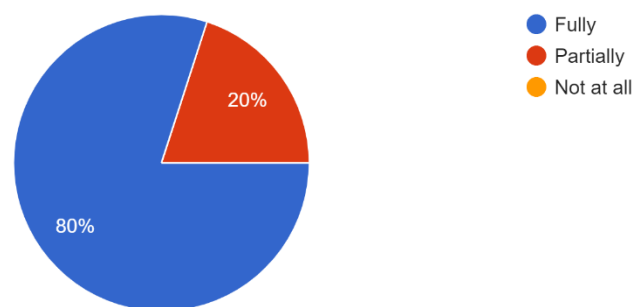


Figure 15: Compliance with Guidelines, Regulations and Legislation

b. Opinion on Conducting Extensive Due Diligence

The respondents were asked whether their company conduct due diligence for the employees at the time recruitment. In reply, 80% of the respondents stated that their company conduct a partial due diligence during recruitment of staff and employees, while 20% stated to have no due diligence procedure in their company. It may be note here that due diligence encompasses background checks, reference verification, confirmation of qualifications, examination of relevant experience, and assessing the candidate's beliefs, values, and behaviors fit within the organization.

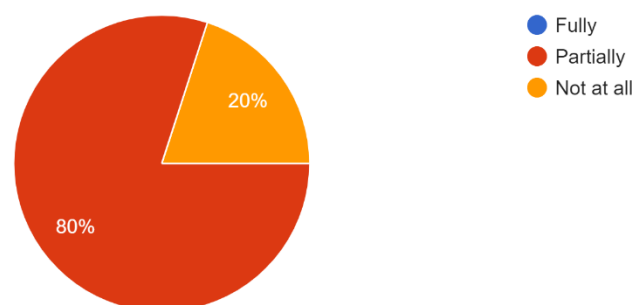


Figure 16: Extensiveness of Due Diligence Process in Recruitment

c. Statement on Ethical Training Provision

Respondents were asked whether their company arranges any training for employees on anti-bribery/ anti-corruption and business ethics. 12 respondents (60%) stated that their companies arrange such trainings for the employees while 8 respondents (40%) stated to have no training on anti-bribery/ anti-corruption and business ethics.

4.5 SUPPLY CHAIN SUSTAINABILITY IN EXTERNAL OPERATIONS

In the supply chain of external operations which means the project operations managed by consulting companies, economic factors play a crucial role in ensuring cost efficiency and profitability throughout the project lifecycle. This involves budgeting, cost forecasting, and resource allocation strategies to optimize financial outcomes. Environmental considerations focus on minimizing ecological impact through sustainable practices and reducing carbon footprints, aligning with regulatory requirements and corporate sustainability goals. Social factors emphasize stakeholder engagement, workforce welfare, and community relations, fostering inclusive growth and ethical standards in operations. Governance aspects ensure transparency, accountability, and compliance with legal frameworks, enhancing trust and operational integrity. Several questions were asked to the respondents to assess how they are balancing these factors to achieve holistic success in managing external projects responsibly and sustainably.

4.5.1 Economic Aspects Sustainability

a. Opinion on the Importance of Sustainability in Project Procurements

The respondents were asked whether they agree that economic sustainability of project is linked with efficient and effective procurement of goods, works and services. In response to the question, most of the respondents (60%) fully agreed that economic sustainability of a project is directly linked with effective and efficient procurement of goods, works and services and 40% of the respondents were also positive to this statement.

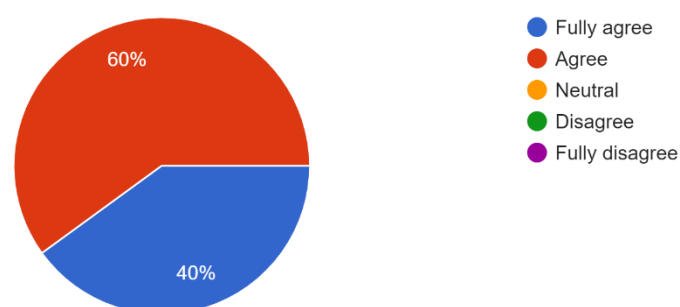


Figure 17: Economic Sustainability Linked to Effective and Efficient Procurement

b. Opinion on Preferred Method Procurement

The respondents were asked to know their view about preferable method of supplier/ consultant selection to maximize economic benefits to the projects. Out of the 3 most common methods, 50% of the respondents opined that quality and cost-based selection (QCBS) is most suitable to yield maximum economic benefits to the project while 25% of the respondents gave opinion about quality-based selection (QBS) and 10% respondents stated about least-cost selection (LCS). 15% remaining respondents, however, stated that the selection criteria should be dependent on the type and complexity of procurement package.

Table 15: Preferred Method of Procurement with Respect to Areas of Work of the Respondents

Method of Procurement	Number of Respondents				%
	Management	Development	Implementation	Total	
Least Cost Selection	1	1	0	2	10%
Quality and Cost-based Selection	5	4	1	10	50%
Quality-based Selection	1	1	3	5	25%
Method based on Procurement Type/ Complexity	1	2	0	3	15%
Total	8	8	4	20	100%

It was observed that the management (25%) and development (20%) staff responded mostly for quality and cost-based selection (50%), which aims to deliver quality outcomes with a optimum cost while enhancing a firm's chances of winning projects through competitive bidding. Conversely, implementation department staff (15%) tend to prioritize quality implementation irrespective of the cost required for a project, allowing them the flexibility to execute projects without compromising quality implementation at the field level. However, both of these selection methods ensure sustainability in project implementation.

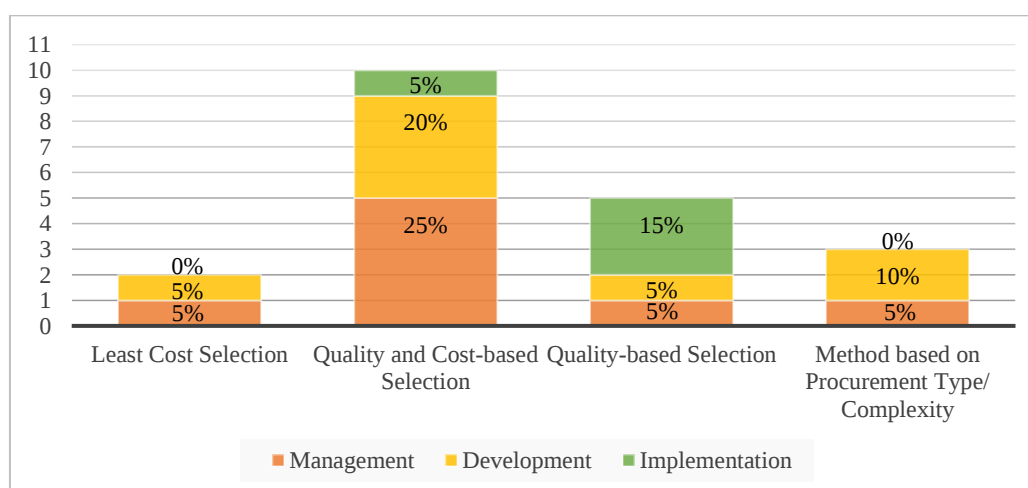


Figure 18: Preferred Procurement Method to Maximize Economic Benefits

4.5.2 Environmental Aspects of Sustainability

a. Opinion on Conducting EIA

The respondents were asked whether their company conduct Environmental Impact Assessment (EIA) before implementing a project. In response to the question, most of the respondents (60%) stated that their organization always conduct assessment of environmental impact as result of project implementation, while 40% of the respondents said that their company does not always conduct Environmental Impact Assessment (EIA) before project implementation.

