

Best Practices Tip Sheet

Set measurable goals.

- Set actual targets for performance.
- Leverage SMART goals (Specific, Measurable, Attainable, Relevant, Time-bound).
- Evaluate the company's performance against these goals on a monthly or quarterly basis.
- Ensure accountability for meeting or exceeding supplier diversity goals.

Identify opportunities for adding diverse suppliers.

- Know when contracts are expiring and new sourcing opportunities are coming.
- Identify qualified diverse suppliers to include in the RFP process.
- Evaluate existing diverse companies you do business with and maximize opportunities.

Secure buy-in from top management to ensure success.

- Make the business case for enacting your diversity program.
- Back it up with data that shows business impact.
- Build support from all levels of management.

Make it a business norm.

- Embed supplier diversity into the procurement process and identify where the program can have an impact.
- Issue a supplier diversity policy statement from leadership.
- Create a supplier diversity inclusion policy to require teams to include a certain percentage of diverse vendors in any effort to procure contracted goods or services.
- Adopt a corporate pillar that aligns with an organization's strategic business decisions.

Partner with organizations that cater to small and diverse businesses.

- Build relationships with government and non-profit entities established to aid minority enterprises.
- Attend conferences, networking events and other outreach opportunities to connect with diverse suppliers.
- Be visible at events, serve on panels and host key sessions that enable you to connect with suppliers.

Organizations to leverage as resources:

- Minority Business Development Agency (MBDA)
- Women's Business Enterprise National Council (WBENC)
- U.S. Small Business Administration (SBA)
- National Minority Supplier Development Council (NMSDC)
- National LGBT Chamber of Commerce (NGLCC)
- Disability:IN (formerly U.S. Business Leadership Network)

Establish a process to track supplier diversity results.

- Develop reporting standards for supplier diversity results.
- Track Tier 1, 2 and 3.
- Hold stakeholders accountable.
- Report results at town halls, executive diversity council meetings, board meetings, etc.
- Have clear action plans and deliverables to address opportunities.

Leverage special programs and initiatives to educate suppliers.

- Mentoring initiatives and matchmaking programs.
- Education and learning sessions.
- Collateral and materials to educate suppliers.
- Assist suppliers with certification process.
- Leverage Employee Resource Groups to mentor suppliers.

Encourage suppliers to use diverse subcontractors by incorporating clause into business contracts.

- Require key suppliers to create and maintain their own supplier diversity programs and report their spend.
- Work with Tier 1 suppliers to improve their supplier diversity programs to boost your diversity success.
- Require non-diverse Tier 1 suppliers to subcontract or work with diverse suppliers.
- Provide incentives to suppliers who excel in their Tier 2 and Tier 3 initiatives.

Leverage technology or partners to track each Tier.

Automate the Tier 2 process by using a Tier tracking portal.

- Portals make it easier for suppliers to report, and you can track progress, and generate reports.
- If internal resources are limited, engage a provider that offers Tier Program Management service.

Educate suppliers on your goals and business needs and reinforce importance of Tier 2 and Tier 3 results.

- Growth opportunities for diverse suppliers are frequently further down the supply chain.
- Offer initial and ongoing training for prime suppliers, assist suppliers with reporting process, and validate reported spend amounts.

Communicate.

- Establish an ongoing process to publicize contracting opportunities and share your goals and results.
- Utilize internal channels and external platforms:
 - Intranet
 - Newsletters
 - Website
 - Annual Reports

Ensure focus on all tiers (increase multi-tiered spend).

- Tier 1: invoices you for goods and services rendered directly
- Tier 2: invoices the Tier 1 supplier for goods and services rendered (your supplier's supplier)