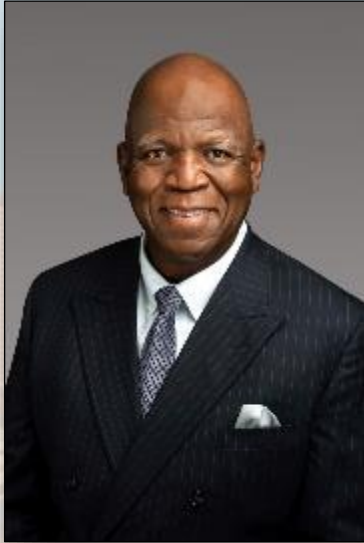


“How to 5X Your Growth”



GEORGE R. SIMMS
President & CEO, Ohio MSDC

#OMSDC50 #OhioMakesItHappen

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**Tuesday, December 6,
2022**



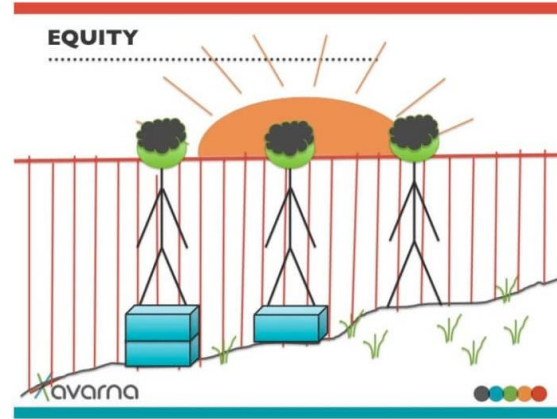
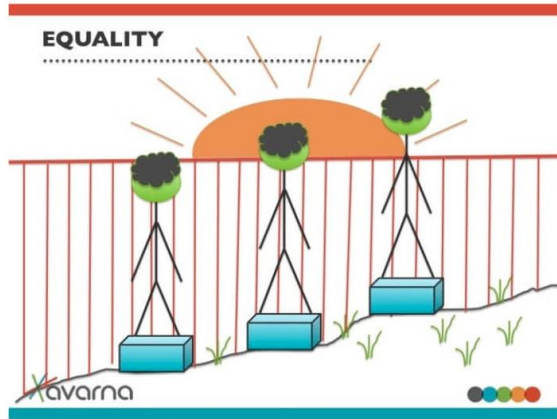
Never thought I would be here!



- New Orleans Charity Hospital
- Lower 20% of wealth distribution
- Scarcity mentality and abundance outlook

George Simms "Why Statement"

"Eliminating Economic Injustice through Operational Excellence"



Equality and Equity are required to address Economic Injustice

3 Learning Objectives:

Business Case:

1. Why minority businesses are a key demographic for the future of wealth management
2. What are some unique challenges and opportunities with this demographic

3 Learning Objectives (cont'd):

Leading Growth:

3. How to engage with 40% of the population that is overlooked

Why Minority Businesses are key to Future Wealth Management

Video

Minority businesses are a key demographic for the future of wealth management

1. 2050 Minority Majority
2. Minority Families earn 60% of White Families

Minority businesses are a key demographic for the future of wealth management

3. Financial Management Industry growth factors:
 1. Growing population
 2. Increased number of households
 3. Wealth Growth

What are some unique challenges and opportunities?

Challenges:

1. Low penetration: 15% of CFP clients are black and Latino
2. Low Minority CFP representation: approx. 9%

Opportunity: Underdeveloped market with 120,000 + Minority Businesses in OH

How to engage with 40% of the population that is overlooked

1. Courageous Leadership
2. Leading Change Model
3. Collaborate with organizations in the Minority Ecosystem

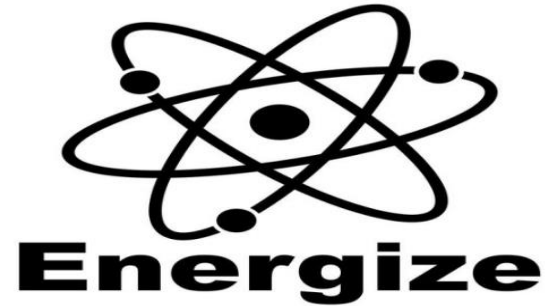
Courageous Leadership

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What are the elements of Leadership?



