

PG&E Supplier Development video – FULL TRANSCRIPT

Audio Description script:

Narrator: An opening sequence of titles says PG&E Supply Chain Responsibility Department presents this; Prime Supplier Academy, Supplier Diversity Workshop, Supplier Development. The speaker is Sheila O. Bright, she is President of the Bright One Consulting. Ms. Bright is a middle aged woman with shoulder length, tightly curled dark hair and glasses. She wears a burgundy vest over a black long sleeve top and black pants. She talks in front of an audience sitting at long tables in a carpeted conference room.

Behind her is a projector screen that shows PowerPoint slides as she discusses them. A PowerPoint slide appears with the heading, Today's Objectives. The bullet points are highlighted in yellow as the speaker reads them. The next PowerPoint slide appears on the projector screen behind the speaker, the heading reads, Supplier Development Programs. The bullet points are highlighted in yellow as the speaker reads them.

The next PowerPoint slide appears on the projector screen behind the speaker. The heading reads, According to the CIPS. A PowerPoint slide appears with the heading, Benefits for Your Company. As she reads sections of the slide, they are circled in red. The next slide has the same heading, Supplier Development Programs, and a new set of bullet points which are highlighted in yellow as she goes through them.

A PowerPoint slide appears with the heading, Supplier Development Steps. Three steps are shown on the slide, each one is highlighted as she discusses it. A PowerPoint slide appears with the heading, So Why Aren't We Doing This? The bullet points are highlighted in yellow as the speaker reads them. A PowerPoint slide appears with the heading, Supplier Development Programs Category Types. The bullet points are highlighted in yellow as the speaker reads them.

The next PowerPoint slide appears on the projector screen behind the speaker, the heading reads PG&E Supplier Training Programs. There are two boxes on the slide, the first is titled technical assistance, the second is titled Prime Supplier Academy. Each box is circled in red as she discusses bullet points inside it. The next PowerPoint slide appears on the projector screen behind the speaker, the heading reads PG&E Supplier Development Mentoring Program. There are four boxes with the titles, Cross Functional Team, Executive Mentorship, Technical Assistance, and PG&E Prime Supplier Engagement.

A PowerPoint slide appears with the heading, Supplier Development Programs. An image on the slide shows a chalkboard with three arrows drawn on it pointing up. The arrows are labeled quality, speed, results. Next to them is one arrow labeled cost, it points down. The PGE logo fades in, the screen reads, Together Building a Better California.

Video transcript:

Speaker: Today we're talking about supplier development programs. You're going to learn how to incorporate supplier development into your Supplier Diversity initiative. Supplier development is all about finding opportunities to improve your supply chain through supplier development. We're going to review different types of supplier development programs, you know, there's mentoring, there's technical assistance programs, scholarship programs and more. You'll learn how to measure the effectiveness of this and also a course gain insight into how PG&E does it. So start with the supply chain responsibility, right who doesn't want a responsible supply chain? If you start with that, then you need to know your supply chain needs to be inclusive. It needs to be sustainable and ethical and supplier development is a way to get you there. Supplier development is designed coaching mentoring and engaging through a ray of methods and it's sharing information and resources to foster suppliers growth improve performance and capabilities. CIPS says supplier development is a process of working with certain suppliers on a one-on-one basis to improve their performance for the benefit of the buying organization, that's you. And think about the benefit that many can gain from that. It can help you resolve maybe a quality issue, safety, improve your safety record. Maybe better aligned with a client's new direction. Supplier development program increases the competitive landscape because your suppliers are better, right? So you're going to perhaps get better pricing solutions, innovation and more competition. More competition usually drives what? It fosters collaboration and trust and we're going to talk a little later about how that works. I mean, it's a partnership. When you you sign a contract with another company. The understanding is you both should be able to succeed. Reinforces diverse suppliers commitment to job creation for community prosperity and also supplier development programs can move your diverse suppliers from transactional maybe small parts of the business to perhaps a strategic business because they know a little bit more about your company. Through supplier development, you're going to be able to share with your suppliers truly who your company is, what your about, your goals, your culture. You're trying to help them be successful in your supply chain and you'll be able to understand. What are the missing parts? What do they need help with? And it will increase your supplier diversity success. What if you take the time to meet the diverse supplier, have meetings, understand their business, do some vetting. You spend a lot of time vetting that company to the point you get to bring them into the supply chain. You want them to be successful. They may be successful in the beginning but have you ever seen where a company then kind of slides off. They are not able to keep up with the demand. They're not able to keep up with changes in your business. You have already invested too much to lose that diverse supplier. So you want to make sure you're developing those that are important to your business. So again back to the concept supplier development programs are about investing and engaging in your supplier, so you're successful and this is what it basically does for you. All good stuff, right? Supplier development steps to create your own supplier development program. Usually you're more successful if you have a cross-functional team and you create a course, your mission, your charter, your goals. You ID Supply Chain Improvement opportunities because of course you're working on a problem. Then you create your selection of mentees. And you detail, what are you looking for? Are you looking for small businesses, large businesses, certain kind of industry? And then you get your mentors. You almost have, you need to have them sign

