



COMPANY VITAL STATS

Name: DNK Architects
Employees: 18
Location: Downtown
Business description: Architectural firm, specializing in education, stadiums and food service

DNK Architects has been in Cincinnati for 20 years but had never worked for a hospital, said Principal David Kirk. He's thrilled the Alliance is creating a path for supplier diversity, rather than just talking about it, as some firms do.

PHOTOS BY MARK BOWEN

Leveraging Innovation

Health Alliance helps prospective suppliers eliminate cold call, get foot in the door

BY JAMES RITCHIE
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Dennis Robb believes there are plenty of diverse suppliers in the Tri-State capable of handling Health Alliance projects. Some of them just might be a step or two away from being ready.

The \$1.5-billion-a-year hospital system has developed a strategy to get them positioned to compete.

It's offering training on how to get third-party certification as a minority-owned, woman-owned or small business enterprise; the first session was Jan. 17. The training was co-sponsored by the South Central Ohio Minority Business Council and the city of Cincinnati, which confer minority-owned business and small-business certification, respectively.

More than 50 companies attended. Future sessions likely will be held quarterly, said Robb, Health Alliance senior vice president of supply chain management.

The hospital system works one-on-one with certified companies to identify projects on which to bid.

"The most difficult thing in sales is the cold call," Robb said. "This eliminates the cold call."

The Health Alliance's efforts opened a door for DNK Architects, a minority-owned firm that has been in Cincinnati for more than 20 years but had never worked inside a hospital. The firm is now working on a surgical intensive-care unit at University Hospital.

It can be hard to break in to new areas because of long-standing relationships between organizations, said David Kirk, DNK principal. The Alliance has had its staff architect work closely with DNK so the company could learn the hospital business.

"What is often forgotten is that the firms a client has worked with for the last 50 years, at one point those firms didn't know your business either," he said. "Over the years I've heard from large corporations that have said they want to do what the Health Alliance is doing and when it comes time to implement it, it ends up being rhetoric and it falls apart. The Health Alliance has really committed itself to opening the doors and spreading the wealth."

And now DNK will have hospital experience it can cite if it wishes to seek further work in the industry.

Minority-owned, woman-owned and small businesses must, in the end, compete on the same playing field as everyone else to be awarded a project, Robb said. But being certified helps them to get in front of Health Alliance executives.

In fiscal 2006 the Health Alliance exceeded its goal of spending \$23 million with diverse suppliers. In fiscal 2007 it plans to spend \$28 million.

The health system is building a \$22 million behavioral health center in Mason and a \$200 million hospital in West Chester. The Health Alliance includes University, Christ, Jewish, Fort Hamilton and the St. Luke hospitals, as well as the Drake Center rehabilitative hospital.

The system is working to go beyond construction with its diversity spending initiative and include professional services, such as accounting and legal, Robb said.

Diversity spending helps businesses grow and improves the economic health of the community, he said.

Community benefit is important for hospital systems in maintaining their nonprofit status; the Internal Revenue Service has announced that it is applying extra scrutiny.

Certification involves detailed paperwork and an on-site survey.

"There are still 'front' companies out there that may put a minority person out front as if they're running the day-to-day operations of the business when that is actually not the case," said Crystal Davis, Cincinnati area manager for the South Central Ohio Minority Business Council.

"I have people tell me all the time, 'You can see that I'm a minority,'" she said. "But documentation speaks volumes." ■

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— DAVID KIRK



Dennis Robb, who oversees the supply chain for the Health Alliance, said there are plenty of minority-owned businesses locally that are capable of supplying the hospital system. A new program makes sure they are ready.

COMPANY VITAL STATS

Name: Health Alliance
Year established: 1994
Employees: 13,000
Location: 3200 Burnet Ave.
Business description: Nonprofit health system that operates six full-service acute-care hospitals, a rehabilitative hospital and a physicians practice