



General Order 156: A Study to Quantify the Value of Supplier Diversity

Authors:

Stephanie Green
Supplier Diversity Manager
California Public Utilities Commission
stephanie.green@cpuc.ca.gov

Douglas Phason
Supplier Diversity Officer
California Public Utilities Commission
douglas.phason@cpuc.ca.gov

Dr. Jake Beniflah
Executive Director
The Center for Multicultural Science
jake@multicultural-science.org

September 28, 2015



General Order 156: A Study to Quantify the Value of Supplier Diversity

I. Introduction

Almost thirty years ago, the California legislature enacted a series of statutes to encourage supplier diversity. The CPUC created General Order (GO) 156 to encourage a fair proportion of total utility procurement for products and services to be awarded to women, minority, disabled veteran, lesbian, gay, bisexual, and/or transgender business enterprises. The purposes are to:

1. Encourage greater economic opportunity for Women, Minority, and Disabled Veteran Business Enterprises (WMDVBE)/Lesbian, Gay, Bisexual, and/or Transgender (LGBT) Business Enterprise;
2. Promote competition among regulated public utility suppliers to enhance economic efficiency in the procurement of electrical, gas, and telephone corporations' contracts; and
3. Clarify and expand the program for the utilities' procurement of products and services from diverse enterprises.

In GO 156, the CPUC established voluntary procurement goals for each utility of five percent from woman-owned, 15 percent from minority-owned, and 1.5 percent for disabled veteran-owned business enterprises, equaling 21.5 percent of total procurement. There are approximately 34 California utilities and telecommunication companies participating in this program.

In the ensuing years, the CPUC's supplier diversity program developed into one of the most critical institutions for economic development and job creation in diverse communities across California, and has served as a template for other states to implement across the nation. The CPUC's leadership has transformed the way the state's largest utility and telecom companies' contract with WMDVBE/LGBTBE firms. In turn, these diverse business enterprises are building wealth and employing people across various communities. More importantly, they are also contributing to California's vital economy.

The diverse business enterprises are building wealth and employing people in the communities.

GO 156, Section 9, requires the participating utilities in the supplier diversity program to file an annual report with the CPUC. The supplier diversity reports are intended to provide the CPUC with the utilities' progress in meeting their GO 156 goals in the short-, mid-, and long-term. However, the traditional way of measuring the effectiveness GO 156 primarily focused on the spend categories of the utilities' report. Thusly, the CPUC rely upon the procurement goals to direct the viability of its program. Nonetheless, a larger question remains: what empirical data informs the CPUC that diverse business enterprises are building wealth and employing people in the communities? How does this translate into a benefit to California's vital economy?

CPUC staff conducted research to quantify the diverse business enterprises value to GO 156.

Over two years ago, the CPUC staff conducted research to quantify supplier diversity value to GO 156 or to fortune 500 corporations. Surprisingly, the CPUC staff found no data to quantify the economic benefits to supplier diversity programs of the CPUC or to those of corporate America. In other words, there were no studies conducted in a meaningful way to measure this question. Certainly, there are a plethora of white papers that make the observation that minority business development has morphed into an economic imperative due to the growing awareness and the economic clout of ethnic and racial minorities. In addition, the studies suggested that, with an increasing minority population and business growth rates, it is imperative that corporations infuse minority employees, customers, and suppliers into their business processes in order to gain and maintain a long-term competitive edge. Still, the "what's in it for me" question remained—how to quantify supplier diversity to the benefit of GO 156 or corporate America?

The first ever study to quantify the value of diverse business enterprises to GO 156.

In its first ever study to quantify the value of divers suppliers to GO 156, specifically in the utility sector, the CPUC staff worked with Dr. Jake Beniflah, Executive Director, the Center of Multicultural Science, to get his expertise on how to conduct the study. The Center is the first think tank in the U.S. dedicated to bridge the gap between leading corporations and academic researchers in multicultural marketing and research.

The CPUC staff had access to over 8,600 diverse suppliers in the Clearinghouse database. The Supplier Clearinghouse is a CPUC-supervised entity whose primary purpose is to audit and verify the status of woman- and minority-owned businesses, and to establish and maintain a database of woman-, minority-, and service disabled veteran-owned businesses (WMDVBE), and is accessible and available to participating utilities. Of the 8,600 diverse suppliers, the CPUC staff sent a survey questionnaire to approximately 3,000 of the diverse suppliers currently with a general business contract. The survey response rate was over ten percent.

Diverse suppliers add value to a slow economy, the community, and the supply chain within those communities.

In a strong economy, nearly all businesses enjoy greater prosperity. Disposable income is high, unemployment is low and consumer confidence prompts people to pump their money back into the economy through the purchase of essential and nonessential goods and services. However, during a slow economy one would expect to see the opposite. Surprisingly, the study tells us a different story about diverse suppliers' value to the economic benefits of the community and the State's economy. More importantly, the study reinforces why the investor-owned utilities' adaption of GO 156 is so critical.

