

Business Council director touts supplier diversity programs

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The head of The Business Council in Milwaukee says boosting supplier diversity is “necessary” for strengthening the region’s business community.

“If you don’t see strong businesses in communities that look like you and are participating in the economic wealth creation of said community, your communities are failing,” Marjorie Rucker, the group’s executive director, said yesterday during a webinar hosted by the Metropolitan Milwaukee Association of Commerce.

Rucker and Ugo Nwagbaraocha, president of Diamond Discs International, agreed that incorporating more diverse suppliers helps businesses improve their bottom line.

Nwagbaraocha, who leads the state chapter of the National Association of Minority Contractors, said “there’s a business reason why supplier diversity is good,” noting some of the most successful companies in the world have mature supplier diversity programs.

“What they realize is, that the communities they serve, it’s important for these communities to thrive and do well. And these supplier diversity programs often are able to generate this type of business within these communities,” he said. “As these communities do well, they’re going to do more business and provide more services and more products.”

Rucker pointed to a widely cited study from the Hackett Group that found companies with long-term supplier diversity programs see a larger return on investment than businesses without such a program.

Nwagbaraocha highlighted the impact of these programs on retaining talent — “diverse or not.” And he said intentionally improving supply chain diversity in the region can bring in more companies that serve diverse customers.

“When you have ethnic, diverse corporations that are driving and doing well, guess what? That also attracts not just those companies but also the corporations that are doing business with those ethnicities, those ethnic groups,” he said.

He also touted the work of the Business Council, which focuses on developing business relationships and opportunities for its corporate members and other diverse companies. Rucker said the organization has 110 business members spanning 36 industries.

“When you have strong, vibrant businesses of color or of underrepresented groups, it creates that quality of life, if you will, that we’re looking for,” she said.