Why Supplier Diversity Programs Fail

TIPS TO OVERCOME THE CHALLENGES
Who is the University of Missouri System

Campus Locations
- Columbia
- Kansas City
- Rolla
- St. Louis
- Total enrollment – 75,000

MU Extension
- 114 Counties
Supplier Diversity at UM

- Leadership Changes
- Different focus on Supplier Diversity

FY15 - FY18

- 2015: 2.0% (Campus % achieved), 4.0% (MUHC % achieved), 5.8% (Target)
- 2016: 11.0% (Campus % achieved), 9.0% (MUHC % achieved), 8.8% (Target)
- 2017: 6.0% (Campus % achieved), 7.0% (MUHC % achieved), 5.8% (Target)
- 2018: 6.0% (Campus % achieved), 8.0% (MUHC % achieved), 8.0% (Target)
Common Reasons Programs Fail

- Staying at Status Quo
- Lacking Upper Level Support
- No Policy in Place
- Misunderstanding your Data
- Not Knowing your Suppliers
- Only Looking at Tier 1 Suppliers
- No Champion in Procurement
Staying at Status Quo

- Stakeholder buy-in
- Become Proactive
- Identify new suppliers

Why Change?
Lacking Upper Level Support

• It’s not about checking a box
• Establish common goals
• Must understand institutional dynamics
No Formal Policy or Goals

• Understand your regulatory requirements
• Set a goal
• Determine the strategies to meet the goal
Misunderstanding your Data

- Use data to determine your target
- Include ALL spend
- Exclude areas where you have no influence
Not Knowing Your Suppliers

• Expand Suppliers per Commodity Channel
• Develop Local and Regional Suppliers
• Consider more than just MBE/WBE
Only looking at Tier 1 Suppliers

- Make Tier 2 a Priority
- Provide Feedback
- Provide Training
No Champion in Procurement

- Needs to Understand Procurement Policies
- Makes connections between Suppliers and Procurement
Overcome the Challenges

SUCCESS