



THE STATE OF SUPPLIER DIVERSITY PROGRAMS IN CANADA

THE BUYERS' PERSPECTIVE

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About University of Manitoba

The University of Manitoba is western Canada's first university, established in 1877. Its campus is situated on original lands of Anishinaabeg, Cree, Oji-Cree, Dakota and Dene peoples, and on the homeland of the Métis Nation. It is Manitoba's only research-intensive university, and one of Canada's top research institutions. The University serves more than 29,000 undergraduate and graduate students. From 2006-2009, its supply chain management department developed and wrote a new C.P.P. curriculum for the Purchasing Management Association of Canada (PMAC). Since then, the C.P.P. has been re-labeled SCMP, and PMAC is now Supply Chain Canada.

About University of Calgary

Established in 1944 as the Calgary campus of the University of Alberta, the University of Calgary was instituted into a separate autonomous university in 1966. Situated near the Bow River on the traditional territories of the people of Treaty 7 region of southern Alberta, the campus hosts 14 faculties, 55 departments, and 85 research institutes and centers. Twelve research centres are hosted within the Haskayne School of Business including the Canadian Centre for Advanced Leadership in Business, the Hunter Center for Entrepreneurship and Innovation, and the Canadian Centre for Advanced Supply Chain Management and Logistics.

About WBE Canada

Women Business Enterprises Canada Council (WBE Canada) is a Canadian non profit organization with a mission to empower Canadian Women Business Enterprises (WBEs) with equal access to corporate and public procurement. Our role is to certify, promote and develop women-owned businesses while also supporting our Corporate Member community with the access to a pool of business-ready suppliers. Since 2009 we've been certifying businesses that are 51% or more owned, managed and controlled by women and connecting them to supply chains. We also work closely with our Member organizations to help them develop effective and impactful supplier diversity programs. More information at [WBECanada.ca](https://wbecanada.ca).

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INTRODUCTION

The roots of supplier diversity (SD) can be traced to the American civil rights movement in the 1960s (Larson 2012). Today, Bateman et al. (2020) suggest that SD programs are “more important than ever,” due to growing awareness of systemic racism in the United States and elsewhere. SD is linked to aspects of organizational culture, such as moral and ethical standards. It can also create economic opportunities for folks in business from disadvantaged communities. Bateman et al. (2020) also develop the business case for SD; by encouraging competition and broadening the supply base, it can yield better quality and lower cost procurement outcomes. Unfortunately, “too few companies have (SD programs) and many of those who do have allowed their initiatives to become token gestures.”

Robinson (2016) asks: “Does Supplier Diversity Really Matter?” In reply, he argues that organizations need SD to be “innovative, responsive, and cost-effective.” More than 99 percent of all American businesses are “small” – and over 50 percent of these businesses are owned by women and/or visible minorities. Strikingly, while women- and minority-owned firms account for more than half of American businesses, they command only about 6 percent of total revenues (Robinson 2016). The good news is that, inspired by the global social reform movement, diversity is a hot topic in board rooms – and many organizations appear to be starting or expanding SD programs (Mayer 2021).

The Institute for Supply Management (ISM) Principles of Sustainability and Social Responsibility define

the range of issues to be considered in supply chain sustainability and social responsibility. “Diversity & Inclusion” is one of the eleven principles, in which organizations are advised to “promote diversity and inclusion throughout the organization and the supply chain.” The responsibilities of supply management (purchasing) organizations are to: “foster and engage a diverse group of employees, external partners, suppliers and affiliates; and provide organizational resources and develop and implement practices that identify and develop supply management employees and suppliers from diverse and underrepresented populations” (ISM 2020).

The purpose of this report is to present results of a recent survey of Canadian buying organizations, identifying barriers, facilitators and motivators of SD in Canada. During October and November 2020, a link to the survey was sent to a selection of large purchasing organizations (LPOs) in Canada. While seventy purchasing professionals started the survey, around fifty of them provided reasonably complete responses. The results are based on those responses.

The next two sections of the report briefly profile the major supplier diversity councils in Canada and highlight a review of the SD literature. This is followed by the main section, detailed presentation of the survey results. The final two sections of the report offer conclusions and recommendations, based on results from the survey.



CANADIAN SUPPLIER DIVERSITY COUNCILS

In Canada, SD is supported and facilitated by five focused councils plus an alliance of the councils and other stakeholders. Drawing from information on their web-sites, these SD organizations are briefly profiled next.

Canadian Aboriginal and Minority Supplier Council (CAMSC)

CAMSC “facilitates the growth of Aboriginal and minority owned businesses, by connecting them to procurement opportunities with companies and governments committed to a diverse and inclusive supply chain.” CAMSC was founded in 2004, as a not-for-profit organization connecting suppliers with buyers by certifying diverse suppliers and facilitating their engagement with large corporate and public sector buying organizations (<https://camsc.ca/>).

Canadian Council for Aboriginal Business (CCAB)

CCAB’s mission is “to promote, strengthen and enhance a prosperous Indigenous economy through the fostering of business relationships, opportunities and awareness for all of our members.” Beginning in 1982, CCAB continues working to bridge the gap between large Canadian corporations and Aboriginal communities, to improve economic self-reliance of Indigenous Peoples while assisting businesses across Canada (<https://www.ccab.com/>).

Canadian Gay and Lesbian Chamber of Commerce (CGLCC)

LGBT+ suppliers face barriers. Many have hidden who they are to avoid losing business opportunities, and have even lost opportunities due to being who they are. CGLCC programs are designed to elevate LGBT+ businesses and foster greater diversity and inclusion across Canada’s economy. The Chamber facilitates business connections toward building a more inclusive nation. CGLCC also offers training for organizations looking to create more inclusive cultures or programming (<https://www.cglcc.ca/>).

Inclusive Workplace and Supply Council of Canada (IWSCC)

IWSCC is a Canadian non-profit organization, supporting businesses owned by veterans and/or people with disabilities. The Council provides certification to officially recognize these businesses as diverse suppliers, and works with corporate partners to increase workplace and procurement inclusivity. In terms of SD, IWSCC bridges the gap between veteran- and/or persons with disability-owned businesses and leading organizational buyers in Canada, via networking and mentoring (<https://iwsc.ca/>).

Women Business Enterprises Canada Council (WBE Canada)

WBE Canada has been connecting Canadian women-owned business enterprises to corporate supply chains since 2009. The Council provides third-party certification of businesses owned, managed and controlled by women. Driven by core values of innovation, integrity, collaboration and impact, WBE Canada focuses on building relationships, facilitating knowledge transfer and driving economic growth (<https://wbcanada.ca/>).

