



# THE BUSINESS CASE FOR INCLUSION AND BELONGING:

A WORKFORCE STRATEGY FOR A  
STRONGER CONSTRUCTION INDUSTRY

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# EXECUTIVE SUMMARY

The construction industry continues to face a workforce challenge of unprecedented scale. With an aging workforce nearing retirement and fewer younger workers entering the trades, construction firms are under increasing pressure to attract and retain the next generation of talent. Today's emerging workforce aren't just looking for a paycheck; they are looking for workplaces where they are welcomed and included. They want to belong.

Inclusion and belonging are not just aspirational goals; they are necessary for solving the construction industry's workforce shortage. When individuals feel a sense of belonging, they are more likely to stay and contribute fully to the work. Building an inclusive workplace means creating a culture where every employee regardless of experience, perspective, or identity feels respected, valued, and safe. Achieving this requires a broader approach to diversity that goes beyond age, ethnicity, and gender.

The recent shift in the federal government's focus on diversity, equity, and inclusion programs has created some uncertainty among construction firms seeking to meet these workforce challenges while maintaining compliance with the law. But the federal government's initiatives to curtail unlawful conduct in diversity, equity, and inclusion programs complement rather than conflict with company efforts to foster a welcoming and safe environment for all employees, free of discrimination and harassment. Companies can pursue initiatives that value every worker and promote a sense of belonging, aligning legal requirements and business objectives. By focusing on respect, fairness, and equal opportunity for all, construction firms can meet the expectations of today's workforce and strengthen the industry.<sup>1</sup>

This report outlines the compelling business case for fostering a culture of inclusion and belonging within the construction industry, highlighting the substantial financial, operational, and reputational benefits. When employees feel safe to express themselves, share ideas, and raise concerns without fear of judgment or retribution, innovation and collaboration can thrive. For construction firms, this translates into safer job sites, increased employee engagement, and higher retention rates, creating a competitive advantage in a tight labor market. All employees, and especially Millennials and Generation Z, are drawn to companies that prioritize their people and create environments where everyone can succeed.

To help construction firms take meaningful action, AGC's Culture of CARE program equips companies with the tools and strategies to embed inclusion and belonging across all levels of their organization. Culture of CARE supports the creation of workplaces where everyone feels safe, included, and empowered to perform at their best. Learn more at [www.BuildCulture.org](http://www.BuildCulture.org).

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<sup>1</sup> Companies concerned about legal compliance are well-advised to consult legal counsel about this evolving area of the law and how the law applies to their particular circumstances.

# EXECUTIVE SUMMARY

Below highlights the key takeaways from each section of the report, focusing on how inclusion-driven strategies directly address workforce shortages, enhance safety and innovation, and position construction firms for long-term success.

## ECONOMIC BENEFITS

1

**Improved Financial Performance:** Companies with diverse leadership and inclusive cultures outperform their peers, leading to higher profitability.

2

**Enhanced Innovation and Problem Solving:** Cultures of belonging empower employees to speak up, contribute ideas, and challenge assumptions.

3

**Access to a Broader Talent Pool:** Inclusive hiring and leadership practices unlock access to diverse, younger talent who seek employers committed to inclusion and employee well-being.

## MARKET COMPETITIVENESS

1

**Client Owner Expectations:** Project owners are increasingly asking companies about their commitment to diversity & inclusion in their proposals.

2

**Reputation and Brand Value:** Inclusive firms attract employees, customers, and partners by building a brand of social responsibility.

3

**Community Impact:** Inclusion enables firms to expand into new markets, build trust in underserved communities, and create job opportunities that fuel growth.

## OPERATIONAL ADVANTAGES

1

**Improved Safety Outcomes:** Inclusive teams experience fewer safety incidents when compared to teams that are less inclusive.

2

**Psychological Safety:** Cultures of inclusion and belonging empower workers to admit mistakes, raise concerns, and collaborate without fear.

3

**Mental Health and Suicide Prevention:** Inclusion is key to solving the industry's mental health crisis by creating cultures where workers feel safe and supported.

4

**Neurodivergence:** Inclusion creates a culture that values different ways of thinking, enabling full participation for neurodivergent employees.

5

**Properly Fitting PPE:** Inclusive safety programs ensure all workers, regardless of gender or body type, have access to PPE that fits, reducing the risk of injuries.

6

**Increased Productivity:** Inclusive teams create a sense of belonging. Higher belonging leads to more engagement and output.

7

**Talent Retention:** Cultures of inclusion and belonging reduce costly turnover by meeting the needs of employees, such as offering inclusive benefits.



Companies can utilize AGC's Culture of CARE program to find the tools and resources needed to embed inclusion and belonging throughout their organizations.

[www.BuildCulture.org](http://www.BuildCulture.org)

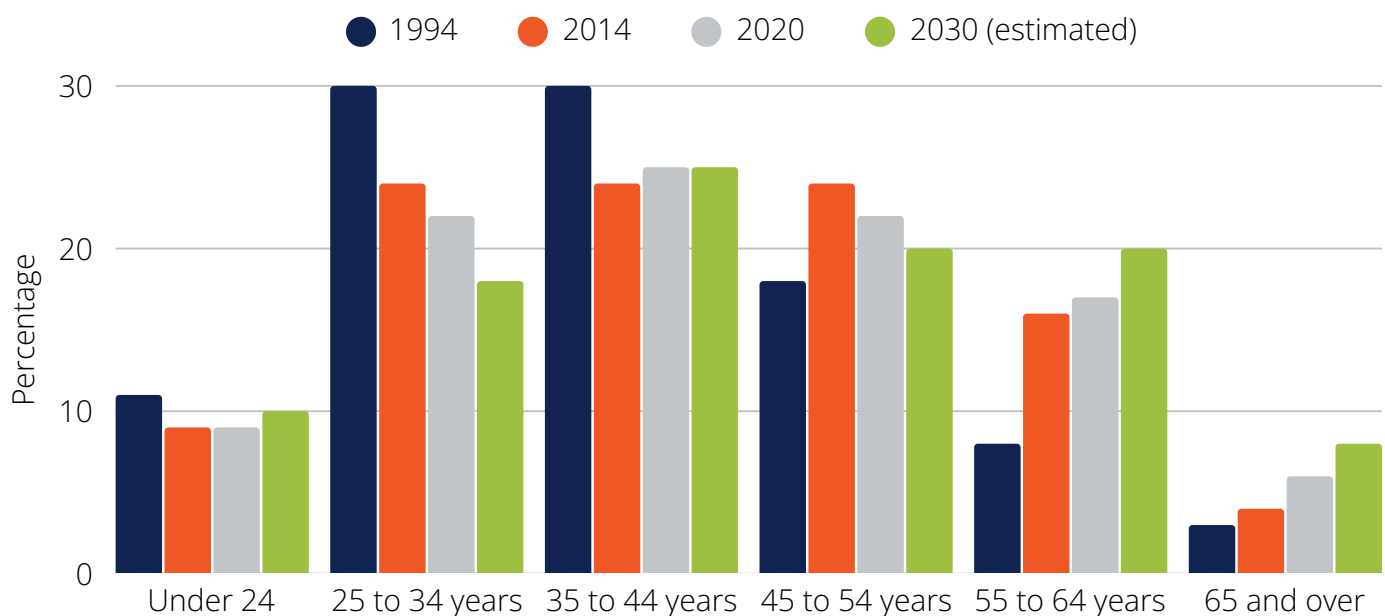


# INTRODUCTION

The construction industry is navigating a period of significant transformation. Amid evolving market dynamics, technological advancements, and aging workforce challenges, this report shows that one factor remains as a critical driver of success: creating a culture of inclusion and belonging. Historically, the construction sector has lagged other industries in embracing an inclusive culture. But the growing body of evidence – as outlined in this report – demonstrates that fostering an inclusive workforce is not only a moral imperative but also a business necessity.