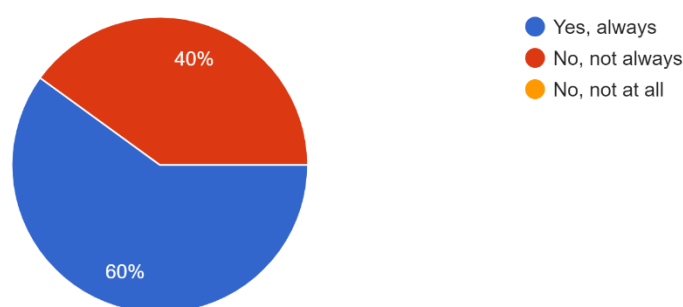


Figure 19: Carrying Out EIA Prior to Project Implementation

b. Opinion on Formulating EMP

The respondents were asked whether the projects implemented or being implemented by the company, formulate an environmental management plan/ policy (EMP) before field execution of work to conform legal compliance. Like the previous responses, 60% (12 nos.) of the respondents confirmed that environmental management plan/ policy (EMP) is formulated under the projects to conform legal compliance, while the 40% (8 nos.) of the respondents said that their projects do not always formulate environmental management plan/ policy (EMP) before field execution of work.

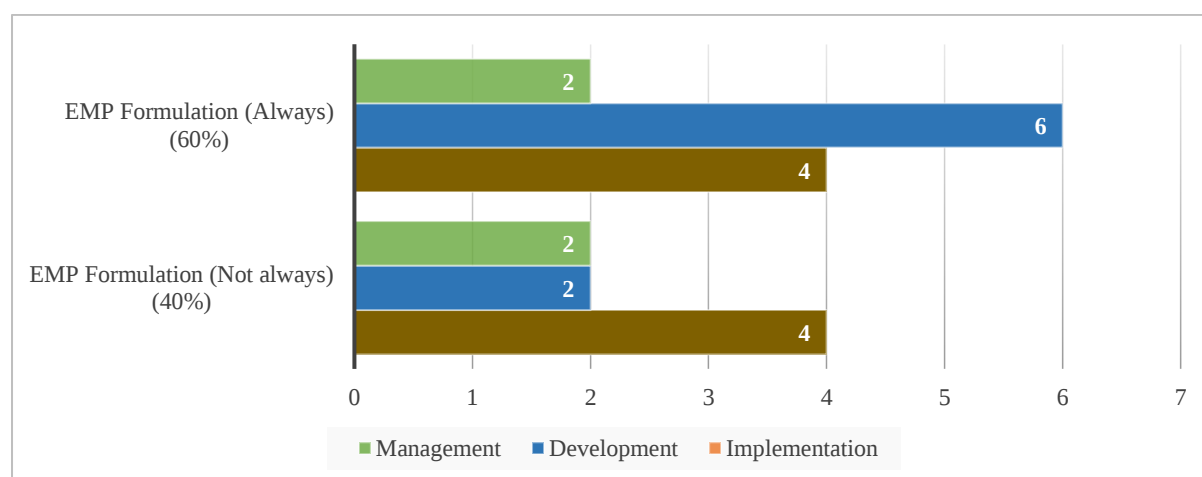


Figure 20: Responses on Formulating EMP before Work Execution

However, all the respondents interviewed agreed (100%) that every project should have an EMP specifying continuous environmental monitoring mechanism and actions required to combat environmental impacts resulting from project activities.

4.5.3 Social Aspects of Sustainability

a. Opinion on Conducting SIA

The respondents were asked whether their company conduct potential social impact before implementing a project. In response to the question, most of the respondents (60%) stated that their organization always conduct social impact assessment (SIA), while 40% of the respondents said that their company does not always conduct Social Impact Assessment before project implementation.

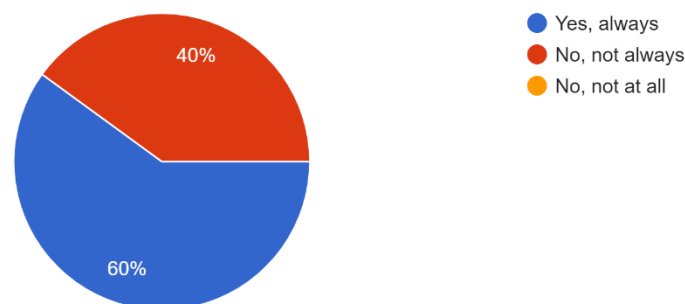


Figure 21: Conducting SIA Prior to Project Implementation

b. Opinion on Formulating SMP

The respondents were asked whether the projects implemented or being implemented by the company, formulate an social management plan/ policy (SMP) before field execution of work to conform legal compliance. Like the previous responses, 60% of the respondents confirmed that social management plan/ policy (SMP) is formulated under the projects to conform legal compliance, while the 40% of the respondents said that their projects do not always formulate social management plan/ policy (SMP) before field execution of work. However, all the respondent interviewed agreed (100%) that every project should have an SMP specifying social monitoring mechanism and actions required to combat social impacts resulting from project activities.

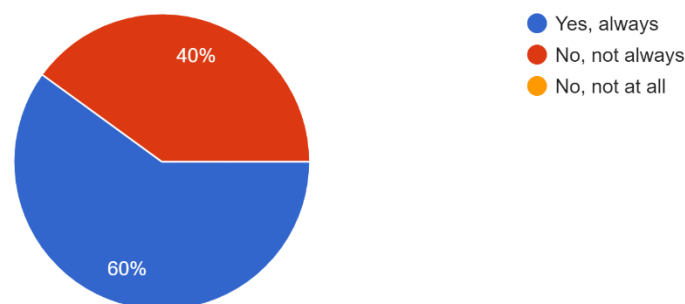


Figure 22: Formulation of SMP Before Execution of Field Work

c. Opinion on Safety Standards and Risk Coverage

Respondents were asked whether the projects implemented by the organizations ensure safe working conditions at the project sites. In response to the question, most of the respondents (80%) stated that their project sites fully ensure health and safety by managing safe working conditions and 20% of the respondents stated about health and safety at the working places.

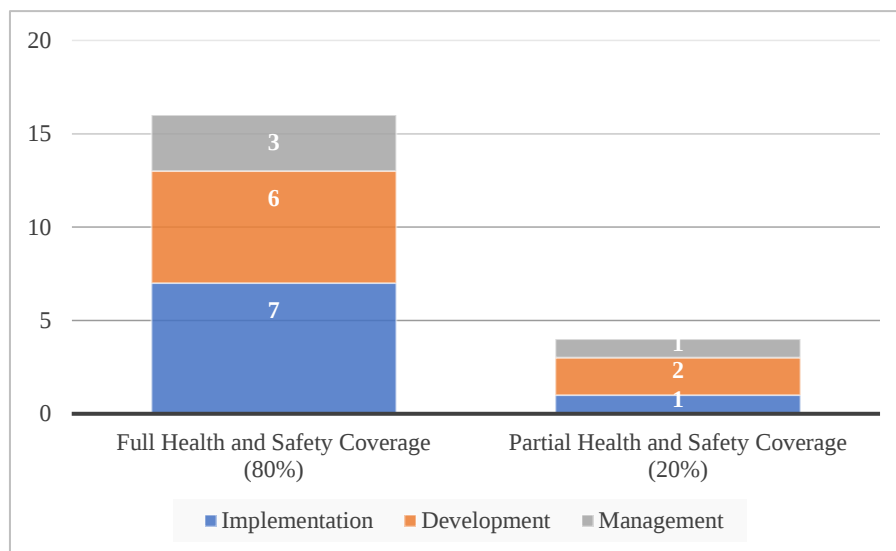


Figure 23: Health and Safety Conditions at Project Sites

With regard to proper insurance coverage, the respondents were asked whether their projects have the provision of necessary insurance policies to cover a range of potential risks and liabilities like professional liability, any damage or loss, third party liability, health and accidental coverage, etc. In response to which 60% of the respondents stated that their projects are covered under appropriate insurance policies and rest of the respondents gave negative answer to this question.

