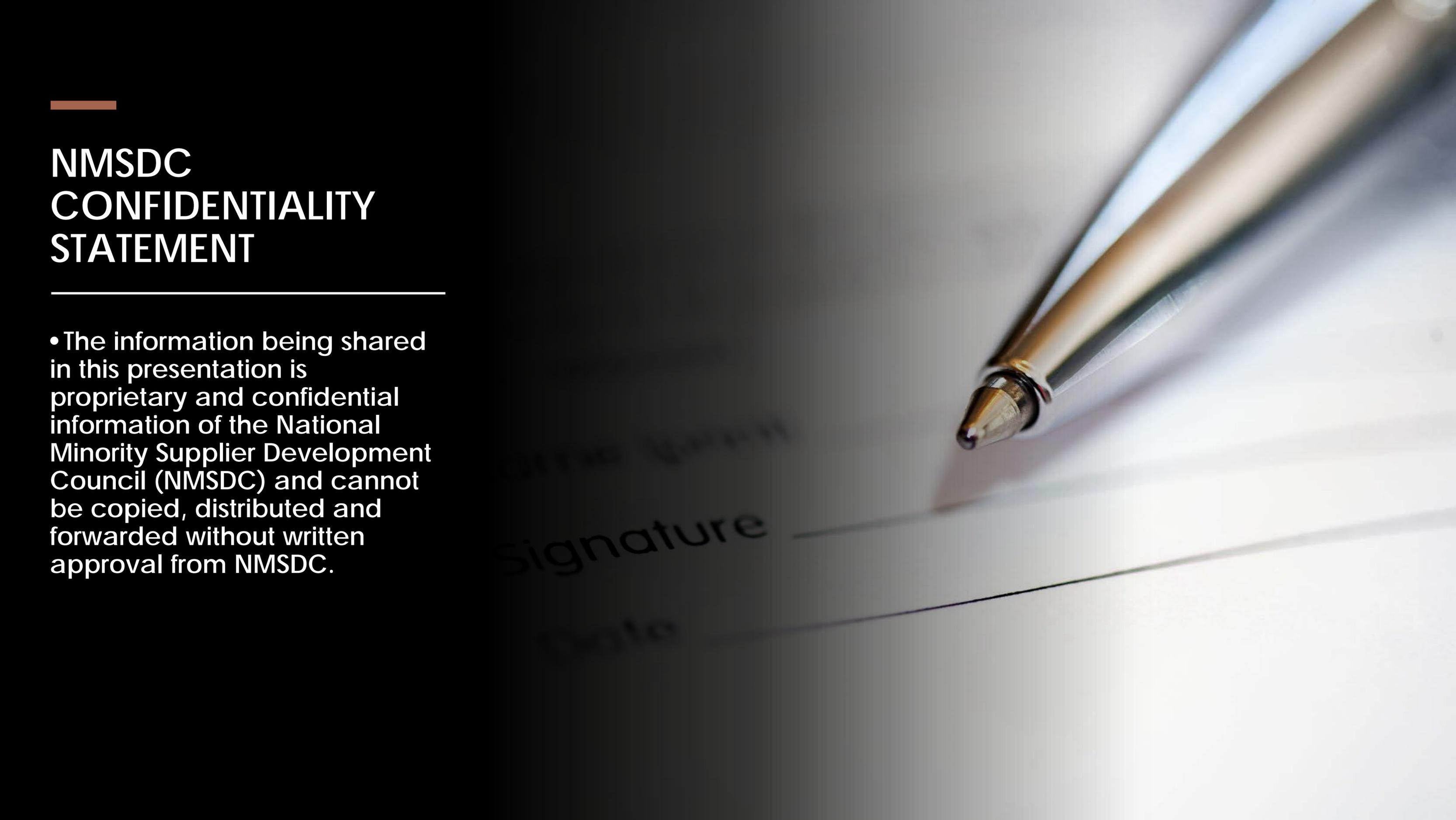


ADVOCATE.  
CERTIFY.  
DEVELOP.  
CONNECT.



**NMSDC Strategy  
2022 - 2026**

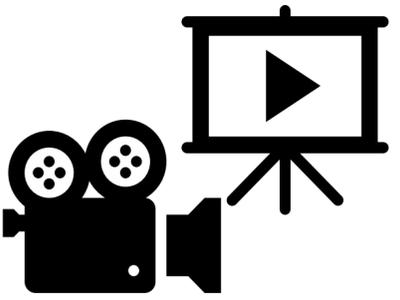
A close-up photograph of a silver pen tip resting on a document. The pen is positioned diagonally from the top right towards the center. The document has a signature line with the word "Signature" printed on it. The background is a soft, out-of-focus light gray.

# NMSDC CONFIDENTIALITY STATEMENT

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- The information being shared in this presentation is proprietary and confidential information of the National Minority Supplier Development Council (NMSDC) and cannot be copied, distributed and forwarded without written approval from NMSDC.

# Together, Let's Watch an Eye-Opening Video



NMSDC does not own the rights to this video. For more information on the documentary, visit <https://nanoe.org/broken-for-good-movie-jimmy-larose/>  
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# STRATEGIC PLANNING INPUT





# LISTENING TOUR: MAGIC WAND

*In various listening sessions, we always ended our conversation with one question: if you had a magic wand and could change one thing to make NMSDC more successful, what would it be? The answer to this question helps prioritize and focus. Here are the top magic wands from each stakeholder group:*