AGC of America's 2024 workforce survey showed that "88 percent of construction firms are having a hard time finding workers to hire."<sup>1</sup> The National Center for Construction Education and Research (NCCER) estimates that 41 percent of the construction workforce will retire by 2031. If the craft workforce continues to age at the same rate, the average age will be over 46 in 2030 according to NCCER's data estimates.<sup>2</sup>

## PERCENT OF CONSTRUCTION WORKERS PER AGE GROUP OVER TIME



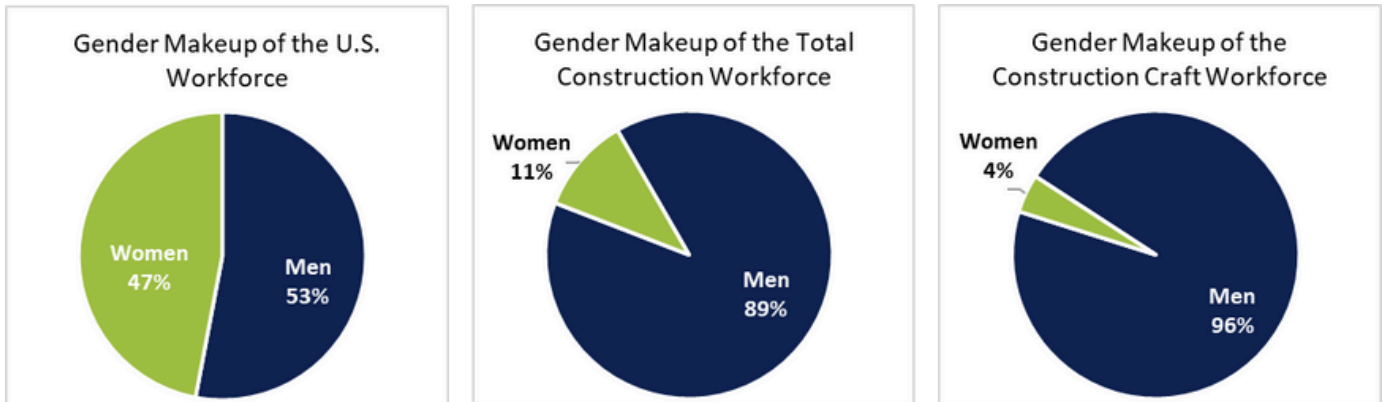
While it's important to continue recruiting through traditional avenues, as the construction industry workforce ages, firms also need to recruit and retain new pools of workers to fill the labor shortage. Firms that have done the work to build inclusive cultures are more likely to recruit workers outside the traditional path into construction. Recruiting efforts that target groups of individuals who are historically underrepresented in the construction workforce present an opportunity for construction firms to mitigate their workforce challenges and tap into the benefits a diverse workforce can bring to a company's overall health and long-term sustainability.

<sup>1</sup> Associated General Contractors of America, "New Survey Shows How Failure to Invest in Construction Education Makes It Hard for Firms to Build," AGC News, October 15, 2024, <https://news.agc.org/labor-hr/new-survey-shows-how-nations-failure-to-invest-in-construction-education-training-programs-makes-it-hard-for-firms-to-build/>.

<sup>2</sup> National Center for Construction Education & Research, "Construction Workforce Age Progression," NCCER, 2022, <https://www.nccer.org/fact-sheets/>.

## GENDER

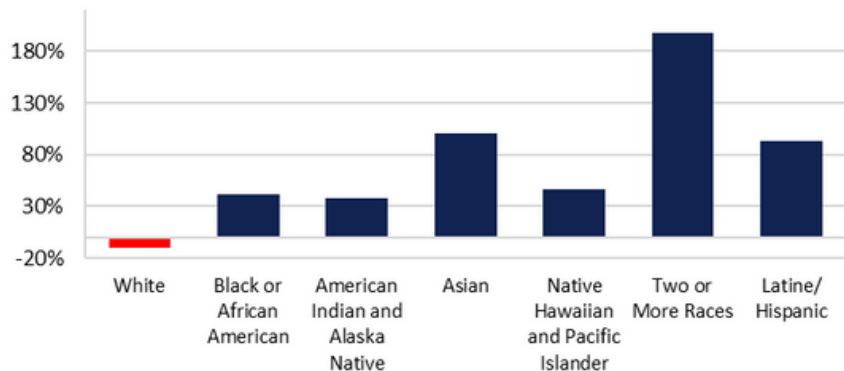
One challenge is that the construction industry continuously struggles to attract and retain women. According to the Bureau of Labor Statistics' 2023 data, although women make up almost 47 percent of the total U.S. workforce they only make up 10.8 percent of the total construction workforce. And, when looking specifically at the number of women in the construction craft workforce, that number drops to 4.3 percent.<sup>3</sup>



## RACE/ETHNICITY

Further, according to the U.S. Census Bureau, the U.S. population is expected to become a majority-minority nation, with Black, Indigenous, and other people of color comprising more than half of the total population by 2045. This shift is due to the growing diversity of younger populations, with less than half of U.S. children (under the age of 18) identified as white in the 2020 census.<sup>4</sup>

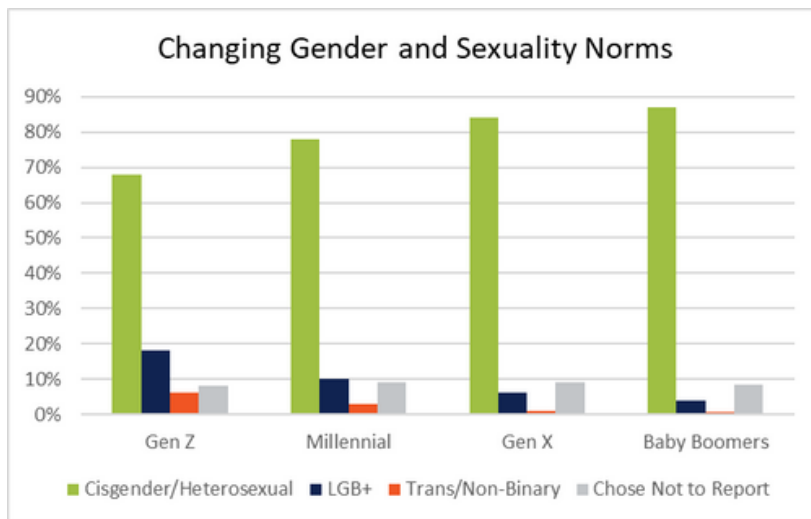
Change in U.S. Race/Ethnicity Demographics 2016-2060



<sup>3</sup> "Employed Persons by Detailed Industry, Sex, Race, and Hispanic or Latino Ethnicity," Bureau of Labor Statistics, January 29, 2025, <https://www.bls.gov/cps/cpsaat18.htm>.

<sup>4</sup> US Census Bureau, "Census Bureau Releases New 2020 Census Data on Age, Sex, Race, Hispanic Origin, Households and Housing," Census.gov, December 4, 2024, <https://www.census.gov/newsroom/press-releases/2023/2020-census-demographic-profile-and-dhc.html>.

## LGBTQ+



Not only are younger generations becoming more ethnically diverse, they are also more commonly identifying as part of the LGBTQ+ community. According to the IPSOS 2023 Global Survey, 87 percent of Baby Boomers identify as cisgender and heterosexual, with only 4 percent identifying as part of the LGBTQ+ community. However, only 68 percent of Generation Z identify as cisgender and heterosexual, while 18 percent identify as part of the LGBTQ+ community.<sup>5</sup>

## DISABILITY

Further, companies across all industries consistently report that disabled employees make up just 4 to 7 percent of their workforce. But, according to a 2023 study by Boston Consulting Group, which surveyed nearly 28,000 employees in 16 countries, 25 percent of people reported that they have a disability or health condition that limits a major life activity. Of those who reported they have not disclosed their disability to their employer, half cited fears of discrimination and bias.<sup>6</sup> This is an especially concerning statistic for the construction industry, where an employee hiding a disability from their employer might be at greater risk of injury on a job site.



