

Meeting and exceeding supplier diversity requirements

Employee Communications 08-Jun-2007

Supplier Diversity team wins award Cardinal Health's Supplier Diversity program was recently honored by Premier Purchasing Partners L.L.P. with the "Premier Diversity Recognition Award." This award, which will be presented at the Annual Breakthroughs Conference on June 19 in Orlando, recognizes a healthcare supplier who has made "important contributions to their communities by supporting and encouraging socially responsible purchasing."

The Breakthroughs Conference is an annual event attended by more than 3,000 clinical and supply chain decision makers, as well as Premier contracted suppliers and distributors.

Congratulations to the Supplier Diversity team on winning this prestigious award!
Coming soon!

Be on the lookout for a new e-learning tool for the sales force! This tool will better equip our sales team to respond to customers. It showcases several real-life scenarios that highlight the driving forces behind customers' supplier diversity requirements. It also highlights what Cardinal Health can do to help them meet those requirements.

Sales representatives will receive a preview of the tool at the IPS national sales meeting held in August in San Antonio, Texas. A broader roll-out of the tool will follow in early Fall, so be on the lookout for more information.

Did you know that in FY'07, Cardinal Health's Supplier Diversity team helped various internal sales groups respond to 22 customer Requests for Proposals (RFPs) regarding supplier diversity?

Our customers were asking what we could do to support their supplier diversity initiatives, and we responded - in a big way. In fact, we partnered with eight of them to increase their spend with diverse businesses, which helps us retain and grow our own business in these accounts. This is just one part of doing business with a growing number of our customers.

Meeting supplier diversity and inclusion goals

Our customers - both large and small - are increasingly mindful of adding supplier diversity and inclusion goals into their businesses. This helps them to satisfy federal, state and local diversity mandates, and provides an opportunity to engage with suppliers whom they have not done business with previously.

Public sector

At the federal and state level, businesses must meet very specific diversity and inclusion goals, which may include a mandated federal government target. At the state or county level, a business diversity requirement may include utilizing a small, woman-, minority-, or veteran-owned supplier.

Our Supplier Diversity team often works with our internal sales teams to identify potential suppliers with whom we can partner, thereby allowing us to offer a "complete" package for our customers. That is, our customers rely on us to suggest appropriate diverse suppliers so it's a win-win situation for us, our customers, and the diverse suppliers with whom they partner.

The Supplier Diversity team can assist our customers by:
helping them understand how they can find qualified diverse suppliers;
identifying suppliers in specific categories of spend; and
pulling supplier diversity reports to ensure they are meeting their goals.

Providing supplier diversity reports has become a valuable differentiator for Cardinal Health. By providing automated diversity reports, we supply them with up-to-date information on supplier spend, including what the customer has purchased through Cardinal Health that was sourced, manufactured, and/or distributed by a small, woman-, veteran-, or minority-owned company.

Private sector

In the private sector, Group Purchasing Organizations (GPOs) are constantly asked by their customers (who are also our customers) to help them meet their own supplier diversity goals. The demand is frequently driven from a federal or state grant the hospital or Integrated Delivery Network (IDN) has received, one of the conditions being inclusion of woman- or minority-owned companies in the hospital or IDN's supplier network.

At the local level, supplier diversity demand is also driven by pressure from diverse interests in the communities where the hospitals do business. We can support customers' regional supplier diversity requirements by sponsoring or attending local supplier diversity trade shows or events.

"Meeting supplier diversity and inclusion goals is not a matter Cardinal Health takes lightly," said Kathy Benn, vice president, Supplier Diversity. "There has been an increased level of scrutiny around businesses meeting - or missing - supplier diversity commitments. In fact, several businesses have been assessed large fines for failing to deliver on their commitments, and Cardinal Health is working hard to ensure our customers do not become one of these businesses."

The Supplier Diversity team as a consultant

A thorough understanding of a customer's supplier diversity needs is the first step in helping them build a successful diversity and inclusion plan. To that end, the Cardinal Health Supplier Diversity team often plays a consultative role with our customers.

In the third quarter of FY'07, members from our Supplier Diversity team met with customers including: Health Partners, Minneapolis, Minn.; Grady Memorial, Atlanta, Ga.; MD Anderson, Houston, Texas; Rush University Medical Center, Chicago, Ill.; Miami Children's Hospital, Miami, Fla.; Detroit Medical Center, Detroit, Mich.; Tampa General Hospital, Tampa, Fla.; and St. Luke's, Kansas City, Kan.

These customers are either trying to grow their diversity spend and want to know what we can do to help them, or are starting to build a supplier diversity program and would like guidance on how they should best approach the task. By utilizing our experience with diverse suppliers, we are able to provide differentiated value for our customers, helping to "tip the scale" when it comes to future decisions about the products, services or distribution needs they may have.

"Our customers do not have a 'one size fits all' supplier requirement, and it is up to the Supplier Diversity team to take a customized approach to meet their specific supplier diversity requirements," said Benn. "Supplier Diversity should be taken as seriously as any other stated customer requirement, and working together with our customers to identify solutions gives them yet another reason to select Cardinal Health as a healthcare partner."

For more information

To learn more about how the Supplier Diversity team can support you, please visit their website. For a general overview of the team, read this article.

You can also contact the team directly by e-mailing supplierdiversity@cardinal.com.

Have an interesting story you want to share? [Click here](#) to submit your idea and it may be chosen as a feature for myCardinalHealth.