Supplier Diversity Alliance Canada (SDAC)

SDAC was established in 2016 to advance SD in Canada. The Alliance is made up of four of the councils briefly profiled above - CAMSC, CGLCC, IWSCC and WBE Canada. SDAC informs and supports government agencies, businesses and other stake-holders on the importance of inclusive procurement policies and practices, leading to economic growth and positive social impact (<https://www.supplierdiversityalliance.ca/>).

LITERATURE REVIEW

This section updates previous reviews of the SD literature (Larson 2012; Larson et al. 2016), which structure the literature in terms of motivators of SD initiatives, challenges or barriers, facilitators, practices, and the business case for SD. Somewhat surprisingly, a search of peer-reviewed articles reveals few new studies since 2016. Further, similar to the previous SD literature, these new articles focus largely on American SD programs; or comparing the United States with other countries, such as the United Kingdom (UK), in terms of SD programs and perceptions.

According to Batra, Housh and Schannon (2021), many corporations in the United States are increasing their collaboration with suppliers owned by minorities, women, and other under-represented groups. Between 2017 and 2020, corporate spending with diverse suppliers increased by an estimated average of 54 percent. However, Batra et al. (2021) also suggest there are four critical obstacles to SD success. First, many initiatives have a short-term, tactical, “stand-alone” focus, rather than a long-term strategic focus. Tactical programs are much less likely to endure. Second, competing priorities (e.g. improving quality, expediting delivery or reducing cost) can easily take precedence over SD. Third, SD programs suffer from a lack of investment in activities such as supplier development and mentoring. Fourth, and finally, programs limited to first-tier suppliers are missing many opportunities to increase diversity spend at the second tier.

Based on data collected from buyers at large organizations in the United States and United Kingdom, Blount and Li (2021) identify factors that motivate such organizations to buy goods and services from minority-owned suppliers. They report that perceived positive “social capital” (e.g. trust,

information sharing and unity of purpose) vis-à-vis ethnic minority suppliers inspires buyers to increase spending with those suppliers. Of course, this finding is hardly a surprise. In addition, a buyer’s attitude toward SD (i.e. belief in and commitment to SD) affects this relationship between perceived social capital and volume of spend. While this result is also as expected, it is important to note that an individual buyer may or may not be committed to SD, aside from his or her or their organization’s SD program status.

Research on public-sector SD programs continues to be rare, especially outside the United States. In a study of socially responsible public procurement, Cravero (2017) compares “set-aside” programs in the U.S., Canada and the European Union (EU). Traditionally, government buyers operated on a mandate of “best value for money” (BVM), i.e. getting the best deal in terms of cost and product or service quality. Adding social considerations to their decision criteria takes public buyers beyond the purely economic logic of BVM. In the United States, set-asides have been a feature of public sector SD programs since the beginning, and they are still a tool of Affirmative Action. In Canada, set-asides have largely focused on development of Aboriginal/Indigenous businesses. Until recently, the EU has rejected the concept of set-asides, since they have the effect of restricting open competition.

In summary, the SD literature continues to focus primarily on American programs, private-sector (as opposed to public-sector) programs, and programs specifically targeting ethnic minority businesses. Nonetheless, the extant literature is once again the starting point for developing survey questions on the motivators for, barriers to and facilitators of SD programs in buying organizations.

SURVEY RESULTS

Q1. Which of the following best describes the status of SD at your organization?

Status	Description	Percent
No SD		2.2%
Equal opportunity	No discrimination against suppliers due to gender, ethnicity, etc	22.2%
Initial SD	SD policy and/or conducting some SD training	11.1%
Partial SD	Member of 1 or more diversity councils; SD among RFP criteria	33.3%
Full SD	Mentoring diverse suppliers, outreach and tracking SD spend; second-tier program	31.1%

While 64.4 percent of the respondents have partial or full supplier diversity (SD) programs, 11.1 percent are only at the initial stage. The remaining 24.4 percent have no formal SD program, though almost all of these organizations embrace equal opportunity and do not discriminate against suppliers based on personal characteristics. Note: buyers without a formal SD program skipped questions 2 through 12.

Q2. Which of the following groups does your SD program include? (Please check all that apply)

Group	Percent
Indigenous Peoples	93.9%
LGBT + people	93.9%
People with disabilities	72.7%
Veterans	78.7%
Visible minorities	93.9%
Women	93.9%

An overwhelming majority (93.9 percent) of SD programs include Indigenous Peoples, LGBT+ people, visible minorities and women. Lesser majorities of the programs include veterans (78.8 percent) and people with disabilities (72.7 percent). Respondents also noted several other groups included in their programs, as follows: youth and seniors; service-disabled Veterans; Hub Zone businesses (U.S.); and small and medium-sized enterprises (SMEs).

Q3. Are you a member of any of these Canadian diversity councils? (Check all that apply)

Council	Percent
WBE Canada – Women Business Enterprises Canada Council	61.8%
CAMSC – Canadian Aboriginal and Minority Supplier Council	61.8%
CCAB – Canadian Council for Aboriginal Business	41.2%
CGLCC – Canadian Gay and Lesbian Chamber of Commerce	41.2%
IWSCC – Inclusive Workplace and Supply Council of Canada	14.7%

Among the survey respondents, WBE Canada and CAMSC are the most popular councils, both with 61.8 percent of the buyers in the sample as members. While CCAB and CGLCC both have 41.2 percent of the buyer-respondents as members, IWSCC only has 14.7 percent.

Q4. Please briefly describe your SD program; in terms of goals, program components, etc.

Following are the (edited, with organizational identifications deleted) replies from the respondents:

1. Providing equal opportunities to diverse suppliers and making connections with our organization.
2. The program’s purpose and commitment is to build an inclusive supply chain and help the diverse supplier community prosper. Program vision is to demonstrate a leadership position in SD in Canada by influencing our suppliers, our corporate peers and stakeholder groups, and advance the program in other major regions. The goal is to advance equality of procurement opportunities to businesses owned by women, aboriginal people, minorities, LGBT+, disabled persons and veterans.
3. We are committed to doing business with diverse suppliers because of our overall responsibility to the communities in which the company and its employees live. This policy is based on the belief that cultivating a diverse supplier base that reflects our customers’ diverse customer base makes good business sense. We track our diverse spend and set goals for inclusion in all our divisions.
4. We have a social procurement policy in place and are currently working on developing a procedure document. We have piloted a number of construction projects at our institution where we have embedded community-benefit deliverables and targets.
5. Goal: by 2023 50% of awarded contracts (#) and value (\$) will be to SD vendors; considering ownership / control / certification; as well as employment equity (workforce diversity overall / leadership; compensation; internal programs / policies / SD programs)
6. Our current SD program has been formalized for over 12 years, and is currently US-centric. We will be expanding globally in 2021 to include three additional countries. We track first tier diverse spend, report tier 2 to five of our largest customers, and include SD in our RFx processes.

