ABC EMPLOYER GUIDE FOR
DIVERSITY AND INCLUSION
# Table of Contents

1. Introduction and Purpose ............................................................................................................................... 1

2. Business Case for Diversity and Value Proposition .......................................................................................... 3

3. Developing a Successful Diversity Program ........................................................................................................ 5
   a. Five Stage Program Development and Timeline Estimates ............................................................................ 5
   b. Strategic Tips for Implementation .................................................................................................................. 5

4. Demographic Changes .......................................................................................................................................... 7

5. Catalysts, Barriers and Cultural Shift .................................................................................................................. 11

6. Subcontractor/Supplier Diversity Program .......................................................................................................... 15
   a. Stages of Developing a Subcontractor/Supplier Diversity Program .............................................................. 15
   b. Setting Goals for Achieving Advanced Program Development ...................................................................... 16
   c. Eight-Step Action Plan for Developing Subcontractor/Supplier Diversity Program ...................................... 16
   d. Database Set-up ........................................................................................................................................ 19
   e. Success Stories - Subcontractor/Supplier Diversity .................................................................................... 23

7. Workforce Diversity ............................................................................................................................................ 27
   a. Defining Workforce Diversity ....................................................................................................................... 27
   b. Barriers Faced by Diverse Groups ................................................................................................................. 27
   c. Best Strategies for Developing Workforce Diversity Programs .................................................................... 27
   d. Components of Effective Diversity Training Programs .............................................................................. 28
   e. Trends ......................................................................................................................................................... 28
   f. Success Stories – Workplace Diversity ......................................................................................................... 29

8. Leadership Buy-In ................................................................................................................................................. 31
   a. Diversity Leadership ........................................................................................................................................ 31
   b. Leadership Model ......................................................................................................................................... 31
   c. Planning and Alignment with Company Goals ............................................................................................. 32
   d. Community Outreach .................................................................................................................................. 34

9. Subcontractor/Supplier Relationships .............................................................................................................. 35
   a. Mentoring .................................................................................................................................................. 35
   b. Business Opportunities ............................................................................................................................... 37
10. How to Advance Your Diversity Initiative ................................................................. 39
   a. Tracking Supplier/Subcontractor Diversity Progress and Results ........................................... 39
   b. Championing and Leveraging Diversity .............................................................................. 40
   c. Strategic Sourcing and Supplier Diversity ........................................................................... 41
   d. Advisory Council: Small and Emerging Contractors’ and Suppliers’ Engagement and Process Improvement ........................................................................................................... 42
11. Advanced Database Management ................................................................................... 45
   a. Supplier Certification Status .............................................................................................. 45
   b. Software and Database Resources ..................................................................................... 45
12. Diversity Training ............................................................................................................. 47
   a. A New Agenda for Diversity Training ................................................................................... 47
   b. Training Matrix and Course Descriptions .......................................................................... 47
   c. Training Insights ................................................................................................................ 49
   d. The Business Case for Diversity: A New Definition ........................................................... 50
13. Resources to Get Started .................................................................................................. 51
   a. Subcontractor/Supplier Information Form ........................................................................... 51
   b. Project Utilization Form ...................................................................................................... 53
   c. Quarterly Utilization Report ............................................................................................... 54
   d. M/WBE Supplier/Subcontractor Status Form ...................................................................... 55
   e. Response to Inquiry ............................................................................................................ 57
   f. M/WBE Policy Statement .................................................................................................... 58
   g. No Opportunities Right Now Response .............................................................................. 59
   h. Diversity Council and Team Alignment ............................................................................. 60
   i. Business Resources .............................................................................................................. 61
Glossary ................................................................................................................................. 65
Frequently Asked Questions .................................................................................................. 67
Appendix - Training Resources ............................................................................................. 69
Appendix - ABC National Diversity Committee Vision and Mission ................................. 71
1. Introduction and Purpose

ABC is committed to supporting industry efforts to overcome the challenges and maximize the opportunities associated with an increasingly diverse workforce and subcontractor/supplier base.

ABC’s objective is to help shape an industry that is welcoming to all people—where employees and suppliers are limited only by their own potential, clients’ needs are actively served and shareholders receive value for their investment.

The purpose of the Employer Guide is to provide guidance, direction, information, and reference materials for ABC member companies that are initiating or further developing an existing Diversity Program.

CORE VALUES

ABC values economic freedom within a free-market economy, with open and fair competition and diverse participants constantly striving to achieve the highest levels of personal and company performance.