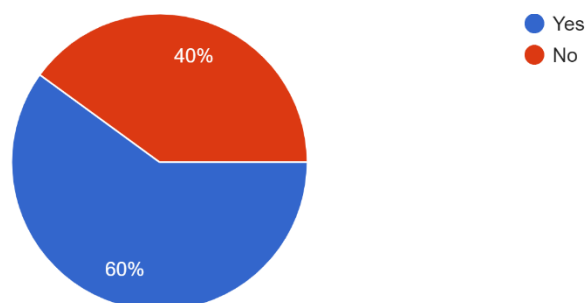


Figure 24: Provision of Insurance Coverage from the Projects

d. Opinion on Compensation for Affected Persons and Grievance Mechanism

The respondents were asked two questions together - whether projects have provisions to prevent or compensate any loss of affected persons and projects have a grievance mechanism or documented complaints procedure established for every project implemented. In response to both of these questions,

60% of the respondents stated that their projects have such provision and the rest said to have no provisions for project affected persons or redressing grievance mechanism.

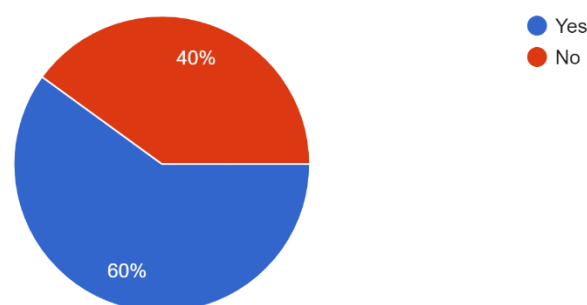


Figure 25: Compensation for Affected Persons and Grievance Mechanism

4.5.4 Governance Aspects of Sustainability

a. Opinion on the Adherence to PPR/ Donor Guidelines

The respondents of the study were asked whether all the consultants and partner companies involved in the projects follow the relevant Public Procurement Rules (PPR) and donor guidelines in contract execution. 100% of the respondents confirmed that their company ensure consultant's and partner's full adherence to the PPR and donor guidelines.

b. Opinion on Conducting Extensive Due Diligence in Expert Recruitment

The respondents were asked whether their company conduct due diligence for the individual experts and partner firms at the time recruitment. In reply, 6 of the respondents (70%) stated that their company conduct full due diligence during recruitment of individual experts and partner firms, while 14 respondent (40%) stated to conduct partial due diligence.

The following figure illustrates the extent to which companies implement the due diligence process in expert recruitment for their various projects.

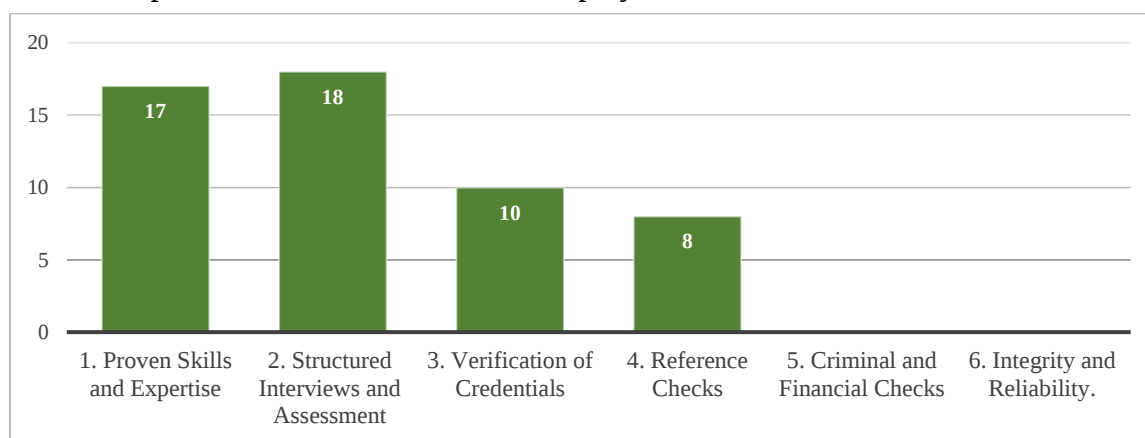


Figure 26: Due Diligence Process in Project Expert Recruitment

Since the companies conduct partial due diligence, most of the respondents indicated that their companies emphasize on skills and expertise check and structured interviews and assessments during expert recruitment.

c. Opinion on Project Data/ Information Security

About the project data and cyber security, the respondents were asked whether they properly maintain project information security, in response to this, 80% of the respondents opined that their data/ information security is not full proof while 20% respondents stated to have information and cyber security systems for all their projects.

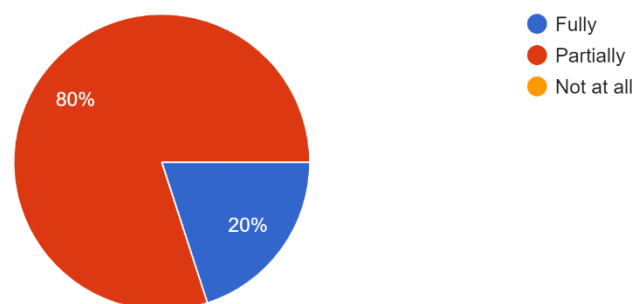


Figure 27: Data/ Information and Cyber Security Level

d. Opinion on the Project Alignment with SDG

With regard to government's commitment on Sustainable Development Goals, the respondents were asked to what extent the projects implemented by the company is aligned with SDG. In response, 60% of the respondents stated that the project implemented or being implemented are fully aligned with the commitment of SDG, while 40% stated that their projects have partial adherence to Sustainable Development Goals.

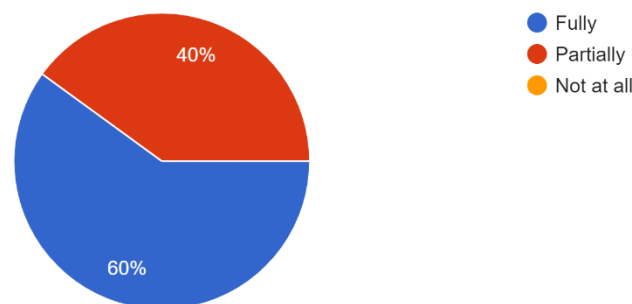


Figure 28: Degree of Alignment of the Projects with SDG

4.6 IMPORTANT FACTORS IN INTRODUCING SUSTAINABILITY

4.6.1 Importance of Awareness and Knowledge about Sustainability

Opinion of the respondents was taken in 5 grade scale to know the importance of awareness and knowledge in introducing sustainability into the consulting industry, majority of the respondents (75%) fully agreed that improved awareness and understanding can enable consulting firms to implement sustainable practices. Rest of the responses can be seen in the figure below.

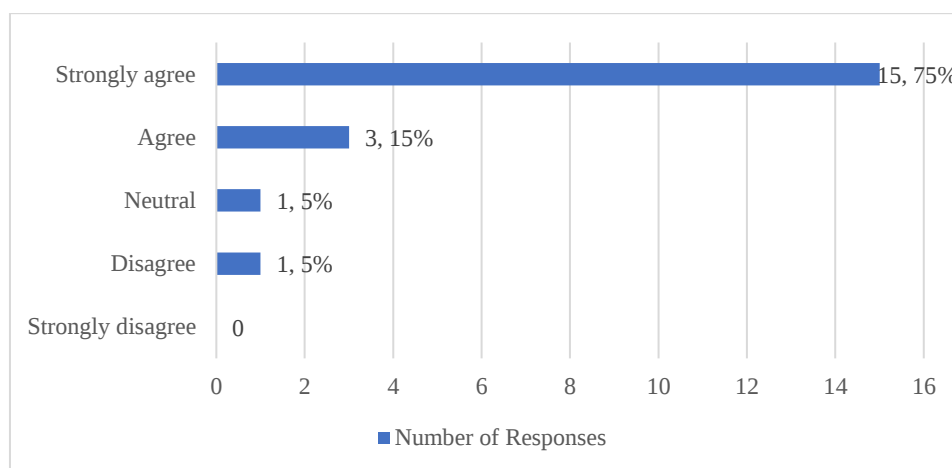


Figure 29: Responses on Importance of Awareness and Knowledge about Sustainability

4.6.2 Role of Procuring Entities and Financial Partners

In order to know the opinion of the respondents, they were asked whether procuring entity and/or financial partner can play important role in introducing and enforcing sustainable issues, all the respondents (100%) opined that procuring entity and/or financial partner can play a vital role in introducing and enforcing sustainable issues in providing consulting services.