II. The CPUC Supplier Diversity Study / Methodology

The CPUC Supplier Diversity study was interested in understanding and estimating the value of supplier diversity within the CPUC Supplier Clearinghouse. Certified diverse suppliers from the Supplier Clearinghouse database were invited to participate in an online study of 39 questions via email in June of 2015. With a 11% response rate, 342 respondents participated in the study. 82% of all respondents said they were headquartered in the Bay Area (23%) and the Los Angeles regions (59%) (Q1). Forty-four percent of all respondents said they did business in every county in California – while nearly 30% did business in Los Angeles County, 24% in Orange County, and 23% in San Diego County (Q3). Seventy percent of the responses submitted were from “Owners,” 15% were from “Managers,” 6% were from “Directors,” and 9% from “Other” (Q4).

Because diverse suppliers could operate with a number of utility companies, 84% of the respondents worked with energy utility companies, 50% worked with water utility companies, and 45% said they worked with telecommunication/broadband/cable companies (Q5). Twenty percent of the diverse suppliers operated under the “Construction” classification, 25% under the “Professional, Scientific and Technical Services,” while 34% responded “Other services” (Q6).

The study also captured the type of certification for each diverse supplier. Fifty percent were Women Business Enterprises (WBE), 47% were Minority Business Enterprises (MBE), and 18% were Women Minority Business Enterprises (MWBE). One percent were Disabled Veteran Business Enterprises (DVBE), and approximately 1% were LGBT Business Enterprises (LGBTBE) (Q7).

The study also inquired whether the diverse suppliers subcontracted to diverse suppliers or firms. Approximately 63% of the sample sub-contracted to diverse suppliers while the remaining 37% did not (Q8).

To better understand its diverse suppliers, this study reported estimated gross receipts, income tax, donations and employment. The study also captured the number of contracts awarded, and how suppliers defined and measured value from GO 156.

III. Findings

Gross Receipts

Approximately 35% of the diverse suppliers in the study earned between “\$1 and \$4 million” in gross receipts in California in 2014. Approximately 29% earned between “\$5 and \$19 million,” and 15% earned “\$500,000 or less” in gross receipts in California. (Q9).

Over the last three-years (2012-14), slightly over 20% of the respondents earned “\$999,999 or less” in gross receipts; slightly under 40% earned between “\$1 and \$9 million;” slightly under 30% earned between “\$10 and \$49 million;” 5% earned between “\$50 and \$99 million;” and 5% earned “\$100 million or more” in gross receipts in California (Q11).

The study asked how much of 2014 gross receipts were earned from working with utility companies. Sixty percent of the respondents said they earned “\$500,000 or less” in gross receipts in 2014; 15% said between “\$1 million and \$4 million;” and about 8% reported earning between “\$500,000 and \$999,999” in working directly with the utility companies (Q10).

Taxes

In 2014, 80% of diverse suppliers in the study contributed “\$499,999 or less” in California state income tax; approximately 11% paid between “\$500,000 and \$999,999;” and 7% between “\$1 and \$4 million” (Q12).

Between 2012-14, 67% of diverse suppliers contributed “\$499,999 or less” in California state income tax; 17% paid between “\$500,000 and \$999,999;” and 12% between “\$1 and \$4 million” (Q13).

Employment

Seventy-seven percent of the respondents currently employ up to 50 employees in their organizations (Q14). Seventy-nine percent of employees who were hired in 2014 were full-time (Q15). Fifty-six percent added part-time employees in 2014, 48% of which added up to 10 new part-time employees (Q16).

Contracts

Of those surveyed in the study, 83% were awarded a contract in 2014, with roughly 49% earning one to ten contracts that year, while 29% were awarded 15 or more contracts (Q17). Of those contracts awarded in 2014, 58% were awarded contracts by the utility companies; and close to half (47%) who were awarded contracts by the utility companies received between one and five contracts in 2014 (Q18).

In examining the dollar value of all contracts awarded in 2014, the responses were well distributed. Nearly 21% of all contracts were “under \$50,000;” 5% were valued between “\$50,000 and \$99,999;” 14% between “\$100,000 and \$499,999;” 11% between “\$500,000 and \$999,999;” 26% between “\$1 and \$4.9 million;” 11% between “\$5 and \$9.9 million,” and 11% “\$10 million or more” (Q19).

Of those contracts awarded in 2014 by the utility companies, close to 47% were valued at “\$50,000 or less;” 24% were valued between “\$50,000 in \$500,000;” 8% between “\$500,000 and \$999,999;” 18% between “\$1 and 9.9 million;” and close to 4% valued at “\$10 million or more.” (Q20)

Revenues

Over the last three-years (2012-14), 46% percent of diverse suppliers in the study said that their company revenue had increased; 38% stayed about the same, and 16% decreased (Q21).

