



AGC DIVERSITY, EQUITY, AND INCLUSION TASK FORCE REPORT

BACKGROUND & HISTORY

Building a more resilient California requires the voices of all Californians at the table. The construction industry's success is contingent on the diverse backgrounds and experiences that influence and shape our built environment.

[There is a strong business case for Diversity, Equity & Inclusion \(DE&I\)](#). Studies show companies that invest in DE&I programs can benefit from improved teamwork, innovation, productivity and experience improved financial results. In a Boston College Center for Corporate Citizenship, article entitled "The Corporate Citizen: Spring 2021|Issue 36, Diversity, Equity and Inclusion Across the Workplace" it showcases Lowe's, one of the world's largest home improvement retailers. Lowe's created the Making It With Lowe's program that allowed diverse small businesses to pitch their products to major retailers with just one click. The program's goal was to find the best, diverse and innovative products for Lowe's customers, while supporting small businesses that are the cornerstone of the economy. This article also stated:

Research shows a consistently positive relationship between inclusion and financial performance. One recent study found that 20 of the most inclusive companies had an average annual stock return of 10% over five years, compared with 4.2% for the 20 least diverse companies.

While statistics for the construction industry are not yet available, industries that have adopted similar practices as those outlined herein have seen their revenues increase over time.

In recent years, AGC of California (AGC-CA) focused our Diversity, Equity, and Inclusion efforts through our workforce development programs, specifically those that worked to attract and develop the next generation of construction professionals. Our program, [Build California](#) ensures construction career information reaches marginalized communities to attract a diverse talent pool while also providing exposure to careers in construction and economic advancement opportunities to underserved communities. In the past, our industry has not effectively reached these communities. Today, we expanded our inclusive effort and developed strategies that increased inclusivity by engaging more communities, shaping positive perceptions of the construction industry, informing young people and their influencers about the real career opportunities in construction, and connecting this future workforce to local training programs.



With the spotlight on racial justice issues this past year, the AGC State Board of Directors (SBOD) engaged in focused dialogue around AGC's opportunity to provide leadership and resources for AGC member companies. These member companies are working to address issues of Diversity, Equity, and Inclusion across our businesses and our industry at large.

Seeking guidance on what is both appropriate and needed from AGC in order to make a real and lasting impact, the SBOD asked for the formation of a new AGC of California Diversity, Equity, and Inclusion Task Force to provide expertise, thought leadership, and insights.

The Task Force began by authoring [AGC of California's new statement regarding Diversity and Inclusion](#). This was reviewed and approved by the SBOD in October 2020, with unanimous support and no changes. We are proud that this statement has become the official Association position, and equally proud that it serves as a strong example, resource and starting point for our members working to draft and adopt similar statements. Throughout our work as a Task Force, our statement served as our "North Star," guiding us back and refocusing our recommendations on providing the highest and best impact.

This report serves as the culmination of AGC's Diversity, Equity, and Inclusion Task Force and presents a set of strategic recommendations for AGC's 2021-2023 Diversity, Equity, and Inclusion priorities and goals which we are submitting to the AGC State Board of Directors for review, consideration, and adoption. As part of the continuing conversation that began in 2020, **the Task Force is also recommending that we add Equity in addition to Diversity and Inclusion.** We believe this is necessary to embrace the culture changes in these important conversations.

AGC STATEMENT ON DIVERSITY, AND INCLUSION

In the wake of important and timely conversations surrounding Diversity and Inclusion, we recognize the role AGC and its member companies can play in facilitating necessary, positive, and long-term systemic change in the construction industry.

To start, we must acknowledge we have fallen short of leading our members and the industry in the pursuit to end discrimination. We take responsibility for the times we have contributed to building a culture of inequity and are actively working to correct those mistakes. Going forward we must lean on our mission and core values as our guide to shape policy, improve industry relationships, and develop our workforce for all Californians. We will lead meaningful, open, and honest conversations that will foster a culture of inclusion for our industry. We will listen to those impacted by racism, inequities and



discrimination of all forms with the intent to learn and improve. And we will work with our members to create meaningful paths forward, so progress is seen and felt on jobsites and offices across the state.

In order to make impactful and intentional change, AGC will:

- create a committee comprised of diverse AGC contractor and associate members of all sizes and types as well as external experts to develop policies, procedures, and training to eliminate racial and discriminatory practices within their corporate structure and on jobsites.
- promote a zero-tolerance environment for discriminatory incidents on job sites and across all industry workplaces.
- promote a caring environment that fosters positive communication, compassion, and empathy.
- provide support to member companies to mold inclusive and equal policies for them to implement on their own projects and within their companies.
- develop policies that will ensure the advancement of diverse individuals to leadership positions in member companies and the Association.
- work to ensure the leadership of the organization is inclusive and reflective of the demographics of the geographic territories where we operate.

Standing up to racism and discrimination requires more than a written commitment. It will take time and work to foster a new culture for our industry. It is our duty as the voice of California's construction industry for the past 100 years to ensure our association and its members build a better future for all Californians.