4.7 QUALITATIVE ANALYSES

Qualitative analyses of the sustainability in service supply chains typically focus on understanding various aspects beyond quantitative metrics. Information was collected and recorded based on the discussion held with management representative of consulting companies using semi-structure questionnaires. The data and information collected through the qualitative questionnaires for the study with respect to sustainable practices in the procurement and delivery of services to customers/ clients of the consulting industries are stipulated in the following sections.

4.7.1 Sustainable Practices in Business Operation

Some of the consulting companies adopt several sustainable practices to reduce their environmental impact and promote responsible business operations. They stated to have practiced the following.

1. Efficient Tools and Equipment

Some of the companies stated to use of top-quality office equipment and logistics to ensure cost effectiveness as well as optimal performance and sustainability in delivering their services.

Reducing Whole-life Costing: They prioritize the utilization of top-tier tools, equipment, and office logistics for several compelling reasons. This approach significantly reduces whole-life costs associated with maintenance and replacement. By investing in superior quality items, they ensure prolonged durability and enhanced performance, thus minimizing the frequency of repairs and replacements.

Lowering Energy Consumption: Their commitment extends towards maximizing operational efficiency and conserving energy. The advanced technologies embedded in their equipment not only boost performance but also contribute to lowering energy consumption, thereby reducing carbon footprint. This proactive attitude aligns with sustainable environmental goals, promoting sustainability in every facet of office operation.

2. Green Office Initiatives

Some consulting firms stated that their commitment to environmental stewardship compelled them to implement a series of green office initiatives aimed at minimizing their ecological footprint and promoting sustainability. Key among these initiatives are the following practices:

LED Lighting Implementation: They have transitioned office lighting to energy-efficient LED technology. LED lights consume considerably less electricity than traditional lighting and have a longer lifespan, reducing the need for frequent replacements. Transitioning to LED lighting not only decreases energy consumption but also leads to long-term cost savings.

Optimized Heating and Cooling Systems: Efficient management of heating, ventilation, and air conditioning (HVAC) systems is crucial in reducing energy consumption. That's why they have adopted smart HVAC controls and regular maintenance practices to optimize energy use

without compromising comfort. By fine-tuning these systems, they ensure minimal energy wastage while maintaining a comfortable working environment for their team.

Utilization of Renewable Energy Sources: They harness renewable energy sources such as solar to supplement their office's energy needs. This initiative reduces their dependence on fossil fuels, thereby lowering greenhouse gas emissions associated with conventional energy generation. Integrating renewable energy into the operations aligns with their goal of supporting cleaner, sustainable energy alternatives.

3. Paperless Operations

In pursuit of operational efficiency and environmental responsibility, they have adopted a comprehensive paperless strategy aimed at minimizing paper usage across all facets of operations. This initiative encompasses several key practices:

Digitization of Documents: They have transitioned from traditional paper-based documentation to digital formats wherever feasible. By scanning and storing documents electronically, they not only reduce their reliance on paper but also streamline document management processes. This digital transformation enhances accessibility and facilitates quicker retrieval of information, thereby improving overall workflow efficiency.

Electronic Signatures: To expedite approvals and transactions, they have implemented electronic signature solutions. This eliminates the need for physical paperwork and postal services, significantly reducing the time and resources traditionally required for document signing. Electronic signatures not only enhance convenience but also ensure the security and authenticity of signed documents, aligning with legal standards and regulatory requirements.

Promotion of Digital Communication: They actively encourage digital communication channels such as emails, instant messaging, and collaborative platforms for internal and external communications. These platforms facilitate real-time interactions, file sharing, and collaborative workspaces, minimizing the need for printed correspondence and enhancing team collaboration irrespective of physical location.

4. Remote Work and Teleconferencing

In alignment with the commitment to sustainability and operational efficiency, they have embraced remote work options and teleconferencing as integral components of their organizational strategy. These initiatives are designed to not only enhance flexibility and productivity but also to significantly reduce environmental impact:

Remote Work Options: They actively promote remote work arrangements to their employees, allowing them to work from home or other remote locations. By minimizing the need for daily commuting, they reduce carbon emissions associated with transportation. This reduction in travel not only decreases ecological footprint but also contributes to mitigating traffic congestion and air pollution in urban areas where the employees reside.

Utilization of Teleconferencing and Virtual Meetings: To facilitate seamless collaboration and communication without the need for physical travel, the companies prioritize the use of teleconferencing and virtual meeting platforms. These technologies enable employees to conduct meetings, presentations, and collaborative sessions remotely, regardless of geographical distances. By replacing traditional face-to-face meetings with virtual alternatives, they minimize the environmental impact of business travel, including fuel consumption and emissions from transportation.

5. Sustainable Procurement

A few organizations stated that in their organizations, sustainable procurement is a cornerstone of their commitment to environmental stewardship and ethical responsibility. They prioritize partnering with other companies, consultants, suppliers and vendors who ensure their dedication to sustainable practices in their procurement processes.

Selection Criteria for Partners and Suppliers: When selecting partners and suppliers, they prioritize those who demonstrate a commitment to sustainability. Partners are assessed based on their past performance, achievements and certifications, such as ISO 9001 for quality management, and their adherence to recognized standards for ethical sourcing of consultants, vendor and third parties.

Use of Eco-Friendly Materials: They advocate for the use of eco-friendly materials throughout the supply chain of all products. This encompasses materials that are biodegradable, recyclable, or made from renewable sources. By prioritizing eco-friendly alternatives, they aim to minimize environmental impact and reduce waste generation throughout the lifecycle of their products and services.

Ethical Sourcing Practices: They collaborate with partners and suppliers who uphold fair labor practices, respect human rights, and prioritize the well-being of workers in their supply chains. This commitment extends to ensuring transparency and accountability in sourcing practices, including compliance with international labor standards and regulations.

6. Carbon Footprint Reduction

Some of the consulting companies put efforts to reduce the carbon footprint at their firms by tracking and minimizing emissions across various operational facets, including daily activities and travel. This proactive attitude towards environmental sustainability encompasses several key strategies:

Comprehensive Emission Tracking: They meticulously monitor and analyze emissions generated by their operations, travel activities, and other relevant business processes. This includes amount of carbon dioxide (CO₂) and other greenhouse gas emissions associated with energy consumption, transportation, and waste management. By understanding the sources and quantities of these emissions, they effectively prioritize areas for reduction and improvement.

Implementation of Mitigation Measures: Based on the emission assessment, they implement targeted mitigation measures to reduce environmental impact. This may involve optimizing energy efficiency in facilities through technology upgrades and behavioral changes, adopting renewable energy sources where feasible.

Sustainable Travel Practices: To reduce emissions from travel, they promote sustainable transportation options such as carpooling, public transit use, and telecommuting. They encourage virtual meetings and teleconferencing as alternatives to business travel whenever possible, thereby minimizing carbon footprint associated with transportation-related activities.

4.7.2 Sustainable Practices in Project Operations

Most of the consulting firms abide by the contractual obligations to incorporate sustainability into their project operations. These practices as stated below, not only align with corporate social responsibility goals but also enhance project efficiency, reduce costs, and mitigate environmental impacts.

1. Sustainable Tendering Procedure

To promote transparency and competitiveness in awarding civil work contracts, the projects apply the e-GP (Electronic Government Procurement) tendering procedure. This system offers several advantages:

Enhanced Transparency: The e-GP platform provides a digital record of all tendering activities, ensuring that the process is transparent and accessible to all stakeholders. This transparency helps in reducing opportunities for corruption and favoritism.

Fair Competition: By listing all contract opportunities on a centralized digital platform, e-GP ensures that all qualified contractors and bidders have an equal chance to compete. This competitive environment encourages better pricing, higher quality work, and innovative solutions from bidders.

