

Levelling the Playing Field Across Europe

European business leaders have started to realise what their American counterparts have known for quite some time – supplier diversity is not a PR gesture, it's a strong business asset.

By Maurice Mcleod

Supplier Diversity Europe (SDE) was set up to promote the value of having a diverse supply chain to some of the continent's largest companies.

The project had ten founding multi-national members. These were: Citigroup, Credit Suisse, Deutsche Bank, Goldman Sachs International, Hewlett-Packard, IBM, Merrill Lynch, Morgan Stanley, Spring Group plc and the Law Offices of Weil, Gotshal & Manges. Membership now stands at 19 companies.

Liz Holford, SDE Supplier Relations Manager said, "The issue of supplier diversity differs from company to company and country to country, but one thing that is constant is that having suppliers from as wide a range of backgrounds as possible allows companies to provide better services for an increasingly diverse marketplace."

"Our members are involved because they can see that creating a level playing field in their supply chains will allow them to tap into a fuller range of businesses."

SDE was born out of a Migration Policy Group forum. MPG is concerned with equality, anti-discrimination and protecting rights for those moving across Europe's borders.

Ms Butler, who came to Europe from the US, believes that Europe can take advantage of the lessons that American firms have learnt over the last three decades.



Gerard Voogt
Regional Procurement
Director, Citigroup
Business Services Chair,
SDE Board of Directors

Very quickly it became obvious that creating a level playing field for supplying large companies would have a major effect on the lives of some of the Europe's disenfranchised.

This in itself would not have been enough of an incentive for large companies and the push to move supplier diversity up the agenda came from America.

"In a lot of cases, the trigger for involvement in SDE came from the large US-based companies," Ms Holford said. **"Supplier Diversity has been on the agenda in the US for over 30 years and the European arms of American companies already had a good understanding of the importance of a diverse supply chain."**

Supplier diversity began as a corporate initiative but was boosted in the US when it was ruled that a percentage of local and federal authority spending would go to minority businesses. This forced companies to look at their supply chains with a more critical eye.

Many companies have said that they try to ensure that their supply chain is diverse but struggle to get good information about the make up of various prospective suppliers.

"Until very recently there was no European based list of suppliers that gave any information about the supplier company's ethnicity or gender," Ms Holford explained.

SDE has set up a database of suppliers from all sectors which also list the supplier's ethnicity, gender and disability status.

"The SDE database was launched Apr 19th. We already have over 250 registered firms," said Jo-Ann Butler, SDE's programme director.

Ms Butler, who came to Europe from the US, believes that Europe can take advantage of the lessons that American firms have learnt over the last three decades.

"It has taken many years to get some things smoothed out," she said. Europe should be able to learn from some of the



"Having senior staff from such large companies involved in the forum meant that supplier diversity has champions at high levels."

challenges that the US has already dealt with." Ms Butler's role at SDE is to help large companies connect with diverse suppliers.

SDE held a Supplier Diversity day in June which paired suppliers with large buyers in targeted one-to-one meetings.

Ms Butler was involved in supplier diversity from the client's side when she worked for Hewlett Packard. This has helped her to understand the motivation of those large corporations who have signed up.

"They either wanted to make the case for supplier diversity, normalise supplier diversity throughout their processes or find diverse suppliers," she said.

Those involved in the forum are enabled to return to their jobs and make the case for supplier diversity. "Making things happen in large corporations can be quite difficult," Ms Holford said.

"Having senior staff from such large companies involved in the forum meant that supplier diversity has champions at high levels."

Two ladies in picture:
Top, left: **Beth Ginsburg**
Member Services
Manager, SDE

Top, right:
Liz Holford
Supplier Relations
Manager, SDE

Bottom picture
Jo-Ann Butler
Programme Director, SDE

To find out more about Supplier Diversity Europe, or to register your business, log on to www.supplierdiversityeurope.eu



Supplier Diversity Europe 2nd Supplier Diversity Day

Supplier Diversity Europe's 2nd Supplier Diversity Day will take place on Wednesday 28th November 2007 at Canary Wharf in London. Attendance will be by invitation only.

Members of Supplier Diversity Europe are currently identifying business sectors and sub-sectors within which they have trading opportunities. Diverse-owned businesses operating within these sectors will then be identified and invited to 2nd Supplier Diversity Day, and in particular to pre-scheduled one-to-one meetings with procurers from member corporations. Sectors that are likely to be included:

- **Temporary agency staff** (not social care)
- **Permanent recruitment** (financial and professional services)
- **Uniforms and workwear**
- **Facilities management** (particularly architectural and project management services for corporate office refits)
- **Office supplies**
- **Corporate gifts**
- **Catering & events services** (including diverse-owned restaurants and hotels)

Diverse-owned businesses interested in taking part in 2nd Supplier Diversity Day are cordially invited to complete and submit their profile for registration within this Database, as this will facilitate a 'matching' of SME businesses to corporate opportunities.

Most members of Supplier Diversity Europe consider 'diverse' businesses to be those at least 51% owned by people from minority ethnic groups, women, people with a disability and/or people who are lesbian, gay, bisexual or transgender (LGBT). Some, however, are seeking to meet potential suppliers from the wider small and medium sized enterprise community.

Most corporations expect, as minimum, that suppliers are structured as limited companies, are VAT registered and can demonstrate that they have the capacity and capability to deliver the contracts in question (e.g. via references and previous trading records). Any potential suppliers who could benefit from support in becoming 'fit to supply' in this way are (if they are based in London) encouraged to contact SME procurement support programme Supply London (www.supplylondon.com) for free guidance and assistance.

**To find out more about Supplier Diversity Europe,
or to register your business, log on to**

www.supplierdiversityeurope.eu