

Kellogg Company boosts innovation with an active supplier diversity programme

case study



What is supplier diversity?

Supplier diversity is a way to level the playing field and give under-represented businesses the same opportunity to supply goods and services as other qualified suppliers.

What is a diverse supplier?

A diverse supplier is generally defined as one that is 51 percent owned, controlled or operated by one or more individuals who are members of an under-represented or historically disadvantaged group, such as women, ethnic minorities, people with disabilities, and the LGBTQ community. In 2017 almost 8 percent of Kellogg's North American procurement spend — \$435 million — was with certified diverse suppliers.

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Debra Quade

Supplier Diversity Manager,
Kellogg Company

Kellogg's

Kellogg Company's commitment to diversity and inclusion can be traced back more than a century to its founder, W.K. Kellogg. Throughout the organisation, the company embraces diversity and inclusion, which includes an emphasis on supplier diversity. Kellogg's supplier diversity efforts aim to create opportunities for small and diverse businesses — like Xalient — who offer skills, agility and innovation that may not be available from larger, more traditional suppliers.

A 20,000-strong supply chain

When you open a packet of crackers, pour cereal into a bowl, or pop a breakfast pastry in the toaster, there's a high chance you're about to enjoy a Kellogg Company product.

Kellogg employs approximately 33,000 people in 21 countries, and sells its products worldwide. The company engages with a global network of more than 20,000 suppliers for ingredients, packaging, co-manufacturing and other services to keep its operations running, and ensure that the snacks and cereals we love reach our tables.

Kellogg seeks and collaborates with suppliers that share its values for success. The company values suppliers that not only demonstrate operational and financial excellence, but

also practice responsible sourcing, and are innovative and forward thinking. Wherever possible, the company works with diverse businesses in its supply chain, including those owned by women, veterans, ethnic minorities, people with disabilities and members of the LGBTQ community.

“We want to ensure our supplier base represents our customers, consumers, communities and employees,” says Debra Quade, Supplier Diversity Manager, Kellogg Company. “To help us meet that goal, we've created an inclusive, level playing field that offers historically underutilised and disadvantaged groups opportunities with Kellogg.”

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Kellogg understands the benefits that working with smaller and non-traditional suppliers can bring in terms of passion, innovation and agility. As one of Kellogg’s diverse suppliers, Xalient is delighted to be deploying and managing the company’s SD-WAN programme and ensuring it delivers the performance needed to support Kellogg’s global business.”

Sherry Vaswani

Founder and CEO, Xalient

Deploying innovative technology at scale

In 2017 almost 8 percent of Kellogg’s North American procurement spend — \$435 million — was with certified diverse suppliers around the world. One of those suppliers is Xalient, a woman-owned consulting and managed services provider, headquartered in the UK, that’s a leader in secure software-defined WAN (SD-WAN) technology.

When Kellogg deployed an SD-WAN solution to connect individual sites to its core backbone network, it became one of the first large global organisations to use the technology at scale. To optimise performance and availability, it needed a partner able to design, deploy and manage the solution on a global basis.

“Kellogg chose Xalient as its managed services partner because of its qualifications and capabilities,” says Quade. “Xalient brought innovation to Kellogg that wasn’t being created internally or by larger companies, and proposed a global programme that solved a technology management challenge for the company.”

Support for diverse suppliers at every step

To participate fully in the Kellogg’s supplier diversity programme, a supplier must be certified. Xalient received Women’s Business Enterprise (WBE) certification from WEConnect International, a global network that certifies women-owned businesses and helps them connect with corporate buyers worldwide.

“We rely on global certification partners like WEConnect to verify the ownership of diverse suppliers,” says Quade. “We undertake activities with those partners to help existing suppliers get certified and locate potential new suppliers.”

With Kellogg actively seeking diverse suppliers in every sphere, questions about diversity are asked at an early stage of the supplier registration process. “When we reach the decision-making point, if everything else is equal, the fact of being a diverse-owned business can be the tie-breaker,” says Quade.

Kellogg: the customer of choice

As well as supplier diversity, Kellogg’s Diversity & Inclusion programme covers workplace diversity and social inclusion. “Kellogg benefits from the agility and fresh thinking that diverse employees and suppliers bring to the table,” says Quade. “Our work on supplier and employee diversity is important to our investors and customers, and we know that consumers are more loyal to brands that reflect and support their communities.”

Kellogg has internal goals to continue increasing its spend with diverse suppliers, by both adding new suppliers to its programme and developing existing ones.

“Once we start working with a diverse supplier, we look to support the business and help it expand its reach within Kellogg and throughout our supply chain,” says Quade. “We want to be the customer of choice for diverse suppliers like Xalient, who have the talent and expertise to help us innovate, compete, and get our products to market smarter.”

About Xalient

Combining transformative, software-defined network and communication technologies with intelligent managed services, Xalient helps the world’s top brands to become more secure, adaptable and responsive to change.

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