# Diversity in Construction: Everything You Need to Know

The Business Case for How and Why You Should Create a Respectable Work Site

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Could your construction company use a 25% productivity boost and access to an underutilized pool of incredibly skilled talent? If so, then it's time to embrace diversity in construction.

According to the Associated General Contractors (AGC) of America, DEI implementation can achieve "measurable and tangible financial results."

#### Here are just a few:

- "Companies in the top quartile for racial and ethnic diversity are <u>35% more likely</u> to have financial returns above their respective national industry medians."
- Diverse companies had <u>2.3 times higher cash flows</u> per employee over three years than their less-diverse counterparts.
- Companies with more diverse management teams are <u>19% more innovative</u> than companies lacking diversity.

In this post, we will explore...

- The business case for diversity in construction
- The current state of diversity in construction
- How to construct a respectful work site
- How to maintain and enjoy the benefits of a diverse construction site

Here's your beginner's guide to diversity in construction:

# The Business Case for Diversity in Construction

Embracing diversity, equity, and inclusion (DEI) in construction is proven to increase productivity, cash flows, and innovation. Here are a few problems that diversity in construction can solve:

#### The Systemic Labor Shortage

Construction is being hit especially hard by the skilled labor shortage:

- 202,000 construction jobs were open in 2017. In June 2018, that number rose to 263,000.
- Construction needs <u>740,000 new hires</u> each year from 2022 to 2024 to keep up with growth.
- From 2015-2060, white representation in the labor force will decrease by 17.5%, while Hispanic representation will <u>increase by 13.7%</u>.

Nearly <u>80% of contractor firms</u> claim to have difficulty filling skilled positions. Older workers are beginning to retire or switch professions, while younger workers are increasingly drawn to less labor-intensive industries.

One reason we're experiencing a workforce gap is because tation of the construction industry as a whole. The industry's lack of DEI is driving away vital talent.

Construction companies like yours have a huge opportunity. You have a vastly skilled, diverse talent pool at their fingertips, and can create an organization with a thriving workplace culture. Highlighting your DEI efforts also gives a competitive advantage when it comes to bidding on projects.

#### Improved Safety

Fatal and nonfatal injuries cost the construction industry approximately \$13 billion every year. 60% of these injuries occur during an <a href="mailto:employee's first year">employee's first year</a> in the industry.

Two of the main reasons why include a lack of mentorship in the trade, and a lack of inclusion on a work site. Workers who don't feel like they're part of the workplace culture are likely to endure emotional and psychological stress, making them more accident prone. Injuries can lead to lawsuits, project delays, and a damaged reputation. You may also have to hire and train new employees, which takes time and revenue out of your bottom line.

# Happier Workplace Culture

The tone of your work site is contagious. If a couple of your employees are in a bad mood, their negative attitudes can spread to the rest of your staff. Unhappy employees are often more stressed, anxious, and depressed, which can inhibit productivity. They're also more likely to be distracted, which could impact workplace safety.

Happy employees who take pride in their work encourage others to do the same. Employees who enjoy their work tend to be more productive, more confident, and inspire others to be more engaged and achieve the same success. Happy employees tend to be more collaborative, which brings us to our next point:

#### Improved Teamwork

When people feel respected and included, they become more engaged in group projects. As a whole, your team will have better communication, collaboration, and can more easily identify when another team member needs something. Also, your team members will be more open to asking for help when they need it.

The better a team works together, the more likely they are to complete a project successfully.

#### Improved Creativity and Decision-Making

When everyone on your team thinks the same, or if members are afraid to speak because they feel their opinions don't matter, your team becomes subject to "groupthink." Groupthink inhibits creativity and innovation, and disrupts productivity.

Diverse teams are <u>87% better at making decisions</u>. When people from all walks of life come together and are encouraged to voice their opinions, they can share their unique perspectives on a project or situation. Doing so helps cultivate more creative ideas or solutions.

#### The Current State of Diversity in Construction

Let's be honest: the construction industry isn't known for their thriving inclusive culture. Not yet, at least.

78% of women in construction surveyed say they love their job, but that earning respect was their most common challenge—by far.

We've all seen a portrayal of a woman getting catcalled while walking by a construction site. Could you imagine how she'd feel if she worked there?

Racism in construction is another huge problem.

77.9% of African American construction workers surveyed stated they were the victim of a racist act on a construction site. <u>76.9% of the time</u>, nothing was done to resolve the situation. Since 2015, nooses have appeared at <u>40 construction sites</u> in the US and Canada, and those are just the ones reported.

Women, African Americans, Asian Americans, Native Americans, Hispanics, members of the LGBTQ+ community, and people with disabilities regularly face discrimination on construction sites.

However, it doesn't have to be this way. We can make the construction industry a better place for *all* of us.

# How to Construct a Respectful Work Site

Here are four key ways to make your construction company more respectful for everyone:

- Welcome diversity
- Improve communication
- Prevent harassment, bullying, and hazing
- Implement a top-down approach

#### Welcome Diversity

Many of us were taught how to welcome diversity, since we were very little. As kids, we learned that we should:

- Treat everyone with respect
- Treat everyone how they would like to be treated
- Be open to new ideas that differ from your own
- Be wary of using cultural metaphors, making hasty generalizations, and stereotyping

Welcome diverse employees at the start of your relationship with them: the hiring process. Write job descriptions that reflect inclusivity. You'd be surprised how much word choice can impact your applicant pool. Use <u>gender-neutral terms</u> like proven and enthusiastic of masculine-leaning language like strong and competitive. Your <u>job descriptions</u> should also be more inclusive.

