



## Public Service Enterprise Group, Inc. Wins “Regional Corporation of the Year” and “Coordinator of the Year” Awards from the NY and NJ Minority Supplier Development Council

By Lori Arellano

**P**ublic Service Enterprise Group, Inc. (PSEG) won two awards for its outstanding commitment to promoting supplier diversity. The NY and NJ Minority Supplier Development Council (MSDC) honored PSEG with the “Regional Corporation of the Year” award at the partnership awards gala held at the Marriott Marquis in New York City on November 4, 2005. PSEG, which is merging with Exelon Corporation, has been committed to supplier diversity for over twenty plus years with accumulative spend exceeding over \$1 billion dollars with minority & women-owned businesses. It is the oldest and largest gas and utility company serving three-quarters of New Jersey’s population.

Upon receiving the awards, supply chain management vice president John Anderson said he was both appreciative and challenged by the honor. “‘Appreciative’ because the awards are a recognition of the efforts of everyone at PSEG in making our supplier diversity commitment real. This is especially true for [supplier diversity manager] Susan Hogan, who leads us all to this level. ‘Challenged’ because, once again, the performance bar has been raised. But I have no doubt that the PSEG team will more than meet new expectations.”

For over 30 years, John Anderson held positions in a number of the company’s business areas before PSEG named him vice president of supply chain management in March 2005.

As the chief procurement officer responsible for managing a company-wide supply chain management process, his vision for the supplier diversity program is clear. “Supplier diversity is good business,” he says. “It isn’t often you get work in a ‘win-win-win’ situation. The first win is with the development of new and innovative minority and women-owned businesses to work with them and see their growth both professionally and personally. The second win is with the communities we serve, where new jobs and opportunities are created. The final win is for the company and its customers. As PSEG merges with Exelon, I fully anticipate this vision will further develop.”

According to Susan Hogan, the awards validate PSEG’s efforts in supplier diversity, particularly because they were honored by the Minority Business Enterprises of the NY and NJ MSDC, which is a world-class organization. She states, “Knowing that we are on the right track clearly motivates us to achieve even more as we go forward. The awards are also a reminder to us that we are a benchmark company in supplier diversity and expect to share our successful approaches with other major corporations who are striving to grow in this area.”

Hogan was also recognized as “Coordinator of the Year” at the event, and Lynda Ireland, president of NY and NJ MSDC, has high praise for her work with PSEG. “Public Service Enterprise Group, Inc. has been a valuable long-time supporter of the council’s minority business development. In fact, Susan Hogan serves on our board and has been at the vanguard in assisting the council in minority business development in New Jersey.” As diversity manager, Hogan manages the supplier diversity process, including policies, strategies, and initiatives related to supporting minority and women-owned businesses. Under her leadership, PSEG has increased its expenditures of minority businesses by 183%.

PSEG’s two accolades can be attributed to the company’s proactive initiatives and ongoing commitment within the entire supply chain management organization. Its annual supplier diversity goals are aggressive and directly linked to the performance increases of each supply chain management associate annually. To assist in meeting these goals, PSEG has committed to many external minority business advocacy organizations, publications and resources that provide direct links to scores of certified minority owned businesses that are able to meet their business needs. Furthermore, PSEG is able to enhance its business goals by its commitment to improving its levels of service and reliability set in delivering service to customers. PSEG also enhances its business goals by



improvements in terms of cost, quality, service levels as well as teaching new ways of doing business.

In terms of supplier diversity initiatives, PSEG has recently created a new supplier diversity advisory council. PSEG has leveraged the council's external memberships and the expertise of organizations such as the NY and NJ MSDC. PSEG's supply chain management executives, who are also members, expect to jointly develop initiatives to aggressively seek out and align a diverse supplier base that meets PSEG's business needs and enhance the New Jersey communities.



Over the years, PSEG has developed strong business relationships with many large and small certified minority and women-owned businesses, including NJ electric appliance company, Turtle & Hughes, a top 50 certified women-owned business. CEO and President, Suzanne T. Millard describes her company's relationship with PSEG in positive terms. "We did not wonder from year to year if our business relationship with PSEG would abruptly end. We recognized that our partnership was fueled by creativity, understanding their business and how we could help provide materials and services to help reduce their cost of servicing customers. For example, we partnered with PSEG appliance service business to create a standardized parts kit that could be packaged and stored on each vehicle to help improve efficiency and productivity."

Another relationship includes one with Fine Painting and Decorating of Mountainside, New Jersey, which has worked with PSEG for over fifteen years and continues to grow within their vendor base as a strategic supplier. At the recent partnership awards gala, PSEG was especially pleased to see Fine Painting's president Tony Singh receive the Class Three "Supplier of the Year" award.

He says, "PSEG and especially Susan Hogan has been a great supporter of minority programs they have been a great part of our growth if there is any problem, Susan gets involved and helps the minority community sort through it. They deserved the award. Susan is the best."

