

Elements of a Successful Supplier Diversity Initiative

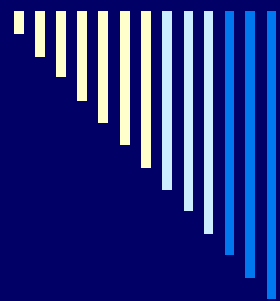
Presented by the:

**CSDP
Professional Development
Committee**



NMSDC Best Practices

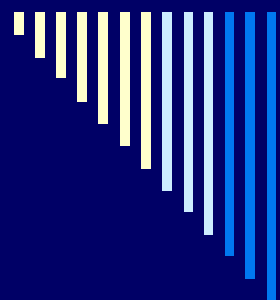
- ❑ Local and National NMSDC Membership
 - ❑ CEO/Senior Management Involvement and Policy Statement
 - ❑ Dedicated Resource Deployment
 - ❑ Procurement Professional/Key Management Training
 - ❑ Advanced Program Tracking/Accountability Systems
 - ❑ Linked into Corporate Procurement and Sales/Marketing Processes
 - ❑ Require Certification
 - ❑ Innovative Supplier Development Initiatives
 - ❑ Communications Strategy
 - ❑ Outreach
 - ❑ Second Tier Initiative
-



Implementation of “Best Practices” is a variable

Relevant Factors:

- ❑ Industry Focused / Customer Driven
- ❑ Alignment with Corporate Culture
- ❑ Resource Deployment
- ❑ Top down and Bottom up



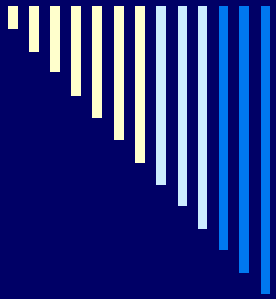
Sourcing Best Practices:

Passion vs Execution



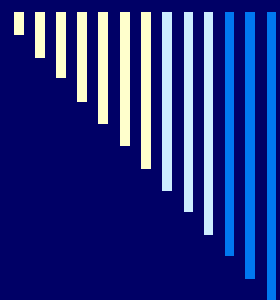
Internal Strategy

- ❑ **Industry Competition**
 - ❑ **Company products and marketing strategy**
(if manufacturing - processes and footprint)
 - ❑ **Centralized or De-centralized purchasing strategy**
 - ❑ **Company culture/success record/resources for Joint Ventures/Strategic Alliances**
 - ❑ **Commodity knowledge and understanding of related market factors**
 - ❑ **Company spend assessment by category and by supplier**
 - ❑ **Knowledge of strategic supply base incumbents**
(strong and weak)
-



Internal Strategy...cont'd

- ❑ Understanding of Contract types
 - ❑ Company terms and conditions
 - ❑ Understanding of internal cost savings/avoidance measurement
 - ❑ Corporate ISO/TS/Quality/Capability criteria
 - ❑ Contracts expiration assessment and tracking
 - ❑ Diversity Inclusion Strategy for RFP's/RFI's/RFQ's
-



Sourcing Best Practices:

Bonafide - not certified



External Strategy

- ❑ Supplier Certification Monitoring and Compliance
 - ❑ Supplier Senior Management Engagement and Capability
 - ❑ Supplier performance reviews/scorecard methodology
 - ❑ Supplier development and mentoring
(consistent with strategic supply base)
 - ❑ Supplier Financial Assessment Process
 - ❑ Supplier Location/Footprint/Reach
 - ❑ Supplier Pre-qualification Steps and Activities
 - ❑ Supplier Systems Assessment
-



Hard skills:

Value add industry competence and compliance, education (professional development - degrees, certifications, technical skills)

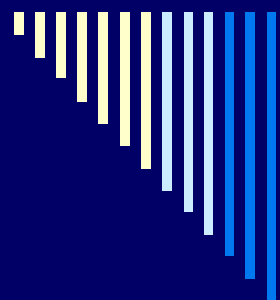
- ❑ Advanced Education Degrees (BA, MBA, etc.)
 - ❑ Database development/management
 - ❑ Customer Content Reporting
 - ❑ Tradeshow and Event Management
 - ❑ Finance - analysis, reporting, ROI, etc.
 - ❑ Kaizen/Six Sigma helpful
 - ❑ Foreign Language preferred
 - ❑ Microsoft Office Suite capability (Word, Powerpoint, Excel)
 - ❑ Minimum 2-4 year degree or comparable experience & training
 - ❑ Negotiation experience
 - ❑ ISO – Quality Assurance
 - ❑ Sales and Marketing
 - ❑ Supply Chain/Purchasing/Supplier Diversity background
-



Soft skills:

Education (personal development, i.e., communication – social, speaking/listening, etc.)

- Customer relationship management
 - Listening
 - Motivational
 - Networking
 - Organization and time management
 - Persuasion, influence
 - Public speaking and presentation skills
 - Results oriented
 - Relationship building - Coach, mentor, babysitter, therapist
 - Strategic/Visionary – Planner
 - Verbal and writing proficiency
-



Q & A

- CSDP Professional Development Committee Panel