CHEVRON

Commitment to Supplier Diversity Equals Big Business Wins

Ranked number three on the Fortune 500 list two years in a row, Chevron nets more big business wins. At the core of these big business wins is Chevron’s commitment to diversity, specifically supplier diversity. Diversity is one of the seven values in “The Chevron Way,” along with integrity, ingenuity, trust, partnership, high performance, and protecting people and the environment. Those who work for and do business with Chevron are familiar with The Chevron Way, which articulates who the company is, what the company believes, and what it plans to accomplish – the intention to get results the right way. The Chevron Supplier Diversity/Local Content Program, headed by Dave Feldman, leads the company’s commitment in supplier diversity by promoting an inclusive business environment in a supply chain that is reflective of the communities in which the company operates. This program focuses on the utilization, training and education, certification, tracking, and outreach to diverse-owned businesses to develop innovative, cost-effective solutions to fuel the growth of both parties involved. Continued on page 3

Cisco Supply Chain Operations: Creating Value Through Diversity

It is an exciting time at Cisco as the company celebrates its 30th anniversary and the announcement of its new chief executive officer, Chuck Robbins. And the Cisco Supply Chain organization is also adding to the excitement. A year into the successful transformation of its supply chain operations, Cisco recently announced public recognition, being named number 6 on Gartner’s 2015 Supply Chain Top 25.

Continued on page 5

Albert Chen, founder, chairman, and chief executive officer of Telamon Corporation, one of the largest privately-owned companies in Indiana, was recently awarded the National Minority Supplier Development Council’s (NMSDC) Clarion Award, which honors a corporate leader who has trumpeted the value of minority supplier development for more than 20 years.

Continued on page 2

FEATURES

• Chevron Commitment to Supplier Diversity Equals Big Business Wins
• Cisco Supply Chain Operations: Creating Value Through Diversity
• Albert Chen (Telamon) Honored for Decades of Commitment to Diversity

CONTRACTING NEWS

• Record Gains for SDVOSBs in Federal Government Contracting
• Two Years Running: Federal Government Exceeds Small Business Contracting Goal

DBP PROGRAMS

OUTREACH

TECHCORNER SPOTLIGHT

IN THE NEWS
ALBERT CHEN (Telamon) Honored for Decades of Commitment to Diversity
Continued on page 1

Chen’s words, actions, and leadership in Indiana, the United States and in minority business development communities, made it quite easy for NMSDC to award him this honor. Telamon, named for the Greek word for support, specializes in solutions for telecommunication networks, industrial assembly, business process outsourcing, energy management, and telehealth services is a minority-owned business established 30 years ago this year. Chen is widely known for his full support of, and engagement in, minority supplier development. He founded the Asian American Alliance, Inc., whose mission is to inspire central Indiana Asian Americans to serve and lead.

Customers and minority supplier development communities continue to acknowledge Chen’s commitment to business excellence and for demonstrating the return on investment in developing minority suppliers. Telamon, whose mission is to simplify business, has been named as one of the 500 Fastest Growing Companies in the United States; named “Supplier of the Year” by several Fortune 500 companies for its outstanding work over the years; and named Cisco Best Diverse Supplier in 2012. In addition to being a diverse-owned supplier with numerous accolades for its work, Telamon for many years supported charitable organizations financially. In 2014, the Telamon Foundation was established to more efficiently continue to support the communities in which his employees live.

Besides simplifying business and exceeding customers’ expectations, Chen serves as a council member at Purdue University’s Burton D. Morgan Center for Entrepreneurship; and is the commissioner for the Indiana Integrated Public Safety Commission.

Chen and fellow honorees from corporate America and other diverse businesses were presented with the NMSDC leadership awards at the NMSDC 2015 Leadership Awards in New York City held at the New York Hilton Midtown earlier in 2015.

Telamon, under the leadership of Albert Chen, is committed to improving energy performance and energy consumption; and operates in 10 domestic and three international locations with approximately 1400 employees.
Chevron boasts a recent, strategic, and mutually beneficial win that is in keeping with The Chevron Way and its commitment to supplier diversity. Supplier diversity and business objectives were supported in a strategic sourcing initiative that netted big business wins. Chevron used Cisco® technology for the development of its recently commissioned North American data center in San Antonio, Texas. A rigorous sourcing initiative saved Chevron money through the use of a systems integrator whose innovation avoided costs that may have resulted from construction delays. The systems integrator just happened to be a certified minority-owned business enterprise (MBE). To make this tale of big business wins even greater is that this MBE’s vendor relationships afforded Chevron with additional discounts on hardware needed for this project.