Donations

Eighty-four percent of respondents said they donated to nonprofit organizations in 2014, while 16% said they did not (Q22). Approximately 60% of the diverse suppliers in the study donated “up to \$4,999” to non-profit organizations in 2014; 14% donated between “\$5,000 and \$9,999;” 19% donated between “\$10,000 or above.” About 8% did not recall how much they had donated. Just over 1% did not donate to a non-profit

(Q23). About 34% of the diverse suppliers in the study donated “more than \$10,000” in between 2012-14 (Q24).

Trade Organizations and Membership Dues

Sixty-nine percent of diverse suppliers said they belonged to a business/trade organization, while 31% did not (Q25). Sixty percent said they donated “up to \$2,499” in 2014 to business/trade organizations. Only 4% did not spend on membership dues for business/trade organizations in 2014 (Q27). Between 2012-14, 36% of diverse suppliers in the study spent “up to \$2,499” in membership dues for business trade organizations; 4% again did not contribute to membership dues in the last three-years (Q28).

Twenty-one percent of the respondents belong to the “National Minority Supplier Diversity Council (NMSDC),” 21% belong to the “Women’s Business Enterprise National Council (WBENC),” and 2% belong to the “National Gay and Lesbian Chamber of Commerce (NGLCC).” Almost 58% of respondents belong to an “Other” trade organization. (Q26)

Safety

Eighty-nine percent of the respondents currently have a safety program, 11% said they did not (Q29). As expected, 90% of respondents rated safety as “important” or “very important,” but 10% said safety was “not important,” “slightly important” or “neutral” (Q30).

Delivering Value

Ninety-one percent of the respondents said it was “important” or “very important” for their company to improve cost reductions for their client; 9% responded “not important,” “slightly important,” or “neutral” (Q31).

Eighty-five percent of the respondents said it was “important” or “very important” for their company to help their clients produce higher-quality products; 15% responded “not important,” “slightly important,” or “neutral” (Q32).

Eighty-two percent of the respondents said it was “important” or “very important” for their company to drive innovation for their client; 18% responded “not important,” “slightly important,” or “neutral” (Q33).

Seventy-seven percent of the respondents said it was “important” or “very important” for their company to help drive their client’s level of competitiveness; 23% responded “not important,” “slightly important,” or “neutral” (Q34).

Seventy-three percent of the respondents said it was “important” or “very important” for their company to help increase their clients understanding of its customers; 27% responded it was “not important,” “slightly important,” or “neutral” (Q35).

Measuring Value

Fifty-four percent of diverse suppliers in the study said they were able to measure their company's value to their client's organization, while 46% could not (Q36).

In an effort to understand why some diverse suppliers were not able to measure their value to their client organization, the study asked if goals or objectives were stated in numeric terms. Fifty-two percent of diverse suppliers had goals that were stated in numeric terms, while 48% did not (Q37).

Forty-two percent of diverse suppliers in the study did not outsource contracts to the other diverse firms, while close to half (49%) outsourced between 10 and 20% of their current contracts to other diverse firms (Q39).

IV. Discussion/Analysis

Data source for this section: <http://quickfacts.census.gov/qfd/states/06000.html>

California is one of the largest and most diverse states in the country. According to the US Census, California is home to an estimated 38.8 million Americans. This diverse state is comprised of 38.5% (non-Hispanic) White, 14.4% Asian, 6.5% African-American, 4% LGBT, 1.7% American Indian, and 38.6% Latino. In 2015, this diversity made California one of the country's first states to declare itself a “minority-majority.”

Despite its ethnic diversity, California faces a set of unique challenges. California more than doubles the national average of foreign-born population (27.0% vs. 12.9%) and the percentage of homes whose language spoken is other than English (43.7% vs. 20.7%). While California slightly over-indexes in the number of bachelor degrees against the national average (30.7% vs. 28.8%), it under-indexes in the number of high school graduates (81.2% vs. 86.0%).

California has a homeownership rate that is almost 10-points lower than the national average (55.3% vs. 64.9%), and has a median owner-occupied housing value that is twice the national average (\$366,400 vs. \$176,700). In addition, California has a per capita income that is at parity with the national average (\$29,527 vs. \$28,155), as is the percentage of persons below poverty (15.9% vs. 15.4%).

On a business front, however, California tells a much brighter story. California is considered the seventh or eighth largest economy in the world with a GDP in 2014 of

\$2.31 trillion (between Brazil and Italy).¹ California also over indexes in the percentage of racial/ethnic owned firms compared to the U.S. as a whole: Native Hawaiian and Other Pacific Islander-owned firms (0.3% vs. 0.1%); American-Indian-owned firms (1.3% vs. 0.9%); Asian-owned firms (14.9% vs. 5.7%); Hispanic-owned firms (16.5% vs. 8.3%), and women-owned firms (30.3% vs. 28.8%). This underscores the important role that small businesses play in the growth of the larger (state) economy.

