Building a Robust Supplier Diversity Program Full Transcript

Audio Description Script

Narrator: An opening sequence of titles says, "PG&E Supply Chain Responsibility presents this Prime Supplier Academy Supplier Diversity Workshop, creating a Robust Supplier Diversity Plan."

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 long black cardigan over a red and black print 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 on the projector screen and behind the speaker. The heading reads, "Supplier Diversity programs evolve." The first slide shows a bar graph with an arrow showing the upward trajectory. Each bar was circled in red as she discusses bullet points inside it. A title reads, "Maturity matrix."

A group of diverse workmen discuss a sheet of building plans lying on a table. A group of diverse workers have a discussion in an office conference room. "Supplier Diversity best practices." There is a montage of diverse workers in various settings. A man writes on a large pad of paper in a meeting with four others in a conference room.

A power point slide appears with the heading, "Supplier Diversity best practices." Bullet points on the slide are highlighted as she discusses them. There was a montage of diverse workers in various settings. A group of employees wearing orange vests listen to a speaker talking in front of a whiteboard, female electric lineworkers wearing hard hats and vests, and a man in a wheelchair looking at a computer with another worker. A semi-opaque blue screen appears over the speaker and the text reads, "Your diversity plan should be based on your company's vision and mission statements."

Men in hard hats and suits look at a solar panel installation. Two women discuss any electric car charging station model. A power point slide appears what the heading, "Executive support." The slide is divided vertically into three sections. What? Why, and how.

Bullet points on the slide are highlighted as she discusses them. There is a montage of diverse workers in various settings. A group of executives arrive in a conference room and sit down. Two workers handle a large metal cylinder. Two men wearing orange work vests have a discussion at a table, and a diverse group of men discuss formulas on a whiteboard.

Two men in a warehouse discuss inventory with a forklift in the background. Two women give a presentation in a bright conference room. Executives wearing hard hats watch a machine operate in an industrial plant. A man in a white safety suit wearing a green hard hat talks on a telephone inside a plant. A man and two female coworkers use sign language to communicate.

The next PowerPoint slide appears on the projector screen and behind the speaker. The heading reads, "Corporate policy and aggressive goals." The slide is divided vertically into three sections. What, why, and how. Bullet points on the slide are highlighted as she discusses them.

There is a of diverse workers in various settings. A middle-aged black woman exits an office building through a revolving door. A dark haired woman talks on a phone in a control room. A conference room is filled with diverse workers on laptops. Footage of diverse office workers in discussions. There is footage of a sequence of all the PG&E's Prime Supplier Guide.
The next PowerPoint slide appears on the projector screen and behind the speaker. The heading reads, "Uncover contract opportunities." The slide is divided vertically into three sections. What, why, and how. Bullet points on the slide are highlighted as she discusses them. There is footage of a worker on a printing machine. People socializing at a work party. Field workers wearing orange vests arrive to work. A group of diverse workers have a discussion in an office conference room.

A PowerPoint slide appears with the heading, "Metrics and reporting." The slide is divided vertically into three sections. What, why, and how. Bullet points on the slide are highlighted as she discusses them. There is footage of a group of diverse workers have a discussion in an office conference room.

A PowerPoint slide appears with the heading, "Supplier Diversity outreach." The slide is divided vertically into three sections. What, why, and how. Bullet points on the slide are highlighted as she discusses them. There is a montage of diverse workers in various settings. A diverse group of about 50 people wearing name tags, socializing and holding drinks and plates of food. Professionals attending a presentation. Two workers in a lab setting discuss a green cylindrical tube with hoses coming out of it.

A PowerPoint slide appears with the heading, "Subcontractor's Supplier Development Program." The slide is divided vertically into three sections. What, why, and how. Bullet points on the slide are highlighted as she discusses them. There is footage of three people in a dark room with a projector screen. One wears a VR headset and holds a controller while the others look at images on a laptop and on the projector screen.

The next PowerPoint slide appears on the projector screen and behind the speaker. The heading reads, "Prime Supplier Program." The slide has three vertical columns with blue informational boxes inside them. The columns are headed, "Prime Supplier Program overview, RFP and reporting requirements, and Prime Supplier Program subcontracting audit." Bullet points on the slide are highlighted as she discusses them. A PowerPoint slide appears with the heading, "Build your Supplier Diversity Program workbook, Prime Supplier Program." On the left of the slide is a large navy box with one bullet point that reads, "Utilize PG&E Prime Supplier Guide."

