

Minority supplier development



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National Minority Suppliers Development Council 15th April Minority Supplier Development

Minority Suppliers

National Minority Suppliers Development Council is a body based in the United States of America that is entitled to enhance the businesses of the minority group. The minority being referred are individuals who are 25% Blacks, Hispanic, Asia-Pacific, Asia-Indian, and Native Americans ("What Is an MBE?", n. p.). For one to be accredited as the minority, it has to be proven beyond reasonable doubt, that the person has origin from those areas. The company should be owned more than 50% by individuals from those regions and in case the company is public traded, then 51% of the stocks must be owned by them. The business being registered should be within the territory of United States. In addition to that the daily operations and management of the business should be conducted by the members of the minority group. A firm that feels it is entitled to be accredited as a Minority Supplier it can apply for certification using online platform. National Minority Suppliers Development Council will engage the help of specialists to determine the authenticity of the information granted to them. In case of application rejection, one can appeal to the board to review their decision. Minority Suppliers details are stored in the affiliate Regional Minority Suppliers Development Council database. Whenever a buyer or other business wants to transact with minority group, they can access their locality from the Regional affiliated offices.

Challenge of Minority Suppliers

Minority businesses in the United States have increased in the last TEN years. It has been argued that since President Obama assumed the office

minorities felt that one of them had clinched the power. The number of registered Minority Businesses is two million, an increase of 70 percent comparing to those registered as at year 2005, generating USD 205 billion annually. However, despite the increased number of registered number of minority businesses, challenges still face them. The main one being the competition from well-established companies that are financial and market stable. Minority businesses depend on loan to run their businesses, and this restrains their capability and competitiveness (" The Challenges and Opportunities in Diversity for Small Business.", n. p). Enhancement of business operations for the minority is one thing and level ground in doing business is another aspect. Still fair grounds for doing business for the minorities has not yet been achieved, but NMSDC is working towards that.

Advantages and disadvantages of Minority Suppliers

The benefits NMSDC have generated to the minority members is beyond any measurable instrument. Minority can now have access to federal contracts that was a tall order for them to be awarded regardless of the value attached to it (" Benefits of NMSDC", n. p.). Accessibility of resources to form businesses by the minority has been streamlined. In fact, this is one of the factors that led to the increased number of registered Minority Businesses. Other than accessing federal contracts, companies like Coca-Cola award contracts to the minority members of the society. Coca-Cola understands the plight of the minority that is why it contract members of this group to supply goods or services. However, too much focus on the minority will result in a competition that is not fair, and a chance of substandard goods and services being traded cannot be ignored. To add on that, degree of innovation to create a competitive edge for the products and services of the minority will

be compromised.

Works Cited

" Benefits of NMSDC". Web. 15 Apr. 2015. .

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Works Cited

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