



## Strengthening Vendor Engagement to Better Support Women- and Minority-Owned Businesses in Buffalo, NY

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*As part of Bloomberg Philanthropies' What Works Cities initiative, the Government Performance Lab (GPL) provided pro-bono technical assistance to help the City of Buffalo launch a vendor engagement survey in an effort to better support women- and minority-owned businesses.*

**The Challenge:** Seeking to address a long history of disinvestment in minority communities, the City of Buffalo is focused on building capacity and increasing opportunities for diverse and minority businesses to participate in City contracting. The Mayor has taken on a number of initiatives to better support minority-owned businesses, including awarding \$3.5 million in American Rescue Plan Act (ARPA) funds over three years to support start-ups and existing businesses in the Black community. However, in order to more holistically support small and diverse businesses, and to help make decisions on priority programs and resource allocation, the City needed input from the vendor community. In particular, Buffalo staff were interested in hearing directly from women- and minority owned-businesses on the challenges of doing business with the City and what the City could do to address those challenges.

**The Innovation:** With help from the GPL, the City of Buffalo sought to meaningfully engage vendors in improving City procurement and contracting processes. As part of this, project partners:

### **Launched a business engagement survey to better understand the challenges and opportunities facing the vendor community**

The City of Buffalo developed a business engagement survey to better understand the vendor experience and collect suggestions for how they could more effectively and equitably purchase goods and services. Sent primarily over email, the survey will reach up to 3,000 vendors (including certified and non-certified prime contractors, subcontractors, women- and minority-owned business enterprises, and vendors who previously bid for government contracts whether successfully or unsuccessfully). To encourage participation, the survey was kept short (less than 15 minutes) and consisted mainly of multiple choice question options.

Vendors were asked to provide basic information, including the types of services/goods they offer, previous year's revenue, number of employees, location within the city, and type of enterprise (corporation, non-profit, etc.). To help get a sense of the diversity of responding vendors, respondents were also asked to identify whether the businesses was majority women- or minority-owned. The survey also requested respondents to reflect on the relative helpfulness of different City processes, including pre-bid meetings, bid notifications, and informational events, as well as external supports such as professional associations and small business support centers.

One of the primary aims of the survey was to understand vendor experiences with public contracting and determine the best ways to support women- and/or minority-owned businesses in this process. Respondents were asked to identify common obstacles to bidding with the City, including lack of information on contracting opportunities, overly restrictive specifications or requirements, unreasonable budgets or overhead limits, lack of capacity, fear of unfair processes,

and/or limited resources to put together a bid. Respondents were also asked how the City could best help vendors navigate the procurement process, including by hosting informational webinars, reducing bid requirements, posting clearer instructions, increasing communication in languages other than English, expanding technical support for small businesses, and/or increasing the time given to respond to a request for proposal. Vendors were free to add other suggestions (related to both common obstacles and helpful resources) in an open response section. This information will help the City better understand how they can most effectively support the vendor community.

#### **Surveying residents to understand entrepreneurship interest**

The City is launching a second survey that aims to understand how many residents are interested in starting a business and in what sectors. This resident-facing survey is part of the City's effort to support entrepreneurship and innovation, helping to develop a greater number of diverse and minority-owned businesses. Because City staff hadn't engaged with residents on this level before, they needed to brainstorm innovative ways to reach residents (with limited capacity to do direct outreach). Staff utilized existing kiosks placed throughout the City to offer the survey, which residents commonly used to access other services. They also conducted literature drops, passing out flyers door-to-door that had a link to take the survey.

Information from this survey will help the City develop future opportunities to support new businesses from diverse communities. For example, the housing authority has recently received a new allocation of federal funding for construction and infrastructure renovation projects. The resident engagement survey could serve as a tool for enlisting interested residents to start their own businesses in order to work on these projects.

**The Results:** Although survey data has not yet been analyzed, the vendor engagement survey will equip the City to better support women- and minority-owned business to bid for government contracts. In the long term, project partners hope that small and diverse businesses in Buffalo will grow as a result of participating in public contracting opportunities. City staff hope to see an increase in the number of small and diverse businesses bidding and receiving public contracts, as well as growth in the number of employees over time working for these vendors.

*"The survey will allow us to fully understand the experience of the business owners. This information is going to help us make decisions on how to support businesses from a community-centric perspective... It's going to help the City prioritize resources and funding based on the types of businesses out there and the availability of contracts."*

- Shatorah Donovan, Buffalo Chief Diversity Officer

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