#### Improve Communication

<u>Respectful communication</u> is crucial for an effective work environment. Your employees should feel valued and like they're part of the team. This will encourage them to speak up, ask questions, and give and receive constructive feedback.

Respectful communication requires you to:

- Listen closely to what others are saying without interrupting them
- Ask for clarification when needed
- Offer helpful feedback when appropriate

Don't be afraid to ask questions. You and your team should be on the same page, especially when working on a job site. Also, acknowledge when you've made a mistake. When it comes to communication, everyone makes mistakes. However, not everyone learns from them.

Be mindful of what you say when communicating with others. Words have power. If you're using language rooted in stereotypes or discriminatory views of people or groups (even if you're just trying to be funny), you could unintentionally hurt someone's feelings.

- Don't say, "Have you met Almendra? She's also Mexican. You two would get along."
- Say this instead, "Have you met Almendra? She's new here."
- Don't say, "Disabled person."
- Say, "Person with a disability."
- Don't say, "Sexual preference" or "alternative lifestyle."
- Say, "Sexual orientation."

Also, <u>pronouns matter</u>. If you don't know how someone identifies, don't assume—just ask! Misgendering can be emotionally impactful for those who have gender identities on the spectrum of sexuality. Researchers found that misgendering can lead to lower self-esteem, feelings of shame, and a reduced sense for strength and continuity in their identity.

Not everyone identifies as male or female, and may prefer the pronoun "they" instead of "him" or "her." After you ask someone which pronouns they use, let them know what pronouns you use so that they know how to address you as well.

#### Prevent Harassment, Bullying, and Hazing

Harassment, bullying, and hazing should not be tolerated on a work site. These behaviors can kill your company's morale, making your work site a negative and unsafe place to work.

Victims of this behavior can feel isolated from the rest of their team and have problems focusing, making decisions, and getting work done. They may also suffer from increased stress,

depression or anxiety, which can lead to loss of sleep, physical illness, and long-term health problems.

Issues surrounding harassment, bullying, and/or hazing should be resolved quickly. The longer it's allowed to persist, the greater the threat it imposes on your employees' safety, environment, and productivity.

#### Implement a Top-down Approach

Effective change starts at the top. You can't expect your employees to change their behaviors and create a respectful work site for everyone if you're not open to change yourself. Learning something new or altering your mindset isn't always fun or easy, but making progress seldom is.

Once you've developed a mindset for change, lead the charge. Don't be afraid to ask questions or for clarification when you need it. Keep an open mind, and put an honest effort into making your workplace more diverse, equitable, and inclusive. You'll be far more likely to create the change you want to see in your company.

# How to Maintain and Enjoy the Benefits of a Diverse Construction Site

Constructing a respectful work site doesn't end once you complete your training modules. It's about more than just slapping a poster on a job site. It's about taking what you've learned to heart and spearheading transformational change.

Sustaining change is difficult. It requires consistent efforts from both you and your team, which is hard because we have a natural and physiological tendency to revert back to our old behaviors. Maintaining a respectful workplace needs to become ingrained in your company's culture, which requires you to put the training into practice.

Without continual reinforcement, you're unlikely to enjoy the benefits of having a diverse, equitable, and inclusive workforce.

If you're successful, you have a lot to look forward to! Your construction company can earn the reputation of being a place where no one feels uncomfortable because of their gender, race, ethnicity, nationality, sexual orientation, age, etc. You can foster a positive workplace culture, which improves productivity and innovation while simultaneously reducing turnover. The health and wellness of your employees can improve because they feel welcome, which can reduce the number of on-site injuries and lower the industry's suicide rate.

Simply put, when you welcome diversity in construction, you can turn your company into the organization that people want to work for, and would love to work with. It's a win-win!

These are just a few of the business cases for diversity in construction. Learn more about how we can make the <u>industry a better place</u> for all of us.

## Diversity in Construction FAQs:

#### What do diversity, equity, and inclusion mean?

- Diversity The presence of differences, which may include race, gender, ethnicity, sexual orientation, nationality, ableness, age, nationality, language, or religious or political affiliation.
- **Equity** Justice, impartiality, and fairness within the procedures, processes, and distribution of resources by institutions or systems.
- **Inclusion** The act of welcoming those who are diverse—and making them feel welcome.

#### What do the trainings entail?

 RISE Up offers multiple <u>training packages</u>. After consulting with one of our specialists, we customize training for your organization, site, or entity using your specific policies, reporting procedures, and expectations.

#### What data do you have on LGBTQ+ construction workers?

There currently isn't much, but LGBTQ+ DEI is greatly needed. According to data
collected in the <u>United Kingdom</u>, only 2% of construction workers identify as members of
the LGBTQ+ community. 71% surveyed reported hearing LGBTQ-oriented insults at
work. Also, more than half felt their identity prevented them from moving up in their
careers.

# What about Hispanics or Latinos and Asians?

 30.7% of professionals in construction are Hispanic or Latino, but only 13.9% are in managerial roles. Asians only account for 2% of the workforce, and 2.7% of construction managers.

#### What is the first step toward building organizational DEI?

 The first step towards welcoming diversity in construction is to acknowledge that it's needed. You can make it a priority without first addressing the bias, racism, and discrimination in your workforce.

Main keyword: diversity in construction

**Sub keywords**: equality in construction, equality in construction, women in construction, women in construction statistics, diversity in construction industry, inclusion in construction, diversity and inclusion in construction, construction safety, DEI training

**Meta**: Could your construction company use a 25% productivity boost and access to a pool of incredibly skilled talent? It's time to embrace diversity in construction.