## NATIONAL OFFICE

- Human Capital
- **Technology**
- Communications
- Decision Cycle Time

## REGIONAL COUNCILS

- Corporate Involvement
- **Technology**
- Communications
- Unity & Cohesiveness

## MBEs

- Corporate member accountability
- Opportunity
- **Technology**

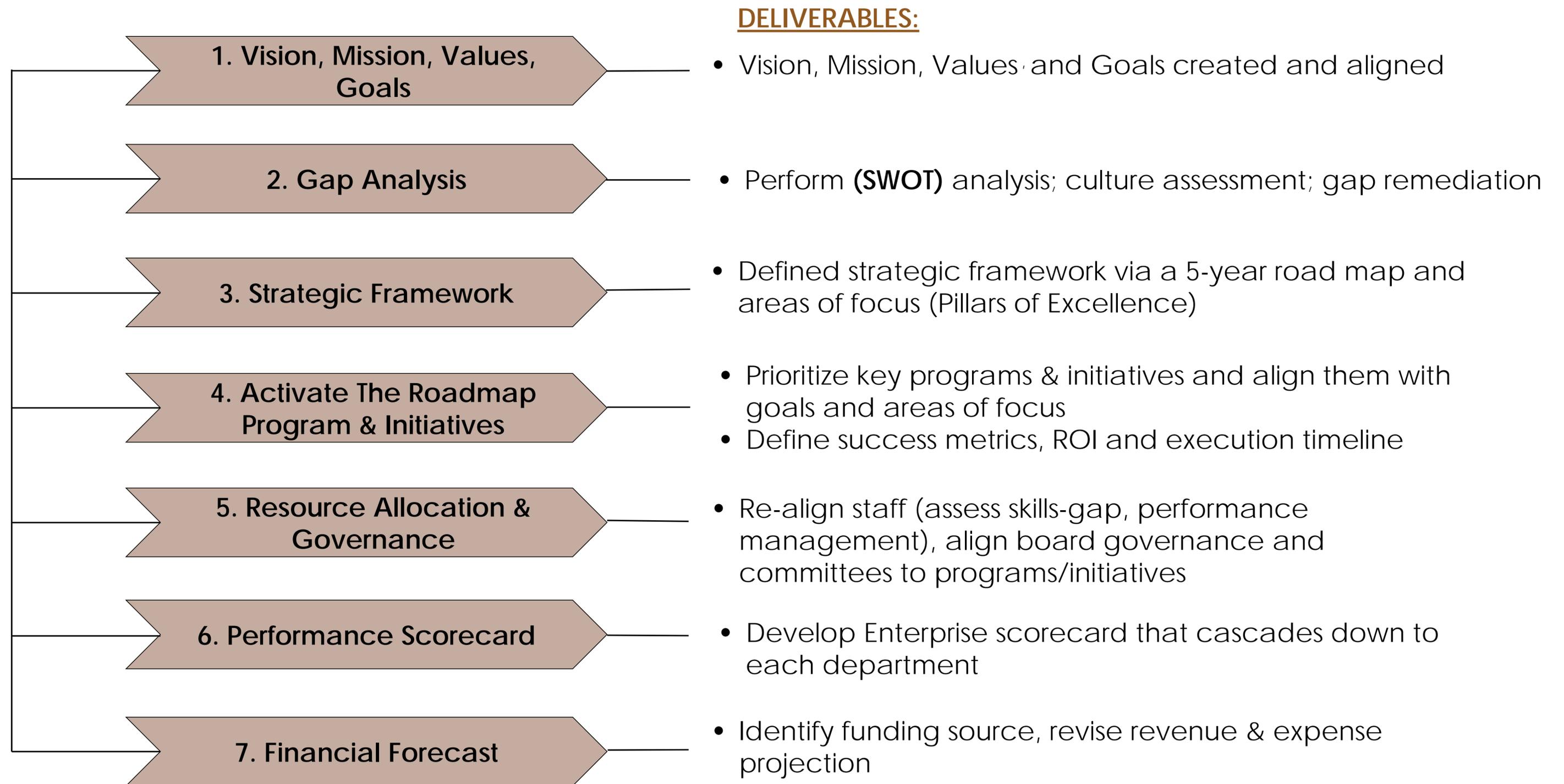
## CORPORATE MEMBERS

- **Technology**: one database
- Contract ready MBEs
- One NMSDC

—————→ **TECHNOLOGY** is the common solution across all stakeholders ←————



# STRATEGIC PLANNING OUTPUT



# 1. Mission, Vision Values, Goals





# MISSION, VISION, VALUES



## MISSION:

Serve as a growth engine for NMSDC certified minority businesses and enable our members to advance economic equity.



## VISION:

The leading organization for driving socioeconomic equity and generational wealth in communities of color.



## VALUES:

Our Core Values

- Integrity
- Customer\* and client\* centric
- Teamwork and One NMSDC
- Growth mindset
- Excellence

\*client: MBEs;

\*customer: corporate members



# OUR GOALS

## GOALS

## MEASUREMENT

**Enhance Client\* and Customer\* Success:** Execute on the four pillars of excellence: Advocate. Certify. Develop. Connect. through value-added programs, technology enablement and transformed services; empowering them to succeed in the local, national, and global markets



Certification growth  
MBE revenue growth  
Membership growth  
(Future considerations: Member spend with MBEs; MBE to MBE spend)

**One NMSDC to Drive Operational Excellence:** Build a winning team and a cohesive network that focuses on achieving and exceeding stakeholder expectations



Culture Survey  
Stakeholder Survey

**Promote Economic Equity:** Nation's premier brand in economic empowerment for communities of color through advocacy and thought leadership; strengthen strategic alliances maintaining a coordinated effort with partners in our ecosystem for socioeconomic equity



Economic Impact: economic output, job, tax contribution  
NPS (outsourced for later years)

**Achieve Financial Sustainability (Internal Goal):** Accelerate growth; ensure organizational sustainability



Budget growth; Capital Campaign goal  
Balanced Budget

\*client: MBEs; \*customer: corporate members

## 2. Gap Analysis



## STRENGTHS

- Gold standard certification
- Affiliates support for core services
- Only NGO with funding arm/CDFI
- Growing member base
- Brand reputation
- Passionate about mission
- Board expertise

S

W



## WEAKNESSES

- Inconsistent performance across the network
- Lack of collaboration & partner relationships
- Technology & infrastructure
- Cultural distrust & fragmented network
- Talent gaps & lack of accountability
- Stakeholder engagement
- Branding & marketing; Advocacy
- Operational inefficiencies
- Lack of planning and prioritization

## OPPORTUNITIES

- One stop shop across all diverse classifications for ethnic minority suppliers
- Strengthen strategic alliances & partnerships
- Meet the pivotal moment in supplier diversity
- Press/media support for cause marketing
- Access to Capital
- Global expansion
- Board engagement
- One NMSDC; cohesive network

O

T



## THREATS

- Rising competitors
- Irrelevancy in the market
- Funding limitations
- Legal challenges
- Technology innovation
- Data security & privacy

# NATIONAL OFFICE CULTURE PROFILE™: VIEW OF THE OVERALL ORGANIZATION

Essential Behavior

85+

65-84

Below 65

<35

What you might experience

We have high levels of feedback and coaching.  
 We have two-way, frequent and open communications.  
 There is a high level of openness and trust among people.  
 High performance is recognized and rewarded.  
 People feel appreciated and valued.

**People are fun to be around.**

People are flexible.

**People are willing to put in effort beyond what is normally expected.**

Teamwork, mutual support / cooperation is the norm

There is an environment which is optimistic and forgiving.

**There is a sense of pride.**

There is a healthy environment.

People are encouraged to innovate, creativity is welcomed.

There is great openness to change.

There is a bias for action / urgency to move forward.

People are empowered.

There is a positive fast-paced environment.

People are continually improving/growing in positive ways.

**There is a high level of customer service consciousness, customer focus.**

There is a high level of quality awareness, focus on quality.

Core values / ethics are very important.

There is a sense of honesty.

There is a high level of integrity when dealing with employees.