The next PowerPoint slide appears on the projector screen and behind the speaker. The heading reads, "Continuous improvement." Bullet points on the slide are highlighted as she discusses them. The PG&E logo fades in.

VIDEO SCRIPT

Sheila O'Brien - So welcome to the Supplier Diversity Lab, Building Your Supplier Diversity Plan. We're looking for your Supplier Diversity initiatives to move in this direction, to get better, to move towards world-class. This is just a maturity matrix. You can almost categorize most Supplier Diversity programs, from really none or informal, to basic, to traditional, to advanced, to world class. When you're down in basic or none, you really don't have a program, you don't have a plan, you don't have a real business case to support it, to when you start moving up the continuum, you'll see that you start to develop down in the bottom in red, well, then you add a formal policy, you add outreach, you add Supplier
Diversity goals. When you're in traditional, usually your Supplier Diversity results are in the single digits, but as you move forward you get in double digits. Keep this in mind when you're making your plan, you're moving on a continuum. There are Supplier Diversity best practices. They start with executive support, we're building from the bottom up, having a corporate policy, aggressive goals. Actual real contract opportunities, metrics and reporting. Communications, development of suppliers, Prime Supplier Program, and also a feedback loop so you have continuous improvement in your initiative. So, Supplier Diversity is simply a visible commitment to include all talent for the best supply chain, based on your company's vision and mission statements. So you wanna make sure it's reflective, again, of your company. There's not one Supplier Diversity plan that works for everyone, it should reflect what's important to your business. It should be adequately resourced, that is often a challenge in the real world, and it needs to support your company business. Executive support simply means ownership throughout the company. It's your executives that are accountable for meeting the goal, your executives are involved. Your president, your CEO, is able to articulate, yes, we have a Supplier Diversity initiative and this is why, and this is why it's important to the business. And that it's strategic to, and relative to, the company's mission and priorities and top goals. And the executives are involved, they're involved with maybe the outreach, maybe with supplier development, maybe just making sure you have the budget and the people you need to make it happen. Where they're invested in the program's success. And why, why is important? One of the most important things is that's where the money flows, right. They make the decisions on the budget and the resources, the people, the time, the systems, so you wanna make sure your executive is involved. Also, access to decision makers. When you have your top leaders involved, they can help you make decisions when it comes to Supplier Diversity and to your program. It drives employee accountability because from the top down type messaging will help drive employees involvement. They will understand it's as important to the business, say as cost savings or supply chain performance. How do you make it happen? You need a business case. I suggest always having a short one and a long one, but at least the short one, where it's a slide presentation. Three or four slides. You have to know what you're going to ask for in terms of budget and people. You want to also have an executive champion. Executive support means not just providing the resources, but getting involved and having that champion you can go to when you have questions or when you want someone to convey to other leaders. And define their role and responsibility. If you create a cross-functional team, you need to say what you want them to do and why. No one wants to get involved with something when they don't understand what's in it for me? And what, clearly, do you want me to do? You need to have corporate policy and aggressive goals. What is it, well, it's a policy. What is a policy, it's written. It's written down and, normally, the most important policies in your company have an executive sign off on it. Supplier Diversity should be the same. It's an aggressive, measurable goal that you put down with your policy, the goals that you state to PG&E, to yourself, to your company, or other clients. You have a commitment to meet that goal, and even stretch goals. It reflects the corporate mission and values, your policy, your Supplier Diversity policy. And the policy and goals, of course, are circulated throughout the company because everyone needs to be aware of it. Why do we do it, well, of course, to be clear. If you're clear about what you're trying to achieve, it's more achievable. It's adopted the same way as any other major policy, as I mentioned, it puts Supplier Diversity a little more on the critical path with important initiatives that the company undertakes. And it's part of the corporate culture verses something that's just a short-term goal. If you say, well, we're gonna hit 10% and you hit 10%, it's over with. No, it's part of your company, it's who you are. How do you do it? You're gonna draft a policy statement. You're gonna gain approval. Utilize PG&E's Prime Supplier Guide. This is for you. It is your pathway to being a prime supplier and responding to PG&E with your plan, your goals, it's how-to guide, it's on their website. Everyone in Supplier Diversity should have, and everyone in your Supplier Diversity team should have that. And you're gonna share this with your employees, your suppliers as well, your stakeholders. And you can even set goals, of course your company-wide goal but you can drive goals