7. Include and source SD vendors to supply products and services in the construction industry.
8. Strong support for WBE Canada, CGLCC, CAMSC; seat on boards / procurement council / committees and participation in events; tracking SD spend with targets; fixed criteria for inclusion in RFX events and % value; inclusion in supplier code of conduct, enterprise sustainability report and onboarding processes / vetting; seat on internal D&I committees representing SD; proactive engagement and support of diverse suppliers; goals for 2021 include increasing spend, tracking tier 2 spend, targeting specific diverse suppliers for pilot activities, and embedding SD more formally with our suppliers
9. Diversity is one of our core values that enable us to deliver on our vision of being an organization that defines great customer experience. SD is a key component of our overall diversity strategy and integrating diverse suppliers into our supply chain aligns us with the goals of our shareholders, customers and employees. We are committed to building long-term relationships with diverse suppliers and ensuring that qualified minority, women, veteran, persons with disabilities, LGBT and Aboriginal-owned businesses have equal opportunity to compete for our business. We work directly with these diverse businesses and expect our suppliers to provide similar opportunities in their supply bases.

Our program is embedded within our procurement practices allowing us to deliver leading products and services that meet our customers' needs – making us a stronger and more innovative company. Much like any supplier we work with, we expect our diverse suppliers to perform at a high level and also to add a diverse perspective. By using diverse suppliers, we are able to fulfill our commitment to the communities where we live, work and do business.

10. Objective: create more opportunities for minority-owned businesses. We believe that this is a win-win scenario for entrepreneurs and large organizations.

Eligibility: certified minority-owned businesses

Components:

- More visibility/awareness on our procurement processes. Every time we have a new competitive process, we make sure to invite diverse suppliers. It is also recommended to choose a diverse supplier if the value of the contract is low and we can sole source.
 - More in-depth debriefing with diverse suppliers
 - Internal and external trainings on SD
 - Participation in various conferences and SD events to promote diversity
 - We influence entrepreneurs to get certified and large organizations to develop SD programs
11. Our SD program is currently focused on U.S. spend. But, as a charter member of WEConnect International, we are in the beginning stages of exploring diverse spend outside of the U.S.

12. We view our supply chain both as a critical enabler of our business and as a catalyst for innovation. By infusing inclusion, diversity and sustainability into our procurement practices and ensuring our suppliers share our values, we are helping to create a more socially and environmentally responsible world. We do this because embedding SD and inclusion into our own and our clients' organization's culture helps us:

- Drive collaboration and innovation
- Increase our market share and knowledge
- Create better customer connections

SD and inclusion is a business proposition for us and for our clients. In Canada, we partner with CAMSC, WBE Canada, WeConnect International, CGLCC and soon IWCC to source, utilize and mentor minority, women, LGBT and veteran owned emerging tech companies that have developed innovations in technology. We break down barriers for diverse suppliers by driving a more-inclusive and empowered marketplace.

Our Supplier Inclusion & Diversity Program, which reaches 18 countries, allows us to drive a more inclusive and empowered marketplace. By incorporating diverse suppliers into our supply chain, we gain access to innovative, responsive and cost-competitive supply solutions for ourselves and for our clients. Our focus includes: accuracy in reporting diversity spend, providing opportunity to diverse vendors, and achieving our 5% of total spend goal

13. The focus of our SD program is to connect diverse suppliers with internal buyers, while promoting equal opportunities to compete for our business.

14. We believe SD is an important contributor to our corporate mission of ensuring that we are being inclusive in our supply chain practices. We achieve this goal by providing organizations, which are at minimum 51 percent owned, controlled and managed by historically underutilized groups, with an equal opportunity to become suppliers.

The goals of the SD program are to maintain a diverse supply chain reflective of our communities, employees, and client base and to ensure certified diverse suppliers have improved access to opportunities, and specifically to:

- Ensure inclusion of diverse vendors throughout sourcing practices by providing equal opportunity;
- Engage diverse suppliers whose key visionary qualities are aligned with ours as well as those of our client base;
- Engage key stakeholders on the SD program and the organizational benefits of providing certified diverse suppliers with equal opportunity to succeed;
- Monitor and increase spend with diverse suppliers.

We partner with third-party organizations such as CAMSC, the (U.S.) National Minority Supplier Development Council (NMSDC), CCAB and WBE Canada, which certify and support diverse suppliers. In addition, we maintain a relationship with the CGLCC, which certifies companies owned by the LGBTQ+ community. Also, on a regular basis we review other Indigenous business databases such as the Indigenous Business and Investment Council (in BC), Manitoba Government listing of Indigenous Businesses, and Government of Canada listing of Indigenous businesses. We recognize suppliers from those databases as "self-identified" and as we engage with these diverse suppliers, we take the opportunity to encourage them to become certified.

We are currently a corporate member and supporter of the following certification organizations: CAMSC, CCAB, WBE Canada and NMSDC. We are also considering small and medium-sized enterprises (SMEs) and veteran-owned businesses in our diversity process. SMEs are organizations with fewer than 500 employees.

We track tier 2 spend to our customers. Each of our divisions reports their spend individually. Our goal is to meet our customers' targets, which is extremely difficult based on our North American sales. Purchasing targets are set by commodity.

15. Our SD program was launched in 2012 and takes proactive steps to provide equal access to suppliers that reflect the diversity of where we live, work and serve. We are a member of the following councils: CGLCC, WBE Canada and CAMSC. SD is a component of our Supplier Code of Conduct; components of the SD program are included in our sustainability report.
16. Goal: to grow wherever possible an inclusive, diverse supplier network. This is a global program for our company.
17. Our goals are:
 - a. Increase the number of suppliers that become certified. We work with many partner organizations, such as WBE Canada, to encourage diverse companies to seek certification and thereby become known to corporate buyers seeking goods and services. By championing SD in the community, we also aim to enable growth of diverse small and medium businesses.
 - b. Increase the number of companies with SD programs. We have taken a leadership role with many diversity councils, including WBE Canada, to advocate for increased corporate SD. We also engage tier 1 suppliers and encourage them to have SD programs and report related spend, to demonstrate a shared commitment to diversity and inclusion within the supply chain.
 - c. Increase awareness of diverse suppliers across our lines of business. By leveling the playing field through connections and opportunities to bid, we have continued to increase business with certified diverse suppliers.