the bottom line. Commit to meeting with your Mentor every month, commit to meetings, commit to the hard assessment, developing a relationship. And then of course you come up with your timeframe commitment resources the tools you need. Sometimes it's software. Sometimes it's the expert. Sometimes it's just bringing in guest speakers. And then you want to of course document your progress, your course adjustments, right? Sometimes you find this is not helping or you find out after your mentoring suppliers, you're getting the same kind of feedback. You're like, wow, we were going to address this problem. We're seeing this is a precursor to that. The root causes changes and then your report statuses and it's really particularly to your customers, but meaning really your stakeholders. Your Executives, the people that are providing the time, the Champions I will say of your supplier development program because when you invest those resources, it's really important to show progress right or else you're not going to get it again next year. And then create a development Community to replicate that process. Once you've got it down, keep it going, do another one the next year or two years later or six months later. You determine once you really go through the ropes of creating a program, having the success, documenting it, keep it up. Do another group of suppliers or choose another supply chain challenge, but keep it up because that's how you're going to strengthen your supply chain. So why aren't more companies doing supplier development. These are some reasons. It's the suppliers job to be good. I mean who can argue with that right? Supplier needs to be good. They need to be competitive or we don't have the manpower to do it. It's a win-lose mentality, we'll wait a minute. I have the contract, I don't want to spend time developing another company, but think about the alternative is if your supply chain is not delivering what your client wants, diversity and solutions and affordability and running and humming at the top level willing to let your competitors get your business. Talk a little bit more about the types of supplier development programs that are available and there's quite a few. These are some of the types of supplier development programs. It could be formal, it could be informal. Your biggest impact is formal mentoring just like the program's you put together, but there's other types as well. Technical assistance, scholarship awards that develop someone. Maybe you don't have the Manpower in house. Maybe you don't have the expertise in house. Leadership development courses are available to send your suppliers to. A lot of times I have seen where there's some DBE companies in the supply chain. They have the technical expertise. They know how to deliver the product or the service but their leadership team is weak, which means they're going to wobble right? They're going to wobble. Especially if you start giving, when they're trying to build capacity in their company, and maybe you identify that's where you need to help them. You need to send them to some training where they create a board of directors. Send them to another successful diverse supplier to help them understand what a strong leadership team is or how to have a succession plan. And of course, there's Advanced Management courses and the 101 or informal or formal coaching available. PG&E has a supplier development program that's pretty detailed. Now this is their technical assistance program that has been running for several years. These of course are PG&E's priorities. They're safe, DBEs are green. They're affordable, cyber secure. Where a DBE can walk away from a workshop and say alright, I have a long to-do list because I'm not quite there when it comes to cybersecurity and that means that I am not going to be competitive to get business with the primes or directly with PG&E. Prime supplier Academy. I think PG&E was only one in that I'm aware of that it launched a prime supplier Academy just to train

their own Prime's to do more Supplier Diversity and includes workshops like this, sustainability trade mission workshops. Now they're mentoring program involves a cross-functional team like you put together. They do a supply chain analysis find a pain point, right and then they determine what they're going to Mentor their suppliers on and they take time to do an internal supplier assessment. Then there is a component of executive mentorship. Quarterly they meet with a PG&E executive. I mean how valuable is that? What would you give to sit down with the chief procurement officer or executive? They also help them with a course technical assistance as well. Getting quality certified, doing SWOT analysis and the engagement part is really important. They will make sure they bring in Primes to work with the diverse suppliers. The Prime, they will introduce diverse suppliers to their Primes. PG&E is looking for the Prime like you to get engaged. Mentor them, coach them, sponsor them. Take them on road trips with you, take them to conferences with you. I thank you and I'm going to leave you with that image of increasing your quality, the inclusion of your supply chain. Lowering your costs potentially with a more effective and efficient supply chain because you're suppliers are better through your supplier development.