Leading Change Model

What are the secrets of making change happen?

What's Your

secret
Sauce



A blog post by @Mann4Edu

What are the secrets of making change happen?

Change Success Rate = Motivation * Process * Capability

Leadership's Role in Making Change

What's Your

secret
sauce

Motivation: Envision and Energize

Process: Enable

Capability: Enable



Sunny Delight Case Study: Business Situation



- Business uncertainty
- 20% volume decline; additional 15% projected
- Poor standards and execution
- Lean capability not leveraged
- 4 manufacturing plants competing negatively (13 → 5 → 4)

Sunny Delight Challenge



Issue:

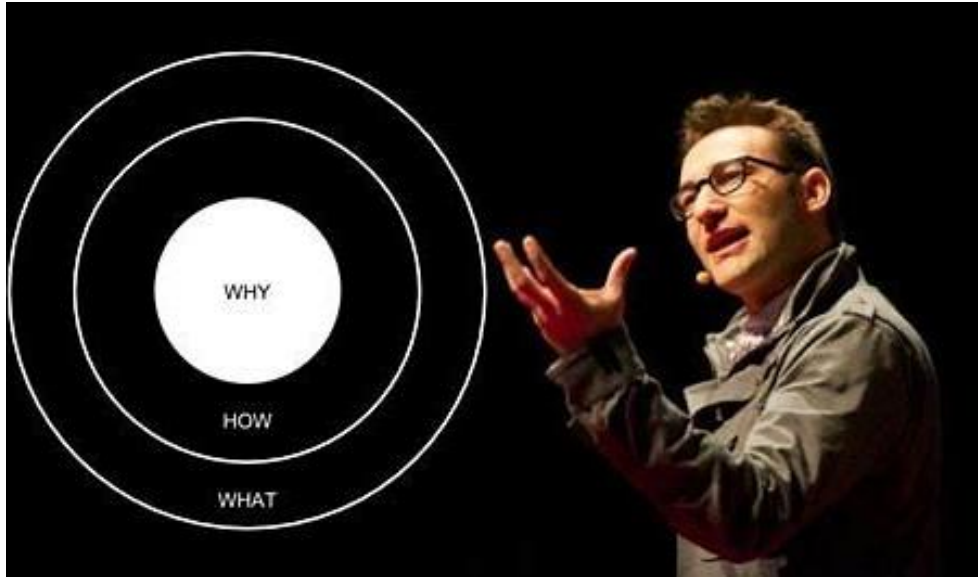
Plant closures (Right Sizing) **not viable** due to customer service and logistics cost issues

Business Need:

- Winning low shelf price
- **Operate 4 plants for the cost of 3 plants**

Motivation (Envision and Energize)

Golden Circle



”**Start with Why**” by
Simeon Sinek

What **“Why Statement”** will
profitable growth
enable?

Sunny Delight “Why Statement”



“With a taste unlike anything else, SUNNYD is the orange drink with a one-of-a-kind flavor for a one-of-a-kind you.”

My Personal Sunny Delight “Why Statement”:

Affordable Juice Drink that provides 100% of Vitamin C daily value in one 8oz



Motivation (Envision and Energize)

- **BHAG** (pronounced “**Bee Hag**,” short for “Big Hairy Audacious Goal”) is a **powerful way to stimulate progress**. A BHAG is clear and compelling, needing little explanation; people get it right away.
- **Example:** May 25, 1961, President Kennedy said : “I believe that this Nation should commit itself to achieving the goal, before this decade is out, of **landing a man on the Moon and returning him safely to Earth.**”

