



SUPPLIER DIVERSITY

A CALL TO ACTION



FACILITATORS



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ANA SURVEY RESULTS

SUPPLIER DIVERSITY AND ANA MEMBERSHIP



THE RESULTS: OVERVIEW

105
surveyed

12
interviewed

INCIDENCE

75%

have a supplier diversity strategy for their overall organization

40%

have a supplier diversity strategy specifically for their **marketing/advertising** department

MATURITY

50%

classify the maturity of their strategy as established, meaning they have an active program, traction within the business and with leadership, winning on goals, with minimal business integration

23%

classify the maturity of their strategy as advanced

SEGMENTS

98%

target women-owned businesses

95%

target ethnic/minority-owned businesses

AGE

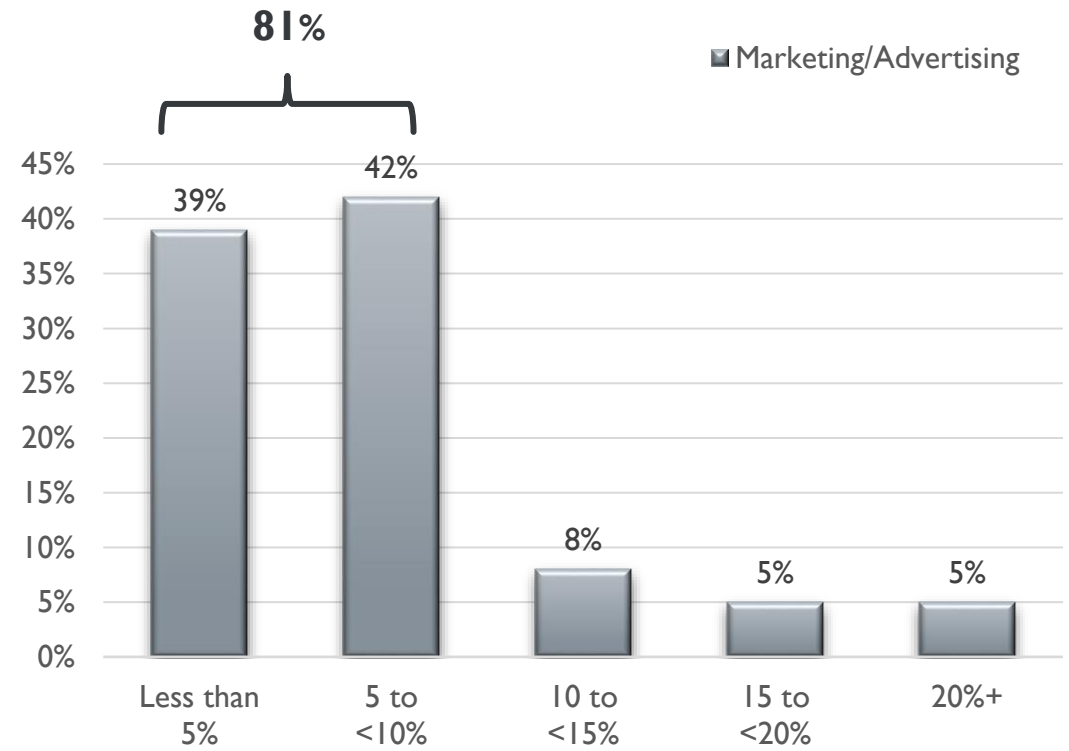
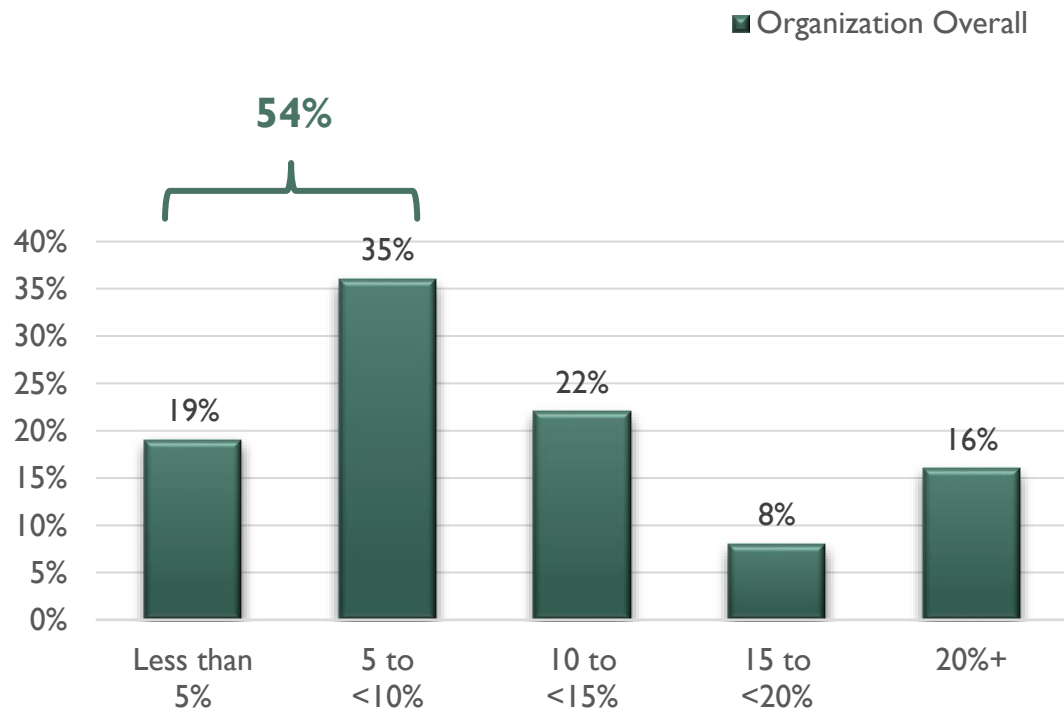
56%