Having a robust supplier diversity program is simply good business. Feldman and his team for more than 20 years have sought to find and integrate strategies to include the utilization of diverse businesses in competitive sourcing opportunities. Chevron is one of the few Fortune 500 companies in recent years that can boast more than $2 billion in expenditures with minority- and women-owned businesses in the United States and purchases of more than $2.7 billion on goods and services from U.S.-based small businesses.

Big Business Wins Summary

- Chevron gets data center built without delays through the utilization of a certified MBE
- Chevron saves millions
- Chevron logs a significant first-tier spend with a certified MBE
- A certified MBE gains market share among its non-diverse competitors
- Cisco gets another satisfied customer

Chevron’s big business wins are proof that promoting an inclusive business environment and a supply chain reflective of the communities in which it does business is a huge competitive advantage and a model for all supply chains.

About David Feldman

Feldman is a native of Houston and a graduate of the University of Texas in Austin. Prior to serving as supply chain advisor and the manager of Chevron’s supplier diversity program, Feldman held various roles at Chevron, including managing Chevron community engagement and social investment initiatives in California and Texas, and multiple positions with Chevron Energy Technology Company. In his current roles, Feldman represents the company with local, small, and diverse supplier communities and national and local nonprofit advocacy organizations. Since 2014, Feldman has been promoting an inclusive work environment and a supply chain reflective of the communities where Chevron operates.

Dave Feldman says, “I am proud of our program and of positive results we have achieved. By providing a competitive, inclusive business environment for suppliers of all types, sizes, and backgrounds, Chevron has demonstrated that a commitment to supplier diversity can lead to positive results.”
CHEVRON Commitment to Supplier Diversity
Equals Big Business Wins continued from page 3

Learn more about the Chevron supplier diversity program.

For more about working with Cisco Diverse Partners, contact us at diverse-partners@cisco.com

Spotlight MBE: World Wide Technology (WWT), a Cisco Gold Partner was the systems integrator selected by Chevron’s sourcing team. Learn more about WWT.

Features certified diverse-owned technology companies

Company name: Transforia Inc.

Core business service/technology: Fully managed, encrypted, and secure laptops for the cloud-enabled enterprise

Elevator pitch: Transforia Inc. delivers a secure, encrypted, easy-to-manage, and low-cost solution for business laptops. We help businesses adopt the cloud without having to manage complex infrastructure or buy proprietary software.

Location: San Jose, CA

Clients: Semiconductor and chip design space, high-tech and education sectors

Year established: 2014

Service area: North America

Diversity certifications:
MBE Certified: National Minority Supplier Diversity Council

FOR MORE INFORMATION

Contact:
Joey Amanchukwu
CEO/Co-founder
joey@transforia.com
http://transforia.com
Cisco Supply Chain Operations: Creating Value through Diversity

Continued from page 1

Gartner recognized Cisco’s strengths in taking advantage of its network to promote the Internet of Everything, driving customer intimacy, workforce strategy execution, supply chain software, and cloud solutions. As articulated at the Gartner conference, the future of many companies will depend on their willingness and ability to rethink their supply chains. This includes experimenting with new processes and uses for data from Internet-connected objects that may change supply chains at their foundations. Cisco leadership recognizes these transitions, and how diverse perspectives in its workforce, partner ecosystem, and suppliers will drive future innovation. The Supply Chain Operations organization is helping to drive this commitment through its Supplier Diversity program.

Ana Corrales, Senior Vice President of Supply Chain Product Operations, is one of the executives that initiates Cisco’s transformation and appreciates the need for diverse ideas and suppliers. She takes her passion for diversity seriously and recently accepted the opportunity to be the executive sponsor of Supplier Diversity program within the Cisco Supply Chain organization.

