



4.1.a: Supplemental - Increase state agency and educational institution utilization of state-certified small businesses



4.1.A: INCREASE STATE AGENCY AND EDUCATIONAL INSTITUTION UTILIZATION OF STATE-CERTIFIED SMALL BUSINESSES

**Office of Minority and Women's
Business Enterprises and the
Department of Enterprise Services**

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May 8, 2017



Background: *Why does supplier diversity matter?*

- We have a responsibility when spending public dollars to identify and eliminate barriers to equitable opportunity.
- Good for economy. Small businesses reinvest in community and create jobs.
- Drives innovation.

Goal: By 2017, increase state agency and educational institution utilization of state-certified small businesses to:

- *10% minority owned business*
- *6% woman owned business*
- *5% veteran owned business*

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Current State: *Needs improvement*

	FY 2016 dollars spent with certified firms as % of all eligible spending		
	State Agencies	Educational Institutions	Combined
Minority-Owned Certified Businesses	2.45%	0.74%	1.65%
Women-Owned Certified Businesses	1.97%	0.38%	1.23%
Total OMWBE certified	4.42%	1.12%	2.89%
Veteran-Owned Certified Businesses	0.26%	don't collect	0.26%
Total Dollars	\$141.8 M	\$28.1 M	\$169.9 M

Small improvement over FY 2015: Minority and woman owned firms = 2.66%

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Problem/Opportunity:

- If goals were met:
Certified minority, woman and veteran owned small businesses would have received an additional \$707 M in FY 16.
- Governor Inslee's Business Diversity Subcabinet has analyzed root causes of why state not meeting goals:
 - Restrictions of RCW 49.60.400 (I-200).
 - Lack of understanding of why supplier diversity is important and what to do about it.
 - Complexity of doing business with government.
 - Competing priorities.
 - Historical barriers for business owners, such as access to capital.

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Strategies:

Business Diversity Subcabinet

- Formed in July 2015.
- Tasked with developing a statewide strategy to increase small and diverse business participation in Washington State contracting and procurement.
- Consists of 12 cabinet agencies and coordinates with stakeholders.

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Strategies:

Subcabinet areas of focus:

- Establishing “community of practice.”
- Improve assistance to small minority, women and veteran owned businesses.
- Create suite of measures to provide the best dashboard for accountability and improving results.
- Improve OMWBE certification process.
- Conducting a statewide disparity study.

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Detailed Action Plan:

Task	Task Lead	Partners	Expected Outcome	Status	Due Date
Measurement Framework 	OMWBE, LNI	DSHS, DOC	Create suite of measures to provide the best dashboard for accountability and improving results. Increase use and reliability of data.	Ongoing	8/31/17 (Phase II) 9/28/18 (Phase III)
Improved OMWBE Certification 	OMWBE		Eliminate any unnecessary barriers and improve certification timeframes.	Ongoing	8/31/17 (Phase II) 9/28/18 (Phase III)
Community of Practice (CoP) 	DSHS, WSDOT, DES, OMWBE	HCA	Embed a broad understanding of equity, diversity and inclusion throughout community of procurement professionals.	Ongoing	8/31/17 (Phase II) 9/28/18 (Phase III)
Technical Assistance 	OMWBE, DES	ORIA, Commerce	Create a system for small business to customize their needs to available resources. Central web site with “triage” services. Feedback loop for quality control.	Ongoing	8/31/17 (Phase II) 9/28/18 (Phase III)
Disparity Study 	DES	33 State Agencies	Provide necessary data needed to understand whether minority-, women- and veteran-owned businesses have equal access to contracting opportunities.	Ongoing	1/31/19

Assistance Needed:

- Raise awareness:
 - Problem statement.
 - Addressing problem is a priority.
- Disparity study:
 - Data from participating agencies key.
 - Encourage participation at public meeting.



Goal 2 Prosperous Economy Quality of Life 4.1.a Increase utilization of state-certified small businesses

Stakeholder: *Frank Fukui*

WOODBURN
C O M P A N Y



2016 Supplier of the Year
*NW Minority Supplier
Development Council*

Value Statement: Through passion, integrity and family values, Woodburn Company will be known as the Pacific Northwest's leading customer service provider in the Printing as a Service market.

- Founded: 1957
- Minority and veteran owned small business
- Authorized reseller on DES master contracts for Managed Print Services (MPS) & copiers

Partnerships:

- Ricoh
- Xerox
- HP
- Lexmark
- Dell

Stakeholder: *Frank Fukui*



**Managed Print Services
(MPS) Participating States**
NASPO ValuePoint

Q: How does a WA small business participate with a master contract awarded exclusively to organizations that can cover the full United States?

- **Partnerships**
- **Customer Perspective**
- **State Procurement Knowledge**

Q: Does awarding master contracts exclusively to national organizations provide the most benefit for Washington State?

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