Q5. Does your organization have a SD scorecard, i.e. a set of SD key performance indicators?

SD Scorecard	Percent
Yes	62.1%
No	31.0%
I don't know	6.9%

Over 60 percent of the respondents have a SD scorecard. Interestingly, about 7 percent don't know whether their organization has a scorecard.

Q6. Please indicate which of the following key performance indicators (KPIs) you use and/or indicate your KPIs under “other.” (Check all that apply)

Key performance indicator (KPI)	Percent
Total spend (\$) with diverse suppliers	94.4%
Number of diverse suppliers organization does business with	77.8%
Percent of total spend with diverse suppliers	66.7%
Number of contacts made with diverse suppliers	33.3%

The leading KPI is total dollar spend with diverse suppliers, followed by the number of diverse suppliers used. Respondents also mentioned several additional KPIs:

How many RFX includes diverse suppliers?

Percent spend by sales against specific customers

“Number of diverse suppliers invited to RFPs

Spend by community (i.e. woman, minority, indigenous, LGBT, veteran, disabled)

Number and % of contracts granted to SD further to RFPs, savings with SD suppliers vs. non SD suppliers, number of RFPs where we invited SD suppliers

Number of SD supplier contracts connected with buyers, would be nice to identify % of total SD spend available with diverse suppliers - councils will need to provide these figures to corp. members

Deals Won - how many new diverse suppliers were contracted within the stipulated time frame and compare this with the churn (number of suppliers that left the company)



Q7. What is the title of the person responsible for your SD program?

Supply Chain / Purchasing	Supply Chain and Diversity	Diversity; Other
Procurement Operations	Director, Supply Chain Diversity, Inclusion and Sustainability	Diversity manager
Procurement Services	Manager of Sustainable Procurement	Global Leader
Purchasing Manager	Sourcing Diversity Manager	Manager
Chief Procurement Officer	Supplier Diversity Director	Senior Business Manager
Director - Procurement	Managing Director, Global Supplier Inclusion & Sustainability	Senior Project Manager
Purchasing Data Analyst	Procurement Operations Sr. Manager / Supplier Diversity Specialist	Director
Vice-President, Strategic Sourcing	Program Director, Global Supplier Diversity	
Director Indirect Procurement Hub Operations, Business Services	Head of Responsible Sourcing and Supplier Diversity	

Eight titles of the person responsible for SD imply that he or she or they are focused on the purchasing / procurement / supply chain aspect (see the first column above). Another eight titles clearly combine elements of supply chain and diversity or sustainability. While only one title implies a focus on diversity, another five are more general in scope.

Q8. Please rate the importance of the following motivators for your organization's SD program.

Motivator	Mean*	Minimum	Maximum
To align with our organizational culture of diversity & inclusion	4.77	4	5
To bring social and economic benefits to communities	4.62	4	5
To broaden our corporate social responsibility (CSR) program	4.50	3	5
To match demographics of consumers in our target markets	4.35	3	5
To enhance innovation and creativity	4.31	2	5
To satisfy our first-tier (or direct) customers	4.19	2	5
To appeal to diverse local customers	4.15	1	5
To match the characteristics of our employees	4.12	2	5
To improve our corporate image	4.07	2	5
To enhance employee engagement	3.96	1	5
To broaden our supplier base	3.92	1	5
To improve product and/or service quality	3.84	1	5
To reduce costs	3.65	2	5
To increase sales and profits	3.54	1	5
To attract new investors	3.27	1	5
To support expansion into global markets	3.04	1	5

*Very low (1); Low (2); Medium (3); High (4); Very high (5)

The three most important motivators of SD are aligning with organizational culture, bringing benefits to communities and broadening CSR programs. Traditional corporate performance indicators, such as reducing costs, increasing sales and profits or attracting investors, appear near the bottom of the list.

Principle components analysis (PCA) identified five underlying components or themes among the sixteen indicators of importance of SD program motivators. The five components account for 74 percent of the total variance. Component 1 is “business strategy” and includes items on broadening the supply base, supporting expansion, improving quality and reducing costs. The second component is “social/cultural identity,” as it includes issues related to organizational culture, alignment with employee and customer characteristics, and socio-economic benefits. Component 3 addresses “performance indicators,” such as sales, profits and customer satisfaction. The remaining two components appear to be concerned with “stakeholder engagement” and “corporate image.”

Principle components analysis: Importance of motivators

Motivators	Component				
	1	2	3	4	5
To broaden our supplier base	.868				
To enhance innovation and creativity	.572				
To improve product and/or service quality	.502				
To reduce costs	.762				
To support expansion into global markets	.672				
To align with our organizational culture of diversity inclusion		.832			
To bring social and economic benefits to communities		.840			
To match the characteristics of our employees		.782			
To match demographics of our target markets		.494			
To increase sales and profits			.755		
To satisfy our first tier (or direct) customers			.870		
To broaden our corporate social responsibility (CSR) program			.454		
To attract new investors				.826	
To enhance employee engagement				.781	
To appeal to diverse local customers					.755
To improve our corporate image					.777

Average scores for the five motivator components suggest that social/cultural identity (4.46) is the most important motivator for SD, followed by corporate image (4.09) and performance indicators (4.08). On the other hand, business strategy (3.75) and stakeholder engagement (3.63) are somewhat less critical as motivators.

Motivator component analysis

Motivator Component	Mean	Standard Deviation	Minimum	Maximum
Social/cultural identity	4.46	0.51	3.25	5.00
Corporate image	4.09	0.75	2.50	5.00
Performance indicators	4.08	0.69	2.33	5.00
Business strategy	3.75	0.76	1.80	5.00
Stakeholder engagement	3.63	1.11	1.00	5.00

Q9. What is the primary motivation for your supplier diversity (SD) program?

Economic growth: 37.0% / Social responsibility: 63.0%

Over 60 percent of respondents specify social responsibility as their primary motivation for SD, and less than 40 percent select economic growth as their primary motivation.

