

City seeks to diversify buying

Overview: The University of Tennessee College of Business Administration collaborates annually with local nonprofit organizations so that full-time MBA students can “walk in the footsteps” of social-cause leaders to develop skills from the application of knowledge obtained in the classroom. The experience is part of the MBA Innovation and Entrepreneurship curriculum. The business school has two compelling interests — an educational experience for MBA students and outreach to the community.

Opportunity: To understand and recommend best practices to help the city of Knoxville achieve its goal of spending 10 percent of its annual purchases with minority- and women-owned businesses. Currently, about 7.5 percent of the city’s purchases are made from such businesses.

Students: Garrett Arms (project manager), Amanda Atkins, Ted Ciuba and Brock Pickett. Faculty mentor was Glenn Swift.

Client partners: Sherry Bennett, Boyce Evans, Joshalyn Hundley and Larry Martin.

Approach: The team devoted 306 hours to a proven, problem-solving framework of engagement: developing baseline measurements, conducting research, benchmarking best practices, reaching conclusions, making recommendations and predicting outcomes. The students conducted extensive research of the city’s current operations: interviewed staff and citizens; made personal observations; and compared five similarly situated purchasing organizations — Lexington, Ky.; Roanoke, Va.; Little Rock, Ark; Nashville and Knox County.

Key findings: Factors contributing to the city not achieving its goal of 10 percent M/WOB purchases include the following:

Demographic trends: The number of eligible M/WOBs in professional fields such as engineering, law and construction are not keeping pace.

Insurance and bonding require-

ments: M/WOBs oftentimes find it more difficult to get bonded and meet insurance requirements.

Skeptical attitudes: M/WOBs are skeptical that the city is truly interested in increasing business with this community.

Inconsistent implementation of M/WOB practices: Often a disconnect exists between the city’s empowerment strategies and implementation.

Outreach: The city needs to maintain its current outreach and implement new ones that link M/WOBs with large prime contractors and provide information concerning upcoming projects and opportunities.

Recommendations:

■ Realign the focus of the Purchasing Department by devoting more attention to developing and sustaining relationships with the M/WOB community. Commit to a more continuous contact and outreach program, with aggressive follow-ups after making initial contacts. Set stepping-stone goals toward reaching the larger 10 percent goal and recognize when each small goal is met. Hold all employees accountable for reaching each goal.

A general sentiment of disenfranchisement appears to exist among the M/WOB community. Increased outreach should improve M/WOB attitudes about the city’s contract process.

■ Improve communication among stakeholders. This includes clear, personal accountability of all city employees to the M/WOB commitment and a more visible “top-down” commitment from the mayor’s office.

■ Update and improve the M/WOB contract list in three areas: credibility, ease of use and improved communication. The list must be kept up-to-date, the quality of vendors must be noted, and the list should be made accessible electronically.

■ Improve the effectiveness of the M/WOB tracking system; provide training so that city employees can better use the system.

■ Seek structural changes to the city contract process such as providing a “sliding scale” for small businesses in the bid process to make them more competitive and providing M/WOB businesses with increased flexibility regarding bonding requirements.

■ Develop and maintain a working relationship with UT’s full-time MBAs for mutual benefit. Developing and maintaining this relationship will allow the city to help manage the Purchasing Department’s large workload — the MBAs could handle time-consuming projects; make future business professionals more aware of the city’s efforts; and provide internships to the program’s diverse student body.

Lessons learned: While the government workplace is different from the private sector, the same tools and decision-making framework can work in both environments. Thanks to the city’s commitment and cooperation, the students learned how to evaluate and address real-world challenges faced by the city. They determined that the Purchasing Department was led and staffed with committed, hard-working individuals and that cooperation and communication can make unmanageable tasks manageable.

“The city of Knoxville Purchasing Department is more proactive and effective in its outreach efforts relative to most of the organizations that we benchmarked,” Ciuba said. “We believe that if the Purchasing Department remains as hard-working and committed as we have observed, and finds our recommendations to be both insightful and useful, the M/WOB community will immediately benefit from the city of Knoxville conducting a minimum of 10 percent of its annual business with M/WOBs.”