California's supplier diversity program, established by state legislation and governed by the CPUC's General Order 156, encourages regulated utility and telecommunications companies to contract with businesses owned by minorities, women and disabled veterans. This has direct benefits in the growth of minority-owned, women and disabled veteran small businesses, and for communities across the state of California. GO 156 is considered a model program aimed at driving growth via the utility and telecommunications sectors.

This is the first supplier diversity study that surveys the CPUC's diverse supplier database. The study also used national small business data from the National Small Business Association (wherever possible) to compare results obtained in the study.

Below are five key findings/themes based on the study:

1. GO 156 is a **revenue- and employment-generating program**, which contributes not only to the economic viability of the diverse suppliers in the program, but directly across communities in the state of California.

Gross Receipts

In 2014, approximately 35% of the respondents (diverse suppliers) earned between "\$1 and \$4 million" in gross receipts in California. Approximately 29% reported earning between "\$5 and \$19 million," and 15% between "\$500,000 or under" in gross receipts.

Working directly with the utility companies, 60% of the respondents said they earned "\$500,000 or less" in gross receipts in 2014, 15% said between "\$1 million and \$4 million," and approximately 8% reported earning between "\$500,000 and \$999,999."

When comparing revenues of CPUC diverse suppliers to national small businesses, the financial state of the diverse suppliers in California fared better than small businesses did on a national level.

¹ <http://www.lao.ca.gov/LAOEconTax/Article/Detail/90> (IMF, World Bank estimates)

According to the 2015 Media Economic Report by the National Small Business Association, 36% of small businesses nationally generated revenues of \$500,000 or less—24% points lower than diverse suppliers in the CPUC study; 27% of small businesses nationally generated revenues between \$1 and \$5 million, compared to 35% of diverse suppliers who generated revenues between \$1 and \$4 million (8% points lower); and 16% of small businesses nationally generated revenues between \$5 and \$25 million, compared to 29% of CPUC diverse suppliers who generated revenues between \$5 and \$19 million (13% points lower).

Source: <http://www.nsba.biz/wp-content/uploads/2015/07/Mid-Year-Economic-Report-2015.pdf>

Taxes

In 2014, 80% of diverse suppliers in the study contributed “\$499,999 or less” in California state income tax; 10% paid between “\$500,000 and \$999,999;” and 8% paid between “\$1 and \$9 million.”

Donations and Membership Dues

Approximately 60% of the diverse suppliers in the study donated “up to \$4,999” to non-profit organizations in 2014, 14% donated between “\$5,000 and \$9,999;” 19% donated between “\$10,000 or above.”

Sixty percent said they donated “up to \$2,499” in 2014 to business/trade organizations. Only 4% did not spend on membership dues for business/trade organizations in 2014.

Employment

Employment data by the National Small Business Association did not line up in the way in which the employment questions were asked in the CPUC study. However, directional comparisons could be made.

According to the 2015 Media Economic Report by the National Small Business Association, 23% of small businesses nationally reported an increase in the number of total employees over the last 12 months, a 21% decrease, and 56% of small businesses reported “no change.”

In the CPUC study, 77% percent of the diverse suppliers reported having up to 50 employees in their organizations. Seventy-nine percent of employees who were hired in 2014 were full-time. Fifty-six percent of diverse suppliers added

part-time employees in 2014, 48% of which added up to 10 new part-time employees.

Revenues

Forty-six percent of diverse suppliers in the study said that their company revenue had increased, 16% decreased, and 38% stayed about the same.

2. The **dollar value of all contracts was well distributed** across the diverse supplier sample in the study. This distribution of income has significant benefits in reaching more communities through more small businesses across the state of California.

Contracts

Of those surveyed in the study, 83% were awarded a contract in 2014, with roughly 39% earning 1 to 10 contracts that year. Of those contracts awarded in 2014, 58% were awarded contracts by the utility companies; and close to half (47%) who were awarded contracts by the utility companies received between one and five contracts in 2014.

In examining the dollar value of all contracts awarded in 2014, the responses were well distributed. Nearly 21% of all contracts were under “\$50,000;” 5% were valued between “\$50,000 and \$99,999;” 14% between “\$100,000 and \$499,999;” 11% between “\$500,000 and \$999,999;” 26% between “\$1 and \$4.9 million;” 11% between “\$5 and \$9.9 million,” and 11% “\$10 million or more.”

Of those contracts awarded in 2014 by the utility companies, close to 47% were valued at “\$50,000 or less;” 24% were valued between “\$50,000 in \$500,000;” 8% between “\$500,000 and \$999,999;” 18% between “\$1 and 9.9 million;” and close to 4% valued at “\$10 million or more.”

3. Diverse suppliers with contracts were asked a number of questions on innovation, price reduction, product quality, and level of competitiveness for their clients. (See Q31-35 for actual scores). As expected, respondents scored high across these questions (4.0+ out of a 5-point scale). Further research is needed to understand the role of these factors in contributing to the success of their organizations and value creation to their client’s companies.
4. Although not a GO 156 mandate, there is an opportunity for diverse suppliers to “**outsource**” to other diverse suppliers or vendors in delivering value to their clients, while continuing to empower more communities across California.