Primary motivation and program status

A bivariate (cross-tabulation) analysis is done to examine differences between organizations with limited SD programs versus those with complete programs, in terms of primary motivation for SD (social versus economic). Limited programs are at initial stages of SD adoption or are only partially implemented. On the other hand, complete program status implies that an organization has achieved full implementation of its SD program (see Q1).

Motivation	Program Status*		Total
	Limited	Complete	
Economic	3	7	10
Social	12	4	16
Total	15	11	26

“Limited” = initial or partial implementation; “complete” = full implementation

Chi-Square (p-value) = 5.11 (.024)

The results reveal a significant difference between limited versus complete SD programs depending on whether the primary motivation for adopting SD is social responsibility or economic growth (p-value = .024). Limited programs are four times more likely to be guided by social motivations (12 programs) rather than economic motivations (3 programs). On the other hand, organizations with complete SD programs are nearly twice as likely to be inspired by economic motivations.

Q10. Please rate the impact of each of the following possible barriers to SD in your organization.

Barrier	Mean	Minimum	Maximum
Difficulty finding qualified diverse suppliers	3.72	1	5
Concern about diverse suppliers' ability to meet requirements	3.60	1	5
Existing contractual relationships	3.40	1	5
Lack of awareness about SD benefits	3.35	1	5
Consolidation of our supply base, i.e. supplier reduction	3.32	1	5
Our focus on other priorities	3.29	1	5
Current economic conditions	3.00	1	5
Just-in-time (JIT) delivery requirements	2.75	1	4
Lack of clarity about which suppliers are "diverse"	2.71	1	5
Lack of executive buy-in or commitment	2.65	1	5
Low or no weight on diversity among supplier selection criteria	2.63	1	4
Power imbalance vis-à-vis diverse suppliers	2.45	1	4
Use of e-procurement tools	2.26	1	4
Legal requirements	2.25	1	4
Concern over possible bid disputes	1.75	1	4

**Very small (1); Small (2); Moderate (3); Large (4); Very large (5)*

On average, all the barriers to SD were rated less than 4 or "large." Still, the top two barriers pertain to difficulty in finding qualified diverse suppliers and concerns about their ability to perform. Legal issues, e.g. concern over bid disputes (typically based on selection criteria), sit at the bottom of the barrier list.

Several respondents wrote in additional barriers, not on the Q10 list, as follows:

- (The) Canadian Government is not requesting or encouraging corporation(s) to support supplier diversity
- (Lack of) ability for procurement team members to easily seek qualified diverse suppliers without it being resource intensive
- Unable to sign off on enterprise contracts due to strict language adhered to due to outside government regulators

PCA of the barriers to SD programs identifies five underlying components, explaining 79 percent of the variance in the 15 items. Component 1, “corporate constraints,” covers issues like lack of awareness and executive buy-in, and low weighting of diversity among supplier selection criteria. Component 2 is “supply risk,” as it raises concerns about the ability of diverse suppliers to meet requirements, identifying diverse suppliers, legal requirements and imbalance of power. Component 3 focuses on “corporate priorities,” such as supplier consolidation and difficulty finding qualified diverse suppliers.

The final two components cover current “economic conditions” and “contractual commitments,” including JIT delivery commitments.

Principal Components Analysis: Barriers to SD

Barrier	Component				
	1	2	3	4	5
Concern over possible bid disputes	.782				
Lack of awareness about SD benefits	.811				
Lack of executive buy-in or commitment	.797				
Low/no weighting of diversity in supplier selection criteria	.801				
Concern about suppliers’ ability to meet requirements		.660			
Lack of clarity about which suppliers are “diverse”		.821			
Legal requirements		.566			
Power imbalance vis-à-vis diverse suppliers		.855			
Use of e-procurement tools		.763			
Consolidation of our supply base, i.e. supplier reduction			.786		
Difficulty finding qualified diverse suppliers			.631		
Our focus on other priorities			.905		
Current economic conditions				.822	
Existing contractual relationships					.699
Just-in-time (JIT) delivery requirements					.725

The average score for each of the barrier components reveals corporate priorities (3.46), contractual commitments (3.04), and economic conditions (3.00) as the top three barriers to SD. Concerns about supply risk (2.64) and corporate constraints (2.55) appear less notable as barriers.

Barriers component analysis

Barriers Component	Mean	Standard Deviation	Minimum	Maximum
Corporate priorities	3.46	0.84	1.00	4.67
Contractual commitments	3.04	0.85	1.00	4.00
Economic conditions	3.00	1.02	1.00	5.00
Supply risk	2.64	0.82	1.00	4.20
Corporate constraints	2.55	0.92	1.00	4.25



Q11. Please rate the impact of each of the following facilitators to SD at your organization.

Facilitator	Mean	Minimum	Maximum
Diversity champions in our organization	4.23	3	5
Commitment of our leaders	4.20	3	5
Our internal diversity and inclusion initiatives	4.12	3	5
Our relationship building capabilities	3.80	2	5
Supply chain-wide commitment to diversity	3.80	3	5
SD performance metrics	3.64	2	5
WBE Canada	3.62	1	5
Our supplier development program	3.60	1	5
Canadian Aboriginal and Minority Supplier Council (CAMSC)	3.48	1	5
Local supplier councils	3.16	1	5
Supply Chain Canada	2.64	1	5

**Very small (1); Small (2); Moderate (3); Large (4); Very large (5)*

The leading facilitators of SD appear to be internal to buying organizations, e.g. presence of diversity champions and commitment of the leadership. Two of the big certification councils, WBE Canada and CAMSC, are more in the middle of the pack of facilitators. Finally, Supply Chain Canada, the nation’s premier purchasing/supply chain professional association, is at the bottom of the list by a substantial margin.

Respondents also wrote in the following additional facilitators:

- Second tier of leadership
- Communication between corporate and industry (e.g. meeting on a regular basis to share best practices)

Again using PCA, the eleven impact statements on facilitators to SD converge to three components with eigenvalue > 1, explaining 73 percent of the total variance. These three components can be interpreted as: (1) “internal commitment and capabilities,” (2) impact of the “certifying councils” and (3) impact of “supply chain organizations.”

Principal Components Analysis: Facilitators to SD

Facilitators	Component		
	1	2	2
Commitment of our leaders	.652		
Diversity champions in our organization	.895		
Our internal diversity and inclusion initiatives	.741		
Our relationship building capabilities	.829		
SD performance metrics	.800		
Canadian Aboriginal and Minority Supplier Council		.893	
Women in Business Enterprise (WBE)		.904	
Local supplier councils			.641
Our supplier development program			.801
Supply Chain Canada			.825
Supply chain-wide commitment to diversity			.431

Average scores for the facilitator components suggest that internal commitment (3.98) is the most important facilitator of SD programs, followed by the role of SD councils (3.54), such as CAMSC and WBE Canada. Local supply chain councils and national organizations (3.30) appear to have the least impact.