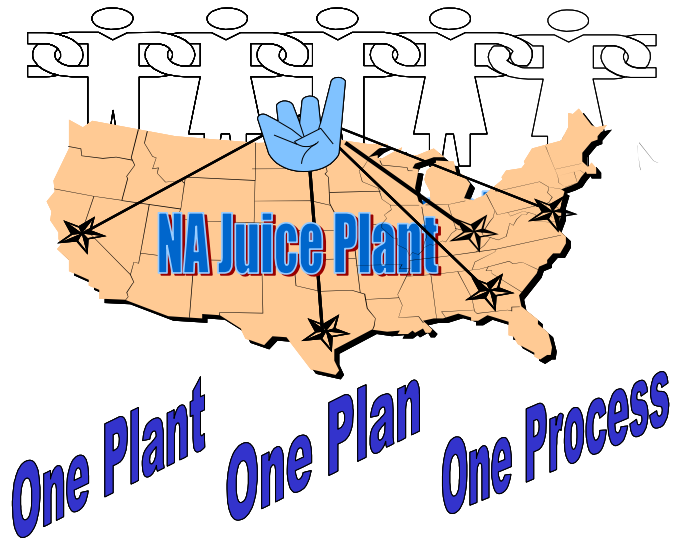
Motivation (Envision and Energize)



Sunny Delight BHAG: \$9.80/SU TDC

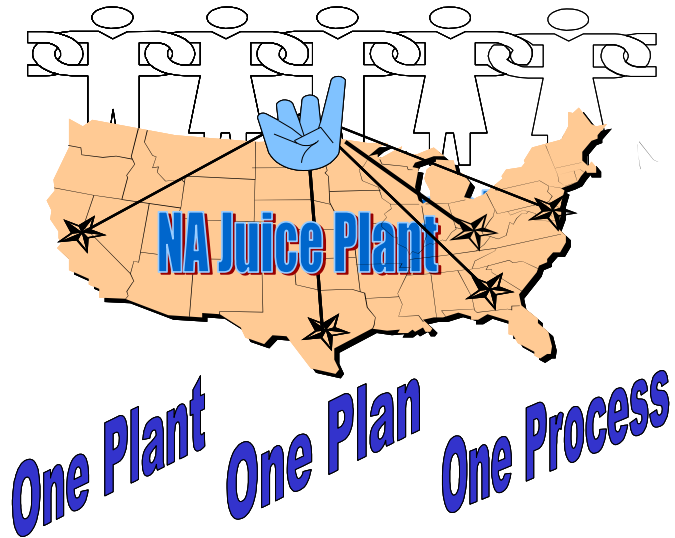
- 4 plants operate for the cost of 3
- Improve Production, Quality, Cost, Distribution, Safety, and Morale
- Grow sales

Process (Enable)



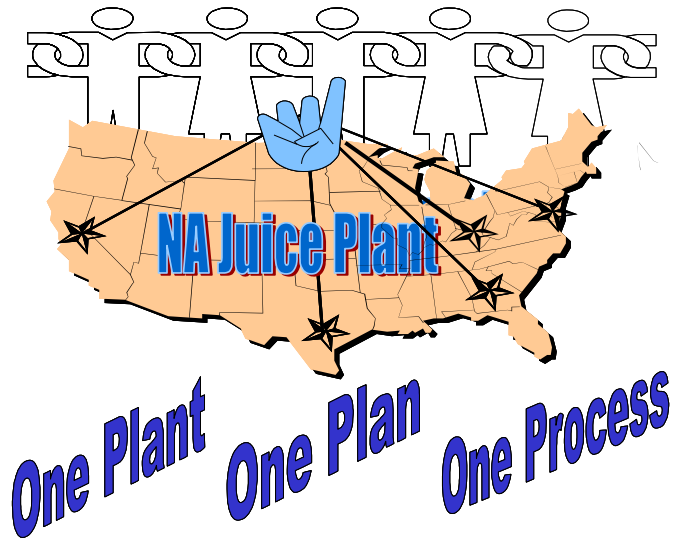
- Completed **loss analysis** (HuMan, Material, Method, Machine, EnvironMent)
- Identify **loss elimination strategic plan**
- **Established** combined 5 sites into 1 with an **integrated structure**
- **Simplified Leadership Team** structure independent of location

Process (Enable)



- **Eliminated sites self-sufficiencies by:**
 - Reduced from **5 to 1** staff departments
 - reduced from **16 to 4** site core Managers
 - Increased Technician leadership, involvement and responsibility
- Implemented a new structure in **6 months**
- Benchmarking of **new concepts and structures**