<sup>5</sup> Billie Ing, "Ipsos Global Trends," Ipsos Global Trends, 2023, <https://www.ipsos.com/sites/default/files/2023-Ipsos-Global-Trends-Report.pdf>.

<sup>6</sup> "Many CEOs May Not Realize They're Underdelivering on Disability Inclusion," BCG Global, February 6, 2025, <https://www.bcg.com/publications/2024/many-ceos-may-not-realize-they-are-underdelivering-on-disabilities-inclusion>.

## NEURODIVERSITY

Finally, when looking at the prevalence of neurodivergent workers in construction, a study conducted by the National Federation of Builders in the UK found that 25 percent of construction workers identified as having a neurodiverse condition (17 percent had a formal diagnosis), with ADHD being the most prevalent followed by Autism and Dyslexia.<sup>7</sup> When compared to both the worldwide population (7 percent of adults have ADHD)<sup>8</sup> and the U.S. population (6 percent of adults have ADHD<sup>9</sup> and 2 percent have Autism),<sup>10</sup> the UK study shows there is a much higher rate of neurodivergence in the construction industry than the general population. Further, approximately one-third of the respondents of the UK study said their condition made them want to work in construction; however, 36 percent said they hadn't told anyone at work about their neurodivergence. When asked why they hadn't disclosed their neurodivergence to anyone at work, their most common reasons given were that, they don't think it is relevant to bring up at work and that there is a negative stigma attached to neurodivergent individuals.

There are many benefits to having neurodivergent employees working in construction. These employees often bring heightened attention to detail, creative problem-solving abilities, strong pattern recognition skills, and a preference for structured routines, all of which can contribute to productivity, innovation and quality assurance on job sites. Neurodivergent individuals may excel in roles requiring high levels of focus, spatial awareness, or precision. However, these benefits can be compromised when employees feel they must hide their diagnoses out of fear of stigma or embarrassment.

As the population of the U.S. continues to become more diverse, construction firms need to reach a new pool of workers to remain competitive. Diverse and inclusive teams drive innovation, improve safety outcomes, enhance productivity, and deliver better financial performance. Furthermore, companies that develop inclusive policies gain a competitive edge by attracting and retaining top talent and winning more contracts.

The objective of this report is to provide construction leaders with the latest available data at the time of publication to provide data-driven insights into the benefits of creating a culture of belonging and offer actionable recommendations for embedding inclusive practices into their organizations. By highlighting the economic, operational, and social advantages of a diverse and inclusive workforce, this report aims to demonstrate that inclusion is a strategic business imperative that can shape the future of the industry.

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<sup>7</sup> "Neurodiversity Report L Construction L NFB," National Federation of Builders, March 22, 2024, <https://builders.org.uk/neurodiversity-report/>.

<sup>8</sup> Peige Song et al., "The Prevalence of Adult Attention-deficit Hyperactivity Disorder: A Global Systematic Review and Meta-analysis," *Journal of Global Health* 11 (February 11, 2021), <https://doi.org/10.7189/jogh.11.04009>.

<sup>9</sup> Centers for Disease Control and Prevention, "Facts About ADHD in Adults," *Attention-Deficit / Hyperactivity Disorder (ADHD)*, October 11, 2024, <https://www.cdc.gov/adhd/php/adults/index.html>.

<sup>10</sup> Centers for Disease Control and Prevention, "Autism Spectrum Disorder in Teenagers and Adults," *Autism Spectrum Disorder (ASD)*, April 15, 2025, <https://www.cdc.gov/autism/about/asd-in-teenagers-adults.html>.



# ECONOMIC BENEFITS

## IMPROVED FINANCIAL PERFORMANCE

Research shows that companies with diverse leadership and workforces outperform their less diverse counterparts. In the construction industry, where operational efficiency and competitive edge are critical, embracing diversity, inclusion and belonging can directly enhance financial performance.

A 2023 study by McKinsey & Company – their fourth report on the business case for diversity since 2015 – found that companies with diverse leadership continue to be associated with higher financial returns.<sup>11</sup> In fact, each study saw an increase in financial performance over the previous study in both gender and ethnic diversity representation.

### KEY INSIGHTS FROM MCKINSEY & COMPANY'S 2023 REPORT

↑ **9%**

Companies in the **top quartile** for **gender and ethnic diversity** on executive teams were **9% more likely** to outperform their peers.

↓ **66%**

Companies in the **bottom quartile** were **66% less likely** to outperform their peers.

Even more promising from the McKinsey & Company study, is the growth in gender and ethnic representation in leadership from the 330 companies studied. In the U.S., companies leading in diversity & inclusion across industries have reached 50 percent representation of women and 39 percent representation from historically underrepresented ethnicities on executive teams.<sup>12</sup>

The 2023 study also found “a link between greater diversity in leadership roles and diversity across the organization.” For every 10 percent rise in women representation in leadership roles, there was an average of a 2.1 percent increase in both female managers and female employees.<sup>13</sup> Data suggests that construction firms that have diverse representation at all levels of their companies—and particularly in leadership—can mitigate the impact of the current labor shortage by gaining access to broader talent pools, reducing turnover through increased employee satisfaction, and increasing employee productivity and innovation.

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<sup>11</sup> Sundiatu Dixon-Fyle et al., “Diversity Matters Even More: The Case for Holistic Impact,” McKinsey & Company, December 5, 2023, <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-matters-even-more-the-case-for-holistic-impact>.

<sup>12</sup> Dixon-Fyle et al., “Diversity Matters Even More: The Case for Holistic Impact.”

<sup>13</sup> Dixon-Fyle et al., “Diversity Matters Even More: The Case for Holistic Impact.”

## ENHANCED INNOVATION AND PROBLEM SOLVING

Diverse teams are critical to fostering innovation and effective problem solving by bringing a broader range of ideas and creative solutions to complex issues through their varied backgrounds, experiences, and perspectives. A 2018 report by the Boston Consulting Group found that companies with above-average diversity representation in management reported 19 percent higher innovation revenue compared to those with below-average diversity representation. The study found that the most significant gains in innovation – and therefore improved financial performance – came from changing the makeup of leadership teams in terms of national origin, range of industry backgrounds, gender balance, and career paths. Age and educational background of team members had less of an effect on a team's ability to innovate.<sup>14</sup>

Diverse teams are more likely to identify alternative approaches, assess risks from different perspectives, and develop innovative solutions that might otherwise be overlooked in more homogenous groups. However, this only holds true if companies have created a foundation of belonging that allows individuals to share their unique viewpoints and, more importantly, be heard.

The cornerstone of belonging – and thus creating an environment that supports innovative thinking – is psychological safety. Just as physical safety ensures employees have the right environment to perform tasks safely, psychological safety provides the mental and emotional space needed to do the job well. When team members feel psychologically safe, they are more engaged in their work, more likely to notice and address errors, more willing to admit mistakes, and empowered to contribute their ideas to solving complex challenges. This dynamic is especially crucial in construction, where some of the best innovation comes from those working directly on the project site. Businesses cannot fully capitalize on the true talent of their workforce unless individuals feel safe to speak up, share their perspectives, and offer creative solutions.