Facilitator Component Analysis

Facilitators Component	Mean	Standard Deviation	Minimum	Maximum
Internal commitment and capabilities	3.98	0.65	3.00	5.00
SD certifying councils	3.54	1.09	1.00	5.00
Supply chain organizations	3.30	0.73	2.00	5.00

Q12. Which of the following practices is part of your SD program? (Check all that apply)

SD Practice	Percent
Attending SD tradeshows or events	85.2%
Reporting SD performance metrics	81.5%
Training purchasing personnel about SD	81.5%
Including SD criteria on our requests for proposals (RFPs)	74.1%
Using SD council databases	74.1%
Covering SD in our social responsibility/sustainability report	66.7%
Educating our stakeholders (e.g. investors or customers) about SD	66.7%
Offering a registration portal for diverse suppliers	63.0%
Reaching out to community groups, e.g. chambers of commerce	59.3%
Stating the SD business case	59.3%
Focusing on second tier suppliers, as well as first tier	55.6%
Mentoring/developing suppliers	55.6%
Posting notices on our corporate web-site	51.9%
Hosting SD tradeshows or events	44.4%
Dividing large contracts into smaller units, e.g. dual sourcing	37.0%
Certifying our suppliers	25.9%
Advertising in diversity and supply chain trade publications	22.2%

As shown in the table above, attending events, reporting performance and training staff about SD are the most widely-used practices in Canadian SD programs. Over 80 percent of the respondents report using these practices. Conversely, the least-used practices, at only about 25 percent or less of the SD programs, are certifying suppliers and advertising in diversity and supply chain trade publications. In the middle, while 67 percent of organizations with programs cover SD in their sustainability/corporate social responsibility reports, only 56 percent of Canadian programs include a focus on second-tier suppliers or engage in supplier mentoring.

Respondents also mentioned the following additional practices not included on the Q12 list:

- Participating in industry benchmarking and economic impact studies
- Working with industry colleagues who also have SD efforts

Q13. Please estimate the percent of your annual spend that goes to Canadian-based suppliers.

Percent of Spend	Percent
1 to 10%	8.6%
11 to 20%	2.9%
21 to 30%	5.7%
31 to 40%	8.6%
41 to 50%	5.7%
51 to 60%	0.0%
61 to 70%	5.7%
71 to 80%	17.1%
81 to 90%	14.3%
91 to 100%	2.9%
I don't know	28.6%

Somewhat surprisingly, over 28 percent of the respondents don't know what percent of their annual spend goes to Canadian-based suppliers. Of those who know, 31.4 percent report that their spend with Canadian suppliers is in the range of 71 to 90 percent.

Q14. Approximately what percent of your annual spend is with locally-owned suppliers?

Percent of Spend	Percent
1 to 10%	8.6%
11 to 20%	2.9%
21 to 30%	5.7%
31 to 40%	11.4%
41 to 50%	2.9%
51 to 60%	2.9%
61 to 70%	8.6%
71 to 80%	2.9%
81 to 90%	2.9%
91 to 100%	0.0%
I don't know	51.4%

In terms of percent of spend with locally-owned suppliers, more than half of the respondents indicate that they don't know. The most common known spend category is 31 to 40 percent (11.4 percent of respondents), followed by 61 to 70 percent and 1 to 10 percent (both with 8.6 percent of respondents).



Q15. How many women-owned suppliers does your organization do business with?

Number of Women-Owned Suppliers	Percent
None	3.0%
1 to 2	12.1%
3 to 5	12.1%
6 to 10	15.2%
11 or more	36.4%
I don't know	21.2%

Over 36 percent of respondents claim their organizations do business with 11 or more women-owned suppliers. While 21.2 percent of the respondents “don’t know” the answer to this question; 3 percent apparently do no business with women-owned suppliers.

Q16. Please estimate the percent of your annual spend that goes to suppliers owned by the following groups.

Group	None	1-5%	6-10%	11-15%	16-20%	21-25%	26-30%	> 30%	Unknown
Indigenous Peoples	1	15	0	1	1	0	1	0	12
LGBT+ people	1	11	1	1	1	0	0	0	15
People with disabilities	2	11	2	0	0	1	0	0	14
Veterans	1	8	3	0	0	1	0	0	16
Visible minorities	1	7	1	2	2	2	0	3	12
Women	0	9	0	2	2	2	1	3	11

For each of the diversity groups, the two most common responses are “unknown” and 1 to 5 percent of the annual spend.

Q17. Which of the following statements best describes your organization?

Description of organization	Percent
A Canadian company with no foreign parent company or subsidiary	32.3%
A Canadian company with an American parent company	32.3%
A Canadian company with an American subsidiary	3.2%
A Canadian company with a foreign (non- American) parent or subsidiary	3.2%
A Canadian government or public sector organization	16.1%
None of the above (see below for explanations)	12.9%

At over 32 percent each, the respondents represent an equal portion of Canadian companies with no foreign (parent or subsidiary) connection and Canadian companies with an American parent. Another 3 percent represent Canadian companies with an American subsidiary, and 16 percent of the respondents represent Canadian government buying organizations.

Following are the explanations provided by two of those respondents indicating “none of the above.”

A global firm with 500,000 plus employees

Private equity (US) owned

American connection and program status

This next cross-tabulation looks at SD program status in tandem with organizational connection to the United States, typically as a subsidiary of or parent to an American company. Canadian organizations with American ties are expected to be further along toward full implementation of SD, since supplier diversity programs first emerged in the United States during the 1960s. Note: “EO-only” organizations have no formal SD program but do follow equal opportunity practices, i.e. do not discriminate against suppliers based on gender, ethnicity, etc.

American Connection	Program Status			Total
	EO-only	Limited	Complete	
No	5	8	2	15
Yes*	0	4	6	10
Total	5	12	8	25

**Canadian firm with an American parent or subsidiary*

Chi-Square (p-value) = 7.64 (.022)

As shown in the table above, Canadian organizations with EO-only or limited SD programs tend to have no direct American affiliation. Conversely, organizations with complete SD programs tend to have some sort of direct connection to an American organization, usually as a subsidiary of an American company. Further, this relationship between program status and American connection is statistically significant (p-value = .022). All Canadian organizations with an American connection have initiated at least a limited SD program.