Efficient Processing: The e-GP system streamlines the procurement process, reducing administrative delays and enabling faster award of contracts. This efficiency benefits both the contracting authority and the bidders.

2. Upholding High Ethical Standards

Ethics play a crucial role in the execution of contracts. The conditions of contract for all suppliers, contractors, and consultants include specific requirements to maintain the highest standards of ethics:

Code of Conduct: Contractors and suppliers are required to adhere to a strict code of conduct that emphasizes integrity, honesty, and professionalism. This code is designed to prevent unethical practices such as bribery, fraud, and conflicts of interest.

Accountability: All parties involved are held accountable for their actions throughout the project. Regular audits and inspections ensure compliance with ethical standards and address any issues promptly.

Training and Awareness: Consultants receive training on ethical practices and the importance of maintaining high standards. This proactive approach helps in fostering a culture of integrity within the project environment.

3. Insurance Coverage for Risk Mitigation

All project contracts include provisions for comprehensive insurance coverage to safeguard against potential risks and ensure smooth project execution. This coverage addresses several key aspects:

Protection Against Losses: Insurance is in place to cover any potential losses related to equipment, property, and materials. Insurance coverage is effective from the commencement of the project and continues through to its completion. This protection minimizes financial risks associated with damage or theft.

Personal Injury and Fatalities: The insurance coverage includes provisions for personal injury and death, ensuring that appropriate compensation is available in case of accidents involving workers or third parties. This aspect of the insurance helps in managing the human element of risk.

Design Faults and Work Failures: To address potential issues arising from design faults or failures in execution, insurance coverage includes protection against such risks. This provision helps in managing the financial impact of any design-related or execution errors, ensuring that corrective measures can be implemented without undue financial strain.

4. Environmental Management and Safety Standards

In managing project operations, the consulting firms emphasize strict adherence to environmental management guidelines and proactive safety measures to ensure sustainable and responsible practices. Here's a detailed explanation of the key components of their approach:

Compliance with Environmental Management Guidelines: Contractors and implementation organizations involved in the project are obligated to follow comprehensive environmental management guidelines and practices imposed by financial partners or donors and the Department of Environment (DOE) for sustainable management and monitoring of all environmental issues.

Dust Pollution Prevention: Specially in road the construction projects ensure low speed of vehicle (at 30 km/hour) on movement at the worksite to minimize dust emissions and apply water sprays to dry earth/material stockpiles, access roads, and exposed soils as and when required to minimize the potential for environmental nuisance due to dust.

Proper Waste Disposal: Project confirms that all wastages to be dumped in the designated waste dumping area rather than throwing them in open area, khal, canal or river. Designated waste dumping areas provide a controlled and regulated environment for managing waste, which helps prevent pollution, ensures proper handling of hazardous materials, and supports public safety.

Noise Pollution Control: During construction activities, it is made sure that noise pollution is duly controlled to protect the well-being of nearby residents and sensitive establishments such as schools, mosques, and health centers. To mitigate the impact of construction noise, especially in densely populated areas, constructing effective noise barriers is recommended. These barriers, which can include temporary walls, acoustic panels, or barriers made of sound-absorbing materials, help to shield communities from excessive noise levels.

5. Social Management and Safety Standards

Contracts and procurement guidelines ensure social management and safety standards in projects for the well-being of all stakeholders, including workers and community members. These standards encompass a range of practices designed to prevent adverse social impacts, safeguard health and safety, and promote ethical treatment.

Stakeholder Participation: Stakeholder participation is ensured during project identification and design meeting to meet the needs of the communities and beneficiaries. This collaborative approach allows for a more nuanced understanding of local contexts and challenges, leading to more informed decision-making and tailored solutions.

Social Assessment and Management: Effective social impact assessment and management in projects include identifying potential positive and negative impacts, engaging with affected stakeholders to gather their input, and devising strategies to mitigate adverse social effects while enhancing benefits.

Health and Safety Management: Occupational health and safety in projects are maintained to ensure the well-being of workers throughout the project lifecycle. This involves implementing comprehensive safety protocols, conducting regular risk assessments, and providing appropriate training and protective equipment to prevent accidents and health issues.

CHAPTER 5

RESULTS AND FINDINGS

5.1 RESULTS OBTAINED FROM THE QUANTITATIVE ANALYSIS

The quantitative data presented in the previous chapter reveals that consulting firms in Bangladesh are actively trying to integrate sustainability into both of their internal and external operations, focusing on the four key dimensions of environmental, social, and governance (ESG) sustainability. This integration involves a concerted effort to address economic viability, environmental impact, social responsibility, and governance practices.

5.1.1 Supply Chain Sustainability Aspects in Internal Operations

The results of the data analysis, summarized below, provide an overview of how the consulting firms are making progress in embedding supply chain sustainability into their internal operational strategies.

Economic Aspects: Most respondents (80%) agree that sustainability is crucial in internal procurement, with 20% emphasizing its importance in all procurement activities. Every respondent (100%) prioritizes lowest whole life costing in their purchasing decisions, considering the total expense of an item from purchase to disposal. Additionally, 80% of respondents report that their company maintains healthy cash flow and retained earnings annually.

Environmental Aspects: None of the respondents reported their companies holding ISO 14001 certification, though 80% noted the adoption of energy-efficient equipment, while 20% indicated minimal concern for energy management. Regarding carbon emission control, 60% described their companies' policies as moderate, 20% as weak, and 20% as strong, with measures such as optimizing office transport and using energy-efficient lighting. On waste management, 80% of respondents affirmed strong systems with minimal waste and a shift to digital documentation, while 20% reported a moderate approach. Finally, 60% of respondents acknowledged that their companies provide environmental training, whereas 40% reported a lack of such training.

Social Aspects: None of the respondents reported their companies holding ISO 26000 or ISO 45001 social certifications; however, all companies have ISO 9001 certification, indicating a focus on quality management. Regarding labor codes and ethical standards, 60% of respondents indicated that their companies partially adhere to these standards, while 40% affirmed full commitment. Additionally, 100% of respondents noted that their companies provide professional training aimed at developing some managerial and mostly technical skills, though the frequency of such training is less than desired.

Governance Aspects: 80% of respondents reported that their companies fully comply with government guidelines, regulations, and legislation, while 20% noted partial adherence. Regarding due diligence, 80% indicated that their companies perform partial background checks and other recruitment verifications, whereas 20% do not conduct due diligence at all. Additionally, 60% of respondents mentioned that their companies provide training on anti-bribery, anti-corruption, and business ethics, while 40% reported that such training is not offered.

5.1.2 Supply Chain Sustainability Aspects in External Operations

The consulting firms are increasingly committed to incorporating sustainability into their project operations, aligning with corporate social responsibility goals and enhancing project efficiency.

Economic Aspects: All the respondents believe that economic sustainability in projects is closely tied to the effective and efficient procurement of goods, works, and services. Regarding procurement methods, 50% favor the quality and cost-based selection (QCBS) approach for maximizing economic benefits, while 25% prefer quality-based selection (QBS), and 10% in favor of the least cost selection (LCS) and the remaining 15% suggest that selection criteria should vary based on the type and complexity of the procurement package.

Environmental Aspects: 60% of respondents reported that their companies always conduct Environmental Impact Assessments (EIA) before starting projects, while 40% indicated that such assessments are not consistently performed. Similarly, 60% confirmed that their companies formulate Environmental Management Plans (EMP) for projects to ensure legal compliance, with 40% noting that EMPs are not always created before project execution. Despite these discrepancies, all respondents agreed that every project should include an EMP with continuous environmental monitoring and mitigation strategies.

Social Aspects: 60% of respondents reported that their companies consistently conduct Social Impact Assessments (SIA) and formulate Social Management Plans (SMP) before project implementation, while 40% indicated these practices are not always followed. All respondents agreed that every project should include an SMP with a social monitoring mechanism. Regarding safety, 80% confirmed that projects ensure safe working conditions, and 60% stated that their projects are covered by appropriate insurance policies. Additionally, 60% of respondents noted that their projects include provisions for compensating affected persons and have established grievance mechanisms, whereas 40% indicated a lack of such provisions.

