

Beyond Dogma

It takes more than just a law to drive effective minority business development programs.

By Sherry J. Williams

Many public entities are struggling with what to do when minority and women contracting programs are no longer an option. Minority and women business owners themselves are wary that the gains they have eked out over the last 20 years will evaporate, should these programs be eliminated. Yet, this doesn't have to be. There are steps that public entities can take to ensure that minority and women owned firms continue to participate in their contracting opportunities.

In order to do so, public entities must first accept two principles:

- Political leadership and commitment are the strongest tools for inclusion and,
- Targeted contracting programs are surrogate to purchasing agents for taking active steps to include minorities and women in contracting activity.

Political Leadership

Many politicians have sought to satisfy their commitment to all constituency groups through minority and women contracting programs. Once the programs were instituted, these leaders allowed administrative personnel to engender the difficult change required of business people and procurement administrators. But these programs are no more effective than the political support behind them.

It is not the existence of goal programs that compels majority contractors to do business with minorities and women. It is not even findings of discrimination that create this change. Rather, inclusion happens when political leaders make minority and women participation an absolute priority of their administration. And

business people of whatever race or gender wanting access to the public entities' opportunities will support those politicians responsible for ensuring that the needs of their constituency are met.

Public sector procurement regulations grew out of a need to control political patronage and corruption in government contracting. Minority and women contracting programs are another administrative process to ensure that the needs of all constituency groups, and not just a select few, are addressed. However, no procedures can replace political leadership on the issue. We have seen time and time again where purchasing programs have been susceptible to untoward activity because of "leadership issues."

The first administration of Atlanta Mayor **Maynard Jackson** exemplifies the kind of political leadership that propels effective inclusionary policies. Jackson, who became the first African American mayor of a major U.S. city when he was elected in 1973, was responsible for one of the largest contract opportunities in the country, the expansion of Hartsfield Atlanta International Airport. Every construction and architectural and engineering firm in the country wanted to be involved. Given the size of the project, Jackson seized upon the opportunity for including minority firms. "The weeds will grow at Hartsfield before we build without minor-

ity participation," he declared, launching an effort that resulted in more minority participation in Hartsfield's redevelopment than all other major airports combined.

Jackson's commitment was articulated throughout his administration, particularly by his procurement staff, which held hardball negotiations with majority contractors, that had never worked with minority firms before to hammer out a deal both sides could live with. Minority firms joined with city officials and fought hard to make sure everyone had access to opportunities and a mutual respect for the other's concerns. They didn't just rely on the law.

That was then. Today, an over-reliance on the law to achieve minority participation in public contracting is one major reason for the proliferation of legal suits around the country.

Laws change. Judges change. Attitudes toward legislated minority business programs change. What never changes is the desire of one contractor to win a contract over another. And this is where leadership must rise.

The battle between the legality of minority and women contracting programs and political leadership is playing itself out again in the City of Atlanta. The Southeastern Legal Foundation has challenged the constitutionality of the City's program. Mayor **Bill Campbell** has responded with a vociferous grassroots attack against the challenge. While much has been said about Campbell's tactics and strategies, it is clear he fully appreciates the fact that the issue is much larger than the legal challenge. Because of strong political leadership over the last 20 years, Atlanta's business landscape has seen significant change. Contractors inside and outside of the city understand its commitment to the inclusion of minorities and women in contract opportunities, and most respond with little prodding by city officials. The current lawsuit now threatens this finely woven fabric of cooperation, commitment and understanding—as well as one of the most successful minority contracting programs ever.

Procurement Changes

Minority contracting programs tend to rely on achievement of certain numerical targets. But any activity intended to have an impact on procurement operations must be connected to the ultimate objective: holding the procurement system accountable for the results.

The need for accountability was made clear in an article by a former U.S. Commerce official, Robert A.

Weleh, in "The Good Old Days—Clear Accountability," which appears on the National Contract Management Association web site:

...I was shocked [in 1978] to hear about the creation of an "Office of Small and Disadvantaged Business Utilization" (OSDBU) that would report to the head or deputy head of the agency and handle the small business advocacy. How, I wondered, could an integral piece of the procurement process be extracted from the whole and still work? Still more puzzling, the law established goals along with the organizational mandate. Did failure to meet these arbitrary goals mean we were breaking a law? After considering this dilemma-fragmented responsibility, unfocused accountability, and results unrelated to mission, I reached a decision... I'm sure that many of you did, too. I decided it wasn't my problem. Let the new OSDBU director, who reported to the cabinet secretary, take care of it, I thought. Thus, for the next 20 years, my procurement organization always negotiated goals with OSDBU office personnel. By tossing them a janitorial or other body shop type contract, we tolerated their intrusion into our program, and by always meeting our goals, we avoided real accountability.

