HOW LEADERS IN THE BUILT ENVIRONMENT CAN CHAMPION DIVERSITY, EQUITY AND INCLUSION

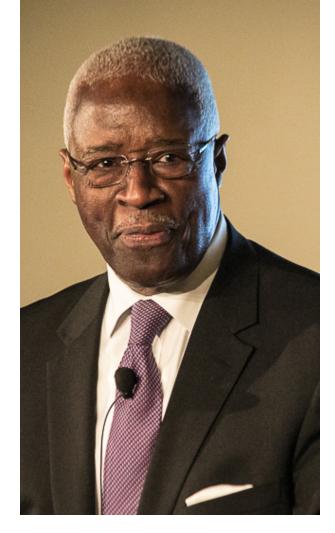
Rev. Larry S. Bullock, MPA/MDiv Chief Executive Officer U.S. Minority Contractors Association

With construction job openings reaching 494,000 at the end of April, the highest since 2000, the need to expand the workforce is critical. Yet many firms in the built environment are at the beginning of understanding how to attract, retain and develop a more diverse workforce.

The future of the industry will depend on expanding opportunities for all people, something that the most successful companies are already paying attention to across their organizations. To help understand this, we interviewed Rev. Larry S. Bullock, chief executive officer of the <u>U.S. Minority Contractors Association</u>, about the state of diversity, equity and inclusion (DEI) in the engineering and construction industry.

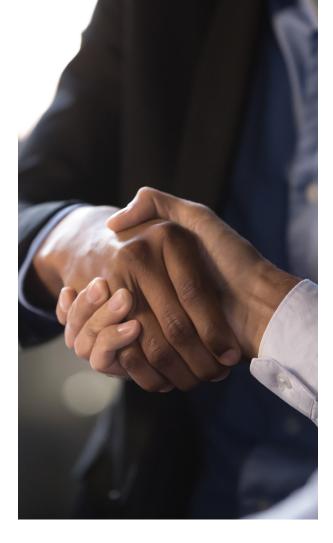
FMI: How would you define DEI for the engineering and construction industry?

Rev. Bullock: When we talk about diversity, equity and inclusion, we start with the D; but we have to understand that what we're talking about is something that often gets lost in discussion, especially when it comes to the built industry. You've got to employ people in the workspace, on the job site and in the corporate C-suites who historically have been discriminated against, both racially and based on gender.



When I say diversity, I don't just mean headcounts. I'm talking about a corporate strategy that starts at the top with the actual corporation saying that this is an affirmative statement we want to make, and we want to change the face and the landscape on both the job site and in the workplace.

Equity is when the voice of the new people you brought in equals that of the people who are already there. In other words, you bring a woman into a situation, and you make her the project manager or general superintendent. Equity says she's equal and has the same voice as those who were there before her. That has to be intentional, it has to be driven by management, and it has to be something that is embraced and accepted.



And when you talk about inclusion, it means we bring in people to work here who have historically not worked here. Then we bring in people to whom we give a voice who historically didn't have a voice. And we don't just give them a title like superintendent or project manager, but we give them the full authority to act on behalf of the firm.

And at the end of the day, that changes the boardroom. It changes the landscape. That needs to be done intentionally, starting at the shareholder level down through the board of directors, down through the C-suite management and drill it all the way down to the work site. But it has to be driven down from the highest level saying we want a more diverse and inclusive corporation.

FMI: What are some of the biggest challenges companies are facing when it comes to making progress on DEI initiatives? What are they getting right?

Rev. Bullock: You have unconscious bias throughout your organization, so how do you address unconscious bias? Unconscious bias, I think, is more heinous than overt racial animus because none of us can see in a person's heart, but we know what comes out of his or her mouth. The overt racism, the overt sexism, and there is a lot of that on these construction sites. There's a lot of that still in the C-suites. You must bring in people like myself and others to talk, train and teach how to mitigate unconscious bias.

Secondly, you must have a corporate ethic, and it has to be put into practice. People can see that and they understand that. If you keep that foremost in the corporation, then people know that unconscious bias is not going to be accepted, and they won't get comfortable. You have to set a principle that expresses who we are and what we believe.