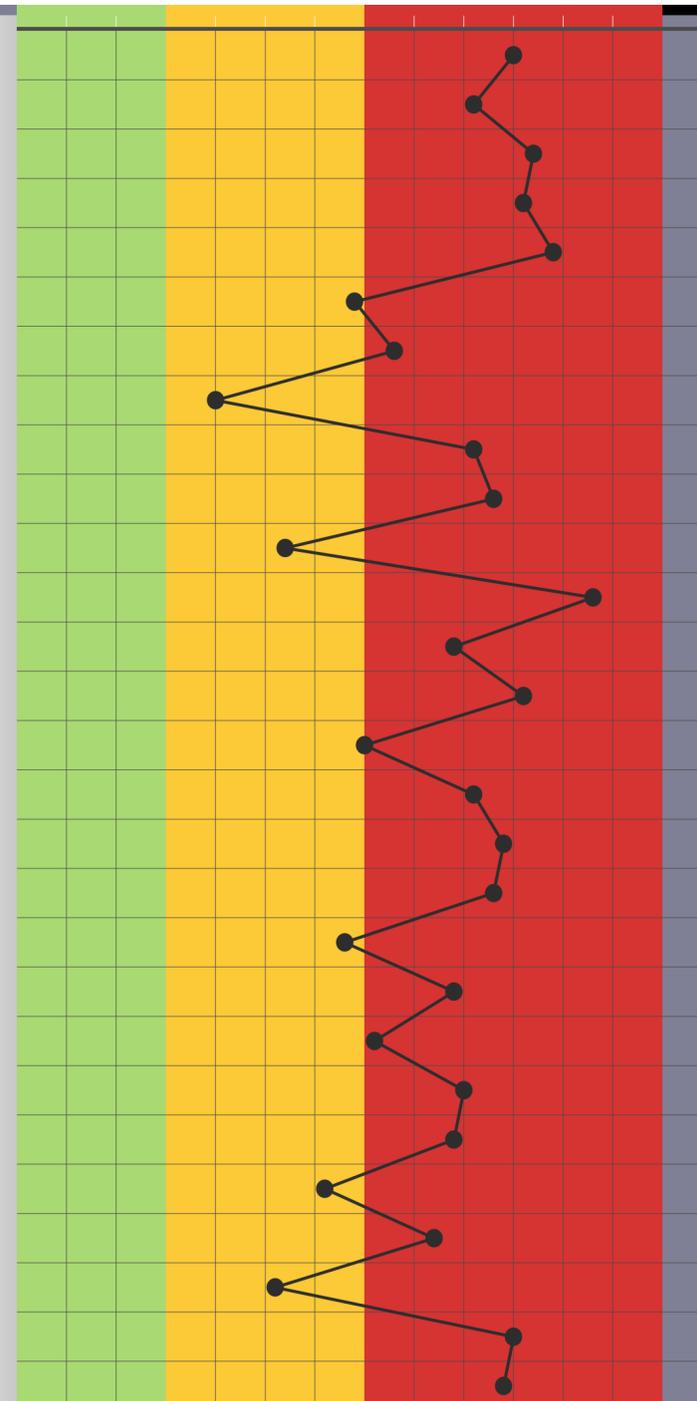
**We respect diversity - healthy differences are a strength.**

Decisions are made for the greater good of the overall organization.

**There are high expectations for performance.**

Our people are highly accountable for their actions and results.

We have an environment where people are self starters with high initiative.



**We have infrequent feedback and coaching.**

We have top down, inadequate communications.

**There is low trust and openness between people.**

**High performance is expected but not recognized or rewarded.**

**People do not feel appreciated and valued.**

Morale is low. People are depressed.

People are rigid and inflexible.

People do enough to get by.

Narrowly focused with turf issues is the norm.

There is an environment that is insecure, fearful, negative.

People do not care.

**There is a dysfunctional environment.**

People do what they are told -- we're risk averse and do not support new ideas.

**There is great resistance to change.**

We are bureaucratic, indecisive and slow to respond.

Things are hierarchical and boss driven.

There is a high stress, burnout pace.

People maintain the status quo.

There is low service consciousness or focus on the customer.

Quality is not a priority

Core values and ethics are not stressed - tend to be ignored.

Honesty is in question.

There are different standards of behavior for different levels of employees

There is a lack of respect for diversity of ideas and people.

Decisions are made in group or individual self interest.

There are low performance expectations.

People find excuses, blame others, feel victimized.

We have an environment where people need direction/have low initiative.

# 3. Strategic Framework





# 5 YEAR ROAD MAP



## Growth Plan Realized

2025-2026

- World class technology & process; high performing team
- Revenue goal \$30M - \$40M; endowment fund \$35M-100M
- 1,000 National Members | 25,000 Certified MBEs (~12% Y/Y)
- Economic Impact outpace GDP by 12%
- Consistent network services & performance
- Household brand; the “Aspen Institute” for MBE related issues



## Operationalization of Strategic Plan

2023-2024

- Core infrastructure in place
- Revenue goal \$25M - \$35M; endowment fund \$15M - \$80M
- 850 National Members | 20,000 Certified MBEs (~10% Y/Y)
- Economic Impact outpace GDP by 10%
- Performance elevated
- Prominent on the Hill and in media; NPS



## Setting the Stage for Sustainable Success

2022

- Core Infrastructure planning
- Revenue goal: \$23M (base) - \$28M (aspirational)
- Endowment fund \$5M (base) - \$50M (aspirational)
- 700 National Members (~15% Y/Y) | 16,500 Certified MBEs (~10% Y/Y)
- Economic Impact baseline
- National office change mgt/culture shift; Affiliate SLA defined and aligned
- Brand elevation; Policy agenda



## VISION

The leading organization for driving socioeconomic equity and generational wealth in communities of color



# PILLARS OF EXCELLENCE



ADVOCATE

Leading voice for MBEs with policy makers, corporate leaders, and media

CERTIFY

The gold standard of MBE certification

DEVELOP

Enhance MBE capabilities and competitiveness

CONNECT

Connect MBEs to business opportunities and funding resources

FINANCIAL STRENGTH

Financial sustainability and organization longevity

CULTURE

Integrity  
Customer & client focused  
Teamwork  
Excellence  
Growth

PEOPLE

High performing & aligned team and network

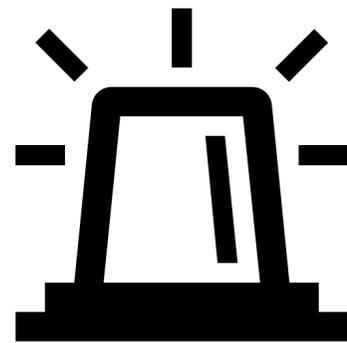
TECHNOLOGY

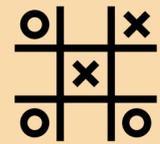
World Class technology (customer interface & internal operations)

EXTERNAL

INTERNAL

# 4. Activate the Road Map





# OUR APPROACH

1

Identifying **initiatives** for attaining each of 4 goals; Mapping to Impact/Effort matrix for prioritization