The Boston Consulting Group study also looked at the presence of factors that allow for diverse teams to innovate, including fair employment practices such as equal pay, participative leadership that allows different views to be heard and valued, a strategic emphasis on diversity led by the CEO, frequent and open communication, and a culture of openness to new ideas. The study found that companies that have these conditions present report nearly 13 percent higher innovation revenue than companies where the characteristics are weak or not present.<sup>15</sup>

The bottom line is that diverse teams are more equipped to foster innovation. Innovation leads to better results. And results drive company performance and profit. However, companies cannot simply create diverse teams and expect innovation to happen without putting in the active work to create an environment that allows all employees the safety to speak up and share their perspectives. To foster that environment, inclusion must be valued at the same level as other business imperatives.

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<sup>14</sup> Rocío Lorenzo et al., "How Diverse Leadership Teams Boost Innovation," BCG Global, May 1, 2025, <https://www.bcg.com/publications/2018/how-diverse-leadership-teams-boost-innovation>.

<sup>15</sup> Lorenzo et al., "How Diverse Leadership Teams Boost Innovation."



## ↘ ACCESS TO A BROADER TALENT POOL

The construction industry faces an acute labor shortage, with the demand for skilled workers far outpacing supply. Addressing this gap requires intentional hiring practices that broaden the pool of candidates and attract top talent in an industry where talent is highly competitive. In a 2021 Glassdoor survey, 76 percent of job seekers report that a diverse workforce is an important factor when evaluating companies.<sup>16</sup> This is especially important to individuals from historically underrepresented groups and younger generations.

Gen Z and Millennials now make up nearly half (46%) of the full-time workforce in the U.S. According to Gallup, Millennials report that “work-life balance and better personal wellbeing,” and an “organization that is diverse and inclusive of all types of people” as very important when considering a new job.”<sup>17</sup>

Further, the 2021 Glassdoor survey found that forty-one percent of Black job seekers say they would not apply to a job at a company where there is a lack of diversity among its workforce, while only 30 percent of white job seekers said the same. Similarly, the percent of LGBTQ+ job seekers (41%) reporting they would not apply to a job at a company lacking diversity was higher than non-LGBTQ+ job seekers (32%).<sup>18</sup>

And, according to a 2023 report from ManpowerGroup, “68 percent of Generation Z workers are not satisfied with their organization’s progress in creating a diverse and inclusive environment and 56 percent would not accept a role without diverse leadership.” As Gen Z continues to make up a larger portion of the working-age population – expected to be 27 percent of the workforce in 2025 – and Generation Alpha has begun to enter the workforce, companies will need to prioritize inclusion and belonging to attract and retain new generations of workers into the construction workforce.<sup>19</sup>

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<sup>16</sup> Glassdoor Team, “What Job Seekers Really Think About Your Diversity and Inclusion Stats,” Glassdoor, July 12, 2021, accessed June 9, 2025, <https://www.glassdoor.com/blog/diversity/>.

<sup>17</sup> Ryan Pendell and Sara Vander Helm, “Generation Disconnected: Data on Gen Z in the Workplace,” Gallup.Com, March 27, 2025, <https://www.gallup.com/workplace/404693/generation-disconnected-data-gen-workplace.aspx>.

<sup>18</sup> Glassdoor Team, “What Job Seekers Really Think About Your Diversity and Inclusion Stats.”

<sup>19</sup> Jonas Prising and ManpowerGroup, “The New Human Age 2023 Workforce Trends Report,” 2023, accessed June 9, 2025, [https://www.manpowergroup.de/-/media/project/manpowergroup/manpowergroup/manpowergroup-germany/studien\\_pdf/mpg\\_2023\\_humanage\\_workforce\\_trends\\_interactive.pdf](https://www.manpowergroup.de/-/media/project/manpowergroup/manpowergroup/manpowergroup-germany/studien_pdf/mpg_2023_humanage_workforce_trends_interactive.pdf).

# OPERATIONAL ADVANTAGES

## IMPROVED SAFETY OUTCOMES

The construction industry can be hazardous. Safety continues to be a top priority for the construction industry, with an increased focus on the need for comprehensive safety programs that address both physical and mental safety for all construction workers. Inclusion fosters a sense of belonging, trust, and psychological safety, which are all core drivers of employee engagement.

According to a Gallup report, highly engaged teams experience 22 percent fewer safety incidents compared to less engaged teams, pointing to open communication and collaboration in identifying safety hazards and solving problems as key reasons for safer workplaces.<sup>20</sup>

### NATIONAL SAFETY COUNCIL INJURY FACTS<sup>21</sup>

1,029

The construction industry had the largest number of preventable fatal injuries of any industry in 2023.

170,000

The number of recorded non-fatal injuries in construction in 2021.

40%

Approximately 40 percent of construction injuries result in days away from work.

11

An average of 11 days in lost productivity due to worker injuries.

\$35,000

The estimated amount it costs an employer for one non-fatal worker injury.

\$1.4 M

The estimated amount it costs an employer for a worker fatality.

Certain demographic groups are disproportionately affected by construction injuries and fatalities, as highlighted in Bureau of Labor Statistics data. When looking at ethnicity, the fatal injury rate for both Black and Latino workers was higher than the rate for all workers. Workers in the 55 to 64 age group had the highest number of fatalities out of any age group.<sup>22</sup> And, while studies have shown that women have lower incident rates than men, women face increased risk from workplace violence including homicide, assault, harassment, and in having access to properly fitting personal protective equipment (PPE).

<sup>20</sup> Gallup, Inc., "The Benefits of Employee Engagement," Gallup.com, January 7, 2023, <https://www.gallup.com/workplace/236927/employee-engagement-drives-growth.aspx>.

<sup>21</sup> National Safety Council, "Work Overview," National Safety Council Injury Facts, n.d., <https://injuryfacts.nsc.org/work/work-overview/work-safety-introduction/>.

<sup>22</sup> U.S. Bureau of Labor Statistics, "National Census of Fatal Occupational Injuries in 2023," report, U.S. Bureau of Labor Statistics, 2024, <https://www.bls.gov/iif>.



# PSYCHOLOGICAL SAFETY

Psychological safety is “the belief that one will not be punished or humiliated for speaking up with ideas, questions, concerns, or mistakes.” According to Dr. Timothy Clark, a social scientist and expert in cultural transformation, there are four stages of psychological safety. In his book, *The Four Stages of Psychological Safety: Defining the Path to Inclusion and Innovation*, Dr. Clark defines the stages as:

1. **Inclusion Safety:** Team members feel accepted and included.
2. **Learner Safety:** Employees are comfortable asking questions and admitting mistakes.
3. **Contributor Safety:** Individuals feel secure offering ideas and sharing their skills.
4. **Challenger Safety:** Team members are confident challenging the status quo without fear of retribution.<sup>23</sup>

When any of these stages are unmet, psychological safety is compromised. Employees who feel excluded and undervalued (lack of inclusion safety) will hesitate to admit mistakes (learner safety), contribute ideas (contributor safety), or voice constructive feedback (challenger safety). An example of how these four stages of safety might be impacted on a construction site is highlighted below.

 **Scenario:** A new apprentice, Mia, joins a crew constructing a new building. From the start, Mia feels excluded.

**Inclusion Safety:** The crew rarely acknowledges Mia’s presence, doesn’t include her in casual conversations, and Mia is always assigned menial tasks. Feeling like an outsider, Mia hesitates to approach the crew members for help or clarification.

**Learner Safety:** The crew is assembling scaffolding. Uncertain about a specific procedure, another crew member, David, considers asking a question but recalls previous times when the foreman has chastised him and others for not knowing something “basic.” Fear of embarrassment leads David to proceed without guidance, resulting in improperly assembled scaffolding.