down to a particular department, or down by a purchasing manager or a buyer. And your policy should be on the website. It should be on your internal website, maybe your external website, but it should be clear and in front. To have diverse suppliers in your supply chain and report results, you've gotta have actual contract opportunities. And what does that mean, it means you have a method for finding DBE contracting opportunities. Also you wanna understand what your supply chain looks like, the ins and the outs of your supply chain. Why do this? You have to uncover the contract opportunities so that, of course, you have some opportunities when you meet the right companies. And it's actually, of course, critical to making those goals happen, how do you do it? You do a high-level analysis of your value chain. Your supply chain. Create a collection point for those opportunities so that you know what kind of DBE company you're looking for. And then develop processes for integrating Supplier Diversity into the sourcing and contracting process. Metrics and reporting. Well, simply, a measure of your program. The success of your program. Monitoring reports and tools so you know you're getting close to achieving your goals. And, also, a way to communicate how you're doing. Why to do it, because, of course, it drives action, provides a focus for the action for Supplier Diversity, and it's a compass of your program. So how do you do it, you could have manual tracking, you could have customized data systems, you can determine what data points and reports you will collect and distribute. And the report varies by the type of audience, 'cause people wanna only know what's in it for them usually. And include auditing to make sure your Supplier Diversity reports are accurate. Supplier Diversity outreach is also very important. That's how you're gonna find the diverse supplier you want, and you're going to tell the diverse suppliers, in the community and out there looking for business, what you're looking for in a supplier. So it's really supplier engagement. Are you out there, are you talking to diverse suppliers, are you meeting them, are you telling them what your supplier requirements are? Another way you can find diverse suppliers, other than outreach events, is there are databases out there, full of thousands. But you do wanna build relationships with these companies, pretty much like any supplier, to make sure they're the right fit for your business. Why do it, you want it to be a match of course, you want to be able to find the diverse suppliers you want, and through organizations you do outreach with. They have many other resources available to you. It also increases the visibility of your program, and it enriches your Supplier Diversity leadership if you are out there talking about Supplier Diversity in the Supplier Diversity network. How do you do it? Well, you identify what you need, then you match it to the companies that you're meeting and talking to. A strategy should be to make sure it's in the budget to do this, 'cause it does take budget to go to outreach events. Join organizations, that is what robust Supplier Diversity programs do. To have a formal communication plan, you want to have, of course, the plan, a calendar, when you're gonna push out information, and to who, and you usually need a partner. You need either the communications department or the publicity department. Strategic communications are actually core dated, and you can create a whole strategy. It's all about getting your business case out there, why you do it, how it's important, and then the channels that you're going to use. If you have a supplier development program for your DVBE's, it's simply coaching/mentoring, it improves performance, that's the whole goal, and it is a best practice for supply chain professionals. If your supplier fails, you're gonna fail, and you customer just sees you. And then why you wanna do it, of course, it's improving your supply chain, and it strengthens collaboration between you and your suppliers, and it can increase innovation when you talk things through, when you coach them and mentor them. So how do you do it, you can have formal, informal programs, you could get the involvement of your executives, executive to executive coaching is very good, a good way to provide supplier development. It's required for your strategic planning. Prime Supplier Program. This is how you really make it all happen, and you're successful, and you understand the requirements. Just the overview of the Prime Supplier Program is, of course, you have your annual results, you have your annual plan you turn in. There's program criteria, what subcontracting results are all about, compliance and the resources. Actual reporting, the mechanics of reporting, and then subcontracting audit. So here's your reference point for the Prime
Supplier Program. Make sure you use the guide, make sure everyone in your team has the guide. Attend the webinar, report payments. It is all in the guide, but these are just the high points when your Supplier Diversity Program and your plans are living, breathing document, so you have to a continuous improvement 'cause the world changes, business changes. And it's a commitment to constant improvement, meeting your goals, and planning for business changes. It ensures the long-term success of your program, and it ensures that Supplier Diversity stays on that critical path. That will keep you meeting your goal, exceeding your goal, and satisfying your customer as well. How do you do it, you incorporate Supplier Diversity strategic planning just like you do with any other product or service that you provide through your company, and provide regular program assessments. Solicit feedback, that's always very important. And where you're successful, replicate it. Supplier Diversity here at PG&E has excellent team members, consultants, that they are there for you. I've observed it, they're there for you, they will help you, they will give you the feedback of where you can improve.