2

Mapping priority **initiatives** to Pillars of Excellence

3

Identifying **key initiatives** (high impact / high effort) and outlining key next steps

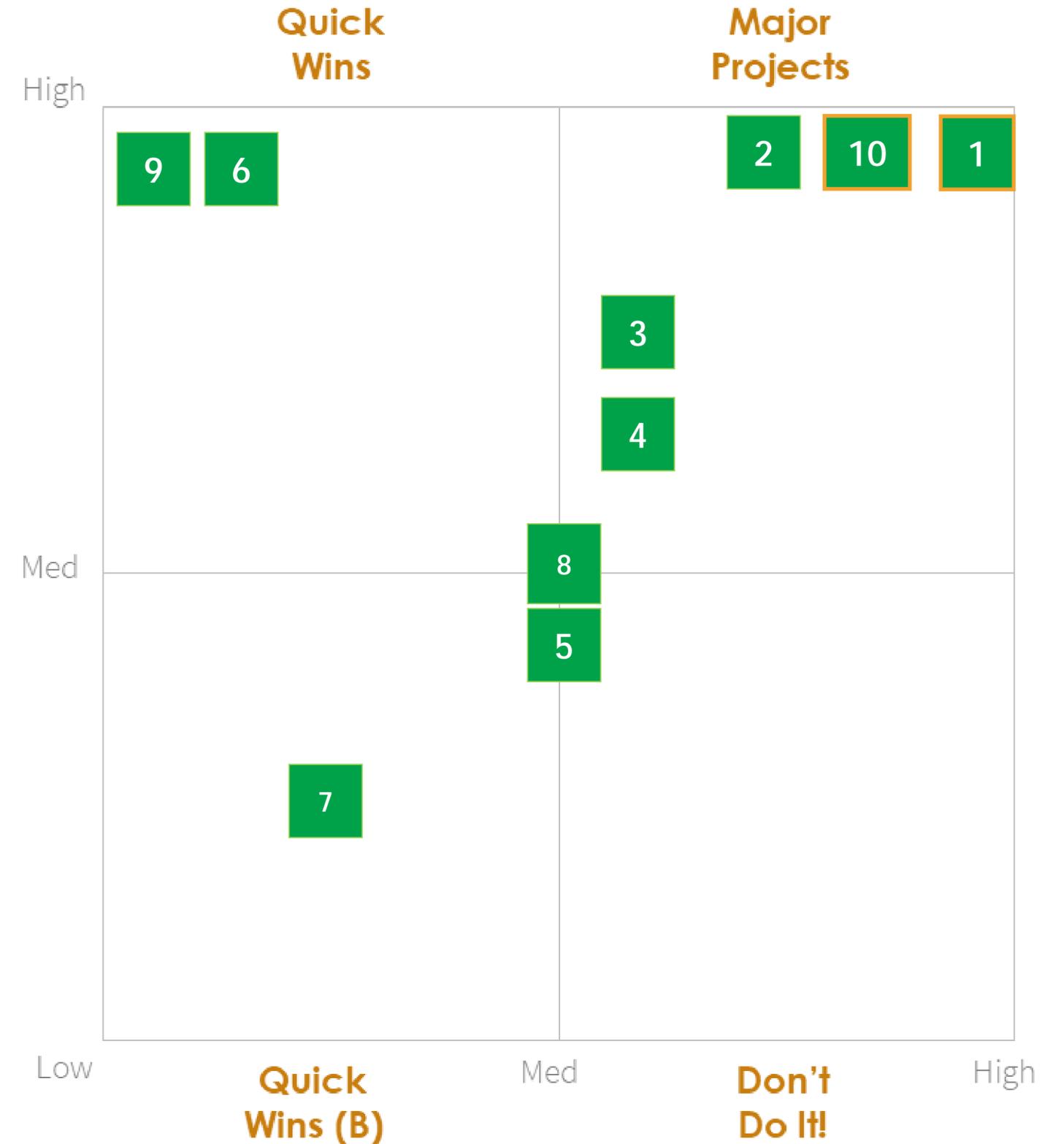
4

Aligning on immediate **quick wins** and activating through our leadership team

# Enhance Client and Customer Success

1. Upgrade client and customer technology systems
2. Develop MBEs in gap industries / regions
3. Drive higher engagement from inactive corporate members
4. Engagement, beyond procurement, with corporate members
5. Develop best practices to support clients and customers with government contracts
6. Evaluate in-house Learning Mgmt. System
7. Rebuild and strengthen global partner relationships
8. Request corporate members to share contract status
9. Replicate Verizon experience with other partners
10. Access to Capital Council

IMPACT



**EFFORT**



# ACTIVATE THE ROADMAP - EXTERNAL

## Quick Wins



### ADVOCATE

- Continue economic impact study - (VP of marketing)

### CERTIFY

- Enhanced & consistent certification training - CJ

### DEVELOP

- Evaluate in-house vs. outsourced Learning Mgmt. System-PG
- Track MBE class progress -CJ
- Rationalize current programs - PG

### CONNECT

- Engagement with inactive corporate members - PG
- Replicate Verizon experience - PG

## Initiatives



- Thought Leadership
- Build advocacy capability & agenda
- Elevate marketing, PR, brand strategy
- Strategic alliances

- Modernize certification process & Technology
- Growth initiative
- Certify new types of businesses, industry-specific

- Develop MBEs in gap areas/industries
- Access to capital
- Intelligent MBE assessment and development tool (2023)

- Corp LOB leaders' engagement
- "Match".com equivalent tool: MBE to Corp; MBE to MBE
- Corporate Plus
- Government contracting

**EXTERNAL**



# ACTIVATE THE ROADMAP - INTERNAL

## Quick Wins



### FINANCIAL STRENGTH

- Take inventory of fund raising & cost-saving opportunities – CV
- Rethink membership model -PG
- Board scorecard- PG

### CULTURE

- Rethink budget management process– CDV
- Revamp award system to drive right behaviors –LM & PG

### PEOPLE

- Performance mgt. System - MS
- Assess and adjust ELT ways of working and establish collective priorities -YM

### TECHNOLOGY

- McKinsey assessment and road map – MS&TW

## Initiatives



- 50 for 50 capital campaign
- Monetizing our services (2023)
- Grants
- Shared Services initiative (2023)

- Accountable culture healthy argument and common values
- Consistently drive (ELT) and communicate a clear 'one NMSDC" message and strategic direction

- Align resource and people with goals
- Professional development
- Affiliate SLA and accountability
- Global affiliate relationship

- Technology upgrade (multi year effort phased approach)
- Centralized diverse supplier database
- Compliance & Security