**Contributor Safety:** While assembling the scaffolding, Mia notices that the tools and materials needed to assemble the scaffolding are disorganized, resulting in time wasted during assembly. However, Mia decides not to offer a solution, recalling how previous suggestions were dismissed with comments like, “We’ve done it this way for years.”

**Challenger Safety:** During assembly, Mia notices David’s mistake but feels unsure about flagging the issue. The crew often dismisses suggestions from less experienced workers, and Mia fears retaliation for calling out a more senior team member. Mia decides to stay silent. Days later, a section of scaffolding shifts unexpectedly due to the assembly mistake, leading to an injury that could have been prevented.

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<sup>23</sup> “The 4 Stages of Psychological Safety: Defining the Path...,” Goodreads, n.d., <https://www.goodreads.com/book/show/52366048-the-4-stages-of-psychological-safety>.

A lack of psychological safety in the construction industry is exacerbated by a longstanding construction culture that glorifies toughness, independence, and risk-taking, often associated with a workforce that has been traditionally male dominated. The expectation of fitting in with this culture of exaggerated toughness can put unnecessary strain on all workers' physical and mental health, causing real safety issues on the job site.

For example, according to a study by the Institute for Women's Policy Research that surveyed tradeswomen and non-binary tradespeople, 47 percent of respondents report that they are held to a different standard than their male coworkers, face discrimination, and are placed in unsupportive – and sometimes hostile – work environments. Further, more than a quarter of respondents report that they are “always or frequently harassed just for being a woman.”<sup>24</sup>

Men, too, are negatively impacted by this culture of exaggerated toughness as they are often harassed, ridiculed, or ostracized by other men for “not being man enough.” A Catalyst study of construction workers from 11 countries including the United States, found that 74 percent of men in frontline construction roles have experienced sexual harassment at work, which led to lower psychological well-being, job satisfaction, and job performance.<sup>25</sup> Furthermore, 92 percent say they feel distress about living up to the industry's macho culture standards<sup>26</sup> and 87 percent would prefer work environments that enable them to show empathy and kindness.<sup>27</sup>

A recent study that looked at literature between 2003 and 2023 identified 36 factors causing mental health challenges in construction. The most frequently cited factors were high job demand and emotional well-being related to interpersonal relationships, low job control, and low job support,<sup>28</sup> all of which are indicators of a workplace lacking psychological safety.

Increasing psychological safety among construction workers by building cultures of inclusion and belonging benefit everyone, including dominant or traditionally prevalent groups of individuals such as white men. When companies create workplaces that are free from bias and discrimination, that same Catalyst study referenced above reported that employees are 3x more likely to experience psychological safety, 32 percent less likely to report burnout, and 44 percent less likely to report looking for a new job.<sup>29</sup>

It is critical that company leaders recognize the very real harm that the construction industry's long-standing culture of exaggerated toughness has on all employees and take steps to create a new workplace culture that prevents all forms of harassment, discrimination, hazing, and bullying.

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<sup>24</sup> Ariane Hegewisch, Eve Mefferd, and Institute for Women's Policy Research, “What Tradeswomen Say About the Change They Need in the Construction Industry: A Future Worth Building,” report (Institute for Women's Policy Research, 2021), [https://iwpr.org/wp-content/uploads/2022/02/A-Future-Worth-Building\\_What-Tradeswomen-Say\\_FINAL.pdf](https://iwpr.org/wp-content/uploads/2022/02/A-Future-Worth-Building_What-Tradeswomen-Say_FINAL.pdf).

<sup>25</sup> Catalyst, “The Hidden Toll of Workplace Harassment on Men in the Construction Industry,” October 11, 2024, <https://www.catalyst.org/research/reducing-harassment-of-men-in-construction/>.

<sup>26</sup> Catalyst, “The Hidden Toll of Workplace Harassment on Men in the Construction Industry.”

<sup>27</sup> “How to Reduce Gender-based Hostility in Frontline Workplaces,” September 10, 2024, <https://www.catalyst.org/insights/2024/reduce-sexist-behavior-frontline-workplace>.

<sup>28</sup> Hamed Golzad et al., “Mental Health Causation in the Construction Industry: A Systematic Review Employing a Psychological Safety Climate Model,” *Buildings* 13, no. 10 (September 26, 2023): 2442, <https://doi.org/10.3390/buildings13102442>.

AGC%20Report%20on%20Biz%20Case%20for%20D%26I%20FINAL%20OCT%202018\_Small.pdf.

<sup>29</sup> “How to Reduce Gender-Based Hostility in Frontline Workplaces,” September 10, 2024.

# MENTAL HEALTH AND SUICIDE PREVENTION

The construction industry is facing a mental health crisis, with one of the highest suicide rates among all occupations according to the Centers for Disease Control and Prevention.<sup>30</sup> While mental health is influenced by many factors such as biological, psychological, social, environmental, and lifestyle-related conditions, workplace culture plays a critical role in either supporting or undermining employee well-being. A 2020 study from the National Institute for Occupational Safety and Health (NIOSH) also found that construction workers are more likely to misuse drugs and alcohol.<sup>31</sup> Substance use not only increases the risk of injuries and fatalities, but it is also closely linked with mental health challenges. These risks are compounded by the long hours, sleep deprivation, job insecurity, isolation, and chronic pain associated with many construction jobs. The industry's high-pressure environment, combined with a culture that discourages vulnerability or help-seeking, exacerbates the risk of anxiety, depression, substance abuse, and ultimately, suicide. While employers cannot control every factor that affects mental health, firms can and should take meaningful steps to minimize the impact of workplace conditions on workers' mental health.

The mental health crisis doesn't just affect individuals on a personal level. It has far-reaching consequences for workplace safety and productivity. Poor mental health, combined with substance abuse, can impair an individual's judgment, reaction times, and situational awareness, leading to unsafe behaviors and increasing the likelihood of accidents. The scenario to the right is an example of how this can manifest on a job site.

Scenarios like this highlight how the absence of mental health support and a "toxic culture" that dismisses self-awareness can lead to a cascade of poor decisions, all of which escalate risks on the job site. A worker who is stressed, sleep-deprived, and emotionally overwhelmed is far more likely to miss critical details, make avoidable errors, and put themselves and others in harm's way. Over time, these patterns of neglect—both personal and systemic—can contribute to a vicious cycle where poor mental health leads to unsafe behaviors, which in turn exacerbate feelings of stress and burnout.

## SCENARIO

*After a grueling day at work, Taylor goes out with friends to blow off steam and drinks excessively. Exhausted after a long night out, Taylor takes a Benadryl to fall asleep, unaware of how the combination of alcohol, medication, and lack of quality sleep will affect their ability to function the next day.*

*The next morning, Taylor wakes up late, still hungover from the alcohol and groggy from the Benadryl. A heated argument with their spouse about overspending and mounting financial troubles leaves Taylor irritable and emotionally drained. Rushing out the door, Taylor skips a nourishing breakfast, opting instead for doughnuts and energy drinks from the convenience store on the way to work. By the time Taylor arrives at the job site and climbs into the excavator, the combination of fatigue, stress, irritability, and poor nutrition creates a dangerous situation that impairs focus, decision-making, and situational awareness. In this state, Taylor's ability to safely operate heavy equipment is compromised, turning them into a safety incident waiting to happen.*

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<sup>30</sup> Aaron Sussell et al., "Suicide Rates by Industry and Occupation — National Vital Statistics System, United States, 2021," MMWR Morbidity and Mortality Weekly Report 72, no. 50 (December 14, 2023): 1346–50, <https://doi.org/10.15585/mmwr.mm7250a2>.

<sup>31</sup> National Institute for Occupational Safety and Health (NIOSH) et al., "Health Risk Behavior Profile of Construction Workers, 32 States, 2013 to 2016," Journal of Occupational and Environmental Medicine 62, no. 7 (May 12, 2020): 493–502, <https://doi.org/10.1097/jom.0000000000001876>.



