

Promoting Equity in Public Spending

Washington's diversity is one of its greatest economic and cultural strengths, yet in 2019 only 3.5 percent of the nearly \$5 billion that the state spends with the private sector went to small and diverse businesses. The [Governor's Subcabinet for Business Diversity](#) was formed in 2015 to address this issue, and conducted a statewide disparity study to determine the level of disparity in participation by small and diverse businesses in state contracts for public works, goods and services, and client services.

The #1 recommendation of the disparity study is to implement an electronic data collection and monitoring system for state agencies and educational institutions to fully capture all of their diverse spending. The **Business Diversity Management System (BDMS)** is being implemented as part of a forward-thinking effort to modernize and standardize enterprise data collection and reporting. In addition to streamlining the reporting process for diversity spending, the BDMS will provide agencies with automated tools to identify and perform outreach to small and diverse businesses to share bidding opportunities.

Benefits of the Business Diversity Management System



Automated data collection and reporting – Providing an online portal for electronic submission of state contract spend data by state agencies and contractors.



Data standardization and error reduction – Increase data capture and reduce the amount of time spent on data cleaning efforts.



Improved business outreach – Helps public agencies and institutions of higher education to share bidding opportunities with small and diverse businesses.



Real-time access to diverse spending reports – Enables accurate, customizable reporting for increased impact on equity in public contracting and procurement. This will allow Washington to close its equity gap faster, and permit prompt responses to data requests by agencies, legislators, stakeholders, and the public.

Supporting the Governor's Focus on Equity

For the first time in state history, Governor Inslee [directed state agencies](#) to center their 2021-2023 budgetary packages and legislation proposals around equity. Through this direction, the Governor is putting agencies on a path to dismantle inequities in our systems and institutions, committing to a better life for all. Successful small and diverse businesses help make our economy and our families more resilient – strengthening our communities and improving the quality of life for all Washingtonians. This directive supports the work carried out by the Governor's Subcabinet for Business Diversity.

Monitoring & Tracking Diverse Spending

OMWBE is working with [B2Gnow](#) to implement the Business Diversity Management System. B2Gnow is a nationally recognized business-to-government software provider that automates data-gathering, tracking, reporting, and vendor management. B2Gnow also maintains OMWBE's Directory of Certified Firms. This turn-key solution significantly reduces staff time and costs, allowing us to focus on helping public agencies [meet their diversity goals](#).

B2Gnow meets the guidelines provided by the One Washington program and is already being used by Department of Enterprise Services (DES), Washington State Department of Transportation (WSDOT), the City of Seattle, the Port of Seattle, and Sound Transit. Contractors working with these departments are already familiar with the system and have vendor accounts, which will help make the transition easy for small and diverse businesses.

B2Gnow also offers different modules that may become useful in the future. For the BDMS we will implement the Contract Compliance, Outreach & Event Management, and Utilization Planning modules in addition to the Certification module that is already operational.