

# Supplier Diversity Inclusion Plan Template

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**Agency:** Department of Enterprise Services (DES)

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Agency's plan to increase participation of small minority-, women- and veteran-owned firms:

At DES, business diversity is championed at the very top of the organization. DES Director Chris Liu, Deputy and Assistant Directors, Business Diversity Managers and staff regularly are in the community and connecting with diverse businesses.

Statewide Results Washington goals and DES goals aim to increase utilization in contracting and procurement by Fiscal Year 2017 to:

- 10% for minority owned businesses;
- 6% for women owned businesses; and
- 5% for veteran owned businesses.

In FY 2015, DES spent \$1,849,142 and achieved 1.42% utilization with minority-, women-, and veteran-owned businesses (.68% for minority-owned, .01% for minority/woman-owned, .58% for women-owned, and .15% for veteran-owned). DES established the following Inclusion Plan to bridge the gap between actual performance and the goals articulated in Results Washington and DES agency goals.

## **GOAL 1: Increase statewide utilization of diverse firms in contracting and procurement through collaboration, inclusion efforts and Subcabinet leadership.**

**Strategy 1:** Expand inclusion of diverse businesses in statewide master contracts for goods and services and utilization of these businesses.

### **Action Steps:**

**Tool Development:** FY 2016/2017, DES created a contract search enhancement that allows agencies to identify master contracts with one or more diverse vendors. DES is sharing this enhancement with state agencies and higher education institutions.

**Pilot Program:** FY 2016/2017, DES implemented inclusion pilot programs within DES master contracts through authorized dealers/ distributors that are certified by OMWBE.

**Strategy 2:** Greater utilization of diverse businesses in public works projects through inclusion plan enhancements and by supporting diverse businesses through technical assistance.

### **Action Steps:**

#### Inclusion Plans:

- Prime contractors (primes) are encouraged to meet or exceed the DES and state goals of 10% utilization of Minority-Owned Businesses, 6% utilization of Women-Owned Businesses, and 5% utilization of Veteran-Owned Businesses.
- The method DES uses to encourage primes to meet these goals is requiring inclusion plans in Public Works project over \$1 million. DES is proposing to expand this to all projects estimated over \$500,000.
- DES is considering an increase in the point values given to inclusion plans.

#### Business Assistance:

- DES is reviewing ability to create statewide training and technical assistance for small and diverse businesses.

**Strategy 3:** Business Diversity Subcabinet pilot programs will create a “Community of Practice” for promising programs that increase state utilization of diverse businesses.

### **Action Steps:**

#### Establishing the facts:

- DES is managing a statewide disparity study that will provide valuable information regarding availability and utilization of diverse businesses in state government contracts and purchasing.

#### Collaboration:

- DES is partnering with subcabinet agencies to support supplier diversity best practices and establishing a “Community of Practice.” DES will later incorporate these practices into statewide procurement training.
- DES is exploring best practices for maximizing purchasing opportunities with small and diverse businesses under master contracts with Department of Social and Health Services (DSHS).

#### Tool Development:

- DES is developing a new search tool to assist with identifying diverse businesses that are registered in Washington’s Electronic Business Solution (WEBS).
- DES is using agile methods to develop and enhance tools that support business diversity utilization.

**GOAL 2: Increase DES agency utilization of diverse businesses through leveraging statewide efforts and enhancing buyer education.**

**Strategy 1:** Leverage statewide efforts and programs within DES to increase internal utilization of diverse businesses.

**Action Steps:**

Utilize inclusion plans on DES internal contracts and procurements. Provide technical assistance to diverse firms interested in participating on DES internal contracts and procurements.

**Strategy 2:** Enhance buyer education to support DES staff in more inclusive purchasing.

**Action Steps:**

DES evaluated historical spend to identify categories of opportunity by division and spend in master contracts that DES uses (with diverse options), planned DES procurements and diverse businesses DES is currently using. This information will be used to provide buyer awareness and assist DES staff with being more inclusive when making purchasing decisions. To include education on RCW 39.26.160 (3) (b) around the use of Best Value Criteria with respect to whether the bid encourages diverse contractor participation.

**GOAL 3: Building trust and opportunity through community engagement and targeted recruitment.**

**Strategy 1:** Continue to be present in areas we have historically participated in, to maintain and expand utilization of historically underutilized businesses in upcoming opportunities.

**Action Steps:**

Monthly meetings: Continue membership and participation in monthly meetings on minority business, construction, and design services (National Association of Minority Contractors, Tabor 100, Washington Construction Design Entrepreneurs).

Reverse Tradeshows and special events: Continue presenting, training, and connecting with businesses at annual tradeshows, special events, and programs that assist DES in reaching diverse businesses (Alliance Northwest, Regional Contracting Forum, Tribal Business and Contractor Outreach, Pierce County Purchasing Forum, MBE Policy Workshop, Ethnic Chamber Coalition events, North Puget Sound Small Business Summit).

Advertising: DES regularly presents as part of the Commission on Hispanic Affairs Radio Outreach in Spanish.

Limited English Proficiency: DES also contributes to cultural competency and Limited English Proficiency through investment in annual translation of the Washington Small Business Guide into Spanish, Vietnamese, Korean, and Traditional Mandarin Chinese.

**Strategy 2:** Identify opportunities to target additional business outreach.

**Action Steps:**

Washington State regions: DES is identifying key stakeholders/organizations by each region of the state. DES has started collaborating with entities and holding events for improved engagement in our rural communities.

Industry: Construction trades identified as having limited certified/registered firms are being targeted for increased outreach. Goods and services contracting staff are continuing to strategize and enhance historical efforts for recruitment by industry sector related to where there are upcoming opportunities both for DES and master contracts.

**Strategy 3:** DES is developing On-Boarding practices to improve success with master contracts.

**Action Steps:**

DES has piloted processes to improve communication between awarded or pre-qualified master contract vendors with end users of the contract. DES will expand these efforts over FY 2016/2017.

**Strategy 4:** Lower barriers to doing business with the state by working with other agencies to improve the experiences of diverse businesses when working with state regulatory requirements.

**Action Steps:**

DES partners with several agencies in consortium with the Governor's Office of Regulatory and Innovation Assistance (ORIA) to assist small businesses with meeting regulatory requirements. By working with agency small business liaisons, DES is able to lower the confusion and frustration sometimes experienced by small and diverse businesses trying to do business with the state of Washington.

**GOAL 4: Monitor utilization of diverse businesses in Goods and Services quarterly and Public Works weekly to better identify challenges and solutions throughout the year.**

**Strategy:** Regularly monitoring DES progress to keep utilization goals top of mind and also to identify opportunities to improve DES's procurement and contracting processes.

**Action Steps:**

Program progress: Director Liu has set up regular meetings with DES executive leadership to address barriers to program implementation and diverse business utilization.

Goods and Services spending: DES will manually pull quarterly reports out of Agency Financial Reporting System (AFRS) showing DES goods and services utilization of small and diverse businesses. DES will also pull regular contract usage reports for diverse firms on

master contracts used by DES.

Public Works spending: DES implemented automated inclusion reporting in public works for prime and subcontractor payments to small and diverse businesses in the software system B2GNow. Project managers meet with primes weekly to go over their inclusion efforts.