

# 01. Pou Tuatahi - Raraunga Data, reporting & impact

Supplier diversity is about intentional spending with diverse suppliers. But gauging organisational progress in supplier diversity can be a challenge. How do we effectively track and increase expenditure with diverse suppliers over time?

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



# Organisations need smart data management and impactful reporting

Strategic data management is crucial in reporting on organisational impact regarding supplier diversity. Organisations must establish robust systems for transparent and frequent spend reporting, alongside ensuring businesses have verified Māori and Pasifika ownership. Let's delve deeper into key aspects surrounding data, reporting, and impact assessment.

## ① Reporting & accountability

Reporting on supplier diversity spend should be a no-brainer. Whether it's done annually, monthly, or in real-time, it should be done none-the-less to warrant accountability. Organisations need to assess their current state to gain insights into their baseline spend with Māori and Pasifika businesses. Reporting on spend ensures that progress is tracked or worked towards. Understanding one's progress is crucial to understanding their footing in supplier diversity.

**“Simply put, it’s difficult to measure progress without understanding the baseline spend with diverse suppliers and regularly reporting on this”**

Kinsela, NMSDC (2021)

## ② Verification

When reporting on supplier diversity, organisations also need to ensure they are procuring from verified Māori and/or Pasifika suppliers.

Supplier verification is essential to ensure that buyers are purchasing from Māori and/or Pasifika businesses. To ensure the full effect of what supplier diversity is intended for, organisations need to be certain they are genuinely spending money with Māori and/or Pasifika. Not having this certainty, defeats the purpose of targeted spending, and does not ensure that the benefits of supplier diversity flow back to the intended target communities.

Verification is more than just a checkbox, it's a critical process. Globally, verification is a serious process, particularly due to fraudulent activities



where individuals falsely claim Indigenous or minority status to access business opportunities.

This emphasises the importance of stringent verification processes to ensure that benefits intended for Indigenous or minority-owned businesses are not exploited by those who are not. Without robust verification, the whole ideal of supplier diversity is futile. This is why Amotai have a robust verification process to give buyers confidence in where their dollar is spent.

## ③ Direct spend

Supplier diversity can be achieved through direct spend (spending directly with Māori and/or Pasifika businesses) or indirect spend (directing your main contractors to engage Māori and/or Pasifika businesses). This approach isn't just about good intentions; it's about strategic and intentional action. Research shows that effective implementation by targets or KPI's drive real change.

The National Minority Supplier Diversity Council in the United States of America says setting targets and tracking, measuring, and reporting on results is critical to supplier diversity efforts and progress.

## ④ Indirect targets

Although they may not directly achieve direct spend targets, indirect targets play an important role as they promote diversity throughout the supply chain

Indirect targets are particularly useful in procurement activity where a large main contractor is contracted with lots of opportunities for sub-contractors.

## In conclusion

The effective management of data, reporting and impact is integral to driving supplier diversity. By setting ambitious targets, fostering inclusivity, and ensuring accountability, organisations can achieve meaningful progress in their supplier diversity efforts. It's time to make sure you're on board this moving waka and doing your bit in pushing resilient Māori and Pasifika economies for tomorrow.



Every dollar spent is not just a transaction; it's an investment in communities. Measuring spend is crucial as it pours into whānau and communities, it's a powerful measure of impact.

## References

Kinsela, K., 2021. Supplier Diversity How. 2 ed. Australia: In House Publishing.

National Minority Supplier Development Council, 2015. How to guide to develop a corporate minority business development program, New York, USA: NMSDC.

# 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: Raraunga: Data, Reporting and Impact.**



Start your Tere ki Tai journey by contacting your Supplier Diversity Lead or our Capability Manager, **Paul Tukukino** directly [paul@amotai.nz](mailto:paul@amotai.nz)