



Minnesota Utility Contractors Association

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Commissioner Kevin Lindsey
Freeman Building
625 Robert Street North
St. Paul, MN 55155

RE: Response to Information Request from EEO/Workforce Collaborative

Dear Commissioner Lindsey:

Thank you for submitting your questions regarding the establishment of workforce goals beyond the Twin Cities metropolitan area in your letter dated January 23 to Abe Hassan. Submitted below are the Minnesota Utility Contractor Association's thoughts on the proposed goals for female and minority participation on construction projects in areas outside of the Twin Cities metropolitan area.

1. How would the collaborative approach dividing up the remaining counties in the State of Minnesota by regions?

We believe the 7 Regions as currently defined are suitable.

2. Should there be one overall goal for people of color and women for the State of Minnesota outside the Twin Cities Seven-County Metropolitan Area given that workforce goals historically haven't dramatically varied in the five regions beyond the Twin Cities Metropolitan Area?

No; not at this time. There is a variance of minority populations among the outstate regions –some with greater numbers than others. To propose the same goal across all outstate communities would create significant challenges for those contractors in areas with lesser available minority populations to meet an overall goal.

3. How do we properly balance that many workers in the construction industry work on projects throughout the state against the opportunity to achieve greater workforce participation in counties where more minority construction workers reside?

There is no proper balance to be achieved. This, we believe, is one of the major flaws of the program and goals proposed by Minnesota Department of Human Rights and enforced by MNDOT/OCR. The assumption is that the number of minority individuals, by population in a given area, actually seek and are qualified to do construction labor in lieu of other work they are currently doing, ignoring the fact that most construction jobs are temporary in nature. It simply doesn't make sense to attract any labor force – regardless of color or gender if you cannot guarantee them long term employment or the satisfaction of a rewarding career.

As I also mentioned to MNDOT/OCR, I have shared my previous experience as Vice President Gas Services with the Midwest ENERGY Association (MEA). What MEA did to achieve success in attracting diverse candidates, was not to focus on a demographic mathematically-generated percentage goal, rather they focused on the utility's needs, the training programs to meet that need, and then using that training as an avenue to create opportunities for long-term gainful employment. Two great examples of this successful approach are the utility consortium in the state of Indiana working with the Ivy Tech Schools, and Meade Contractors working with the City Colleges of Illinois to attract inner-city candidates in Chicago. As I also mentioned to MNDOT/OCR, when MEA attempted to launch a similar program at Hennepin Technical College, it failed due to lack of interest from the population here in the Twin Cities. I would be happy to share more on these efforts if you'd like.

4. **Does the Collaborative want a revised workforce goal for women beyond the current goal of 6% given that the Draft Collaborative Strategic Plan identifies as an initiative, "Rebranding of Highway Heavy Construction Industry", focusing on women in the trades and map out career development opportunities. If so, what does the Collaborative believe would be a realistic goal for women?**

Here again, we believe this clearly demonstrates how the overall approach and methodology is flawed. Focusing on a goal –based on demographics for minorities, but not for women illustrates this point: Imagine if the goal for women was based on demographics –as it is for minorities... does a 50% goal for women sound reasonable to you? Of course not as we all recognize that 50% of women don't seek construction jobs.

As the founder of Energetic Women (www.energeticwomen.org) a national resource for utility companies to retain and grow women leaders – specifically in engineering and operations, I can attest from past experience, that simply naming a goal, "rebranding" the industry, and hoping women will be attracted is the wrong approach. There are women out there who do seek long-term rewarding careers in male-dominated fields like construction and utility work. Setting a goal shouldn't be the driver.

We don't believe revising the goal for female participation would be beneficial at this time, given the flawed methodology of this program and industry concern surrounding the minority participation goals too.

As you review these goals, please contemplate the following:

- Construction work is *not* for everyone. There is inherent risk for individuals – *even those who are properly trained* – of serious injury or death. These are skilled professionals with specific education and on-the-job experience. Simply treating this industry as a "great place to try out a new career" and then setting a minority goal based on the demographics of where they reside, is irresponsible in safety for the public at large. Especially if there is a lack of understanding, by those demanding the goal, in the

variances in types of construction work and training required to be safe doing it (i.e. roadside traffic management versus operating heavy equipment).

- The costs associated with compliance to the current goal and structure of the program, along with the negative risks to the contractor, will outweigh the benefits of participating.
- A diversity goal based on a percentage of population should not be the driver; rather the goal (of whatever minority or women percentage shows interest) should be the happy outcome of a combination of *industry-built, consensus training* programs and opportunities as they arise.

Strategy vs. Tactics and a Pool vs. a Puddle

In reviewing the “Diversity of the Highway Heavy Construction Workforce: Planning for 2020” (see attached), we believe it completely reflects the misdirection in its stated mission of “To have the contractors and workforce participation within the Minnesota Transportation Industry reflects the demographics of the State of Minnesota”. (It’s also poorly phrased – should say “reflect”). We believe it is specifically this mission that has misdirected the efforts to date. It may be semantics, but also note that the list of “Key Strategies” on the back page are actually not strategies at all; rather they are **tactics** in seeking to implement the strategy of creating a diverse workforce.

A better, more workable mission statement would be this: **“To increase the pool of qualified DBE and Workforce participants in the Minnesota Construction and Transportation Industry”**. Setting a goal of a percentage based on population is not indicative of creating a foundation or sustainable resource (a pool, instead of a puddle) of diversified candidates and only assigns an arbitrary and burdensome number for the industry to meet. We believe for the strategy to be successful, it needs to be sustainable.

Finally, offering incentives, preferential bid treatments and subjective judgments on Good Faith Efforts is also disingenuous to the free market. It ends up costing Minnesota tax payers and construction businesses more to comply, rather than assuring the State of Minnesota, and its construction needs, are being met in a fiscally responsible manner by providing services to the public at the lowest possible cost, while at the same time ensuring qualified, safe individuals are performing the work.

Thank you for your consideration of the above.

Regards,



Stephanie Menning, CAE, IOM

Executive Director

Minnesota Utility Contractors Association