

# How Policy and Collaboration is Changing the Face of Construction in Seattle



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# TABLE OF CONTENTS

Introduction	2
Collaboration for Change	3
Key Findings	
Collaboration is Key	
Policy Matters	
Changing the Culture	
Definitions	5



# **INTRODUCTION**

Let's face it, the number of women in the trades has been stagnant for decades. They have faced persistent inequities that prevent them from entering, advancing or becoming leaders in the industry. While women have made progress overall in the construction industry, they are still underrepresented in trade and executive positions.

Women aren't the only people who aren't looking at construction as a career. A recent study shows that only 3% of in-school youth are considering the construction industry as a career pathway. Of these 3%, how many are young women? At what point are we going to shift the conversation and present the construction industry as a first-choice career?

Despite these troubling statistics, there are some bright spots in the industry where intentional work is being done to not only increase women entering construction trades, but in ensuring their retention and the promotion into leadership positions. Regions with tradeswomen organizations, specifically those offering pre-apprenticeship specifically for women, have made significant impacts in raising the numbers. Seattle is currently ranked second for women in construction at 17.6% overall and 8.2% tradeswomen. This is almost triple the national average. This paper will highlight collaboration and systems change in the Seattle Washington area raising the bar to increase women in construction.



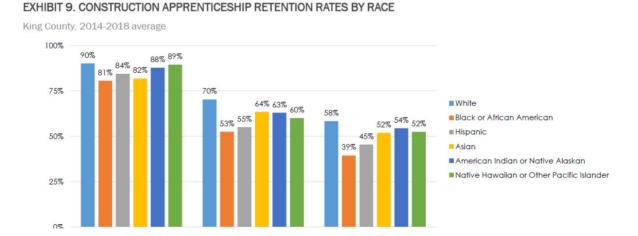
# BUILDING A MORE DIVERSE WORKFORCE

Seattle Washington is ranked second for women in construction, both on and off the tools. But this didn't happen without intention and collaboration. Multiple collaborative efforts, policy change and continued evaluation of programming has been crucial in this movement.

One of the key priorities of our public/private partnerships is the recruitment of women and people of color into the industry. This is done primarily through investment in pre-apprenticeship programs. These programs focus on recruiting under-represented groups including women, people of color, people transitioning from incarceration and Veterans, among others.

While these efforts have increased the number of women and people of color entering the trades, it is only one part of the equation. It isn't enough to get them into apprenticeship, the focus must be on completion of apprenticeship. Data shows that white men complete at higher rates than any other demographic and Black or African Americans have the lowest retention rates.

# Retention Rates by Race – King County



This data resulted in the funding of programs aimed at retention of women and people of color in their apprenticeship program by providing the necessary financial and social supports. Now these individuals have access to the support they need to navigate the industry and become successful journeypersons.

The last area of focus became the culture. There is no denying that the culture of construction is abrasive and not welcoming to those other than white men. Harassment, hazing and bullying are common within the industry and has become a rite of passage for those entering. The culture needs to change to one that is more inclusive to all people.

## **KEY FINDINGS**

## Key Finding #1: Collaboration is Key

The message to youth today is that college is the pathway to success, so the construction industry faces a significant shortage of workers. To meet the demand of the work being done in the Seattle region, collaborative groups are focused on the development of the pipeline.

#### **Regional Public Owners Group**

The Regional Public Owners Group consists of several regional public agencies with shared interests in the workforce pipeline. The group is focused on developing regional solutions to align efforts that build a skilled and diverse construction workforce. This is done through collaborative funding efforts, the creation of similar contract and community workforce agreements and public policy.

#### **Regional Pre-Apprenticeship Collaboration (RPAC)**

RPAC is a collaboration that includes contractors, labor, public entities and community-based organizations providing services to pre-apprentices and apprentices. RPAC's goal is to strengthens the worker pipeline for priority hire individuals which includes people from priority hire zip codes, women and people of color. RPAC also builds the quality, capacity and sustainability of pre-apprenticeship training programs. This collaborative meets monthly with workgroups in four areas: outreach, policy, training and retention.