Governance Aspects: 100% of respondents confirmed that their companies ensure full adherence to Public Procurement Rules (PPR) and donor guidelines by consultants and partners. Regarding due diligence, 70% conduct thorough checks for recruitment, while 30% perform partial due diligence. For project data and cyber security, 80% of respondents feel their systems are inadequate, with only 20% reporting robust security measures. Finally, 60% of respondents indicated that their projects are fully aligned with Sustainable Development Goals (SDGs), whereas 40% believe there is only partial alignment.

5.2 RESULTS OBTAINED FROM THE QUALITATIVE ANALYSIS

Based on the qualitative findings outlined in Chapter 4, it is understood that consulting firms are progressively integrating sustainability into both their internal business practices and their external project operations. This shift is closely aligned with their corporate social responsibility objectives and aims to boost project efficiency. The industry is increasingly focusing on several key sustainable practices within their service supply chains.

5.2.1 Sustainable Practices in the Supply Chain of Business Operations

Based on discussions held with the key management staff of consulting firms, the sustainable practices in the supply chains of their business operation are detailed as follows.

1. Efficient Tools and Equipment: Some of the consulting firms use high-quality office equipment and logistics to enhance cost-effectiveness, performance, and sustainability. By investing in top-tier tools, they lower whole-life costs through increased durability and reduced maintenance needs. Additionally, their focus on advanced technologies boosts performance while minimizing energy consumption and carbon footprint, supporting overall environmental sustainability.

2. Green Office Initiatives: Some consulting firms have implemented green office initiatives to reduce their ecological footprint and promote sustainability. These initiatives include transitioning to energy-efficient LED lighting, which cuts electricity use and replacement frequency; optimizing HVAC systems with smart controls and regular maintenance to minimize energy waste while ensuring comfort; and utilizing renewable energy sources like solar to decrease reliance on fossil fuels and lower greenhouse gas emissions.

3. Paperless Operations: To enhance operational efficiency and environmental responsibility, many of the firms have adopted a comprehensive paperless strategy to minimize paper use. This includes digitizing documents to streamline management and improve accessibility, using electronic

signatures to speed up approvals and reduce resource use, and promoting digital communication through emails, instant messaging, and collaborative platforms to cut down on printed correspondence and foster better team collaboration.

4. Remote Work and Teleconferencing: To support sustainability and operational efficiency, firms have integrated remote work and teleconferencing into their strategy. By promoting remote work, they reduce commuting and its associated carbon emissions, alleviating traffic congestion and air pollution. Additionally, they leverage teleconferencing and virtual meetings to facilitate collaboration and communication without physical travel, thus minimizing the environmental impact of business trips and reducing fuel consumption and emissions.

5. Sustainable Procurement: Some of the high-profile firms emphasize sustainable procurement by choosing partners and suppliers who adhere to eco-friendly practices and ethical sourcing. Selection criteria focus on partners' sustainability practices, past performance, and relevant certifications like ISO 9001. They promote the use of eco-friendly materials to minimize environmental impact. Additionally, they ensure ethical sourcing by collaborating with partners who uphold fair labor practices, respect human rights, and maintain transparency and accountability in their supply chains.

6. Carbon Footprint Reduction: Some consulting companies actively work to reduce their carbon footprint by tracking and minimizing emissions from daily operations and travel. They carefully monitor emissions from energy use, transportation, and waste, identifying key areas for reduction. Based on this assessment, they implement measures like enhancing energy efficiency, adopting renewable energy, and promoting sustainable travel practices, such as carpooling, public transit, and virtual meetings, to further cut their environmental impact.

5.2.2 Sustainable Practices in the Supply Chain of Project Operations

Following discussions with key staff concerning project implementation, the sustainable practices integrated into the supply chains of project operation are outlined below.

1. Sustainable Tendering Procedure: The e-GP (Electronic Government Procurement) system is enhancing the transparency and competitiveness of awarding civil work contracts. By providing a digital record of all tendering activities, it ensures transparency and reduces corruption opportunities. The centralized platform allows all qualified bidders to compete equally, fostering better pricing and innovative solutions. Additionally, e-GP streamlines procurement processes, cutting administrative delays and expediting contract awards, benefiting both the contracting authority and bidders.

2. Upholding High Ethical Standards: According to procurement guidelines, ethics are vital in contract execution, with all suppliers, contractors, and consultants adhering to a strict code of conduct emphasizing integrity and professionalism. Regular audits and inspections ensure accountability and compliance with ethical standards. Additionally, consultants/ experts receive training on ethical practices to foster a culture of integrity. This approach helps prevent unethical behavior such as bribery and fraud.

3. Insurance Coverage for Risk Mitigation: Project contracts include comprehensive insurance coverage to mitigate risks and ensure smooth execution. This insurance protects against losses related to equipment, property, and materials from project start to finish. It also covers personal injury and fatalities, providing compensation for accidents involving workers or third parties. Additionally, the insurance addresses design faults and work failures, managing financial impacts from errors.

4. Environmental Management and Safety Standards: Consulting firms manage project operations with a strong focus on environmental management and safety. They ensure compliance with comprehensive environmental guidelines from financial partners and the Department of Environment (DOE). To prevent dust pollution, they control vehicle speeds and use water sprays at construction sites. Waste is disposed of in designated areas to avoid environmental contamination. Noise pollution is managed by constructing barriers to protect nearby residents and sensitive establishments. These measures collectively promote sustainable and responsible project practices.

5. Social Management and Safety Standards: Contracts and procurement guidelines uphold social management and safety standards to protect all stakeholders. They ensure stakeholder participation in project planning to address community needs and challenges effectively. Social impact assessments are conducted to identify and mitigate adverse effects while enhancing benefits. Health and safety management of project employees and workers is prioritized through comprehensive protocols, regular risk assessments, and proper training.

5.3 SUSTAINABILITY CHALLENGES FOR CONSULTING ORGANIZATION

This section provides an overview of the study findings regarding the various challenges that consulting organizations encounter when integrating sustainability into their supply chain operations. Consulting organizations face several sustainability challenges, including:

1. Knowledge Gap: A significant challenge in incorporating sustainability into consulting services is the lack of knowledge and understanding about sustainability practices. Consulting firms may struggle with implementing effective sustainability measures due to inadequate expertise on topics

such as energy efficiency, waste reduction, and ethical sourcing. Addressing this challenge requires education, training, and access to up-to-date information on sustainability trends and innovations.

2. **Organizational Culture:** Cultivating a culture of sustainability involves motivating employees to adopt sustainable practices. This can be challenging as it requires integrating sustainability into the corporate culture, organization workshops and seminar, and maintaining continuous communication to ensure that all employees are committed to and engaged with the firm's sustainability goals.
3. **Resource Management:** Managing resources efficiently involves reducing energy consumption, minimizing waste, and optimizing office operations. This can be challenging for large firms, which must coordinate efforts across multiple office and project locations, making it difficult to implement and monitor consistent resource-saving measures.
4. **Regulatory Compliance:** Ensuring sustainability in procurement and delivery of services involves rigorous oversight to meet ethical and environmental standards. Consulting firms must comply with diverse procurement regulations and contractual clauses across different donors, manage multiple partners and consultants, and ensure that all parties adhere to sustainability goals, which requires significant coordination and monitoring.
5. **Client Expectations:** Consulting firms often face pressure from clients who demand quick results, which can conflict with the time and investment required for sustainable practices. Clients may prioritize immediate financial gains or economic return over long-term benefits, making it challenging for firms to balance client demands with their commitment to sustainability.
6. **Integration of Technology:** Incorporating new technologies that support sustainability while maintaining operational efficiency presents a challenge. Firms must evaluate and implement technologies that reduce environmental and social impacts without disrupting existing processes or causing inefficiencies and requiring significant investment and adaptation.
7. **Stakeholder Management:** Balancing the interests of donors, clients, employees/ consultants, beneficiaries and other stakeholders while pursuing sustainability goals can create conflicts. Firms must carefully negotiate and align diverse interests, ensuring that sustainability efforts are supported and valued by all stakeholders involved.
8. **Innovation Costs:** Investing in sustainable innovations often involves high initial costs, which can be a barrier, especially for smaller firms or for low- budget projects awarded at least cost. The challenge lies in justifying these investments to stakeholders and finding ways to finance or offset the costs while still achieving long-term benefits.
9. **Transparency and Accountability:** Maintaining transparency in sustainability efforts involves detailed reporting and open communication about environmental impact. Firms must establish rigorous internal processes for tracking and verifying their sustainability performance and address any discrepancies or issues openly with external stakeholders.