The study showed 42% percent of diverse suppliers did not outsource contracts to the other diverse firms, while close to half (49%) outsourced between 10 and 20% of their current contracts to other diverse firms.

5. **Safety** rated high among diverse suppliers, as expected, but could be higher to ensure 100% safety in every community across California.

The study showed that 89% percent of the respondents have a safety program, but 11% said they did not. Ninety percent of respondents rated safety as “important” or “very important,” but 10% said safety was “not important,” “slightly important” or “neutral.”

V. Conclusions and Next Steps

This study was the first to measure the value of supplier diversity among the CPUC’s Clearinghouse. Although not the primary objective, the main take away from the survey is that GO 156 continues to financially empower minority-owned, women-owned, and veteran-disabled small businesses and communities across the state of California. The primary objective of the study was to measure the value of GO 156 across key metrics, and begin to better understand what drives the value of diverse suppliers.

Moving forward, there is an opportunity for the CPUC to identify **best practices** in greater detail among its diverse suppliers in 2016 and beyond. This will help future diverse suppliers have greater success in competing/winning for CPUC contracts. The current study could be replicated annually or every two years to understand the changes among its diverse suppliers.

Lastly, it will be more important than ever for the CPUC to continue to empower the diverse small business communities in California given that the state has now reached a demographic tipping point where the majority of the population is multicultural. This underscores the importance of GO 156 in not only empowering diverse suppliers across key business sectors, but entire communities across California, which are inextricably linked to the larger productivity (i.e., GDP) of the United States.

Appendix

Q1

Where is your organization headquartered in?		
Answer Options	Response Percent	Response Count
Upstate California	2.6%	7
Sacramento Region	6.6%	18
Bay Area	22.6%	62
Central Valley	5.5%	15
Central Sierra	1.1%	3
Central Coast	2.9%	8
Los Angeles County	25.5%	70
Orange County	15.0%	41
Inland Empire	9.1%	25
San Diego/Imperial	9.1%	25
	<i>answered question</i>	274
	<i>skipped question</i>	68

Q2

In what city is your company headquartered?		
Answer Options	Response Percent	Response Count
Anaheim	0.6%	2
Bakersfield	1.5%	5
Chula Vista	0.6%	2
Concord	0.3%	1
Corona	0.9%	3
Elk Grove	0.0%	0
Escondido	0.9%	3
Fontana	0.9%	3
Fremont	0.9%	3
Fresno	1.5%	5
Fullerton	0.3%	1
Garden Grove	0.3%	1
Glendale	0.9%	3
Hayward	1.2%	4
Huntington Beach	1.5%	5
Irvine	3.0%	10
Lancaster	0.6%	2
Long Beach	1.2%	4
Los Angeles	8.4%	28
Moreno Valley	0.0%	0
Oakland	1.8%	6
Oceanside	0.0%	0
Ontario	0.3%	1
Orange	1.2%	4

Oxnard	0.0%	0
Palmdale	0.0%	0
Pasadena	1.5%	5
Pomona	0.6%	2
Rancho Cucamonga	0.9%	3
Roseville	0.3%	1
Riverside	1.2%	4
Sacramento	4.5%	15
Salinas	0.0%	0
San Bernardino	0.3%	1
San Diego	6.3%	21
Santa Ana	1.8%	6
Santa Clara	0.3%	1
Santa Clarita	0.0%	0
San Francisco	3.0%	10
San Jose	2.4%	8
Santa Rosa	1.2%	4
Simi Valley	0.0%	0
Solano County	0.0%	0
Stockton	0.0%	0
Sunnyvale	0.0%	0
Thousand Oaks	0.0%	0
Torrance	1.2%	4
Vallejo	0.0%	0
Victorville	0.0%	0
Visalia	0.6%	2
Other	44.9%	149
answered question		332

Q3

In what CA county or counties does your organization do business?		
Answer Options	Response Percent	Response Count
All Counties in CA	44.0%	147
Alpine County	2.1%	7
Alameda County	8.1%	27
Amador County	3.6%	12
Butte County	4.8%	16
Calaveras County	3.9%	13
Colusa County	4.8%	16
Contra Costa County	9.3%	31
Del Norte County	1.8%	6
El Dorado County	6.0%	20
Fresno County	9.0%	30
Glenn County	2.4%	8
Humboldt County	5.1%	17
Imperial County	6.3%	21
Inyo County	4.2%	14
Kern County	11.7%	39
Kings County	5.1%	17
Lake County	3.6%	12
Lassen County	1.8%	6
Los Angeles County	29.6%	99
Madera County	5.1%	17
Marin County	8.1%	27
Mariposa County	3.0%	10
Mendocino County	3.3%	11