Ana's current role at Cisco was preceded by multiple end-to-end operations leadership roles that included finance, customer operations, and new business model enablement. Paired with her extensive and comprehensive experience at Cisco and in Supply Chain Operations, Ana, a native of Costa Rica, is no stranger to creating value through diversity. She extends her commitment to diversity not only in Cisco Supply Chain Operations, but also through employee resource groups within Cisco and professional associations in her community that support the development of women and diverse business practices. Ana is also Cisco’s executive sponsor for Mexico, which can enable her to deepen her understanding of the unique ideas and perspectives that originate in Latin America and reflect the diaspora in the United States.

During our interview, Ana shared that her diverse background provided her with a unique perspective, which provides different ways to view problems and approach solutions. Ana believes, “We all benefit when diverse perspectives are taken into account and we need more of it.”

Part of Ana’s responsibilities as the Supply Chain Operations executive sponsor includes reminding stakeholders internal and external to Cisco’s supply chain that supplier diversity remains a competitive advantage for businesses as it:

- Gives access to worldwide skills and markets
- Provides business resiliency if disruptions occur in a particular region, and helps reduce transportation costs
- Promotes inclusiveness that benefits communities and local economies
- Offers different viewpoints and styles of interacting

Ana is uniquely suited for her role as executive sponsor for the Supply Chain Operations diversity program at Cisco. She has been an entrepreneur and can relate firsthand to the capabilities and challenges of diversity within the workforce and minority-owned businesses. This insider knowledge, coupled with her passion for diversity, affords her and her team to gain breadth within her organization, company, and industry. As the executive champion, Ana looks forward to creating value through diversity within the supply chain and in the communities where Cisco works, lives, plays, and learns.

OUTREACH

Western Region Minority Supplier Development Council 2015 Gala

Disabled Veteran Business Alliance: Keeping the Promise event 2015

National Center for American Indian Enterprise Development (NCAID) RES Las Vegas 2015
Record Gains for SDVOSBs in Federal Government Contracting

Small disabled veteran-owned small businesses (SDVOSBs) received a record 3.68 percent of the total federal contracting dollars in fiscal year 2014. This achievement translates to approximately $13.5 billion dollars to American-owned SDVOSBs. The fiscal year 2014 small business contracting goal for SDVOSBs was 3 percent.

The Veterans Entrepreneurship and Small Business Development Act of 1999 established an annual government-wide goal of not less than three percent of the total value of all prime contract and subcontract awards for participation by small business concerns owned and controlled by service-disabled veterans.

The Small Business Administration (SBA) works with each federal agency every two years to agree upon and establish that agency’s goal for contracting with small and diverse-owned businesses as defined by the SBA. To support agencies in meeting or exceeding their established goals, the SBA offers various programs geared toward assisting veteran business owners with training and other needed resources.

Two Years Running: Federal Government Exceeds Small Business Contracting Goal

Annually, the U.S. federal government spends nearly half a trillion dollars on goods and services. The overall annual goal for small business contracting awards is 23 percent for prime contracting. This past federal fiscal year the goal was exceeded and came in at nearly 25 percent. This translates to $91.7 billion to American small businesses and over 500,000 jobs supported as a result.

For the second consecutive year since fiscal year 2013, the federal government has exceeded its small business contracting goals. In addition to this win for the economy, the goal for service-disabled veteran-owned small businesses was exceeded also.

While the overall goal for small business contracting has been met and exceeded two years running, the goal is comprised of targets for the following small and socio-economic disadvantaged small businesses as defined by the Small Business Administration.

- Small businesses
- Women-owned small businesses
- Small disadvantaged businesses
- Service-veteran-owned small businesses
- HUB Zone

Of the five small business types defined by the SBA, the woman-owned small business and the HUB Zone business goals, five and three percent each respectively, remain a challenge to meet. The upside to this news is that federal agencies can work harder to attain these goals in the current fiscal year, in addition to another consecutive year of exceeding in small business contracting. In addition to the prime contracting goals established between the SBA and federal agencies, subcontracting goals are also established for the same five small businesses defined by the SBA. This results in additional opportunities for small and socio-economically disadvantaged businesses to get government contracting experience. See the prime and subcontracting goals for small businesses. Read the complete story.