PROCESS & APPROACH

After receiving the AGC State Board of Director's approval, our diverse and thoughtful Task Force members were selected and came together. We began conversations around how we might change the hearts and minds of our industry and inspire a new and better world. At the core, we believe it is imperative to change the culture of construction, at a personal, company, and industry level.

We know, by investing in DE&I, our member companies and our industry will create safer workplaces, build stronger workforces, improve employee productivity, and increase innovation. We will attract and retain a diverse pipeline of much needed talent. And, we will form collaborative partnerships between diverse entities that will generate new opportunities to build. It is our future.

And, we believe our approach to this is paramount in building shared commitment across our members and the industry we love. We seek to change the hearts and minds of our members by having, leading, and facilitating courageous conversations, with empathy and heart for all involved. We strive to inspire a



true appreciation for diversity and transform our industry leaders into passionate advocates for positive, innovative, and systemic change.

Committing to this change is not easy work, but it is imperative to our social and economic future.

RECOMMENDATIONS

Our recommendations center around desired programs and initiatives, training and education, resources and best practices, and other forums to engage members.

- **Programs and initiatives** include the ways that AGC of California can serve as a thought leader and industry champion for DE&I.
- **Training and education** includes two aspects. First, the specific training content, aligned to our member audiences, that we believe will further the industry and our member companies. Second, providing access to the external trainers and trainings that we believe will benefit our members and industry.
- **Resources and best practices** that will be curated or created by AGC of CA's DE&I Steering Committee and staff, with input from our larger forum and members. We envision a DE&I toolkit that gives our members easy access to these best practices and resources.
- **Continued member leadership and engagement** proposals to continue our work in the Diversity, Equity, and Inclusion space. We envision an elected Steering Committee and a larger, inclusive forum open to all members. This will also include ways to ensure strong connections across other AGC of CA programs and services, in particular the Small Business Council and Build California.

PROGRAMS & INITIATIVES

Through the intentional development and implementation of new programs and initiatives, *AGC of California can serve as a thought leader and industry champion for Diversity, Equity & Inclusion.* In this section, we have identified four priorities:

1. **Develop Zero Tolerance Campaign to Drive Culture Change and Promote Best Practices & Success.** This is modeled after industry safety campaigns and tailored to promote a zero-tolerance environment for discriminatory incidents on job sites and across all industry workplaces. AGC would promote this industry-wide and share campaign elements and information with members that are interested in adopting best practices. Campaign messaging and elements would be delivered through multiple AGC digital media and events including: email marketing, social media, podcast, promotion at Statewide & District events and Division meetings. Our Task Force recommends the following branding and elements.
 - a. **Create "AGC Change Makers."** This is a program designed to highlight, promote and celebrate AGC member companies who have implemented culture change, best practices,



4. **Leverage, Promote and Accelerate Existing Build California Program Goals.** Support Build California's goal to reach all communities with construction career information by building strategic partnerships with unions, pre-apprenticeships and other community partners performing future workforce and community outreach.

TRAINING & EDUCATION

In this section, we have identified four priorities. The first three are recommendations for training content, aligned to member audiences and delivered by AGC. The fourth is related to providing access to the external trainers and trainings that we believe will benefit our members and industry.

1. **Develop & Launch Diversity, Equity, and Inclusion Training Series & Certificate Program.** We envision this series to be open and applicable to members at all levels within their companies and designed to raise the overall culture of companies and industry at large. Examples of classes and content for this series include (but are not limited to):
 - a. How to Have Crucial Conversations in the Workplace
 - b. Implicit & Unconscious Bias
 - c. Emotional Intelligence
 - d. Cultural Sensitivity Training
 - e. Time Management, Life Balances and Mental Health
 - f. Team Building Opportunities
 - g. The Business Case for Diversity, Equity, and Inclusion
 - h. Diversity and Hiring & Management – What You Need to Know
 - i. Bystander Prevention & Intervention
2. **Develop & Launch AGC Executive Tier Training Series & Certificate Program.** This is to be designed for, and accessible to, executives (only) at AGC Member companies. The focus will be to equip leaders to lead their companies toward true culture shift. This training series can be taken in addition to the general member Diversity, Equity, and Inclusion Training Series & Certificate program or taken as a standalone. Examples of content includes (but not limited to):
 - a. How to Have Critical Conversations on Diversity, Equity, and Inclusion Across All Levels of Staff
 - b. Business Case for Workforce Diversity & UBE/SB Utilization and Development
 - c. Return of Investment of Diverse Teams
 - d. Creating Psychological Safety in the Workplace
 - e. How to Create Effective DE/I Forums or other Peer-Employee Resource Groups in Your Company
 - f. Eradicating Systemic Racism in Hiring and Contracting Practices (office and tradespeople)
 - g. How to Develop Succession Planning Practices that will Result in Identifying, Promoting and Mentoring Diverse Leaders in Your Company
 - h. Implementing a Bystander Prevention & Intervention Program



3. Develop and Deliver Training and Education through the New AGC Diversity, Equity, and Inclusion Forum. This could include, but not limited to:

- a. Form and host book study groups that deal with racism, inequities and differential treatment.
- b. Create Growth Partner groups/cohorts for individuals at all levels of staff within AGC member companies; providing a safe space to share struggles, current events and development needs.
- c. Host “Days of Learning” on various DE&I training areas such as psychological safety in the workplace.