And then I think the final thing that I really have problems with when I'm talking to people in the built industry is, how do we get our clients who may not have this as a priority to embrace it? Well, on the governmental side, we know how we get them to embrace it because they said: OK, we got 25% here, 35% here, 10% here, nonnegotiable. But how do you deal with that in the private sector when you don't have such goals?

So what I say to them is, if this becomes mainstream throughout your corporation, if this becomes your code of professional conduct, if this becomes your aspirations, then you'll find that those investors in the private sector will embrace it.

FMI: Tell us a bit about the work USMCA is doing on behalf of minority contractors. How can others in the industry get involved or help make a difference?

Rev. Bullock: At present, the U.S. Minority Contractors Association is working as fast as possible to onboard minority business enterprises in the built industry to embrace the technology of the industry. We are trying to get firms up to speed, to understand and utilize construction technology and data.



Our members, especially small women- and minority-owned business enterprises, must get knowledgeable of and conversant with construction technology. And as a part of having them embrace the newest and best technology in the built industry, we need help getting them what we call "bid-ready," which is getting them the financing and bonding required to be successful.

So we need general contractors, financial institutions and governmental entities to come alongside us and help us achieve those strategic objectives. We only have two trains running here all the time at USMCA, technical assistance and advocacy for this industry, and those have predominantly and historically been excluded. So we need those who can help us with advocacy at the local, state and federal levels.

FMI: Looking to the future, how do you think DEI initiatives will shape the E&C industry in the long term? What are the key benefits and implications to E&C companies?

Rev. Bullock: I think the first green shoot that I see is an increase in the number of minority business enterprises moving to the general construction space. That is the best measurement of success for affirmative action and inclusion in construction: How many firms have been able to graduate into successful general contractors? And when we get them there, then they can reach back and start hiring more of their own minority contractors, giving them a shot.

We're seeing a proliferation of hedge funds from minorities, and they're putting their money into communities and calling it "impact investing." That's a green shoot on the developer's side. We're also seeing large banks setting up funds to support underserved communities. There's also expansion of diversity tied to federal funding. These are all green shoots.

I think there must be collective voices, advocating for the retention of diversity in America. If those voices are silenced and absent, then opposing voices will be heard because they want to eliminate diversity, equity and inclusion. But I believe the good will win out.

Note: This conversation was edited and condensed from the original interview.

Author



Rev. Larry S. Bullock, MPA\MDiv, was the first African American student admitted to Catawba College in Salisbury, North Carolina, where he graduated with a Bachelor of Science degree [Pre-Law]. His athletic and academic accomplishments led him to Illinois and specifically Chicago, where he earned a Master of Public Administration degree from Roosevelt University and a Master of Divinity degree from McCormick Theological Seminary on the campus of the University of Chicago, Illinois.

Successful in the corporate business world, he was previously national manager-strategic market relationships for Stewart Title Guaranty Company (Multicultural Markets Development, Stewart Title Guaranty Corporation). He is now the owner/president of April Cobra Enterprises, Inc., founder/ president of the U.S. Minority Contractors Association (USMCA) and founder/ senior pastor/teacher of Living Faith CWC Church in Palatine, Illinois.





FMI is a leading consulting and investment banking firm dedicated to serving companies working within the built environment. Our professionals are industry insiders who understand your operating environment, challenges and opportunities. FMI's sector expertise and broad range of solutions help our clients discover value drivers, build resilient teams, streamline operations, grow with confidence and sell with optimal results.

CONTACT US



RALEIGH HEADQUARTERS 223 S. West Street Suite 1200 Raleigh, NC 27603

919.787.8400

fmicorp.com

OFFICES

Denver 44 Cook Street Suite 900 Denver, CO 80206 303.377.4740

Houston 1301 McKinney Street Suite 2000 Houston, TX 77010 713.936.5400

Tampa 4300 W. Cypress Street Suite 950 Tampa, FL 33607 813.636.1364