**INTERNAL**



# OUR TIMELINE

## QUICK WINS

December 6, 2021

1

Align on quick wins and owners

December 22, 2021

2

Complete  
action plan

Q1 2022

3

Implement  
quick wins solutions



## INITIATIVES:

January 31, 2022

1

Assign owners  
Determine committee or task force if needed

Q1 2022

2

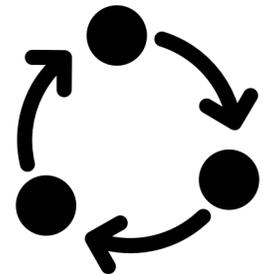
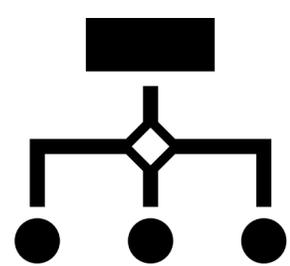
Develop project plans  
Define success metrics

2022 & Beyond

3

Milestone based  
execution & monitoring

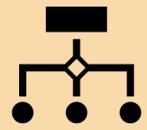
# 5. Resource Allocation & Governance



# LEADERSHIP SKILL GAP ASSESSMENT

## EY/Heidrick & Struggles/ELT Exercise: ELT Skill Gap

- COO or Chief Transformation Officer
- Technologist - CTO level visionary
- PR/Marketing/Communication SMEs
- Entrepreneur In Residence
- Capital Market/Access to Capital SMEs
- Government Relations
- Professional development; succession planning;  
Performance Management; Fostering teamwork /  
collaboration; Operational Excellence; Data Analytics /  
Predictive Analytics

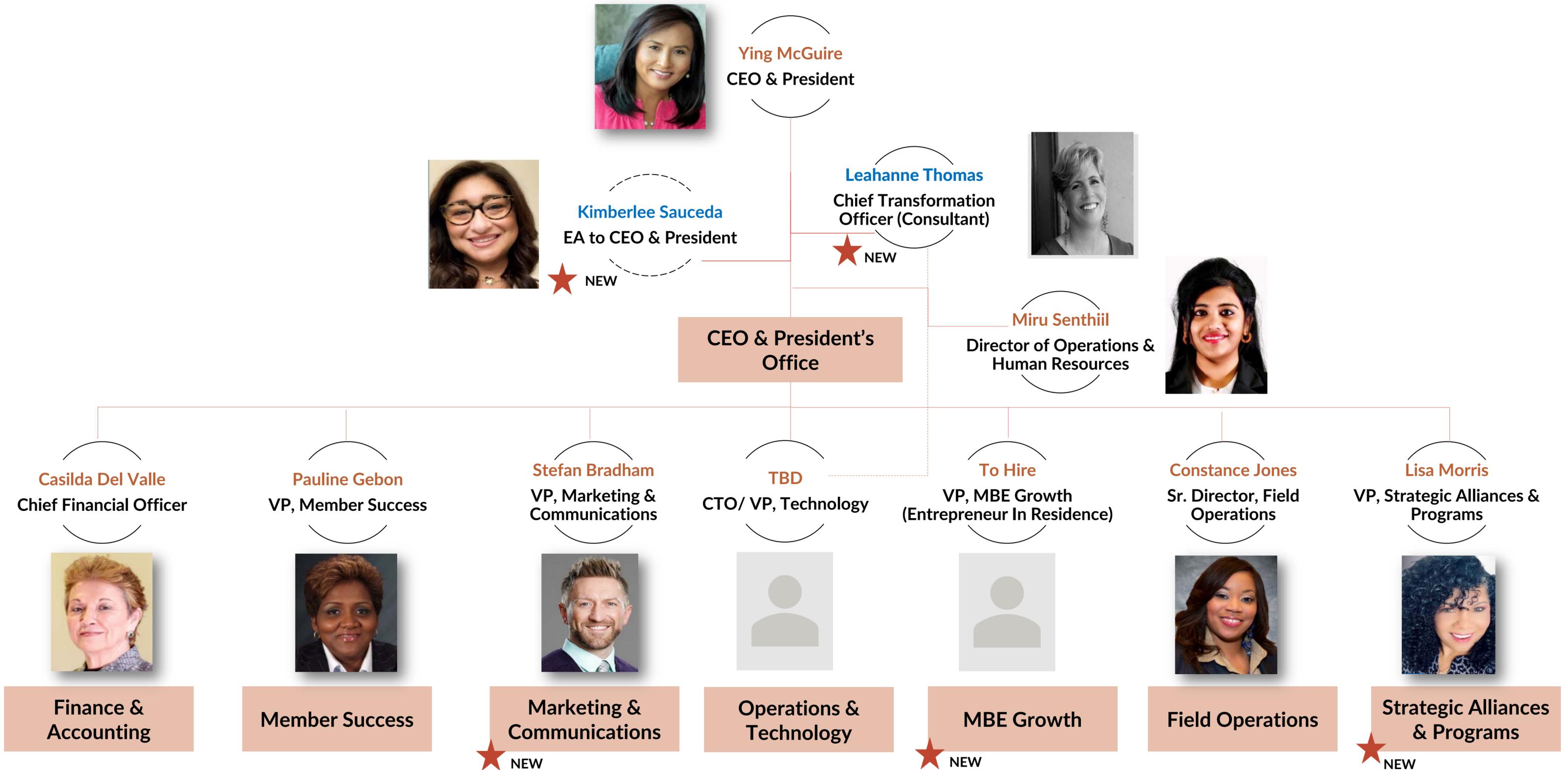


# 1H PRIORITIES FOR EVOLVING THE ORG STRUCTURE

- 1-year consultant for **Chief Transformation Officer** evolving into a COO in 2023 (Q1)
- Find a **VP of Technology** or continue having a CTO on loan (Q2)
- Onboarding a **VP for Marcom & Branding** (Q1)
- Onboarding a Top Tier Government Consulting firm (Jan. 2022)
- Find **mentor/advisor for Sr. Director, Network Delivery Services/Field Operations** + a experienced consultant (Jan. 2022)
- Q2 Considerations: **Access to Capital Leader & Entrepreneur in Residence**
- **Sub ELT role** discussion; calibrate and realign staff to roles (Dec 2021 –Jan 2022)
- **2022 Org Chart** available in January 2022; Continue to evaluate **Org Chart**



# NMSDC EXECUTIVE LEADERSHIP TEAM



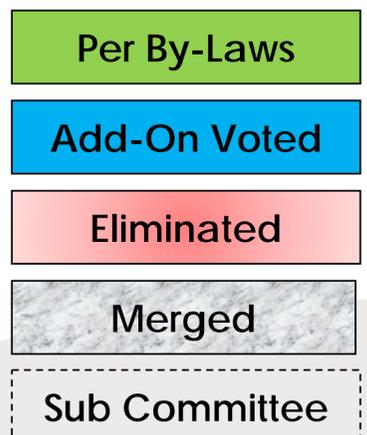
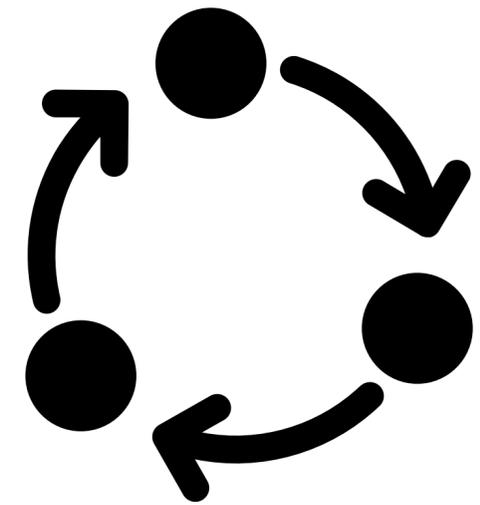
# Board Governance