Beyond the immediate safety risks, impaired situational awareness has long-term consequences for job performance, worker retention, and organizational success. Workers (like Taylor on the previous page) may struggle to maintain focus during high-stakes tasks, fail to notice subtle but critical safety issues, or become disengaged and apathetic due to chronic stress. When these issues compound, they can erode team trust and morale, further undermining the overall culture of safety and inclusion.

It is critical that construction firms prioritize mental health the same way they do physical safety. This begins with dismantling the industry's culture of exaggerated male toughness and creating a culture of belonging that allows employees to speak up if they are struggling and seek help without fear of negative repercussions. To be successful, companies need to break the stigma of mental health and foster a “speak up” culture, educate and train workers on signs to look out for in themselves and others, and make supportive resources readily available to all workers when they need them.





## NEURODIVERGENCE

According to the National Library of Medicine, “neurodivergent” is an umbrella term for a range of neurological conditions including ADHD, Autism, Tourette Syndrome, Dyslexia, and Dyspraxia, among others.<sup>32</sup> People who are neurodivergent have brains that operate differently than what society considers to be neurotypical. As discussed in the introduction, there is a high prevalence of individuals who identify as neurodivergent working in construction. This is because construction work often involves clear, step-by-step processes; relies on visual or action-based communications (e.g. blueprints, hand signals, direct demonstration) that are more accessible to neurodiverse individuals than traditional verbal or written communication; is physical, allowing for individuals to move throughout the day instead of remain stationary at a desk; emphasizes completing tasks, and can require intense focus or deep expertise for certain job skills.

However, according to a UK study on neurodiversity in construction, 36 percent of individuals who identify as neurodivergent haven’t disclosed their condition at work, leading to potential safety risks on the construction site.<sup>33</sup> When employees do not feel safe or supported in disclosing their neurodivergent identity, companies miss crucial opportunities to provide reasonable accommodations, tailored communication methods, or adjusted work conditions that ensure safety for everyone. For instance, individuals with ADHD or Autism may experience periods of hyperfocus—an intense concentration on a specific task—which, while beneficial for productivity, can also result in a reduced awareness of their surroundings. On an active job site, this can mean missing auditory cues like shouted warnings or alarms, failing to notice changes in equipment operation nearby, or not recognizing evolving safety hazards.

Additionally, if an individual is suppressing behaviors to “fit in” with neurotypical colleagues, this can lead to mental fatigue, decreased situational awareness, and higher susceptibility to stress and poor mental health, potentially compromising safety. When job sites lack a culture of inclusion and belonging, these risks are amplified. Workers may avoid asking clarifying questions, hesitate to report sensory sensitivities that affect their ability to focus, or feel discouraged from seeking task modifications that could improve both performance and safety.

Ultimately, fostering an inclusive workplace where neurodivergent individuals feel empowered to disclose their needs is essential to maintaining safety. By building awareness and normalizing neurodiversity in construction, the industry can fully leverage the unique strengths of neurodivergent employees while mitigating preventable risks that arise from the fear and stigma often associated with these conditions.

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<sup>32</sup> “Neurodiversity,” NNLM, n.d., <https://www.nlm.gov/reading-club/topic/331#:~:text=Neurodiversity%20describes%20the%20idea%20that,and%20differences%20are%20not%20deficits>.

<sup>33</sup> “Neurodiversity Report L Construction L NFB,” National Federation of Builders, March 22, 2024, <https://builders.org.uk/neurodiversity-report/>.

## PROPERLY FITTING PPE

Construction workers rely on various types of personal protective equipment (PPE) to safely do their jobs, such as safety vests, boots, safety glasses, head protection, fall protection harnesses, ear plugs or earmuffs, and respirators. To provide the full level of protection, PPE needs to properly fit all construction workers regardless of body type. However, standard PPE often fails to account for diverse body types, particularly for women, short-statured men, larger or heavier workers, and individuals with unique body shapes.

A 2021 survey from The Center for Construction Research and Training found that only 19 percent of the tradeswomen, non-binary, and transgender tradespeople surveyed were always provided with PPE in sizes that fit them<sup>34</sup> and 77 percent of those women reported they “were exposed to unnecessary hazards because of ill-fitting PPE.”<sup>35</sup> Examples of poorly fitting PPE include too-large safety vests or gloves getting stuck in machinery or on building materials, blisters from boots that are either too large or too small, safety vests or gloves not being worn because they are uncomfortable or hinder the ability to properly use tools or equipment, or safety harnesses that don’t provide adequate fall protection or create an injury in the event of a fall.

With falls cited as the leading cause of death in the construction industry in 2022,<sup>36</sup> it is paramount that all workers on a construction site have access to properly fitting PPE. A study by the National Institute for Occupational Safety and Health evaluated the fall protection harness system on 26 women and found that their harness did not pass fit-performance criteria in either the standing or suspended position on 40 percent of the women. Women appear less likely to report ill-fitting PPE with management, with one third of those women citing “fear of being labeled as a complainer by coworkers” and another 20 percent citing “fear of layoff” as their reasons for not speaking up.<sup>37</sup>

Further, a job site culture that allows workers to feel comfortable speaking up without fear of harassment or retaliation if proper-fitting PPE is not immediately available, is vital to safety. Workers are more likely to voice their concerns when witnessing unsafe behavior or feeling pressure to conform to culture norms if a company has established a culture where every member of the team feels valued and heard.

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<sup>34</sup> Ariane Hegewisch, Eve Mefferd, and Institute for Women’s Policy Research, “What Tradeswomen Say About the Change They Need in the Construction Industry: A Future Worth Building,” report (Institute for Women’s Policy Research, 2021), [https://iwpr.org/wp-content/uploads/2022/02/A-Future-Worth-Building\\_What-Tradeswomen-Say\\_FINAL.pdf](https://iwpr.org/wp-content/uploads/2022/02/A-Future-Worth-Building_What-Tradeswomen-Say_FINAL.pdf).

<sup>35</sup> Zachary Phillips, “One Size Does Not Fit All: Lack of Proper PPE for Women Is Dangerous,” Construction Dive, March 9, 2023, <https://www.constructiondive.com/news/dangers-of-lack-proper-ppe-safety-equipment-for-women-construction/644379/>.

<sup>36</sup> “TABLE A-1. Fatal Occupational Injuries by Industry and Event or Exposure, All United States, 2022,” Bureau of Labor Statistics, December 19, 2023, <https://www.bls.gov/iif/fatal-injuries-tables/fatal-occupational-injuries-table-a-1-2022.htm>.

<sup>37</sup> The Associated General Contractors of America, “The Business Case for Diversity & Inclusion in the Construction Industry.”

## INCREASED PRODUCTIVITY

Individuals who feel a sense of belonging are more likely to contribute their best efforts. A Coqual study (formerly the Center for Talent Innovation) found that organizations with inclusive teams are 3.5 times more likely to be highly engaged.<sup>38</sup>

Further, a 2021 study by the Network for Business Sustainability found that companies with diverse and inclusive teams had productivity levels 1.32 times higher than those without diverse and inclusive teams. Just a 1 percent increase in racial and ethnic diversity in both upper and lower management increased productivity by between \$729 and \$1,590 per employee per year.<sup>39</sup>

This increased engagement translates into higher retention and job satisfaction, mitigating the impact of the construction labor shortage for companies that are committed to creating inclusive cultures.