ABC values the highest levels of personal and corporate standards of behavior characterized by responsibility, accountability and integrity, with demonstrated personal and industry professionalism by all participants.

VISION AND CORE PURPOSE

The Vision of ABC is an environment in which people and companies succeed based on free-enterprise principles within the free-market system.

The Core Purpose of ABC is to advance and defend the principles of the merit shop in the construction industry and to provide members and their employees with an opportunity to succeed.

MERIT SHOP ENVIRONMENT

A free-market environment should be characterized by company practices consistent with good corporate citizenship; where contractors are selected, regardless of labor affiliation. A merit shop company is held to a higher standard by an evaluation of its activities, people, and its demonstrated performance. Within the merit shop environment, people and companies will have the freedom to make their own choices and will be held accountable for their choices.

MISSION

ABC will continually strive to be the leading voice promoting free enterprise within the construction industry. ABC will promote and defend the merit shop philosophy. This philosophy encourages open competition and a free-enterprise approach to construction based solely on merit, regardless of labor affiliation.
2. Business Case and Value Proposition

Workforce diversity is not just a moral imperative or societal goal; rather, it should be viewed as a competitive advantage and a business opportunity. Diversity is a business priority for organizations that strive to achieve a fully inclusive and culturally competent workforce.

A. WHY ORGANIZATIONS INCORPORATE DIVERSITY

The major reasons organizations strive to incorporate diversity are to improve productivity and remain competitive. Organizations should not implement diversity programs because of social or legal reasons, or because it is the “in” thing to do. While the need for incorporating diversity may appear to grow out of notions of social and economic fairness and morality, the real need is to maintain and increase profits amid national and global competition.

The impetus for diversity initiatives must come from awareness of the business implications: addressing the needs of workers, satisfying the demands of competitiveness and fulfilling the requirements of the company’s role in the community.

Organizations are willing to accept change related to diversity only if the potential benefits are clear and worthwhile. With that in mind, perhaps the strongest rationale for incorporating diversity is to increase productivity among all workers, especially groups that historically have been underrepresented and underutilized (such as women, people of color, people with physical disabilities, older workers, and gay or lesbian employees).

B. DEFINING DIVERSITY

Diversity is about recognizing, respecting and valuing differences in ethnicity, gender, age, race, religion, disability, national origin and sexual orientation. It also includes an infinite range of unique characteristics and experiences, such as communication style, career path, life experience, educational background, geographic location, income level, marital status, military experience, parental status and other variables that influence individual perspectives.

These life experiences and personal perspectives make people react and think differently, approach challenges and solve problems differently, make suggestions and decisions differently, and see opportunities differently. Thus, diversity is also about diversity of thought. Superior business performance requires tapping into these unique perspectives.

C. DIVERSE WORKPLACE

To become a true industry leader and form lasting business relationships with increasingly diverse regional, national and global customers, organizations must understand their customers’ cultures and decision-making processes, not merely their languages.

It is well proven that diverse, heterogeneous teams promote creativity, innovation, and product development and delivery. Only by fully embracing diversity and maximizing the well-being and contributions of its diverse employees and suppliers/subcontractors can an organization fully maximize its strength and competitiveness. Embracing diversity enables businesses to realize strategic business goals through positive organizational change.

D. DEMOGRAPHICS

The faces of customers, employees and suppliers have been transformed into a dynamic mix of people comprised of vari-
ous races, cultures and backgrounds. “Minorities” are now the majority in six out of the eight largest metropolitan areas of the United States.

Clearly, the U.S. population—and the global population—are changing dramatically. Forward-looking organizations recognize and understand the implications of these demographic shifts, and accordingly alter their customer focus, employee and supplier base, and business practices to better manage the needs of current and future customers and employees.

E. VALUE PROPOSITION: TARGETS FOR SUCCESS

Market Development
- Fulfillment of customer contract requirements
- Alignment with business strategy
- Maximize market opportunities (current and future)

Business Management
- Prepare and respond to demographic changes
- Consistency of practice throughout organization
- Sustainability of efforts

Performance Acceleration
- Employee satisfaction and contribution
- Product/service innovation
- Alignment with performance architecture (e.g. TQM, triple bottom line)

Business Image
- Industry recognition
- Community leader – economic development

Supplier / Subcontractor Development
- Strengthen and broaden supply chain
- Align with demographic changes
- Respond to industry requirements

Risk Management
- EEO compliance
- Legal action

Employment Management
- Employee attraction and retention
- Mobilizing and managing a diverse workforce (age, ethnicity, gender, etc.)
- Leadership and management skills