Q18. Where is headquarters for your organization? (Please indicate city and country)

Headquarters	Percent
Canada	67.9%
USA	25.0%
Other	7.1%

While over two-thirds of respondent organizations are headquartered in Canada, one-fourth of them are based in the United States. The remaining seven percent are headquartered in other countries. Only three Canadian cities are headquarters to more than one respondent organization, as follows: Toronto (5 organizations), Montreal (4) and Ottawa (2). The following cities are each headquarters to one of the organizations: West Chester, PA; Stockholm, Sweden; Franklin, TN; Milwaukee, WI; Dublin, Ireland; Oconomowoc, WI; Oakville, ON; Markham, ON; Aurora, ON; Lévis, QC; Halifax, NS; Bolton, ON; Vancouver, BC; Armonk, NY; Rochester, NY.

Q19. Does your organization have an employee or workforce diversity policy or program?

Employee Diversity (ED)	Percent
Yes	74.2%
No	22.6%
I don't know	3.2%

Nearly three-quarters of the organizations have an employee or workforce diversity policy or program.

Q20. Please estimate how many people work for your organization in Canada.

Number of employees	Percent
1 to 4	0.0%
5 to 99	16.1%
100 to 499	9.7%
500 or more	74.2%

The respondents overwhelmingly represent large organizations. Note that nearly 75 percent work at organizations with 500 or more employees.

Q21. Select the category that best describes the industry/sector your organization operates in.

Industry or sector	Percent
Telecommunications or utilities	24.1%
Finance, insurance and/or real estate	20.7%
Manufacturing	13.8%
Government/public sector agency	10.3%
Information technology	10.3%
Business/professional services	6.9%
Education	3.4%
Engineering	3.4%
Retail or wholesale trade	3.4%
Other: <i>Work is relevant to all sectors</i>	3.4%

The two most common industries for the respondents' organizations are telecommunications/utilities and finance, insurance and/or real estate. One reason this is noteworthy is the well-known fact that service firms tend to spend a significantly lower portion of revenue on goods and services, compared to manufacturers.

Q22. Please estimate your organization's total annual spend (in Canadian \$):

Annual spend	Percent
Less than \$1 million	6.9%
\$1 million to \$9,999,999	6.9%
\$10 million to \$49,999,999	3.4%
\$50 million to \$99,999,999	0.0%
\$100 million to \$499,999,999	17.2%
\$500 million to \$999,999,999	3.4%
\$1 billion or more	37.9%
Prefer not to answer	24.1%

Around half of those that answered this question report annual spend of \$1 billion or more.

Organizational spend and program status

A final cross-tabulation analysis looks at SD program status in tandem with spend, which is a measure of organization size. Organizations with larger spend (i.e. higher budgets for buying goods and services) are expected to have more advanced SD programs. Large organizations are more likely to command the resources required to create and administer a SD program.

Annual Spend*	Program Status			Total
	EO-only	Limited	Complete	
Small	6	3	1	10
Large	1	5	5	11
Total	7	8	6	21

*Small = less than \$1 billion; large = \$1 billion or more

Chi-Square (p-value) = 6.71 (.035)

A significant relationship is observed between SD program status and organization size (p-value = .035). With median annual spend of the respondents (\$1 billion) as a cut point, small organizations are more likely to practice EO-only, i.e. have no formal SD program. On the other hand, large organizations are much more likely to have complete SD programs.

Q23. Check all of the following categories that describe you:

Category	Percent
Female	78.6%
Male	21.4%

Category	Percent
Indigenous	3.6%
Visible minority	21.4%
LGBT+	10.7%
Person with Disability	14.3%
Veteran	3.6%

More than three-quarters of the survey respondents are female, and just over 21 percent identify as visible minority.

Q24. Finally, if your organization has a SD program, please briefly explain why it does, in your opinion. On the other hand, if your organization does not have a program, please briefly explain why not. In the space below, please also share any additional comments or questions you have about the survey or supplier diversity.

Approximately two-thirds of respondents addressed the question explaining why their organization has an SD program, while the remaining respondents commented why they did not.

In terms of reasons for having SD programs, respondents often refer to internal objectives. Many organizations believe SD programs fulfill commitment to shareholders, customers and the community, while contributing to fulfillment of the corporate mission. In comparing SD programs to employee diversity (ED) programs, many believe diversity to be a necessary part of “the fabric of the company.” The respondents also link having an SD program to external objectives. They believe SD programs create opportunities for clients and suppliers, and provide diverse organizations with access to mainstream markets. Common themes among organizations with SD programs are the need to meet customer needs, deliver best value and promote positive social change. Examples of comments are listed below:

- Working with diverse suppliers is an integral part of our commitment to meeting the needs of our shareholders, our customers, and the communities [we] serve.
- Through our SD program, we want to contribute to the entrepreneur's success and support their growth.
- SD (is about) providing [diverse] small and medium sized enterprises with access to the mainstream market, helping them achieve economic empowerment and contributing to job creation.
- To deliver on our business objectives that put more people to work while lifting communities around the world.

Most organizations without programs report plans to implement SD within a year. While some are still developing the business case, others are prepared to initiate a program. The remaining respondents have no plans to develop a formal SD program; they believe diversity is the normal way of doing business. Examples of comments are provided below:

- We hope to implement (SD) within the next 12-18 months.
- [We are] on the way to launch an official supplier diversity program.
- We don't need a policy for something that is part of who we are.
- We do not engage with many suppliers as we have a service-based company. We do look for diverse business owners when securing goods or services.

Following are the detailed, edited comments from respondents:

We have it for 3 reasons: importance of customer impact, corporate & ownership culture, important internal champion's efforts.

On our roadmap and we hope to implement within the next 12 - 18 months

We recognize the value that diverse suppliers bring to the table in regards to perspectives and innovation and value Diversity is a core value at our company, where our vision is to define great customer experience. Supplier diversity is a key component of our overall diversity strategy, and working with diverse suppliers is an integral part of our commitment to meeting the needs of our shareholders, our customers and the communities we serve. We first implemented a SD program in the U.S. and later expanded the program into Canada in 2007. Our SD program resides within our procurement group. The mandate of the SD program is to increase the level of participation of diverse suppliers throughout the bank's supply chain. The program works in lock-step with the sourcing team to identify opportunities for diverse suppliers.

