

In

Subject: FW: Supplier Diversity Justification Quantified
 To: "Al Williams" <awilliams129559mi@comcast.net>,
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One example of a Council looking to assist its corporate members in supporting and justifying Supplier Diversity Activities. Just sharing information that may be of use to you.

From: Malik Ali [mailto:Malik@fmsdc.org]
Sent: Sunday, March 29, 2009 7:17 PM
To: Ford, Helen
Subject: Supplier Diversity Justification Quantified

Helen

Please find below a spreadsheet that should be able to help you justify to your management some of your supplier diversity activities. It is an analysis of suppliers you have identified from these activities, the MBE spend they generated and cost savings generated.

MBE Source	MBE's from (10 years)	MBE spend	Cost Savings (5% assumed)	Event cost (10 years)	ROI
MBISYS	150	\$15,000,000	\$750,000	\$75,000	1000%
Regional Councils Referrals	200	\$20,000,000	\$1,000,000	\$37,500	2667%
NMSDC Annual Trade Fair	200	\$20,000,000	\$1,000,000	\$150,000	667%
Regional Council Trade Fairs	200	\$20,000,000	\$1,000,000	\$30,000	3333%
Ethnic Chambers	50	\$5,000,000	\$250,000	\$20,000	1250%
NMSDC Dinner Dance	25	\$2,500,000	\$125,000	\$25,000	500%
Council Awards Banquet	25	\$2,500,000	\$125,000	\$25,000	500%
WBENC Referrals	50	\$5,000,000	\$250,000	\$100,000	250%
WBENC Conference	25	\$2,500,000	\$125,000	\$100,000	125%
Advertising	75	\$7,500,000	\$375,000	\$300,000	125%
	1000	\$100,000,000	\$5,000,000	\$862,500	
Total Suppliers	1,000				
MBE Spend		\$100,000,000			
Spend per MBE		\$100,000			

Also included below is a spreadsheet to evaluate organizations that your company supports. When I was MBE Program Director at the Walt Disney Company, this analysis was helpful in sorting out the many requests for funding. NMSDC and its affiliated councils always provided a much stronger value proposition. Only the first line was filled in using a scale of 0 to 10.

	NMSDC Council	Ethnic chamber	Consultant	MBDA	Other Organizations
Certification	10	0	0	0	0
Supplier Diversity Expertise					
Source MBE's					
Online MBE Directory					
Online Corporate Directory					
Technical Assistance for MBE's					
Staff Competence					
Staff Responsiveness					
Networking with buyers					
Recognition Program					
Trade Fair					
Matchmakers					
Buyer Training					
Advocacy for MBE's					
MBE Program Development					
Total					

If you have any questions, or you would like to share other quantitative tools, I would be glad to discuss with you

Please check out the Supplier Diversity Professionals Group on LinkedIn, where you can network with your peers and discuss supplier diversity related issues at: http://www.linkedin.com/groups?home=&gid=163177&trk=anet_ug_hm

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