Merced County	5.7%	19
Modoc County	0.9%	3
Mono County	1.5%	5
Monterey County	8.4%	28
Napa County	8.1%	27
Nevada County	3.0%	10
Orange County	23.7%	79
Placer County	5.7%	19
Plumas County	3.0%	10
Riverside County	20.7%	69
Sacramento County	12.9%	43
San Benito County	3.3%	11
San Bernardino County	20.7%	69
San Diego County	22.5%	75
San Francisco County	12.3%	41
San Joaquin County	11.1%	37
San Luis Obispo County	9.0%	30
San Mateo County	8.7%	29
Santa Barbara County	11.7%	39
Santa Clara County	10.8%	36
Santa Cruz County	7.8%	26
Shasta County	3.0%	10
Sierra County	2.1%	7
Siskiyou County	1.8%	6
Solano County	7.5%	25
Sonoma County	8.7%	29
Stanislaus County	5.4%	18
Sutter County	5.1%	17

Tehama County	2.7%	9
Trinity County	2.4%	8
Tulare County	7.2%	24
Tuolumne County	3.0%	10
Ventura County	15.0%	50
Yolo County	6.6%	22
Yuba County	5.1%	17
<i>answered question</i>		334
<i>skipped question</i>		8

Q4

What work title best describes you:		
Answer Options	Response Percent	Response Count
Owner	70.3%	230
Director	6.1%	20
Manager	15.0%	49
Other	8.6%	28
	<i>answered question</i>	327
	<i>skipped question</i>	15

Q5

What type of utility company do you work with (select all that apply)?		
Answer Options	Response Percent	Response Count
Water utility	50.2%	154
Energy	84.4%	259
Telecommunication / broadband / cable	44.6%	137
<i>answered question</i>		307
<i>skipped question</i>		35

Q6

What is the main industry classification which your company operates in (i.e., SIC code)?		
Answer Options	Response Percent	Response Count
Agriculture	0.0%	0
Mining	0.0%	0
Utilities	6.7%	22
Construction	20.1%	66
Wholesale trade	4.9%	16
Retail trade	1.2%	4
Transportation and warehousing	2.4%	8
Information	2.1%	7
Finance and insurance	0.9%	3
Real estate and rental and leasing	1.8%	6
Professional, scientific & technical services	24.6%	81
Management of companies and enterprise	0.0%	0
Administrative and support in waste	0.3%	1
Educational services	0.3%	1
Health care and social assistance	0.0%	0
Arts entertainment and recreation	0.0%	0
Accommodation and food services	0.0%	0
Public administration	0.3%	1
Other services	34.3%	113
answered question		329
skipped question		13

Q7

What is the certification for your organization (select all that apply)?		
Answer Options	Response Percent	Response Count
Minority Business Enterprise (MBE)	46.5%	154
Women Business Enterprise (WBE)	50.2%	166
Women Minority Business Enterprise (MWBE)	18.1%	60
Disabled Veteran Business Enterprise (DVBE)	1.2%	4
LGBT Business Enterprise (LGBTBE)	0.9%	3
	<i>answered question</i>	331
	<i>skipped question</i>	11

Q8

Do you sub-contract to diverse suppliers?		
Answer Options	Response Percent	Response Count
Yes	62.9%	202
No	37.1%	119
<i>answered question</i>		321
<i>skipped question</i>		21

Q9

How much did your company earn in CA state gross receipts in 2014?		
Answer Options	Response Percent	Response Count
Under \$500,000	15.3%	50
\$500,000 - \$999,999	9.8%	32
\$1 million - \$4 million	34.7%	113
\$5 million - \$9 million	14.4%	47
\$10 million - \$19 million	14.4%	47
\$20 million - \$49 million	6.7%	22
\$50 million - \$99 million	2.5%	8
\$100 million +	2.1%	7
<i>answered question</i>		326
<i>skipped question</i>		16

Q10

Based on the total CA state gross receipts in 2014, how much of those gross receipts were earned from working with the utility companies?

Answer Options	Response Percent	Response Count
Under \$500,000	60.2%	192
\$500,000 - \$999,999	7.8%	25
\$1 million - \$4 million	15.4%	49
\$5 million - \$9 million	7.8%	25
\$10 million - \$19 million	4.7%	15
\$20 million - \$49 million	2.5%	8
\$50 million - \$99 million	0.9%	3
\$100 million +	0.6%	2
	<i>answered question</i>	319
	<i>skipped question</i>	23

Q11

How much did your company earn in CA state gross receipts over the last three years?