Additional comment: We are also a corporate member of WeConnect International. This was not in the list of councils. Why we have a program: Diversity and inclusion are part of our business strategy. It's important to create an inclusive supply chain and procurement process to increase visibility and opportunities for our clients and diverse suppliers. It is a win-win scenario for Canadian entrepreneurs, diverse suppliers and our organization. Eligible suppliers benefit from increased visibility and business opportunities and we benefit from competitive offerings and greater innovation that allows us to deliver the best value to our clients. Through our SD program, we want to contribute to the entrepreneur's success and support their growth.

We build the capacity of diverse suppliers in order to deliver on our business objectives that put more people to work while lifting communities around the world.

Supplier diversity and inclusion at our organization is a business proposition for us and for our clients. Whether it is in Canada partnering with CAMSC, WBE Canada, WeConnect International, CGLCC and soon IWSCC to source, utilize and mentor minority, women, LGBT and veteran owned emerging tech companies that have developed innovations in technology.

We initially started our program to meet our customer needs, but I believe fully in diversity--in suppliers, workplace, friendships, etc.

We do not engage with a large number of suppliers as we have a service based company. We do look for diverse business owners when securing goods or services

Our supplier diversity program is focused on connecting diverse suppliers with our buyers while promoting equal opportunities to compete for our business.

Our company believes supplier diversity is an important contributor to our corporate mission of ensuring that we are being inclusive in our supply chain practices. The goals of our Supplier Diversity Program are to maintain a diverse supply chain reflective of our communities, employees, and Client base and to ensure certified Diverse Suppliers have improved access to opportunities

Like most companies we started one because our customers required it. As it has evolved, we've determined it makes sense fiscally and socially and it helps us attract investors and diverse talent.

My company is on the way to launch an official supplier diversity program which will be part of the diversity and inclusion culture of our group. Once the global spend among diverse groups is finished, we will be able to launch it.

We plan to build a supplier diversity program

We're small and the SD is an integrated part of how we do business. We don't need a policy for something that is part of who we are.

My organization has work to do on both workforce D & I as well as supplier diversity. I have a long history and deep experience in supplier diversity and have built the foundation for a program into our 2021-2022 plans. The seeds have been planted, the business case is being finalized and presented and we will be launching a formal program.

Falling into the field of "responsible purchasing", supplier diversity promotes positive social change through buying behavior with suppliers that are 51% owned, controlled and operated by an individual that's considered diverse including based on their ethnicity, sexuality and/or gender.

SD is like with our employee diversity program part of the fabric of our company globally. FYI, some questions were left blank as we do not disclose Canada specific numbers as they are all consolidated to our corporate parent entity worldwide.

Small company which recently has had tremendous growth

CONCLUSIONS

Following are a selection of compelling conclusions from the survey results:

1. The most impactful facilitators of supply diversity (SD) appear to be internal to buying organizations. Specifically, presence of diversity champions, commitment of the leadership, and presence of other diversity and inclusion initiatives lead the list of facilitators. However, Supply Chain Canada, perhaps the premier association for purchasing and supply management professionals in Canada, is rated the least impactful facilitator of SD by a considerable margin.
2. Difficulty in finding qualified diverse suppliers and concerns about the ability of diverse suppliers to meet buyers' requirements appear to be the two most impactful barriers to SD in Canada.
3. Top motivators for Canadian organizations to develop SD programs appear to be much more linked to enhancing organizational culture and corporate social responsibility (CSR) rather than improving economic performance, e.g. reducing cost and increasing sales and profit.
4. However, complete (as opposed to limited) SD programs tend to be primarily motivated by economic growth, rather than social responsibility.
5. Finally, larger Canadian companies and Canadian companies with direct connections to American companies (as parent or subsidiary) are more likely to have complete (as opposed to limited) SD programs.



RECOMMENDATIONS

Based on the survey findings presented in this report, along with the SD literature, the following recommendations are advanced:

1. **Government organizations are needed at the table**

SD presents a great opportunity for diverse businesses thanks to improved access, added support and development. However, Canada is still behind in its implementation of SD at all levels of government. With all the focus on diverse communities, and internal (workforce) equity, diversity and inclusion (EDI) initiatives, there appears to be relatively little tangible support for diverse businesses in terms of public procurement opportunities. Government organizations, universities and hospitals should ramp up their involvement, engage with more diverse suppliers, and report SD metrics, such as number of diverse suppliers and spend with diverse suppliers. Public-sector post-pandemic recovery efforts should include SD as a strategy to ensure long-term success of diverse communities.

2. **Organizations should leverage the support of Canadian certifying councils**

The survey confirms the importance of the councils. Top barriers of SD program implementation (difficulty finding qualified diverse suppliers and concern about their ability to meet requirements) can be resolved by working closely with the councils to ensure that suppliers are developed, informed, and connected to supply chains. Councils also verify eligibility of businesses for corporate and government programs to ensure transparency and compliance of SD efforts. Councils, such as WBE Canada, provide support for the development of SD programs and connection to peer networks of professionals pursuing

similar efforts in Canada and the U.S. enabling sharing best SD practices, idea exchange and facilitating improved programming.

3. **Tier 2 reporting is needed**

While the primary driver for SD programs in the US may be economic, this research shows that the primary driver in Canada continues to be social impact and company values. Reporting requirements could encourage more organizations to pursue SD – turning it from a “nice to have” to a “must have” initiative. While some procurement opportunities might be too large for diverse businesses, requiring first-tier suppliers to track and report their diversity spend (with second-tier suppliers) would contribute to more opportunities for diverse-owned businesses.

4. **Greater internal and external awareness about SD is needed**

The number of “I don’t know” responses in this survey was staggering. SD continues to be an unknown that is not well communicated internally. Results are not shared or are not getting necessary attention. SD advocates are encouraged to champion SD efforts internally, especially to leadership in order to align initiatives with the culture and gain support across all departments. Canadian universities and associations like Supply Chain Canada and Ontario Public Buyers’ Association (OPBA) could play a critical role in increasing awareness of SD, including its business case, benefits, and impact, as well as program implementation guidelines.

5. Diverse supplier development must be prioritized

For SD initiatives to be successful, a pool of procurement-ready diverse suppliers is necessary across a variety of industries and government organizations. Such development can be done by companies or in collaboration with supplier councils, which can help companies combine resources and focus on specific categories or regions.

For more recommendations, please refer to our other report “The State of WBE Certification in Canada: The Supplier Perspective” which looks at SD from the perspective of diverse suppliers. That report was released in June 2021 and can be accessed at www.WBECanada.ca/research/supplier-diversity-in-canada



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