

02. Pou Tuarua - Haepapa Roles and Responsibilities

Supplier diversity success hinges on more than just good intentions; it requires dedicated champions, clearly defined roles, unwavering leadership commitment, and inclusive recruitment strategies.

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This article is two of six in
our Tere ki Tai impact series



Organisations need clear roles and responsibilities around supplier diversity

What can often happen is that a passionate individual takes on supplier diversity over and above their daily tasks but as soon as they leave the organisation, the whole practice falls over. To ensure this doesn't happen, organisations must establish clear roles and responsibilities around supplier diversity.

In this article, we delve into why roles and responsibilities matter in ensuring supplier diversity success and the critical success factors around them

① Supplier diversity champions and KPIs

Effective supplier diversity needs leaders who champion the cause. Often having it as an add-on to someone's already busy plate means it isn't prioritised. We recommend a dedicated role and focused effort. Ideally this would mean creating a new managerial role solely focused on supplier diversity, but an alternative could be to distribute responsibilities across multiple roles. The important thing is that it is clearly part of someone's role. Having someone own the initiative is non-negotiable.

“Supplier diversity programs won't survive if there's no champion leading and driving the initiative”

Blumberg & Nelson, (2022)

② Leadership Buy-in

Leadership buy-in is a critical enabler for supplier diversity. Having true leadership buy-in goes beyond mere agreement; it involves active involvement and support. If there is no leadership involved, it makes delivery more difficult. As research shows,

“having buy in across staff, management, CEO and the Board creates the most successful supplier diversity program”



Worthington, et al., (2008)

When leadership is committed to supplier diversity, it sets the tone for the entire organisation. It paints the picture that diversity is not just a checkbox but a core value. If there's going to be sustainable organisational change, it must start from the top. Moreover, tying Key Performance Indicators (KPIs) to leadership roles reinforces the importance of supplier diversity and sets strong and clear intentions for progress.

③ Staff Engagement

However, leadership buy-in is only part of the equation. Staff engagement is equally critical. For supplier diversity to thrive, there must be a cultural shift across the whole organisation. A shift that requires buy-in from all levels of staff. **Without it, there can be no champions, thus there will be no progress.** It's crucial for all staff members to understand the benefits of supplier diversity and actively support its integration into everyday practices.

④ Recruitment Strategies

To build a strong foundation for supplier diversity within an organisation, it is crucial to implement effective recruitment strategies. This involves not only securing champions, gaining leadership buy-in, and fostering staff engagement but also ensuring that the right people are in the right place.

One key aspect of recruitment strategies should be a focus on supplier diversity in procurement roles. This will not only attract candidates who are committed to championing supplier diversity but those who may already have the expertise to implement supplier diversity best practice.

Another important element is to strive for workforce diversity in procurement. Research shows that a diverse workforce increases supplier diversity. Not only does this promote diversity and inclusion within the organisation, but it also provides roles for individuals who understand and value the importance of championing supplier diversity.

In conclusion

Championing supplier diversity demands clear roles, dedicated champions, unwavering leadership, and inclusive recruitment strategies.



Establishing these roles and responsibilities, along with implementing relevant KPIs, is crucial for the success of supplier diversity initiatives. Leadership buy-in sets the tone for organisational change, while staff engagement ensures that change is embraced across the board.

References

Blumberg, R. D. & Nelson, A., 2022. Top 10: Strategies to increase supplier diversity. [Online] Available at: <https://supplychaindigital.com/supply-chain-risk-management/top-10-strategies-to-increase-supplier-diversity>.

Worthington, I., Ram, M., Boyal, H. & Shah, M., 2008. Researching the Drivers of Socially Responsible Purchasing: A Cross-National Study of Supplier Diversity Initiatives. *Journal of Business Ethics*, p. 319–331.

Tere ki Tai

Tere ki Tai Buyer Maturity Matrix is a powerful framework designed to inspire and guide organisations towards becoming global leaders in supplier diversity.

Tere ki Tai sets a benchmark for supplier diversity maturity in Aotearoa. It provides a way to measure how well organisations have progressed and improved across supplier diversity indicators.

This article references one of the six **Ngā pou o Tere ki Tai | The Pillars of Tere ki Tai: Haepapa | Roles and Responsibilities**.



Start your Tere ki Tai journey by contacting your Supplier Diversity Lead or our Capability Manager, **Paul Tukukino**