4. Create a Database of DE&I Trainings and Trainers. We recommend that this is a members-only database and provides a “one stop shop” for member companies. Additionally, the AGC Training & Education Program would also offer special member pricing on custom/private courses which would put the responsibility on AGC staff to manage all contracts, set up and logistics for individual member companies interested in hosting.

RESOURCES & BEST PRACTICES

For this section, we have identified priority resources and best practices that will be curated or created by AGC of CA’s Diversity, Equity, and Inclusion Steering Committee and staff, with input from our larger Diversity, Equity, and Inclusion Forum and members at large. These will be organized into a new AGC Diversity, Equity, and Inclusion Toolkit, providing easy access and ease of adoption.

1. **AGC Diversity, Equity, and Inclusion Toolkit.** This would include best practices for policies, procedures, etc. that AGC member companies can utilize to push them beyond the “check the box” and ingrain Diversity, Equity & Inclusion into their culture. Resources and best practices included in the toolkit should include (but are not restricted to):
 - a. “Culture Audit” (survey) template that can be distributed across a member company to assess sense of inclusion, belonging, and work satisfaction. This survey is designed to be conducted on a semi-regular basis and be customized or adapted for each company’s particular needs.
 - b. Templates for:
 - i. Communications to employees on benefits of, and how to participate in, employee resource groups. If this is not something a member company currently offers, it can be included in the audit to identify the current needs of their organization.
 - ii. “Inclusion Orientation/Onboarding” session similar to safety orientation that can be used in new employee orientation.



- c. A curated list of trainers, consultants, TED talks, books, etc that could be made available to staff interested in learning more about Diversity, Equity, and Inclusion. We would provide template handouts for employees & managers outlining options and benefits.
- d. “How to guides” and resources focused on developing a supplier diversity program. This would include targets on all projects, accountability, processes, procedures, and templates.
- e. Ways to identify, coach, and develop Black, Indigenous, People of Color (BIPOC) and female staff to ensure they are supported and promoted.
- f. Programs to identify, develop, and promote diverse future leaders through targeted training and development plans and resources such as external coaching professionals.
- g. List of additional assessment tools to gauge company culture and diversity practices.

MEMBER & LEADERSHIP ENGAGEMENT

The Task Force has developed a strong foundation that will ensure intentional and strong connections across other AGC of CA programs, services and groups, in particular the Small Business Council and Build California. With this in mind, we are putting forward two recommendations for the future structure and overall member engagement in AGC’s Diversity, Equity, and Inclusion work.

1. **Creation of Diversity, Equity, and Inclusion Steering Committee.** This would be composed of diverse AGC contractors and associate members of all sizes and types, as well as external experts, to guide the development of the recommendations. We envision this Steering Committee being composed of original D&I Task Force Members, existing AGC Small Business Council members, and the remaining seats open to an application/election process. The Steering Committee will also guide the content, discussions, activities and speakers activated at the Diversity, Equity, and Inclusion Forum.
2. **Creation of Diversity, Equity, and Inclusion Forum.** We envision a larger, inclusive forum open to all staff at all AGC Member companies. Held on a quarterly basis (minimum), this DE&I Forum will provide space for critical conversations, activities, speakers, and best practice sharing for AGC member companies working to eliminate racial and discriminatory practices within their corporate structure and on jobsites. This will also serve as a safe place for individuals to further their learning, understanding and personal/professional development specific to Diversity, Equity, and Inclusion.

CLOSING

The recommendations in this report are to be implemented for the years 2021 - 2023, with additional long term institutional change and structure goals to follow from the future AGC DEI Steering Committee and Forum.

On behalf of our entire AGC Diversity, Equity, and Inclusion Task Force, we want to thank the AGC State Board of Directors for your responsive and thoughtful leadership, as well as for the opportunity to



contribute to this important moment in our industry's future. We know we will all look back in 5, 10, 20 years and mark this report as the beginning of an incredible cultural change for AGC, our member companies and the industry at large. Together, we can build a sustainable and inclusive industry that will survive and thrive.

Signed,

The AGC Diversity, Equity, and Inclusion Task Force

Sean Anderson, Stoer Construction

Elena Anaya, Turner Construction

Dr. Giovanna Brasfield, Flatiron Construction/LINX

Sharon Coleman, Coleman Construction & Construction Equipment Rental

Amanda Corbet, McCarthy Building Companies, Inc.

Talin Espinoza, Twining

Chris Jones, ACCO Engineered Systems

Lilian Magallanes, Bluebeam, Inc.

Kayla Montgomery, PCL Construction

Henry Nutt III, Southland Industries

Marie Patterson, Chico State Construction Management Department

Mick Penn, Swinerton

Ron Roberts, Griffith Company

Becka Schumacher, Teichert Construction