## Board Chair's Task Force

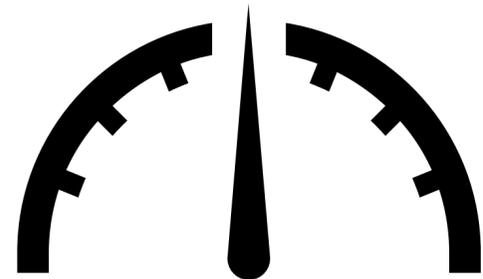
review board structure and By-Laws and make recommended revisions (1H 2022)

## Rationalize Board Committees

By-Laws required committees + committees or ad hoc task force to support key initiatives (1H 2022)



# 6. Performance Scorecard



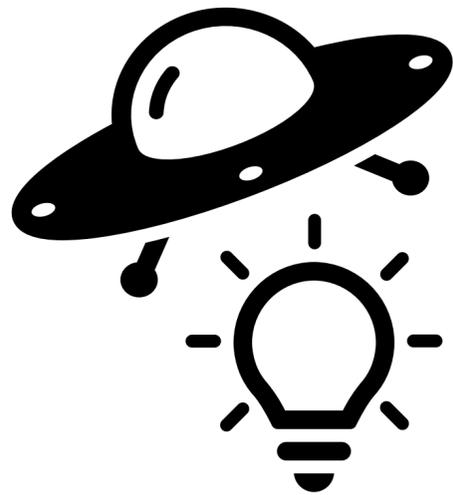


# PERFORMANCE SCORECARD

Category	Goals	Measurements	2021	2022	2022	2022	Performance Rating
			Forecast	Goal	Actual	Forecast	
Financial	<b>Achieve Financial Sustainability:</b> Accelerate revenue growth; ensuring organizational sustainability	Funding/Revenue	\$1,870,000	\$2,370,000			●
		Opex	\$1,740,000	\$2,370,000			
		Capital Campaign Endowment Fund	N/A	\$5,000,000			●
Customer & Client	<b>Enhance Client and Customer Success:</b> Execute on the four pillars of excellence: Certify. Develop. Connect. Advocate. through value-added programs, technology enablement and transformed services	Certified MBEs	15,000	16,500			●
		MBE Revenue					
		Corporate Members	600	700			
		Corporate Spend w/MBEs	N/A				
Operations	<b>One NMSDC to Drive Operational Excellence:</b> Build a winning team and a cohesive network that focuses on achieving and exceeding stakeholder expectations	Culture Survey					
		Stakeholder Survey	N/A				
		National Office Performance Mgt System					
		Affiliate SLA & Measurement					
		Board Scorecard					
Economic Impact	<b>Promote Economic Equity:</b> Nation's premier brand in economic empowerment for communities of color through advocacy and thought leadership; strengthen strategic alliances	Economic Output					
		Jobs					
		Tax Contribution					
		NPS (2023)					

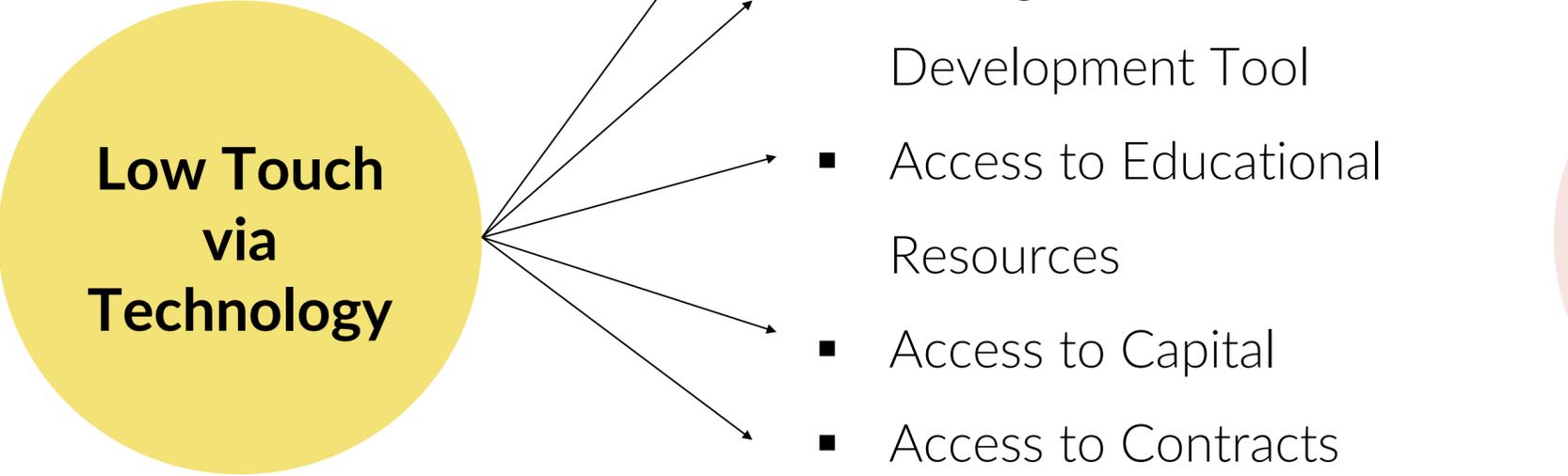
● On Target      ● Work in process      ● Challenged