#### **Priority Hire Advisory Committee's**

Priority Hire Advisory Committees are used to advise the public agency on the implementation and evaluation of the priority hire ordinance. These PHAC's bring a variety of expertise to create the priority hire pathway, ensures transparence of the implantation and evaluation of the program, captures success stories and looks for unintended consequences of the program. Several public agencies utilize PHAC's to advise their program and policy creation.

## Key Finding #2: Policy Matters

The State of Washington leads the US on advancing public policy to ensure worker access to family wage careers, including those in the construction industry. Many public entities have policies that address the construction workforce pipeline including cities, counties, state transportation departments and ports.

#### City of Seattle

While there are many public agencies doing this work, the City of Seattle has led the way. In 2015, the City of Seattle created a priority hire program for City public works construction projects of \$5 million or more and, in 2017, expanded the program to public/private partnership projects with significant City investment. Using City-funded and public/private partnership projects, the Priority Hire Program prioritizes the hiring of residents that live in economically distressed areas, particularly in Seattle and King County. In addition, City projects and public/private partnership projects have apprentice utilization requirements and women and people of color aspirational goals. Economically distressed ZIP codes are based on ZIP codes with high densities in at least two of the following three indicators: unemployment rate; percentage of people over 25 without a college degree; and the percentage of people living under 200% of the federal poverty line.

The priority hire program utilizes community workforce agreements (CWAs), ordinances, and contract language in order to meet the goals of the program.



The goal of the Priority Hire Program is to put people living in economically distressed communities to work on the City's construction projects. By focusing on the entire worker development process – from pre-training to construction careers – Priority Hire creates economic opportunities and invests tax dollars back into the city's communities. The program works by recruiting diverse workers, training workers, helping workers get hired, giving ongoing support to workers.

In order to do this, the city set workforce requirements and goals as follows:

Set workford			
2020 Priority Hire Requirements and Goals	Facility	Roadway	Underground
Requirements			
Apprentice Utilization	20%	20%	17%
Apprentice – Preferred Entry	1:5	1:5	1:5
Priority Workers – Apprentice	10%	12%	9%
Priority Workers – Journey	22%	22%	24%
Aspirational Goals			
Apprentices			
Women	20%	30%	17%
People of Color	44%	56%	57%
Journey Workers			
Women	7%	10%	11%
People of Color	29%	30%	23%

The goals were divided into three different types of worksites: facility, roadway and underground. This was done to consider the scopes of work and the number of workers on each site. These goals also increase by 3% each year.

If you compare the numbers, the program works. The following chart provides the data comparing past performance, voluntary efforts (those not included in the PH ordinance) and the PH projects. The numbers speak for themselves.

#### Priority Hire for Public Agencies

# Compare results

Based on City of Seattle Project Hours	Past Performance on City Projects	Voluntary Efforts Rainier Beach Community Center	Priority Hire Projects
Economically Distressed ZIP Codes	12%	3%	27%
Apprentice Utilization	13%	12%	17%
Women	5%	6%	10%
People of Color	25%	24%	30%

Sources: Past Performance on City Projects is based on hours from a sample of projects from 2009-2013. Sources are the Worker Profile in City of Seattle Construction Projects report and City of Seattle – Construction Workforce Diversity Report. Percentages listed under Rainier Beach Community Center reflect UCLA Labor Center analysis of employee data, 2014. Percentages listed in the Priority Hire Project column reflect hours through December 2019, excluding public/private partnership projects.

Language alone, however, does not create the change needed to move the needle. The city not only collects data, but it uses the data to enforce the public policies. Some of the notable enforcement tools include:

Examples of Contract Enforcement Tools	Consequence
Require prime contractors bidding on project meet responsibility requirements	Rejection of future bids from prime contractor deemed not responsible
Withhold payment until prime contractor in compliance	Delayed payment
Issue prime contractor deficient performance rating at project close-out	Three deficiencies can trigger debarment
Assess liquidated damages at end of project	Contractors would pay damages based on formula determined at beginning of contract

The City of Seattle reviews responsible bidder requirements, can withhold pay and may issue deficient contractor performances.