Answer Options	Response Percent	Response Count
Under \$500,000	14.2%	46
\$500,000 - \$999,999	6.5%	21
\$1 million - \$4 million	23.8%	77
\$5 million - \$9 million	16.1%	52
\$10 million - \$19 million	13.9%	45
\$20 million - \$49 million	15.2%	49
\$50 million - \$99 million	5.3%	17
\$100 million +	5.0%	16
	<i>answered question</i>	323
	<i>skipped question</i>	19

Q12

How much did your company contribute to CA state income tax in 2014?		
Answer Options	Response Percent	Response Count
Under \$500,000	80.1%	245
\$500,000 - \$999,999	10.5%	32
\$1 million - \$4 million	7.2%	22
\$5 million - \$9 million	0.7%	2
\$10 million - \$19 million	1.0%	3
\$20 million - \$49 million	0.3%	1
\$50 million - \$99 million	0.3%	1
\$100 million +	0.0%	0
	<i>answered question</i>	306
	<i>skipped question</i>	36

Q13

How much did your company contribute to CA state income tax over the last three years?

Answer Options	Response Percent	Response Count
Under \$500,000	66.5%	206
\$500,000 - \$999,999	16.8%	52
\$1 million - \$4 million	11.9%	37
\$5 million - \$9 million	3.9%	12
\$10 million - \$19 million	1.0%	3
\$20 million - \$49 million	0.0%	0
\$50 million - \$99 million	0.0%	0
\$100 million +	0.0%	0
	<i>answered question</i>	310
	<i>skipped question</i>	32

Q14

How many employees in CA does your company currently have?		
Answer Options	Response Percent	Response Count
0	3.8%	12
1-50	77.4%	246
51-99	8.5%	27
100-199	5.0%	16
200-299	2.8%	9
300-399	0.9%	3
400-499	0.3%	1
500-999	0.6%	2
1000+	0.6%	2
<i>answered question</i>		318
<i>skipped question</i>		24

Q15

How many full-time employees in CA did you add in 2014?		
Answer Options	Response Percent	Response Count
0	21.0%	66
1-10	57.5%	181
11-19	7.6%	24
20-29	3.8%	12
30-39	3.5%	11
40-49	1.3%	4
50 +	5.4%	17
	<i>answered question</i>	315
	<i>skipped question</i>	27

Q16

How many part-time employees in CA did you add in 2014?		
Answer Options	Response Percent	Response Count
0	44.3%	139
1-10	48.4%	152
11-19	2.9%	9
20-29	2.2%	7
30-39	0.6%	2
40-49	0.3%	1
50 +	1.3%	4
	<i>answered question</i>	314
	<i>skipped question</i>	28

Q17

How many contracts in total were you awarded in 2014?		
Answer Options	Response Percent	Response Count
0	17.0%	54
1- 5	37.2%	118
6-10	12.0%	38
11-14	4.7%	15
15+	29.0%	92
<i>answered question</i>		317
<i>skipped question</i>		25

Q18

Based on the total number of contracts awarded in 2014, how many of those contracts were you awarded by the utility companies?

Answer Options	Response Percent	Response Count
0	42.0%	133
1-5	47.0%	149
6-10	3.5%	11
11-14	2.5%	8
15+	5.0%	16
	<i>answered question</i>	317
	<i>skipped question</i>	25

Q19

What is the total dollar value of all contracts awarded in 2014?		
Answer Options	Response Percent	Response Count
Under \$50,000	20.7%	62
\$50,000 - \$99,999	5.4%	16
\$100,000 - \$499,999	14.0%	42
\$500,000 - \$999,999	11.0%	33
\$1 million - \$4.9 million	26.4%	79
\$5 million - \$9.9 million	11.0%	33
\$10 million +	11.4%	34
	<i>answered question</i>	299
	<i>skipped question</i>	43

Q20

Based on the total dollar value of all contracts awarded in 2014, what is the dollar value of those contracts that were awarded by the utility companies?

Answer Options	Response Percent	Response Count
Under \$50,000	46.9%	138
\$50,000 - \$99,999	10.2%	30
\$100,000 - \$499,999	13.3%	39
\$500,000 - \$999,999	7.5%	22
\$1 million - \$4.9 million	13.6%	40
\$5 million - \$9.9 million	4.8%	14
\$10 million +	3.7%	11
	<i>answered question</i>	294
	<i>skipped question</i>	48

Q21

Over the last three years, would you say that your company revenue has:		
Answer Options	Response Percent	Response Count
Increased	46.0%	144
Stayed about the same	37.7%	118
Decreased	16.3%	51
<i>answered question</i>		313
<i>skipped question</i>		29

Q22

Does your company donate to non-profit organizations?		
Answer Options	Response Percent	Response Count
Yes	83.9%	266
No	16.1%	51
<i>answered question</i>		317
<i>skipped question</i>		25

Q23

How much money has your company donated to non-profit organizations in 2014?		
Answer Options	Response Percent	Response Count
\$0	1.2%	3
Under \$2,500	33.2%	86
\$2,500 - \$4,999	25.9%	67
\$5,000 - \$7,499	8.1%	21
\$7,500 - \$9,999	5.4%	14
\$10,000 or above	18.5%	48
I don't recall	7.7%	20
	<i>answered question</i>	259
	<i>skipped question</i>	83

Q24

How much money has your company donated to non-profit organizations in last three years?