10. Cultural Barriers: Implementing sustainable practices across diverse cultural contexts and organizational cultures can be challenging. Different regions and cultures may have varying attitudes towards sustainability, requiring tailored approaches to overcome resistance and ensure consistent adoption of sustainable practices across the organization.

CHAPTER 6

RECOMMENDATIONS AND CONCLUDING REMARKS

6.1 RECOMMENDATIONS FOR INTEGRATING SUSTAINABILITY

In the fast-changing business environment of today, sustainability has become a key element for ensuring long-term success and resilience. Incorporating sustainable practices into consulting services, not only aligns with global trends and regulatory standards but also strengthens their value proposition to clients. This approach not only addresses the growing demand for responsible business practices but also positions consulting organizations as forward-thinking leaders in a competitive market.

6.1.1 Essential Steps for Consulting Firms

The journey toward sustainability is unending and dynamic, but the path forward is well-defined. For consulting organizations aiming to embrace sustainability, a strategic approach involves several key steps as follows.

1. **Adapt to Changing Norms:** As societal norms and regulatory frameworks evolve, consulting organizations need to proactively adjust their practices and strategies. Staying ahead of these changes involves continuously monitoring emerging trends and compliance requirements, and making necessary updates to business operations. This adaptability not only ensures regulatory compliance but also enhances the organization's reputation as a forward-thinking and responsible entity.
2. **Invest in Education:** To ensure that employees are well-versed in the organization's sustainability objectives, it's crucial to offer ongoing educational opportunities. Regular training and development programs help staff understand their role in achieving sustainability goals and stay updated on best practices and innovations. This investment in education fosters a committed workforce that is equipped to drive the organization's sustainability agenda forward.
3. **Form Cross-Industry Partnerships:** Collaborating with organizations from various industries enables consulting firms to exchange insights and share best practices. These partnerships can spur innovative solutions and drive improvements in sustainability practices by leveraging diverse perspectives and expertise. Working together with different sectors also opens opportunities for joint ventures that can enhance overall sustainability efforts.
4. **Encourage Community Engagement:** Actively engaging with local communities provides valuable insights into their specific environmental and social challenges. By understanding and addressing these local issues, consulting firms can tailor their sustainability initiatives to have a more significant and positive impact. This approach fosters stronger community relationships and ensures that sustainability efforts are relevant and effective.

5. **Develop a Sustainability Strategy:** Create a comprehensive strategy that outlines how sustainability will be embedded into every aspect of the organization. This strategy should include plans for reducing carbon footprints, enhancing energy efficiency, and fostering sustainable practices among employees and stakeholders.
6. **Continuously Improve:** Sustainability is not a destination but an ongoing journey. Continuously seek ways to improve and innovate in sustainability practices, staying abreast of new technologies and methods that can enhance the organization's environmental and social impact.

By taking these steps, service organizations can effectively navigate the path towards sustainability, making meaningful contributions to environmental stewardship while enhancing their operational efficiency and market position.

6.1.2 Actions for Governments and Regulatory Bodies

Governments and regulatory bodies are crucial in guiding the transition to a more sustainable future through several key actions as stated below.

1. **Standardizing Practices:** Developing standardized sustainability regulations ensures that all consulting firms are aligned in their efforts toward common environmental and social objectives. By establishing uniform guidelines and benchmarks, these regulations provide a clear and consistent framework for all firms to follow, reducing ambiguity and promoting fair competition.
2. **Monitoring and Enforcement:** Effective monitoring and enforcement of environmental regulations are essential to ensure compliance and accountability. Regulatory bodies must regularly assess the effectiveness of sustainability policies, investigate violations, and impose penalties where necessary to uphold environmental standards.
3. **Incentivizing Sustainable Behavior:** Offering financial incentives, such as tax credits, grants, and subsidies, can encourage businesses and individuals to invest in sustainable technologies and practices. These incentives lower the financial barriers associated with adopting green solutions and accelerate their integration into everyday operations.
4. **Funding Research and Innovation:** Governments can invest in research and development to drive innovation in sustainability. Funding for scientific research, technological advancements, and new sustainable practices helps accelerate the creation and deployment of effective solutions to environmental challenges.
5. **Public Recognition:** Recognizing and promoting the firms that excel in sustainability can drive positive industry-wide change by setting benchmarks and creating aspirational examples for others to follow. By highlighting and celebrating these leaders, organizations are encouraged to adopt and enhance their own sustainable practices to achieve similar recognition.

By taking these actions, governments and regulatory bodies can significantly influence the path toward a sustainable future, creating an environment where businesses and communities are motivated and equipped to pursue long-term environmental and social goals.

6.2 CONCLUSION

Consulting organizations stand at a critical junction where their actions can significantly impact the global sustainability landscape. By adopting a comprehensive approach, focusing on collaboration, continuous learning, and embracing the opportunity, they can lead the way to a more sustainable future. Embedding sustainable principles into their strategies, consulting firms can lead by example, driving positive environmental and social impact while optimizing operational efficiency.

Emphasizing the role of governments and regulatory bodies, aligning organizational culture, recognizing the opportunity for growth, and nurturing innovation are key. These elements intertwine to create a sustainable ecosystem where organizations in the consulting industry of Bangladesh not only survive but thrive.

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Appendix A: Questionnaires (Quantitative)

1 Introduction

- 1.1 Name of the Consulting Entity:
- 1.2 Name of the Officer:
- 1.3 Designation of the Officer:
- 1.4 Working Area of the Officer
☐Management and Administration ☐Business Development ☐Project Implementation
- 1.5 Mobile no:
- 1.6 Email:

2 General

- 2.1 What level of knowledge do you have with regard to sustainability practices in consulting business operations?
☐Very Good ☐Good ☐Medium ☐Below average ☐No knowledge at all
- 2.2 If you have knowledge about sustainability then where have you gained that from?
☐Through Academic Education ☐From Clients/ Donors ☐From Websites ☐From Newspaper ☐From Seniors/ Fellows ☐Other sources
- 2.3 Do you agree that sustainability issues are important in supply chain of consulting services?
☐Fully agree ☐Agree ☐Neutral ☐Disagree ☐Fully disagree
- Which of the following factors do you believe should be incorporated into the supply chain of consulting services? ●Economic Viability ●Environmental Considerations ●Social Responsibility ●Regulatory Compliance ●Transparency and Traceability ●Continuous Improvement ●Client Engagement ●Collaboration and Partnerships
- 2.4 Did any employee of your organization receive training regarding these issues?
☐Yes ☐No

3 Internal Operations (Management and Administration)

3.1 Economic Aspects

- 3.1.1 Do you agree that sustainability issues are important for internal procurement of your organization?

☐Fully agree ☐Agree ☐Neutral ☐Disagree ☐Fully disagree

3.1.2 While preparing request for quotations or specifications for purchasing any items (goods/works/ services) in your organization, which one do you prioritize first?

☐Lowest price (cost focused) ☐Lowest whole life costing (quality focused)

3.1.3 Are you able to maintain proper cashflow and retained earnings resulting from your business operations i.e., consulting services?

☐Yes, always ☐No, not always ☐No, not at all

3.1.4 Does your organization provide donations for community/ social welfare activities?

☐Yes ☐No

3.2 Environmental Aspects

3.2.1 Is your organization ISO 14001 (Environmental Management System) certified?

☐Yes ☐No

3.2.2 Does your organization have an energy management system in regular operations (promote energy efficient equipment/ use of solar energy)?

