

OPENING DOORS TO OPPORTUNITY

Resources available to minority entrepreneurs in Northeast Ohio

Greater Cleveland is fortunate to have an infrastructure of organizations whose mission is to help guide and support aspiring entrepreneurs whose success is increasingly essential to keeping our community, region and nation competitive in the rapidly evolving global marketplace. In growing numbers, these entrepreneurs are likely to belong to demographic groups with special challenges that may arise from their color, culture or gender, making the path to success more perilous.

Contractors Assistance Association

www.contractorsassistance.org

CAA supports its members in the development of best practices, pre-qualification programs in conjunction with more than 40 top construction management and general contractors, and mentor-protégé efforts designed to increase capacity. CAA supports employment and diversity in the construction workforce through collaboration with the construction trades, city/county governments, and community organizations. Its laser-focus on one industry and its relationships with over 600 union contractors and most of the region's largest public and private property owners give particular heft to its work.

Greater Cleveland Partnership

www.gcpartnership.com

Through its Equity & Inclusion division, Greater Cleveland Partnership focuses on growing businesses owned by people of color and increasing workforce diversity, equity and inclusion. As the area's largest private economic development organization, it offers access to abundant resources for minority business enterprises and sets the agenda for much of the area's DEI (diversity, equity and inclusion) work through initiatives like the Business Growth Collaborative.

Small Business Administration

www.sba.gov/offices/district/oh/cleveland/

SBA continues to help small business owners and entrepreneurs pursue the American dream. The SBA is dedicated to small business and provides counseling, capital, and contracting expertise. The SBA delivers millions of loans, loan guarantees, contracts, counseling sessions and other forms of assistance to small businesses.

Growth Opportunity Partners

www.growthopps.org

Growth Opportunity Partners focuses on businesses that are already healthy, thriving and ready to expand, but for a variety of reasons can't access traditional bank financing. It provides lending and coaching assistance to small businesses that are ready to grow and are committed to community development through the creation of "meaningful-wage" jobs.

Hispanic Chamber of Commerce

www.hbcenter.org

Northeast Ohio Hispanic Chamber of Commerce aims to promote and support the economic development of Hispanic commerce and to serve as liaison to the Hispanic market in Northeast Ohio. It has evolved into a comprehensive business support center that provides technical assistance and training for those looking to start, build or grow a business. Its successes have attracted many non-Latino business clients as well, and it serves over 300 clients annually.

JumpStart

www.jumpstartinc.org

JumpStart is an active venture capital investor. It offers personalized business assistance along with some structured programs and keeps a constant lookout for high-potential startups.

Economic & Community Development Institute

www.ecdi.org/locations/cleveland

ECDI Cleveland provides technical assistance, training and access to capital for small businesses.

Minority Business Assistance Centers

development.ohio.gov/bs/bs_mbac.htm

Minority Business Assistance Centers are state agencies created to support the growth and sustainability of small and minority businesses. They offer a variety of services, including assistance in accounting, contract procurement, loan packaging, estimating/bidding and marketing plan development.

Ohio Minority Supplier Development Council

www.ohiomcdc.org

OMSDC expands opportunities for minority business enterprises (MBEs) to supply goods and services to the public and private sector by facilitating mutually beneficial relationships that lead to more diverse supply chains.

The Presidents' Council

www.thepresidentscouncil.com

Through its programming and advocacy, TPC is a voice for the region's African American entrepreneurs in its efforts for sustainable wealth creation. It offers training for emerging entrepreneurs and networking opportunities for its members who collectively employ thousands of greater Clevelanders.

Urban League of Greater Cleveland

www.ulcleveland.org

Through its Entrepreneurship Center, ULGC provides early stage small businesses with hands-on management counseling and assistance to help with growth that will increase sales and create jobs. Its workforce development programs assist about 1,000 people every year. Its capital access fund has granted over 50 loans totaling \$8 million.

Equity & Inclusion in the Construction Industry

By Glen Shumate
Construction Employers Association

The killing of George Floyd in Minneapolis by police sparked protests which have led to widespread condemnation of the use of deadly force by police officers as well as a broader conversation about the many impacts of the systemic racism that has plagued this country since its founding. Our country's social and economic infrastructure, including the construction industry, was built by systemic racism.