Answer Options	Response Percent	Response Count
\$0	0.0%	0
Under \$2,500	17.8%	46
\$2,500 - \$4,999	15.1%	39
\$5,000 - \$7,499	12.8%	33
\$7,500 - \$9,999	10.5%	27
\$10,000 or above	33.7%	87
I don't recall	10.1%	26
	<i>answered question</i>	258
	<i>skipped question</i>	84

Q25

Do you belong to a business/trade organization?		
Answer Options	Response Percent	Response Count
Yes	68.6%	214
No	31.4%	98
<i>answered question</i>		312
<i>skipped question</i>		30

Q26

Please indicate which of the following business/trade organizations you are a member of (check all that apply):

Answer Options	Response Percent	Response Count
National Minority Supplier Diversity Council (NMSDC)	21.4%	41
Women's Business Enterprise National Council (WBENC)	20.8%	40
National Gay and Lesbian Chamber of Commerce (NGLCC)	2.1%	4
Other	55.7%	107
	<i>answered question</i>	192
	<i>skipped question</i>	150

Q27

How much money did your company spend on membership dues for business/trade organizations in 2014?

Answer Options	Response Percent	Response Count
\$0	3.9%	8
Under \$1,000	31.9%	66
\$1,000 - \$2,499	28.0%	58
\$2,500 - \$4,999	15.9%	33
\$5,000 - \$7,499	6.8%	14
\$7,500 - \$9,999	1.4%	3
\$10,000 or above	7.2%	15
I don't recall	4.8%	10
	<i>answered question</i>	207
	<i>skipped question</i>	135

Q28

How much money did your company spend on membership dues for business/trade organizations over the last three years?

Answer Options	Response Percent	Response Count
\$0	4.3%	9
Under \$1,000	13.5%	28
\$1,000 - \$2,499	22.2%	46
\$2,500 - \$4,999	20.3%	42
\$5,000 - \$7,499	12.1%	25
\$7,500 - \$9,999	6.8%	14
\$10,000 or above	15.0%	31
I don't recall	5.8%	12
	<i>answered question</i>	207
	<i>skipped question</i>	135

Q29

Do you have a safety program?		
Answer Options	Response Percent	Response Count
Yes	89.1%	271
No	10.9%	33
<i>answered question</i>		304
<i>skipped question</i>		38

Q30

How important is safety to your business practice?							
Answer Options	Not important	Slightly important	Neutral	Important	Very important	Rating Average	Response Count
	11	2	17	35	242	4.61	307
						<i>answered question</i>	307
						<i>skipped question</i>	35

Q31

How important is your company in improving cost reductions for your client?							
Answer Options	Not important	Slightly important	Neutral	Important	Very important	Rating Average	Response Count
	5	5	16	70	208	4.55	304
						<i>answered question</i>	304
						<i>skipped question</i>	38

Q32

How important is your company in helping your client produce higher quality products?							
Answer Options	Not important	Slightly important	Neutral	Important	Very important	Rating Average	Response Count
	4	3	37	52	205	4.50	301
						<i>answered question</i>	301
						<i>skipped question</i>	41

Q33

How important is your company in driving innovation for your client?							
Answer Options	Not important	Slightly important	Neutral	Important	Very important	Rating Average	Response Count
	4	7	43	76	173	4.34	303
						<i>answered question</i>	303
						<i>skipped question</i>	39

Q34

How important is your company in driving your clients' level of competitiveness?							
Answer Options	Not important	Slightly important	Neutral	Important	Very important	Rating Average	Response Count
	7	6	55	76	156	4.23	300
						<i>answered question</i>	300
						<i>skipped question</i>	42

Q35

How important is your company in increasing your client's understanding of its customers?							
Answer Options	Not important	Slightly important	Neutral	Important	Very important	Rating Average	Response Count
	11	4	67	60	159	4.17	301
						<i>answered question</i>	301
						<i>skipped question</i>	41

Q36

Can you currently measure your company's value as a diverse supplier to your client's organization?

Answer Options	Response Percent	Response Count
Yes	54.3%	164
No	45.7%	138
<i>answered question</i>		302
<i>skipped question</i>		40

Q37

Are your goals/objectives stated in numeric terms (i.e., increase sales by 5%, etc.)?

Answer Options	Response Percent	Response Count
Yes	51.7%	156
No	48.3%	146
<i>answered question</i>		302
<i>skipped question</i>		40

Q38

Open ended responses. Please contact the CPUC for responses.

Q39

Approximately, how much of your existing contracts do you outsource to other diverse firms?		
Answer Options	Response Percent	Response Count
0%	41.9%	124
10%	36.1%	107
20%	12.8%	38
30%	3.4%	10
40%	2.4%	7
50%	0.3%	1
More than 50%	3.0%	9
<i>answered question</i>		296
<i>skipped question</i>		46