



## **Wendy Schwingel - Capitalize on opportunities and add value by using woman-owned or minority-owned businesses**

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The most successful real estate and project practitioners strive to understand their client's organizational initiatives, and to marry those goals to their deliverables. While some business partners claim they "add value" to a project, the fact is that it is more important to understand the values of the client and work with them to support their objectives.

For the corporate user, much is said about the alignment of projects with the corporate objectives. Typically the focus is on financial aspects such as the capital investment, the ROI, or the impact of the capital expenditure on the future operating budget. Increasingly important is sustainability; corporations and nonprofits alike are looking to support green initiatives and they recognize the value of building a project that will achieve a LEED certification or, at minimum, building "green."

One initiative seeing growing support is diversity, not only in the work force, but in the supplier base. Forward-thinking corporations recognize the value of supporting and utilizing woman-owned businesses (WBE) or minority-owned businesses (MBE). These organizations know that there are well-suited, high-quality certified MBEs and WBEs offering goods or services who, by virtue of their size, may have a more difficult time getting their foot in the door. By making it easier for these vendors to learn about opportunities and present their credentials, supplier diversity programs broaden the vendor base while promoting and increasing business opportunities for MBEs and WBEs.

Toyota is one such company which has taken an active role in diversity. While diversity suppliers often are used to supply parts at the manufacturing level, Toyota saw an opportunity to apply this value to their recent headquarters relocation project.

"Our view of diversity's value has matured," said Latondra Newton, vice president, strategic planning and research, diversity for Toyota Motor North America. She said, "Toyota started the supplier diversity program 20 years ago because it was the right thing to do. Today, we recognize how much better our products and services are because MBEs and WBEs bring such creative solutions to the table. PROPEL Real Estate Resource's commitment to our office relocation in Manhattan is a great example. The project team made our move pain-free, meeting our goals of sustainability and fiscal performance, designing a superior work environment, and bringing integrity to the process of using diverse vendors who share an important philosophy - that there is always a better way."

PROPEL worked closely with Toyota to advance their initiative, taking the time to include MBEs and WBEs in the Request for Proposal (RFP) process. A LEED Gold office, the 30,000 s/f design and construction project was delivered with the support of MBE and WBE service providers. The architecture firm, TSC Design is a certified MBE, while PROPEL, furniture vendor Meadows Office Furniture, and general contractor, ACC Construction are all certified WBEs. As a result, 70% of the total design and construction budget went to WBE and MBE providers, a number not often achieved

in such projects.

"It was a pleasure working with a client so committed to diversity," said Michele Medaglia, president and CEO of ACC Construction. "It was a positive experience; everyone on the team was at the top of their game. Toyota is a progressive company and in PROPEL they found someone who could assemble a group of MBE/WBE firms that delivered an A+ project."

For companies, implementation of a supplier diversity plan ensures that their vendors reflect the customer base and that's just good business. For vendors it opens doors to opportunities that might otherwise not be presented.

So how can you capitalize on opportunities and truly add value? Use your credential to pursue companies with a strong diversity program. Reach out to the internal champions to help them understand that utilizing a WBE or MBE for a service requirement can add as much to the goal as spending on goods. Support other qualified MBEs and WBEs by including them in the RFP process. But first and foremost understand the company and its diversity goals, and offer a way to deliver on all of their project goals with the added bonus of contributing to their diversity initiatives.

Wendy Schwingel, CCIM, MCR is a former corporate real estate executive and president of PROPEL Real Estate Resources, a certified WBE, New York, N.Y.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540