Using the construction industry as an example, we know that disparities exist in skilled labor force participation for people of color as well as contracting opportunities for minority-owned businesses. Disparity studies conducted by public institutions, including Cuyahoga County, the Northeast Ohio Regional Sewer District, the City of Akron and recently the City of Columbus, outline gaps in purchasing and contracting for minority business enterprises (MBEs), female business enterprises (FBEs) and small business enterprises (SBEs). These studies often result in race- and gender-conscious recommendations to close those gaps and reduce the inequities as a result.

These recommendations, though, are only the beginning. Recommendations only help if there is a willingness by decision-makers, project owners and majority contractors to embrace them and implement them. I know that many in the construction industry will point to minority hiring goals and minority contracting goals as proof that the industry is addressing the problem.

While these quotas are important and have helped individuals and some MBEs succeed in the construction industry, they do not represent the systemic change that is needed to eliminate the disparities that persist. Society's historic racism, intentional or unintentional, created a normal way of doing business that is a barrier to fair and equal opportunities for many people of color. Not



Photo courtesy of CEA

EMBRACING OPPORTUNITY (From left) Mohamed Khaled (Cleveland State University engineering major/ACE Alumnus), Glen Shumate (CEA executive vice president) and Bakari Ballard (Kent State University construction management major/ACE Alumnus) gather at the 4th annual MACE Holiday Reception in late 2019.

only do we have a moral imperative to address this issue, we have an economic imperative as well.

Raphael Bostic, CEO of the Federal Reserve Bank Atlanta, recently stated

that, "by limiting economic and educational opportunities for a large number of Americans, institutionalized racism constrains this country's economic potential. A commitment to

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an inclusive society also means a commitment to an inclusive economy.”

To achieve an inclusive economy, we need to go beyond having a certain number of African Americans, or Latinx, or women on a particular job site. We need to make sure these populations, and other marginalized groups, are also well-represented throughout the trades and the professions in leadership and ownership positions. Because it's not only the ability to get a job that matters, but also the ability to give a job, to own a company that has every opportunity to thrive, that matters as well.

We've seen programs designed to address the legacy of systemic racism within the construction industry. One that shows particular promise is the ACE Mentor Cleveland program. The ACE program has potential to create long-term, meaningful change within the architecture, construction and engineering fields (ACE) because its goal is to develop a new, diverse, inclusive group of professionals who can lead the industry.

By connecting experienced mentors from the ACE industries, the majority of whom are white, with high school students from the Cleveland area, the majority of whom are Black or Latinx, we



Photo courtesy of CEA

ADDRESSING CAA'S IMPACT Glen Shumate addresses the audience at the 10th anniversary celebration of Contractors Assistance Association in October 2019.

are introducing students to career paths that lead to leadership roles as architects, business owners, developers, engineers, construction managers and more. To date, the ACE program in Cleveland has awarded more than \$1 million in scholarships to primarily diverse students pursuing an education in one of the ACE fields. More of this type of investment in our future is needed.

We have also seen local project owners demonstrate inclusive leadership over the past five years. Cleveland Mayor Frank

Jackson championed a Community Benefits and Inclusion Agreement to create a more equitable local economy by establishing inclusion workforce and contracting goals and directives to strive towards mentor/protégé relationships for MBEs, FBEs and SBEs.

Dr. Akram Boutros' vision for rebuilding the MetroHealth Campus includes requirements for local minority- and female-owned firms to participate in the project, hiring goals for the workforce, as well as spinoff development projects that will improve the surrounding neighborhood and address the social factors that impact financial wellbeing.

These are steps in the right direction, but I believe that it will take all of us – owners, developers, institutions, associations, unions, prime contractors and subcontractors, MBEs, FBEs and SBEs, public officials and civic organizations actively working to change the system – and the historic mindset – that has prevented meaningful diversity and inclusion in our industry for far too long.

I recently looked through Cleveland news clippings from the 1960s and 1970s, all of which were focused on the issue of increasing diversity and the barriers that people of color face in construction. Many of those stories could have been written today. It's time to stop repeating history and change the narrative. As the Contractors Assistance Association recently stated: “We all have a responsibility to create a more just and equitable world.” **P**

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We all have a responsibility to help create a more just and equitable world.

CAA supports the concerns expressed through the Black Lives Matter movement. It is clear that, despite the progress that our country and industry have made, we still have a long way to go to remedy the inequities of systemic racism.

CAA reaffirms its commitment to advancing this important work, through our program efforts we will increase the focus on creating equitable opportunities for people of color. We will foster open dialogue between members, **CEA**, owners, associations, trade unions, and the large, small, local, women and minority (Black and Latinx) owned construction companies to build understanding and strengthen our ability to affect change.