# What's different in the re-imagined future?



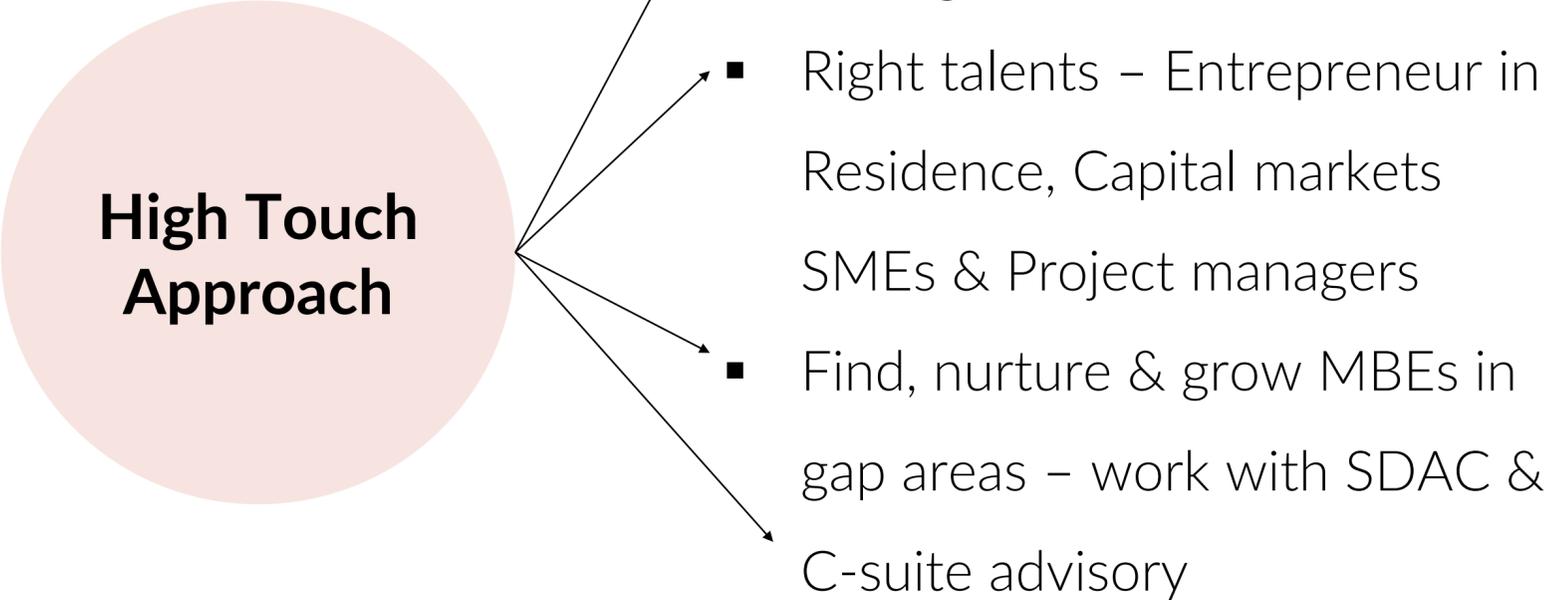
# What does it mean for our **Clients** ?

## Opportunity and Growth



**Low Touch  
via  
Technology**

- Automated Certification
- Intelligent MBE Assessment & Development Tool
- Access to Educational Resources
- Access to Capital
- Access to Contracts

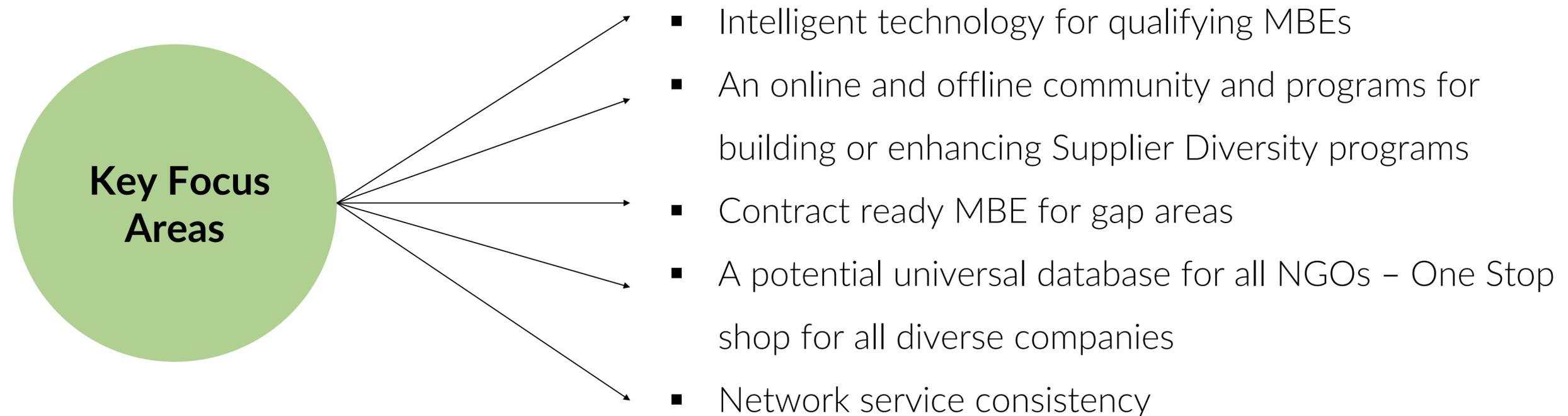


**High Touch  
Approach**

- Established a new function – MBE growth
- Right talents – Entrepreneur in Residence, Capital markets SMEs & Project managers
- Find, nurture & grow MBEs in gap areas – work with SDAC & C-suite advisory

# What does it mean for our **Customers** ?

## High Value to Corporate Members



# What does it mean for our **Network** ?

## One NMSDC through 3-legged stool - Our Focus



- Short term: Align roles & responsibilities for National & Regional
- Modernize Performance Management System – Align on SLA's, institute Pay-for-Performance (2023)
- Recapturing institutional knowledge to assist with strengthening the network (Steve Sims/Harriet Michel)
- Long term: Holistic approach TBD by Board Chairs' task force

May 11 - 13, 2022

**NMSDC 50<sup>TH</sup>  
ANNIVERSARY**  
**MINORITY  
BUSINESS  
ECONOMIC  
FORUM**

This inaugural Minority Business Economic Forum will bring together leaders in business, government and communities to discuss challenges and opportunities facing minority businesses.

It is being positioned as The Premiere forum that will shape minority business development for the next 50 years.



# NMSDC 50<sup>TH</sup> ANNIVERSARY CONFERENCE + BUSINESS OPPORTUNITY EXCHANGE

October 30 - November 2, 2022

Since hosting the first minority business expo in 1984 NMSDC has brought together top Corporate Executives with minority business owners as they forged relationships to drive economic impact in communities of color.

As we celebrate this significant milestone, we invite you to partner with us as a sponsor of this reimagined historical event that leads us into the next 50 years of advancing economic equity.





ADVANCING  
ECONOMIC EQUITY  
TOGETHER



## OUR PURPOSE

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For the last 50 years, the National Minority Supplier Development Council (NMSDC) has been connecting and advocating for the inclusion of minority businesses.

Because we believe every business deserves an unbiased chance.

Which is why our goal of ensuring representation and economic equity for minority-owned businesses (MBE) of all sizes is at the heart of everything we do.

And by helping Asian-Indian, Asian-Pacific, Black, Hispanic and Native American businesses push forward, we are shaping a better future for all.