☐Strong ☐Moderate ☐Weak

Which of the following do you practice in your firm to control carbon emission?

- Introduce Shared Vehicles for Employees ●Maintain Shortest Transport Routes
- Minimize Short-Distance Vehicle Use ●Ensure Maintenance of Vehicles
- Promote Lighting/ Illumination Controls

3.2.3 Does your organization have policy to control GHG emission (carbon emission from burning fossil fuel, for example - frequent travel using office vehicles)?

☐Strong ☐Moderate ☐Weak

3.2.4 Do you have proper waste management system by using less materials (for example using both sides of a paper or less paper use, reuse/ recycling of materials, etc.)?

☐Strong ☐Moderate ☐Weak

3.2.5 Does your organization provide training for employees on environmental management system/ environmental code of conduct?

☐Yes ☐No

3.3 Social Aspects

3.3.1 Is your organization ISO 26000 (Social Responsibility) certified?

☐Yes ☐No

3.3.2 Is your organization ISO 45001 (Occupational Health and Safety Management System) certified?

☐Yes ☐No

3.3.3 Is your organization ISO 9001 (Quality Management) certified?

☐Yes ☐No

3.3.4 Do you maintain labor codes/ethical standards for your employees?

☐Fully ☐Partially ☐Not at all

3.3.5 Do you ensure safe and healthy working conditions for the employees work at head office as well as field office?

☐Fully ☐Partially ☐Not at all

3.3.6 Do you provide professional training to your employees for skills development?

☐Frequently ☐Occasionally ☐Do not provide

Which of the following trainings do your organization provide to the employees?

- Public Procurement Rules/ Acts ●e-Government Procurement ●Technical Skill
- English Proficiency ●Computer Training ●Professional Ethics/ Code of Conduct
- Project Management

3.3.7 Does your organization provide training for your employees on the social/ ethical code of conduct?

☐Yes ☐No

3.4 Governance Aspects

3.4.1 Do you comply with guidelines, regulations and legislation of the government?

☐Fully ☐Partially ☐Not at all

3.4.2 Do you ensure proper data/ information and cyber security in your office?

☐Fully ☐Partially ☐Not at all

3.4.3 Do you conduct any due diligence for the employees you recruit in your office?

☐Fully ☐Partially ☐Not at all

3.4.4 Do you provide anti-bribery/ anti-corruption and business ethics training to your employees?

☐Yes ☐No

4 External Operations (Project Implementation)

4.1 Economic Aspects

- 4.1.1 Do you agree that economic sustainability of project is linked with effective and efficient procurement of goods, works and services?
☐Fully agree ☐Agree ☐Neutral ☐Disagree ☐Fully disagree
- 4.1.2 According to your opinion which selection method in the procurement can lead to maximum economic benefits to the project?
☐Least Cost Selection ☐Quality and Cost Based Selection ☐Quality Based Selection
☐It depends on the type/ complexity of the procurement package

4.2 Environmental Aspects

- 4.2.1 Do you agree that the projects implemented by your organization can have adverse environmental impact?
☐Fully agree ☐Agree ☐Neutral ☐Disagree ☐Fully disagree
- 4.2.2 Do you conduct Environmental Impact Assessment (EIA) before implementing a project or work package?
☐Yes, always ☐No, not always ☐No, not at all
- 4.2.3 Do your projects formulate an environmental management plan/ policy (EMP) before field work execution to conform legal compliance?
☐Yes, always ☐No, not always ☐No, not at all
- 4.2.4 Does the EMP specify continuous environmental monitoring mechanism and actions required to combat environmental impacts resulting from project activities?
☐Yes ☐No

4.3 Social Aspects

- 4.3.1 Do you agree that the projects implemented by your organization can have adverse social impact?
☐Fully agree ☐Agree ☐Neutral ☐Disagree ☐Fully disagree
- 4.3.2 Do you identify potential social impact before implementing a project or work package?
☐Yes, always ☐No, not always ☐No, not at all

4.3.3 Do your projects formulate a social management plan/ policy (SMP) before field work execution to conform legal compliance?

☐Yes, always ☐No, not always ☐No, not at all

4.3.4 Does the SMP specify social monitoring mechanism and actions required to combat social impacts resulting from project activities?

☐Yes ☐No

4.3.5 Does your project site ensure health and safety by managing safe working conditions?

☐Fully ☐Partially ☐Not at all

4.3.6 Does your project provide necessary insurance policies to cover a range of potential risks and liabilities like professional liability, any damage or loss, third party liability, health and accidental coverage, etc.?

☐Yes ☐No

4.3.7 Do your projects have provisions to prevent or compensate any loss of affected person?

☐Yes ☐No

4.3.8 Do your projects have a grievance mechanism or documented complaints procedure established for every project implemented?

☐Yes ☐No

4.3.9 Do you ensure that stakeholder and community concerns are properly addressed in your project execution?

☐Yes ☐No

4.4 Governance Aspects

4.4.1 Do you ensure consultant's/ partner's full adherence to the PPR Guidelines as well as Donor guidelines?

☐Yes ☐No

4.4.2 Do you conduct any due diligence for the individual experts/ partner firms you engage for your project?

☐Fully ☐Partially ☐Not at all

What process do you follow in recruitment of experts?● Proven Skills and Expertise

● Structured Interviews and Assessment ●Verification of Credentials ● Reference

Checks ● Criminal and Financial Checks ●Integrity and Reliability

4.4.3 Do you ensure proper data/ information and cyber security in your office?

☐Fully ☐Partially ☐Not at all

4.4.4 Do you think that the projects implemented by your organization are aligned with SDG?

☐Fully ☐Partially ☐Not at all

5 Others

5.1 Do you think that better awareness and understanding can enable consulting industries to introduce sustainability?

☐Fully agree ☐Agree ☐Neutral ☐Disagree ☐Fully disagree

5.2 Do you think that Procuring Entity and/or Financial Partner can play important role in introducing and enforcing sustainable issues?

☐Yes ☐No

5.3 What are the barriers of introducing sustainability in your business operations?
(Give short answer)

Appendix B: KII Checklist (Qualitative)

1 Introduction

- 1.1 Name of the Consulting Entity:
- 1.2 Name of the Officer:
- 1.3 Designation of the Officer:
- 1.4 Working Area of the Officer:
☐Management and Administration ☐Business Development ☐Project Implementation
- 1.5 Mobile no:
- 1.6 Email:

2 Internal Operations

- 2.1 Do you take initiatives in your organization in reducing adverse environmental impacts? If yes, please specify (For example: reducing carbon and GHG emissions, Reducing Energy Use, Fuel Consumption, Appropriate waste disposal, Reducing water pollution, Using renewable energy, Promoting reuse and recycling, Preventing Noise Pollution, etc.)
- 2.2 Does your organization have any system in place to monitor the environmental performance of your suppliers/ contractors? If yes, how do you check the environmental performance?
- 2.3 Do you follow social/ ethical standard in your organization? If yes, what areas do you cover under social and ethical code of conduct?
- 2.4 Does your organization have a formal health and safety policy to comply national law, industry requirements and international standards? If yes, what areas are covered?
- 2.5 Do your organization check social sustainability factors while engaging individual consultants/ partners/ suppliers? If yes, what factors do you consider the most?
- 2.6 What are the areas of governance you ensure in your business operations?

3 External Operations

- 3.1 Does your projects integrate the environmental and social concerns during design in order to ensure that they are environmentally sustainable and socially feasible.
- 3.2 Do you have a formal environmental management plan (EMP) while monitoring project implementation activities? What areas are covered by the EMP?
- 3.3 Do you have a formal social management plan (SMP) while monitoring project implementation activities? What areas are covered by the SMP?
- 3.4 How do you ensure that the concerns of stakeholders and communities are properly addressed in your project execution?
- 3.5 What are the areas of governance you ensure before and at the time of project implementation?