



Building the Case for Inclusion, Diversity and Equity

Inclusion, Diversity and Equity Program Sponsor





The construction industry is changing in profound ways, from our corporate culture, recruitment and retention efforts to innovative ways to win and deliver projects. But one constant is the need to ensure that organizations offer a state-of-the-art employee value proposition that's attractive to top talent from all communities. Recruiting and retaining the best team in the marketplace will foster the most creativity, win the best work and deliver the greatest value to the construction buyer/user.

An **analysis** by McKinsey & Co. in 2019, which encompassed 15 countries and more than 1,000 large companies, found that diverse companies are more likely to be more productive and profitable than less diverse peers. Yet some organizations still struggle to understand the business case for inclusive, diverse and equitable workplaces.

Defining IDE

At Associated Builders and Contractors, we believe that career opportunities should be made available to all people. We believe in creating and championing conditions where individuals and organizations are limited only by their own potential and desire to succeed. This is the driving force behind the merit shop philosophy and ABC's IDE initiatives.

With the founding principles of free enterprise and open competition as their foundation, ABC's IDE initiatives are focused on bettering the individual, the industry and the nation. ABC values IDE as empowering competitive advantages, as defined below:

“Diversity, inclusion and equity are meant to complement one another. While diversity is the act of embracing a different view of the world, equity promotes fairness, and inclusion complements that by welcoming different views of the same reality.”

—Rodolfo “Rudy” Alanis, Vice President and Chief People Officer, Helix Electric

Inclusion

A feeling of belonging.

Action: Value differences to achieve superior results.

Result: All are welcome, valued and included.

Diversity

A variety of abilities, skills, backgrounds and experiences.

Action: Actively seek stakeholders from diverse backgrounds to achieve superior results.

Result: All individuals and organizations have the opportunity to compete in a fair and open marketplace.

Equity

A dedication to providing opportunities for all

Action: Create conditions to enable everyone to compete on a fair and level playing field.

Result: Every individual has the opportunity to succeed.

The business case for IDE grows stronger every year. IDE is a business imperative, not something companies should implement simply because of social or legal pressure or because it is the “in” thing to do. Diversity brings into an organization new ideas from various backgrounds, resulting in greater innovation and creativity. Organizations that strive to promote IDE reap many benefits, including:

Attracting and retaining high-caliber talent.

Candidates are attracted to employers that demonstrate a commitment to sustaining a diverse workforce. Providing resources that help develop minorities and women in management and trade positions has proven to be successful in recruitment and retention. Talent management strategies should focus on inclusive and equitable workplaces where all are welcome, valued and included. Employers should provide opportunities to all regardless of their race, color, gender, national origin, religion, disability, age, LGBTQ+ status or any other status or characteristic.

In 2021, construction companies need to hire **430,000 more workers** than they employed in 2020, according to an economic analysis conducted by ABC. Talent managers need to create game-changing strategies to attract and retain diverse talent to help alleviate the workforce shortage.

Increasing productivity.

Employing workers from all backgrounds not only fosters a positive work environment, but, by widening the candidate pool, also helps construction companies **recruit the most qualified workers**. As construction projects are growing in complexity, talented workers are needed now more than ever. **According to McKinsey & Co.**, high performers can lead to a remarkable increase in a company’s performance. For example, in high-complexity jobs, one talented individual can be up to eight times more productive than the average employee. When contractors widen their candidate pools, they increase the chances of finding high-performing employees.

In addition, **Gallup** reports that removing bias from the interview process and hiring based on skills and talent leads to 41% less absenteeism, 70% fewer safety incidents and 59% less turnover. Thus, hiring a more diverse workforce may lead to productivity gains in a variety of ways.

Diversity and inclusion should be done naturally and our culture accepts it. Inclusion doesn't work if you force it. I don't see diversity as a battle for us. We just help people any way we can.

—Steve Huizinga, President, Allied Mechanical

When I interview candidates, they're very comfortable coming in. They see all the diversity here, I think we have a competitive edge when we're trying to hire candidates. We have a culture and work environment that the employees feel comfortable going to.

—Kirby Wu, President, Wu & Associates

Driving innovation and financial results.

When leaders value different perspectives and a variety of ideas, inclusivity is fostered, which leads to paradigm shifts and breakthrough thinking.

Frans Johansson, an ABC 2019 Inclusion, Diversity and Equity Summit keynote speaker and author of “The Medici Effect,” has worked with thousands of teams and companies around the world. Johansson has noted that regardless of industry, field or domain, the organizations that seek diverse viewpoints—across ethnicity, gender, age, educational background, etc.—experience higher rates of innovation.

The Harvard Business Review published a nationally representative [survey](#) of 1,800 professionals, 40 case studies and numerous focus groups and interviews, which found many benefits of diversity. Companies that were more diverse were more innovative and performed better than others, and were 45% likelier to report that their firm’s market share grew over the previous year and 70% likelier to report that the firm captured a new market.

Promoting total human health.

More than ever, employers must focus not only on their employees’ physical well-being, but on their psychological health as well. The workforce of today and tomorrow is drawn to organizations that focus on inclusion and that provide a true sense of belonging to something meaningful and fulfilling. To enhance IDE, organizations must evaluate their current culture to ensure that the environment is free of harassment, bias, hate and/or bigotry of any kind. Organizations’ cultures must set expectations for behaviors that champion inclusion and empower all people to reach their full potential.

ABC’s [Total Human Health Initiative](#) fosters inclusion by focusing on aligning body, heart, spirit and mind. The initiative concentrates on a healthy work environment to ensure not only that workers return home safely at the end of their shift, but also that they live a healthy lifestyle and enjoy the abundance life has to offer through their careers and beyond. The THHI program is designed to create conditions which allow all individuals to succeed and thrive personally and professionally.

No matter what type or size of organization, develop a strategy around your own unique team. It’s not just about working toward an initiative. It’s all about creating that family atmosphere and that the team feels they are a part of the big picture.

—Kacie Brewer, Inclusion and Diversity Manager, United Rentals

To learn more about ABC’s IDE efforts visit diversity.abc.org.

Sources

Diversity Wins:
Why Inclusion Matters
<https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters>

Diversity Still Matters
<https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-still-matters>

Additional resources

[Why Diverse and Inclusive Teams Are the New Engines of Innovation](#)

[Three Reasons Diversity Is Important in Driving Sustainability](#)

[How Equality, Diversity and Inclusion Can Support Sustainable Business Practices](#)

[Build Up a Diverse Workforce in Construction](#)

[What to Know before Recruiting Women in Construction](#)

[Diversity in Construction: Seven Tips for Successful DEI Programs](#)

[How Construction’s Embodiment of Diversity Leads to Increased Adoption of Innovation](#)

[Diversity of Ideas: Ensuring Equity in the Industry](#)

[How Construction’s Embodiment of Diversity Leads to Increased Adoption of Innovation](#)

[Software as an Inclusivity Tool](#)

[Diversity in Construction: Seven Tips for Successful DEI Programs](#)

[Speaking My Language: How Bilingual Training Programs Enhance Safety](#)

[Use Technology to Create an Inclusive and Effective Culture](#)

[Calling the Shots: Women Excel in Construction Leadership Roles](#)