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For more information of becoming a partner organization with the UT’s Innovation and Entrepreneurship curriculum, contact Glenn Swift at gswift@utk.edu or 865-974-2661.

CALENDAR

■ The Tennessee Department of Revenue will hold a **free workshop** 8:30 a.m.-12:30 p.m. March 18 at 531 Henley St., Ste. 606, to assist those encountering **business-related taxes** for the first time. For more information or to register call 865-594-6100.

■ Junior Achievement will induct local business leaders into its **East Tennessee Business Hall of Fame** 6 p.m. March 26 at the Knoxville Marriott. The event will open at 6 p.m. with the reception starting at 7 p.m. Laureates for 2009 are: Buck Vaughn, chairman and CEO Emmett Vaughn Lumber Co. and founder of the Greater Knoxville Sports Hall of Fame; Bud, Dick and Harry Stowers, founders, Wes Stowers, chairman, Stowers Machinery; and Randy Boyd, founder, chairman and CEO, Radio Systems Corp. For more information, call 865-457-2461.

■ The Knoxville Bar Association will present two free seminars as part of its Community Law School March 28 at Fellowship Church, 8000 Middlebrook Pike. From 9-11 a.m. is **Consumer Rights and Responsibilities: Protect Yourself and Your Assets**. Topics include how to try and prevent foreclosure or bankruptcy, your rights as a debtor and what to do if you are sued by a creditor. From 11:30 a.m.-1:30 p.m. is **Wills & Estate Planning for Everyone**. Local attorneys will discuss planning for incapacity and death and documents you should have in place.

For more information or to register, visit www.knoxbar.org or call 865-522-6522.


■ The Knox County Public Library and the City of Knoxville will sponsor a series on books with sustainability themes, "**Brown Bag - Green Book**," at noon on the second Wednesday of each month at Cafe 4. Upcoming sessions: Knoxville architect Elizabeth Eason will talk discuss "Cradle to Cradle/Remaking the Way We Make Things" by William McDonough and Michael Braungart, on April 8; speaker Chris Woodhull, Tribe One executive director and Knoxville city councilman, will discuss "The Green Collar Economy" by Van Jones on May 13. Participants may bring their own lunch or order in advance. For more information, call Emily Ellis at 215-8723 or Madeleine Weil at 215-2680.

■ The city of Knoxville will host **Small Business Conference 2009** from 7:30 a.m.-2 p.m. April 16 at the United Way of Greater Knoxville, 1301 Hannah Ave. For more information, contact Joshalynd Hundley at 865-215-3867 or jhundley@cityofknoxville.org.

■ The International Association of Administrative Professionals, Knoxville chapter will host the annual **Administrative Professionals Day Luncheon and Business Expo** From 11:30 a.m.-2 p.m. April 22 at the Knoxville Marriott. Speaker is News Sentinel columnist Sam Venable. For more information call 865-932-2589.

APRIL CONVENTIONS

Date	Convention	Attendance	Facility
April 4-5	Smoky Mountain Geocacher Great Smoky Mountain GeoQuest 3	120	Candlewood Hotel
April 4	Twirling Unlimited Regional Championship	100	Area gyms
April 5-9	American Nuclear Society International Topical Meeting on Nuclear Plant Instrumentation Control	300	Knoxville Convention Center
April 6-8	Institute of Electrical and Electronics Engineers SC-2 Meeting	25	Four Points by Sheraton
April 9	Thunder in the City Legends Event	4,000	Chilhowee Park
April 10-12	Tennessee Grocers and Convenience Store Association Annual Spring Convention	600	Knoxville Convention Center
April 22-24	Southeastern Hospital Health & Fitness Alliance Regional Conference	100	Crowne Plaza
April 23-27	Academic Games Leagues of America Inc. National Tournament	1,000	Knoxville Convention Center
April 24-26	United States Specialty Sports Association East TN Volunteer Classic	100	City Athletic Fields
April 25	International Bullriding Championships Southeastern United States Circuit Competition	500	Chilhowee Park

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