## Key Finding #3: Changing the Culture

According to research from Portland State University, the number one reason people leave the construction industry is the culture. In an effort to change the culture of construction, ANEW created the RISE Up Program.

RISE Up (Respect, Inclusion, Safety and Equity in the Construction Trades) is a Respectful Workplace Program designed provide all workers with the tools and support necessary to create and maintain a safe, inclusive, and productive environment for everyone. RISE Up provides culturally relevant, industry best practice workplace consulting and training to help contractors and sub-contractors create an environment of productivity, safety, and equity in construction management and on work sites.

RISE Up is based on the values of respect, inclusion, safety and equity as defined below:

Respect is the act of treating every person with equal value, period. Every person is equal and deserves the same level of care and attention. It is a priority to treat each person how we ourselves would want to be treated. When everyone feels respected, we become much stronger. In fact, there is no limit to what we can accomplish together.

Inclusion is the act of creating environments in which any individual or group can be and feel welcomed, respected, supported, safe and valued to fully participate.

Safety is a state in which hazards and conditions leading to physical, psychological, or material harm are controlled in order to preserve the health and well-being of individuals and the community. Safety is first, last, and always about people.

Equity is the act of developing fair systems, procedures, and resource distribution mechanisms to create unbiased opportunity for all people.

The RISE Up Program is based out of Seattle Washington with affiliate organizations currently represented in Boston Massachusetts and Portland Oregon.

#### Conclusion

Singular efforts do not change an industry steeped in tradition for hundreds of years. Regions who are successful at moving the needle have adopted multi-faceted strategies and collaboration.

Seattle has been successful in moving the needle, but there is more work to be done. While the number of women and people of color entering apprenticeship continues to rise steadily, the retention rate of these individuals needs to rise at the same level to reach the tipping point of 15% women in the trades. Currently over 20% of those entering are women, so if we can increase our retention rate, we will meet this goal.

The region has utilized public policy, respectful workplace campaigns and collaboration to increase the workforce pipeline and ensure the work being done in the region is benefitting those further from economic stability. These collaborations are committed to continuing this work until the industry represents the community.

#### **Definitions**

**Apprentice** A worker enrolled in a Washington State Apprenticeship and Training Councilapproved training program.

**Community Workforce Agreement (CWA)** A comprehensive pre-hire collective bargaining agreement between Oak View Group and labor unions that set the basic terms and conditions of employment for Climate Pledge Arena. The CWA included Priority Hire requirements to increase access to construction jobs for workers living in economically distressed ZIP codes in Seattle and King County.

**Economically Distressed ZIP Codes City**- City-identified ZIP codes in Seattle and King County that have high densities of people living under 200% of the federal poverty line, unemployment rates, and those over 25 without a college degree.

**Journey Worker** A worker who is not enrolled in a Washington State Apprenticeship and Training Council approved training program.

**Pre-Apprenticeship Program** Supportive and hands-on training programs that help prepare people for entry and success in the building trades. These preparatory programs provide construction training and education, in addition to assisting with driver's licensing, transportation, childcare, budgeting, etc.

**Preferred Entry** Pre-apprenticeship program graduates who work at least 700 hours on the project. Priority Hire projects require that at least 20% of apprentices who work at least 700 hours on the project are pre-apprenticeship graduates.

**Priority Hire** A program that increases the hiring of residents of economically distressed ZIP codes in Seattle and King County, women, and people of color on City construction projects over \$5 million. It creates equitable access to construction training and employment by focusing on the entire construction worker development process.

**Public-Private Partnership Project** Private construction projects with significant City investment that include social and labor equity contract provisions, including Priority Hire, per Executive Order 2017-01. Climate Pledge Arena is one such project.

**Women- and Minority-Owned Businesses (WMBEs)** Businesses that are at least 51% owned by women and/or minorities.