## TALENT RETENTION

Companies that have built strong cultures of inclusion and belonging also see enhanced employee retention. This is especially important considering Gallup estimates that turnover for leaders and managers costs 200 percent of an employee's annual salary, for professionals in technical roles turnover costs 80 percent of an employee's annual salary, and for frontline employees or construction laborers it costs 40 percent of an employee's annual salary.<sup>40</sup>

**\$55,680**

The median annual wage for construction and extraction occupations in 2023 (the latest available data).<sup>41</sup>

**21%**

The average employee turnover rate in construction (up to 64 percent for employees 24 and younger).<sup>42</sup>

**\$44,500**

Employer cost when one employee in a skilled position leaves.

**\$450,000**

Average annual turnover costs for a company with 50 employees.

<sup>38</sup> "THE POWER OF BELONGING: What It Is and Why It Matters in Today's Workplace," n.d., <https://coqual.org/wp-content/uploads/2020/09/CoqualPowerOfBelongingKeyFindings090720.pdf>.

<sup>39</sup> Maya Fischhoff, "How Diversity Increases Productivity," Network for Business Sustainability (NBS), January 31, 2025, <https://nbs.net/how-diversity-increases-productivity/>.

<sup>40</sup> Corey Tatel and Ben Wigert, "42% of Employee Turnover Is Preventable but Often Ignored," Gallup.Com, April 18, 2025, <https://www.gallup.com/workplace/646538/employee-turnover-preventable-often-ignored.aspx>.

<sup>41</sup> "Construction and Extraction Occupations," Bureau of Labor Statistics, April 18, 2025, <https://www.bls.gov/ooh/construction-and-extraction/>.

<sup>42</sup> Chris Kolmar, "25 Essential US Construction Industry Statistics [2023]: Data, Trends and More," Zippia, June 28, 2023, <https://www.zippia.com/advice/us-construction-industry-statistics/>.



Further, an August 2024 Gallup poll showed that 51 percent of U.S. employees are watching or actively seeking a new job. However, 42 percent of employees who voluntarily left their job in the past year reported that their organization could have done something to make them stay, underscoring the importance of workplace culture in retaining high-performing employees.<sup>43</sup>

Employees who feel a sense of belonging are more committed to their roles. According to the Society for Human Resource Management (SHRM), companies with effective inclusion programs report turnover rates nearly 50 percent lower than those without such initiatives.<sup>44</sup> Offering inclusive employee benefits such as childcare, paid family leave, and access to transportation can increase employee retention, particularly for workers from historically underrepresented groups.

For example, individuals from lower socio-economic or single-parent households often struggle with the lack of family support offered by construction firms. The Institute for Women's Policy Research study found that "among parents with children under the age of 18 who seriously considered leaving the trades, more than two-thirds (69 percent) mention difficulties finding childcare and 63 percent mention the lack of pregnancy accommodations as very or somewhat important reasons for leaving." One survey respondent said, "Being a female in the trades is hard on every level because all the cards are stacked against us with shop hours starting before any daycare opens..."<sup>45</sup>

By fostering inclusive workplace cultures, construction firms can build a more engaged, committed, and productive workforce. This not only helps individual employees thrive but also strengthens the organization's ability to maintain adequate staffing and project knowledge on the job site to deliver quality projects on time and within budget to the client.

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<sup>43</sup> Gallup, Inc., "Indicator: Employee Retention & Attraction," Gallup.com, April 18, 2025, <https://www.gallup.com/467702/indicator-employee-retention-attraction.aspx>.

<sup>44</sup> Willow Cosenza, "Today's Top 3 HR Challenges—and How DEI Is the Key to Solving Them," Seramount, October 7, 2024, <https://seramount.com/articles/todays-top-3-hr-challenges-and-how-dei-is-the-key-to-solving-them/>.

<sup>45</sup> Hegewisch, Mefferd, and Institute for Women's Policy Research, "What Tradeswomen Say About the Change They Need in the Construction Industry: A Future Worth Building," 2021.



# MARKET COMPETITIVENESS

## CLIENT/PROJECT OWNER EXPECTATIONS

The construction industry continues to experience a demand for strong diversity and inclusion programs from clients, partners, and stakeholders. But, according to a 2024 construction talent trends survey, only 32 percent of respondents considered their workplace inclusive.<sup>46</sup> Savvy construction firms look for ways to gain a competitive edge over their competitors that drive profits and growth. One of the best ways to do that is by prioritizing and strategically implementing inclusion programs.

Construction project owners increasingly require the contractors they do business with to have diversity and inclusion programs as part of their project requirements, expecting construction employers to demonstrate their commitment to these values. This expectation is not just about meeting social standards but also about employee recruitment and retention, ensuring that projects benefit from a wide range of perspectives and skills while supporting the local communities and workforce.

## REPUTATION AND BRAND VALUE

A commitment to inclusion directly enhances a construction company's reputation, making it a more attractive partner for business and talent. According to a 2022 Supplier Diversity Report from Supplier.io, companies that prioritize supplier diversity are recognized for their social responsibility and commitment to community development, developing loyalty with clients and partners who share your same values.<sup>47</sup>

Younger generations like Millennials and Generation Z also highly value diversity & inclusion programs as a part of corporate social responsibility. Deloitte's 2024 Gen Z and Millennial Survey details the things younger generations expect from the companies they do business with, work for, and engage with. What they found was that half of Gen Z and 43 percent of Millennials have rejected a project based on their personal ethics or beliefs and almost as many have turned down an employer for similar reasons. Reasons cited for rejecting an employer include contributing to inequality through non-inclusive factors and lack of support for employees' mental well-being.<sup>48</sup>

By integrating inclusion principles into core business strategies, construction companies can differentiate themselves to win more work in a competitive market and build a positive brand image that resonates with clients, partners, employees, and the broader community.

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<sup>46</sup> Michael Page, "Diversity in Construction: Where We Are & Why It's Important," Michael Page, May 10, 2024, <https://www.michaelpage.com/advice/management-advice/development-and-retention/talent-trends/diversity-construction-where-we-are-where-we-need>.

<sup>47</sup> supplier.io, "2022 State of Supplier Diversity Report," 2022, [https://supplier.io/wp-content/uploads/2022/03/Supplier-io\\_StateofSupplierDiversityReport\\_v2.pdf](https://supplier.io/wp-content/uploads/2022/03/Supplier-io_StateofSupplierDiversityReport_v2.pdf).

<sup>48</sup> Deloitte, "2024 Gen Z and Millennial Survey," 2024, <https://www.deloitte.com/content/dam/assets-shared/docs/campaigns/2024/deloitte-2024-genz-millennial-survey.pdf?dlva=1>.

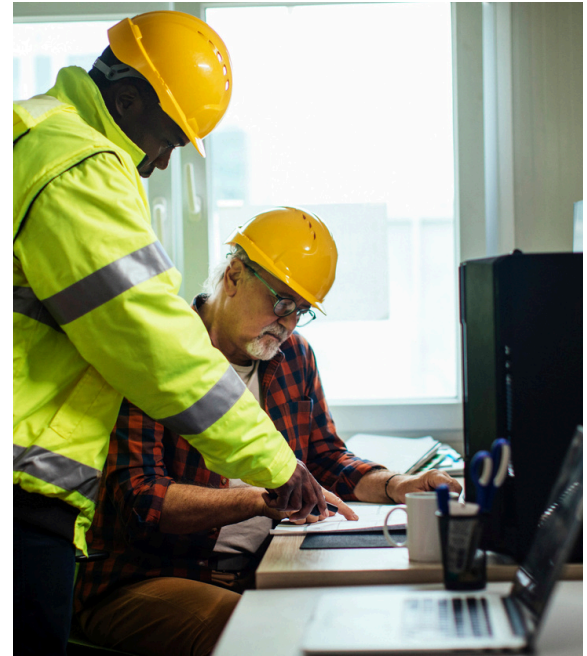
## COMMUNITY IMPACT

The 2023 National Minority Supplier Development Council Economic Impact Report found that certified minority-owned businesses produce more than \$548.2 billion in economic activity on the U.S. economy and support more than 2 million U.S. jobs.<sup>49</sup>

The construction industry is the fourth largest for certified minority-owned firms in terms of revenue at \$46.1 billion in 2023, and third largest in terms of jobs employing more than 166,000 people. Minority businesses are more likely to create jobs and employ workers in minority and underserved communities.<sup>50</sup>

Neighborhoods in historically underserved communities are ripe for development. According to a 2020 report by the Initiative for a Competitive Inner City, under-resourced or underserved communities make up 14 percent of the U.S. population and include more than 1,400 municipalities and unincorporated places in 183 metropolitan areas.<sup>51</sup> With the right partnerships with local minority-owned business and community groups, construction companies can expand into new markets, build relationships with new clients, and serve these untapped communities.

