



Empowering Tier 1 Small and Diverse Businesses

Key Metrics:

- Spend with small & diverse suppliers
- # of Bayer business leaders advocating for an inclusive supply chain
- Supplier participation in RFPs and business expansion opportunities
- Visibility through external and internal communication



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Which SPP thematic track does your case study align with?

People

Where does your case study sit within the procurement lifecycle?

Collaborate Externally – Shape Industry Norms

What was the core challenge you were facing, and what was the context?

Bayer lacked a dedicated development initiative for small and diverse suppliers that reflected the global nature of Bayer's business. We also had challenges engaging with business budget holders and decision makers in the US, our most significant region for the business.

What approach did you take to tackle the challenge?

The Momentum Supplier Development Program was developed to provide small and diverse suppliers in the U.S. with valuable insights and strategies to strengthen their operations over a 5-month period.

- Vetted suppliers across various categories within the Bayer supply chain representing different company divisions before inviting them to participate.
- Built capacity of small businesses through recruitment of leaders from across the organization to share expert insights during four in-person sessions, three online, and a tour of the Bayer facility.
- Targeted Diversity and Inclusion and Business Resource Group representatives were invited to engage with suppliers and Bayer leaders during program sessions to foster connection and collaboration.

Who was involved and how did you build buy-in (or not)?

Personalized invitations were sent and engagement secured at multiple levels: Highest-level supplier executives, Bayer leaders across all divisions with different areas of expertise, along with, Diversity and Inclusion leadership and Business Resource Group executive sponsors. Templates for Bayer presentations, roundtable discussions, and guidance for internal and external communications made participation attractive and easy.

What was the outcome, and how did you measure the impact?

- **Supplier Outcome:** Five high-potential suppliers deepened their knowledge of Bayer's operations and expanded their networks, leading to new opportunities across divisions. Suppliers were introduced to relevant Bayer decision makers and invited to participate in RFP processes.
- **Internal Engagement:** Twenty-six Bayer leaders participated as program speakers. Visibly reinforcing Bayer's commitment to small and diverse suppliers was amplified through internal and external communications, including LinkedIn campaigns.
- **Organizational impact:** Collaboration between the Responsible Procurement and Diversity & Inclusion teams was strengthened, resulting in joint initiatives such as supplier mentoring, supplier code of conduct consultation, and training on inclusion.



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What was the cost or investment required, and what have been the expected (or unexpected) business trade-offs or benefits?

The investment included ~\$155,000 and ~20% of one FTE during the program. Spending money on this program meant we couldn't support NGO event sponsorship at the same level as before. Unexpected benefits included stronger internal advocacy for Responsible Procurement across the organization.

What were the key success factors?

Awareness: Promoting the program internally and externally and encouraging program speakers to share internally and externally about their participation.

Cross-functional Collaboration: Ensuring all company divisions were represented and participated in the program.

Global company representation and hybrid format: Expert insights from Bayer leaders around the world were delivered both in-person and virtual/online sessions which represents the way Bayer operates. This also provided the small and medium-sized businesses the opportunity to learn from leaders across the world, exposing them to global business insights and intercultural acumen that they would not necessarily have had access to.

What was the “ugly truth” you encountered & what would you do differently next time?

It proved challenging to scale a global supplier development program for small and diverse suppliers within a limited budget. Though the Momentum Supplier Development Program incorporated Bayer experts from around the world, the suppliers who participated were all based in the U.S. Leveraging this program as a pilot, we are considering conducting similar programs in different countries with the format that was developed and tested in the US.

How would you recommend those with fewer resources approach this?

Tailor your supplier development program to address the needs and gaps your business is currently facing within your supply chain – creating a solution for yourselves, even if it's just in one category area.

For whom would you recommend this initiative?

Corporations that want to increase awareness of and engagement in advocacy for small, diverse businesses enterprise-wide would benefit from implementing a small business supplier development program. A corporation that is already tracking spend with small and diverse suppliers can use such a program to increase their Tier 1 diverse spend.

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