View the current status of the fiscal year 2015 small business contracting goals.
2015 Cisco Protégé Program (CP²) Event: Change Management

“The only thing that is constant is change” is a quote well known by many and is attributed to a Greek philosopher, Heraclitus, around 500 B.C. in a book often quoted by other ancient scholars. This pronouncement could not hold any truer today than it did then, for all of us, and especially business owners.

Members of the Cisco Protégé Program (CP²) and the Cisco Insight Innovation team participated in our interactive Change Management event this year and ranked it as the most relevant and value-added event in our series.

Weathering systems, volatile markets, technology advancements, time, organizational changes, and you name it are just a handful of things that can create change—routine or non-routine—in our lives and in our businesses. How you as a business owner and manager lead through change will determine how well you survive and thrive.

Our presenter for this event was Cisco’s own Amanda Page. Page is a CTI-trained coach and PROSCI-certified change management professional with more than 25 years’ experience in the IT sector and is a valued team member in our Worldwide Insight Innovation, Strategy, Planning, and Enablement organization. Through Page’s well-guided presentation, event attendees all agreed that change can be uncomfortable, but it does not have to be a bad thing. Understanding the change cycle can enable an agile and healthy organization. Several upsides to change were shared by Page and attendees. Here are a few factors named:

- Promotes new ways of thinking
- Presents new opportunities
- Encourages new skills
- Breaks monotony
- Creates new leaders
- Allows for collaboration and growth

Page, our resident expert, introduced to some and reintroduced to others the change cycle and how this simple and practical approach can help you and your organization navigate the emotion and commotion that change can bring.

Page says, “From my experience of working across Cisco managing change, I believe it’s possible to shape and influence change even when it’s being done to you. I also believe that when we change the way they think about change, it empowers us to deliver our best. We become agile, and change becomes quicker to implement, and the business benefits are realized faster.”

Note: The Cisco Protégé Program (CP²) Executive Speaker Series is a business development series designed for our current and past protégés. The CP² speaker series is yet another program by which our protégés continue to gain insightful, practical, relevant, and timely information from proven business executives, including Cisco senior executives. The CP² speaker series is an hour-long event conducted using WebEx and held throughout the year and hosted by the Cisco Diversity Business Practices group.

CHANGE MANAGEMENT @ CISCO

A 2013 Bloomberg Businessweek article named Cisco as one of three organizations that gets a “thumbs up” on its ability to change after posing five primary questions deemed helpful in determining the likelihood that a major change will succeed or fail:

- How is the vision different, better, and more compelling?
- Are the leaders personally committed to the change?
- Does the organization have the capacity to make the change?
- How ingrained is the current culture?
- Will the change actually deliver the identified outcomes?
IN THE NEWS

MBE Magazine: Cisco Connecting with Diversity.
May/June 2015.

Cisco Supplier Diversity Program Has New Name

We are now Cisco Diversity Business Practices. The new name is more inclusive of the services we offer to our internal and external stakeholders, partners, and customers. Our mission and vision remain the same as well as our commitment to the advocacy, development, advancement, and growth of our diverse suppliers and our diverse channel partners around the globe.

Follow DBP on LinkedIn

CONTACT US

Cisco Diversity Business Practices
170 West Tasman Drive
San Jose, CA 95134
Cisco.com/supplier/diversity
Sd_team@cisco.com

UPCOMING 2015 DIVERSITY EVENTS

July 23-24
Astra Women’s Business Alliance
Economic Summit & Matchmaker
Seattle, WA

August 4
Western Regional Minority Supplier Development Council
2015 Minority Business Opportunity Expo
Santa Clara, CA

August 13-14
Astra Women’s Business Alliance
2015 S.T.E.A.M. Summit
Sunnyvale, CA

August 13-14
Georgia Minority Supplier Development Council
State of Minority Business
Atlanta, GA

September 20-22
United States Hispanic Chamber of Commerce
National Conference
Houston, TX

October 2
Georgia Minority Supplier Development Council
Spirit of Alliance Awards
Atlanta, GA

October 18-21
National Minority Supplier Development Council
Annual Conference & Business Opportunity Fair
San Diego, CA

November 9
Georgia Minority Supplier Development Council
Master of the Links Golf Tournament
Atlanta, GA

December 11
Western Regional Minority Supplier Development Council
Annual Meeting & Holiday Luncheon
San Francisco, CA