The bottom line in procurement is the "buy decision." In most organizations, only one group in the entire public entity controls the buy decision: procurement. When procurement is not responsible for the level of buying it does from minorities and women, the organization cannot credibly say that it is promoting their inclusion in contracting. Sure, the organization may pronounce its commitment it may have stringent policies regarding goals and set-asides, and strong outreach programs. But it still comes down to the "buy decision."

This is the primary reason why minority and women owned firms do not want goals removed. Goals—unlike race-neutral programs such as management

In Memoriam

Dietra L. Ford, associate administrator of the U.S. General Services Administration's (GSA) Office of Enterprise Development and long-time champion of minority and women owned businesses, passed away in late October after a sudden illness.

Ford was a two-time presidential appointee during the Clinton administration. Before joining the GSA, she served as executive director of the Thrift Depositor Protection Oversight Board, which reviewed overall strategies, policies and goals of the Resolution Trust Corporation, a now-defunct federal department charged with disbursing the assets of failed savings and loan institutions.

At GSA, Ford was instrumental in driving policies that increased the agency's contracts with minority and women owned businesses.

Ford is survived by her mother, Alethea P. Leake and a daughter, Kim R. Ford.

She will be greatly missed.



and technical assistance—are the only mechanisms available that affect the buy decision. Yet, goals do not necessarily affect the quality of the buy. Effectuating the most positive result for minority and women owned firms resides with the politicians and procurement agents.

The state of Florida will be a testing ground for the kind of political leadership it takes to achieve true inclusion. In early November, Governor **Jeb Bush** announced the abolishment of race-conscious state contracting programs in favor of a new model of inclusion. Bush's plan, called the One Florida Initiative, has strong procurement accountability features to insure that minority contractors have a fair shake at state contracts. Bush instituted this program to keep his diverse state from lapsing into racial turf wars over the issue of affirmative action. We must wait to see what the results will be.

To his credit, Bush shares a trait with Atlanta's former Mayor Jackson: meeting the objective of including minorities and women in contracting opportunities. Legislated minority and women contracting programs are only one tool that can be used to achieve that objective. Jurisdictions whose programs have been eliminated by the courts or are undergoing an aggressive legal challenge, must begin to develop other tools to augment or supplant, if necessary, a legislated solution for achieving inclusion. Laws mandating goals can become dogmatic, leaving them vulnerable to the ever-changing business environment that so quickly outdates anything that attempts to slow its progress. Political leaders who can't keep up with the pace will see the opportunity for true leadership passing them by. ♦

CONSTRUCTION

BRING YOUR DRIVE TO SUCCEED TO BUDGET GROUP, INC.

Are you looking to take your Facilities Project Management experience to an industry leading company? Do you want to work for a company where you know you'll be backed by a leading name, but still given the autonomy to succeed? Then look no further.

FACILITIES PROJECT MANAGER

You will provide construction and project management services for renovation and construction of all Budget Group Inc. facilities including car rental facilities, corporate offices and call centers. This will include project management for space planning design and construction services, cost estimates and preliminary drawings for construction and renovation projects. Additional responsibilities will include financial responsibilities for project development and management ranging from 100K to 10 million, maintenance of expenditure reports on all projects, and management of architects, engineers, general contractors and vendors to ensure cost effectiveness and completion of projects.

We require a BS in Architecture, Engineering or Construction Management (or similar degree) and 5-7 years experience in a Properties and Facilities and/or construction environment. Must have experience with project planning, design construction experience, and development and maintenance of large construction budgets (100K-5M). We also require the ability to understand construction drawings and blueprints for the development and renovation of Corporate facilities. Experience in facilities construction and design of Car Rental, Airport, Retail, Vehicle Maintenance Shops or parking garage and service station is preferred. Ideal candidate will be resourceful, self-starting with the ability to work independently handling assignments and projects simultaneously and possess effective oral and written communications skills.

We offer a competitive salary, comprehensive benefits package, business casual work environment year round, flex hours, employee rental car discounts plus a beautiful office setting in a building which offers on site day care and health club/spa, and has easy access to major highways. For consideration, please forward a resume with salary history & expectations to: **Budget Group, Inc.**, Dept. PW690-5, 4225 Naperville Road, Lisle, IL 60532. Fax: 630-955-7806. Or E-mail to: rlong@Budgetgroup.com. EOE/AA

Budget