## OUR IMPACT

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Our network is unmatched:

- 15,000+ Certified MBEs
- 1,500+ Corporate Members
- 23 Regional Councils
- NMSDC Business Consortium Fund/CDFI
- 5 International Affiliates
- Extensive NGO and Government partnerships

Our results are extraordinary:

- \$400+ billion in economic output annually
- \$48 billion generated in tax revenue
- 2.2 million jobs



## OUR GOAL

---

Journey to  
**\$1 TRILLION**  
in MBE Revenue

---

We aspire to raise  
**50 MILLION DOLLARS**

---

To fund our growth and create an endowment  
**50 YEAR ANNIVERSARY**

---

To close the wealth gap and achieve economic equity in  
**50 YEARS**

# WHY?

Racial Equity is very good for business and our economy

## Closing the Racial Wealth Gap Means

- Increasing the US GDP by \$8 trillion by 2050.
- Adding \$2.6 trillion in consumer spending and 9 million jobs.

Photos shared are NMSDC certified MBEs  
Data-Courtesy of MMSDC and Supplier.io



José R. Mas | MasTec



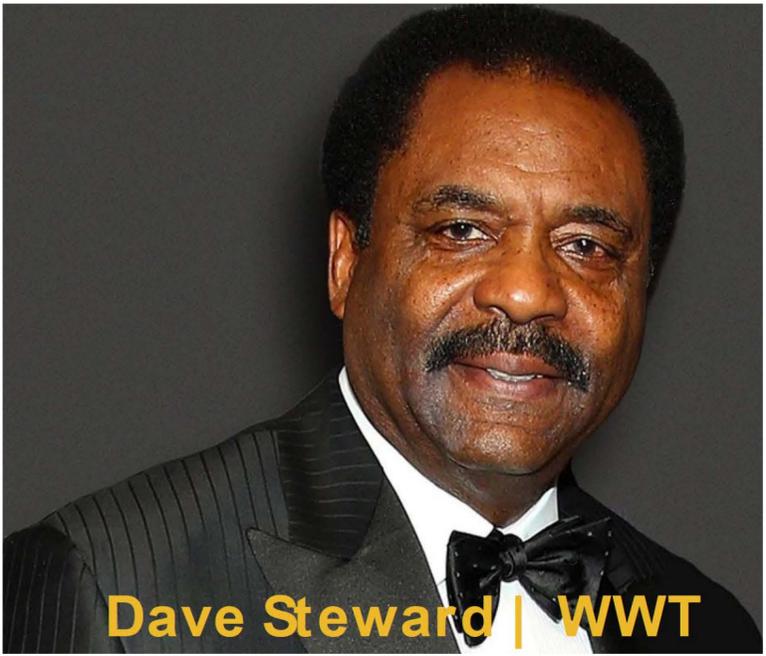
Cathy Hughes | Urban One



Thai Lee | SHI



Mellody Hobson | Ariel



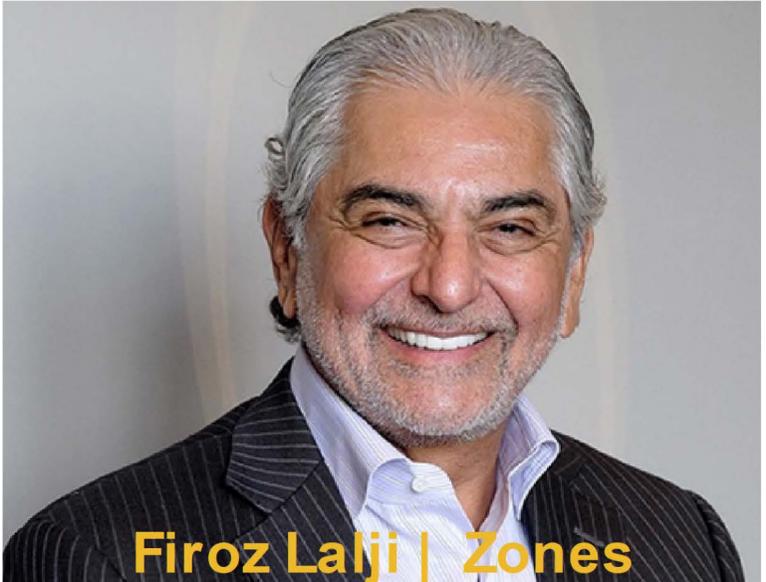
Dave Steward | WWT



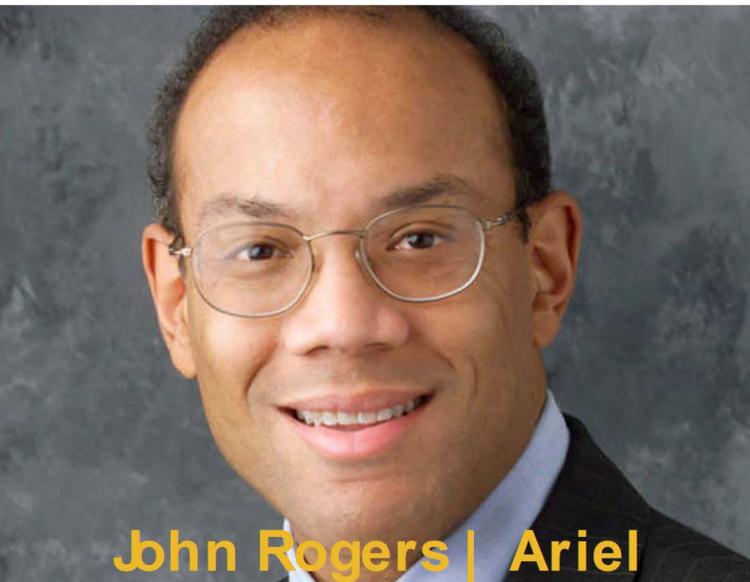
Janice H Bryant | Act 1



Robert Smith | Vista



Firoz Lalji | Zones



John Rogers | Ariel

# WHY NOW?

**50 Years ago:** Dr. Martin Luther King Jr. Assassination  
MBDA and NMSDC was founded

**50 Years later:** Murder of George Floyd  
Spotlight on continued racial inequity

## ECONOMIC PARITY STILL LAGS

1100% in MBE growth; 2.6% of MBEs have revenues > \$1M  
White households have 8x the wealth of Black households in America and 5x the wealth of Latino households.

Trajectory at current pace

**>300 years to close the racial wealth gap**

History repeats itself

**We need to be intentional about change**



# WHERE WILL WE INVEST \$50M

## CREATE GENERATIONAL WEALTH IN COMMUNITIES OF COLOR WITH

- Innovative and intelligent technology
- A critical mass of certified MBEs
- ONE NMSSDC with unified and high performing team & network
- MBE growth Center of Excellence
- Corporate member development
- Data generation and essential research
- Thought leadership
- Advocacy
- National visibility and branding
- Cause-related marketing and campaigns





**NMSDC**  
50<sup>TH</sup> ANNIVERSARY

**Thank You**