have supplier diversity strategies for their organization overall for 10 years or more

41%

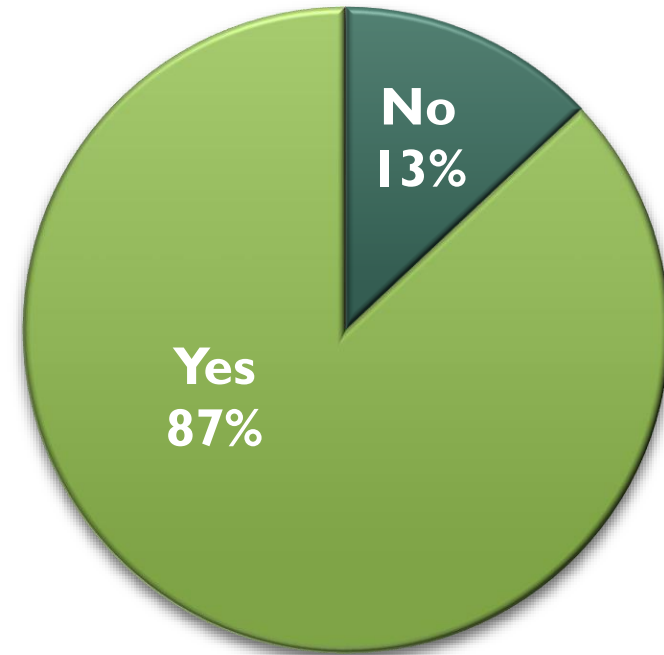
have supplier diversity strategies for marketing/advertising for 10 years or more

THE RESULTS: PROGRAM SPEND



THE RESULTS: *SETTING GOALS*

1. **% of spend targets**
 - “10-15% of spend with diverse suppliers.”
2. **Actual spend targets**
 - “\$2 billion by 2020.”
3. **Spend by specific categories**
 - “\$2 billion by 2020, with \$1 billion being women-owned.”
4. **Include diverse suppliers in more RFPs**



■ No ■ Yes

FROM OUR LENS



- Winning at supplier diversity requires a collaborative conversation
 - Start where you are
 - Find allies, not just in your line of business.
 - Consider together, “where can we go from here?”
- We each have the opportunity to advocate for diversity – no matter where we sit
 - Don’t focus on what you can’t do or can’t change
 - What can you (will you) do now using the resources, relationships and visibility you do have?
- Consistency + Genuine Interest = Positive Impact | Be a Change Agent
- We’re in a unique moment in time
 - This is a priceless opportunity
 - Remember, this survey was completed prior to the current social unrest
 - Now is the time! Use the current momentum in a positive way
- Leverage your wins to build momentum and align your actions with company goals.