Inclusive practices in construction can help companies that are expanding into these new markets. Firms that actively engage and support the individuals and groups who live in historically underserved communities often see increased local support, better stakeholder relationships, and expanded opportunities in future government and private sector contracts. Community-focused initiatives, such as mentoring programs for underrepresented youth or partnerships with community organizations, have also shown to improve workforce pipelines and community and stakeholder relationships.



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<sup>49</sup> National Minority Supplier Development Council, “2023 Minority Businesses Economic Impact: Charting the Path to \$1 Trillion by 2030,” 2023, <https://nmsdc.org/wp-content/uploads/2024/06/2023-Minority-Businesses-Economic-Impact-Report-FINAL.pdf>.

<sup>50</sup> National Minority Supplier Development Council, “2023 Minority Businesses Economic Impact: Charting the Path to \$1 Trillion by 2030.”

<sup>51</sup> Peter Eberhardt et al., “The New Face of Under-Resourced Communities,” The New Face of Under-Resourced Communities ICIC, October 2020, [https://icic.org/wp-content/uploads/2020/10/The-New-Face-of\\_Under-Resourced-Communities.pdf](https://icic.org/wp-content/uploads/2020/10/The-New-Face-of_Under-Resourced-Communities.pdf).

# BEST PRACTICES

## BUILDING A CULTURE OF INCLUSION

Now that you have learned the business case for building a strong inclusion program to address the construction industry's most urgent need to attract and retain a skilled workforce, it is time to focus on implementation. How do you foster an inclusive culture at all levels of your organization, measure your progress, and celebrate your successes? Well, it requires investment in time and resources to be more than a check-the-box effort.

A 2023 survey by the National Institute of Building Sciences revealed that although 43 percent of respondents said their company had established a DEI program, 66 percent still reported experiencing gender or racial discrimination in the workplace.<sup>52</sup> While progress has been made in the construction industry over the past few years, there is still work to do to create a welcoming and safe environment to attract and retain workers from diverse backgrounds and identities.

This section provides actionable strategies for embedding inclusion into your company's core values, by leveraging frameworks like the AGC Culture of CARE program.<sup>53</sup> By following these best practices, you can transform your company into a leader in inclusion, achieving both social and business excellence.

## CULTURE OF CARE FRAMEWORK & STRATEGIES

The Culture of CARE program provides a structured approach for fostering inclusion, focusing on commitment, attraction, retention, and empowerment. These elements guide construction firms in creating workplaces where all employees feel welcome and safe. Embedding the Culture of CARE framework into a company's core values ensures these principles guide daily operations. This integration creates a culture where belonging is not an add-on but an intrinsic part of the company's identity.

Practical strategies outlined in the Culture of CARE program include resources to support leadership commitment and accountability, training on cultural competence, and embedding inclusive practices company-wide. To learn more about AGC's Culture of CARE program, visit [www.buildculture.org](http://www.buildculture.org).<sup>54</sup>

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<sup>52</sup> "Built Environment Workforce Report: 63% Say It's Important to Increase Diversity," Contractor, June 6, 2023, <https://www.contractormag.com/around-the-web/article/21267360/built-environment-workforce-report-63-say-its-important-to-increase-diversity>.

<sup>53</sup> The Associated General Contractors of America, "Culture of CARE," Culture of CARE, February 2018, <http://www.buildculture.org/>.

<sup>54</sup> The Associated General Contractors of America, "Culture of CARE."



# ➤ KEY SUCCESS FACTORS AND COMMON PITFALLS TO AVOID IN BUILDING A CULTURE OF INCLUSION

A successful diversity and inclusion program relies on several key factors. First, leadership buy-in is essential. Leaders must actively champion initiatives and align them with the organization's overall business goals to demonstrate their strategic importance. When leaders model inclusive behaviors and prioritize inclusion and belonging in decision-making, they set the tone for the entire organization, ensuring initiatives are taken seriously and implemented effectively.

Additionally, employee engagement is critical to success of any diversity and inclusion program. Involving employees in the design and execution of these programs helps ensure they resonate with the workforce and foster a sense of ownership. Employees who feel heard and valued are more likely to support and participate in diversity and inclusion initiatives. One way to involve employees is through the creation of Employee Resource Groups (ERGs). These groups, when managed effectively, provide an essential platform for underrepresented groups of employees and their allies to connect, share experiences, and drive organizational change.

However, there are common pitfalls that too often derail a company's inclusion efforts. One major misstep is failing to invest in long-term strategies, opting instead for short-term, performative actions that check a box but fail to create lasting change. These superficial approaches often lead to disillusionment among employees and stakeholders, ultimately undermining a company's ability to create a sense of belonging for all employees.

Similarly, a lack of transparent communication from leaders can undermine trust and credibility. Without clear, open discussions about objectives, progress, and challenges, employees may perceive inclusion efforts as inauthentic or insincere. To avoid these pitfalls, organizations must prioritize sustained investment, honest dialogue, and a genuine commitment to fostering an inclusive workplace culture.







# CONCLUSION

Inclusion and belonging are worthy and important goals that can be critical foundations to achieving America's promise of equal opportunity. Creating an inclusive workplace is essential for the construction industry's sustained growth, innovation, and competitiveness in a rapidly changing marketplace. The business case for fostering inclusive workplaces remains undeniable. Research cited in this document shows that creating inclusive workplaces and supporting opportunity and belonging for all [by engaging in lawful and non-exclusionary strategies], construction firms can address workforce shortages, drive innovation, and build safer, more engaged workplaces that position them for long-term success.

Inclusion is not just about internal gains; it is also a pathway to changing the image of the industry, solving the construction workforce shortage, and building stronger relationships with clients, partners, and communities. Creating a workplace where every individual feels welcome, safe, and valued is not only the right thing to do – it is the smart thing to do for businesses that want to thrive.

A key takeaway from this report is that building a culture of inclusion must begin with leadership. Leaders set the tone, allocate resources, and model the behaviors that make inclusion a lived reality rather than an aspirational goal. Leadership commitment to inclusion is essential to embedding it into the fabric of their organizations to ensure it withstands external pressures.

As the construction industry moves forward, embracing inclusion is not simply a trend—it is a transformation. The business case outlined in this report and the strategies and best practices provided through AGC's Culture of CARE program offer a roadmap for firms seeking to embed inclusion and belonging into the fabric of their operations. The industry's future depends on its ability to build workplaces where everyone belongs.

# ABOUT US

The Culture of CARE is an initiative created in partnership between the Associated General Contractors of America (AGC) and the AGC of Washington to advance the construction industry as the industry of choice for diverse and talented workers by building inclusive work environments in construction firms nationwide.



**AGC**  
THE CONSTRUCTION  
ASSOCIATION

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Culture of CARE was initially developed and launched at the AGC of Washington in the spring of 2018. AGC of Washington generously granted AGC of America rights to create a national Culture of Care campaign, which launched in the spring of 2020.



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