



Promoting Supplier Diversity Through Team Empowerment

BY REGINALD WILLIAMS

Creating an organizational environment that embraces change through collaborative engagement is key to success.

Although supplier diversity is widely practiced at most of America's leading corporations, some companies continue to struggle to develop an effective strategy that earns team support. To meet this challenge, it's imperative to build a culture of collaborative engagement — that is, an organizational environment driven by shared values that lead to a shared purpose with shared results.

This level of shared advocacy is critical to supplier diversity success, and companies that employ it focus on collaborative engagement as a bridge to team support. It is a vital tool for building consensus and shared ownership by engaging the team as an active participant in supply management solutions. To accomplish it, however, requires empowering others to take ownership of supplier diversity as a core element of the mission.

One reason some corporations fail at building an advocacy base is that they lack an organizational environment that embraces and manages change. It is why supplier diversity has waned, with diminishing growth in some industries: Critical stakeholders simply haven't been solicited to engage in supplier diversity decision-making.

Successful companies leverage a cross-functional collaboration strategy with key business units in organizational and behavioral change. They move from a reactive posture to a proactive one by incentivizing the team to take ownership of the mission. Collaborative engagement is the defining element of that change.

IMPORTANCE OF ADVOCACY

The process begins with direction from senior leadership. But while the vision for achieving goals is often set at the senior level, it's not always implemented. The executive message is often overlooked due to lack of personal conviction and is routinely sidetracked. To succeed, there must be top-down direction coupled with bottom-up credibility — and this credibility must be earned.

You can demand compliance, but you can't mandate commitment. You must earn it. Put simply, supplier diversity can't succeed without the support of stakeholders uniformly aligned to support the goals. This includes customers, constituents and strategic business partners.

The primary vehicle to achieve this level of buy-in is a Supplier Diversity Advisory Council — a cross-functional team drawn together from key departments and business units to collaborate on the scope and direction of supplier diversity. These advisers foster input and shared ownership. They become an active part in the solution through hands-on engagement. More importantly, they generate a clear and consistent organizational message by promoting the business case behind supplier diversity.

Companies that have established advisory councils consider them to be critical to success. "Working with our advisory council allows our team to understand that diversity is good when it supports the mission and enhances the brand," Karmetria Burton, General Manager, supplier diversity at Delta Air Lines, stated at Delta's 2018 Star Awards ceremony in Atlanta honoring diverse suppliers. "Diversity is even better ... when it helps Delta to impact the local economy and create jobs, while increasing our revenue growth opportunities."

This underlines the importance of collaboration. When stakeholders view supplier diversity as good for the business, they see it as an opportunity to bring their companies closer to customers, broadening the base. This results in better alignment in the quest to achieve customer value.

EARNING STAFF SUPPORT

It's clear that leadership needs to drive performance from the top. However, it's easy to find an excuse to avoid doing so. If there is no commitment from those responsible for making something happen, nothing gets done. That is why it's critically important to generate stakeholder engagement to produce self-driven results.

Supplier diversity stakeholders and their roles (see graphic) are defined by three core elements: passion, commitment and reward/recognition/commendation. Let's take a look at each:

Passion is created when people (1) have personal conviction about what they are doing, (2) are publicly applauded and rewarded for their service and (3) are inspired by success

SUPPLIER DIVERSITY STAKEHOLDERS AND THEIR ROLES

Stakeholder	Role(s)
Executive leadership	Defining corporate expectations and providing vision to drive performance
Supply management/procurement team and supplier diversity managers	Directing the purchasing and contracting process; building staff support while limiting risk to ensure best value in procurement decision-making
Business Unit Leaders	Developing performance criteria to help achieve mission and revenue targets
Strategic prime suppliers	Being critical stakeholders in categories with limited Tier-1 opportunities
Staff associates (the most important stakeholders — especially those who participate in the procurement and/or contracting processes)	Taking ownership. Understanding the business case for supplier diversity and how it supports the organization's mission

and positive change. Passion leads to commitment — which generates success.

Commitment is fostered when those affected by supplier diversity participate firsthand in its success. They personally witness this change and have a hand in making it happen. This creates ownership and a self-driven mindset that inspires action and leads to excellence.

Reward/recognition/commendation: The organization must visibly and actively acknowledge and celebrate outstanding performance. This sends the message that supplier diversity is valued as an important component of supply management. Much of this can be done through simple events involving senior leadership and department heads who come together to identify and recognize staff and suppliers working to achieve organizational goals in supplier diversity.

ORGANIZATIONAL DNA

To be effective, companies need to create an organizational environment that embraces and manages change. Advocacy building is no small feat, and it must be taken seriously if supplier diversity is to succeed.

It's essential to earn team support: When the team is a full participant, supplier diversity will not only be valued, it will become embedded in the organization's DNA. The primary goal should be to inspire change through engagement that leads to shared ownership. To achieve this, collaboration is imperative.

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