CHALLENGE, ACTION & IMPACT

TOP SUPPLIER DIVERSITY CHALLENGES



CHALLENGE & ACTION

1 Visibility to opportunities to recommend diverse suppliers

62% of respondents find this to be the #1 challenge with including diverse suppliers in a company's ecosystem

ACTION

Sourcing:

1. Identify key business partners as allies and your window/door into their category
2. Attend business partner team meetings, town halls, etc. for earlier awareness
3. Host your own *Coco, Coffee and Conversations* to proactively engage business partners

Diverse Suppliers:

1. Make it easy for diversity advocates to showcase your capabilities
2. Create and share case studies from projects with other clients
3. Stay connected to what's happening internally

CHALLENGE & ACTION

2

Finding Diverse Suppliers

54% of respondents find this to be the #2 challenge with including diverse suppliers in a sourcing exercise

ACTION

Sourcing:

1. Leverage local Advocacy Groups: NMSDC, WEBENC, NGLCC, NVBDC, etc.
2. Googling never hurt and is still a good start
3. Consider local chambers of commerce, LinkedIn groups, industry peers, supplier diversity professionals and diverse suppliers currently in your ecosystem

Diverse Suppliers:

1. Stay visible. Regularly publish relevant content to stay top of mind.
2. Be patiently and graciously persistent.
3. Do your own research and outreach. Ask for introductions.

CHALLENGE & ACTION

3 Explaining the value of Diverse Suppliers

43% of respondents find this to be the #3 challenge with including diverse suppliers within their company's direct supply chain

ACTION

Sourcing:

1. Ensures your supplier ecosystem reflects the face of your consumer and employees
2. The right thing to do, when activating diversity, inclusion and equity within a company
3. Be a positive economic ripple effect in our communities, states and country. It sets us all up for success!

Diverse Suppliers:

1. Be clear, succinct and relevant in your messaging.
2. Focus on the specific problems you solve.
3. Walk your talk — showcase how you are creating economic impact with your company spend.

CHALLENGE & ACTION

4

Staffing resource allocation

40% of respondents find this to be the #4 challenge in finding success when diversifying a company's ecosystem

ACTION

Sourcing:

1. Centralizing with resources aids with anchoring company's goals, accountability and consistency
2. Regardless, we're **ALL** in this together
3. Partner for success - marketing, sourcing and suppliers - it's a team effort

Diverse Suppliers:

1. Be aware that supplier diversity teams typically have limited resources.
2. Companies have varying degrees of sophistication with their program. Understand how program works and act accordingly.
3. Do your own research to find points of contact.

CHALLENGE & ACTION

5

Leadership buy in

36% of respondents find this to be the #5 tied challenge in finding success when diversifying a company's ecosystem

ACTION

Sourcing:

1. Educate yourself and leverage the data.
2. Understand the direct, indirect and induced impact diverse suppliers have on a community.
3. Tie supplier diversity strategies to your company's strategies for growth, innovation and fiscal opportunities

Diverse Suppliers:

1. Share your story.
2. Explain how supplier diversity has positively impacted your small business and your community.
3. Say thank you to the professionals who advocate for you AND say thank you to their boss for supporting them.

CHALLENGE & ACTION

5

Diverse Suppliers are more Expensive

36% of respondents find this to be the #5 tied challenge in finding success when diversifying a company's ecosystem

ACTION

Sourcing:

1. Fact, fiction or fake news? Fairly assess vs. make assumptions
2. Debunk this challenge and leverage your skills of persuasion to influence diversification
3. Use your BATNA for success, align on financials that benefit both parties, negotiate the best deal

Diverse Suppliers:

1. Invest in understanding your client's culture and business model to find your fit.
2. Create flexible pricing models.
3. Work with your clients in phases.

WHAT DO MINORITY BUSINESS OWNERS REALLY THINK?



MBEs
Mean
Business™

IMPACT

\$4T MBE spend annually with corporate America

84% agree the top-rated benefit of a supplier diversity strategy is community empowerment and positive social impact†

15% Best practice and CPO challenge target for corporate America to spend with minority-owned businesses in their direct supply chain

*MBEs Mean Business What do Minority Business Owners Really Think? Video
†ANA's The Power of Supplier Diversity May 2020 White Paper

CPO CHALLENGE*

- 1 Objective Assessment
- 2 Collaborative Growth
- 3 MBE Investment

SD PROFESSIONAL TOOL CHEST*

- 1 Perpetual student
- 2 Art of Persuasion
- 3 Will and conviction to preserve

*Shared at MMSDC's 2020 MI Minority Procurement Conference's (MMPC) Council of Supplier Diversity Professionals' (CSDP) meeting ; SD = Supplier Diversity

MBE SUPPORT OPPORTUNITIES

- ANA Resource List of Certified Diverse Suppliers (Marketing/Advertising)
 - ana.net/diversesuppliers
- MBEs Mean Business
 - mbesmeanbusiness.org
- Clear Vision Impact Fund
 - POC = Arion Williams, awilliams@siebertwilliams.com
- Minority Wealth Commission/FVLCRUM Fund
 - POC = Dana Schomp, ds@fvlcrum.com or Chijioke Asomugha, ca@fvlcrum.com