Capability (Enable)



- **Combined** Site Leader and Capability Leader **roles** (AM, PM, FI, & E&T)
- New **technologies and standard systems** to support organization structure and operating strategy
- **Created stability** through aggressive training plans and use of **centers of excellence** to yield **higher standards and expectations**

Success

SUCCESS



- **Tripled Profitability!**
- Operate 4 plants for cost of 2 ½!
- \$65MM total savings; \$34 MM manufacturing expense savings
- 20% to 70% improvement in Production, Quality, Distribution, Safety, and Morale results
- \$500M net sales gain from improved customer quality and service

**Collaborate with organizations in the
Minority Ecosystem**

OMSDC as a Collaborative Partner

1. What is OMSDC?
2. Where is OMSDC going?
3. How can OMSDC help?

What is the Ohio Minority Supplier Development Council (OMSDC)?

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National Minority Supplier Development Council (NMSDC)



- 23 Regional Councils nationwide
- Over 1,500+ Corporate Members
- Over 15,000+ Certified MBEs
- 5 Global Affiliates

Economic Impact

Ohio MSDC MBE's Economic Impact on



Data from Economic Impact Report: 2017 Ohio MSDC
Available at www.OhioMSDC.org



\$16 Billion

Total Economic Impact

CERTIFIED MBES CONTRIBUTE
\$1.25 B
IN TAX REVENUE TO OHIO



\$11.8 B
TOTAL REVENUE GENERATED
BY OHIO MSDC MBES AND FAMILIES



THE
52,960
JOBS CREATED

ADDS
UP TO



\$3.8 B
TOTAL INCOME IN SALARIES
& WAGES

CERTIFY | DEVELOP | CONNECT | ADVOCATE

Economic Impact Report
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Ohio Minority Supplier Development Council



Vision Statement:

To be the premier, trusted, and essential business **solutions provider** to Corporate America through the development of **world-class** minority business enterprises that transform **communities**, achieve **excellence**, and produce **economic equity**.

Minority Economic Equity Definition:

Minority % contribution to the Ohio GDP
equals minority % contribution to the Ohio
Population

OMSDC50 BHAG

OMSDC50 = 30 + 9 + 5 + 5 + 1

\$30B -- MBE Revenue

\$9B -- Corporate Savings

5% -- Ohio GDP

5X -- Five-Fold Increase in Impact

1 -- “One OMSDC”, “One Ohio
Minority Business
Ecosystem”, “One NMSDC”

Objective and Timing:

- Develop an OMSDC that delivers 10% YOY MBE revenue growth and Corp. Savings
- Achieve OMSDC50 BHAG by 2040 and Minority Economy Equity by 2054

How can OMSDC assist you?

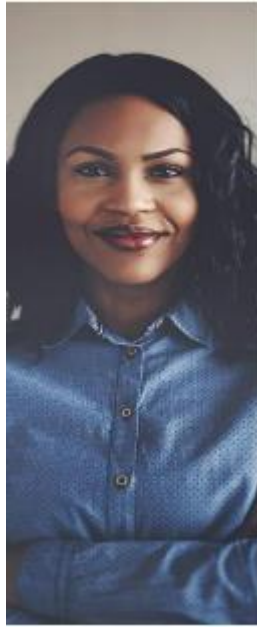
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OUR MBEs

Certified World Class MBEs that deliver product and/or service and cost innovation that meets or exceeds customer requirements.



MBE Facts:

- 133% ROI on each dollar spent w/MBEs
- 95% met or exceed expectations
- Largest MBE \$1.4 B revenue
- Oldest founded in 1881

OMSDC Member Benefits

- **Connect with MBEs that provide winning business and supply chain solutions**
- **Supplier DEI Professional and Program development (Membership Committee/LAC)**
- **Assistance in achieving and exceeding business and supplier diversity goals**

Impact Example

Video

Next Step:

Connect with OMSDC by scanning the QR Code below and visiting the OMSDC table





Thank You!!!

How to engage with 40% of the population that is overlooked

“A diverse organization will out-think and out-perform a homogeneous organization every single time”. AG. Lafley, Former CEO – Procter & Gamble