Cover story: UNCG model lifts up women-and minority-owned businesses to succeed in the Triad

Dennis Bowie, left, UNC-Greensboro’s lead project manager, is pictured with Joe Wilson, center, president of ASJ Wilson Construction, and Tony Phillips, coordinator of UNCG’s Historically Underutilized Businesses Program, at the construction site of the new Nursing and Instructional Building.

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By John Joyce  – Reporter, Triad Business Journal
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Over the last 10 years, UNC-Greensboro has tripled its level of minority- and/or women-owned business participation on construction projects.

The journey began with a simple mandate: Get more than 10 percent minority participation on contracts of more than $300,000, something legislated in North Carolina in 2002.

A prime example can be seen by anyone driving through campus, as cranes tower over a fenced-in area and steel beams pierce the sky. The new $105 million, 180,000-square-foot Nursing and Instructional Building, which will sit just off Spring Garden Street at the site of the old McIver Building, should be finished next summer.

Minority- and/or women-owned businesses have won 34.4 percent of construction contracts on the building. That number climbs to 38 percent on the adjacent chiller plant project.

To date, minority- and/or women-owned businesses have won more than $26 million of a $76 million-plus package.

Tony Phillips, a coordinator of UNCG’s Historically Underutilized Businesses Program, has worked on boosting the numbers since he took over the program in
2009. He has raised participation rates of minority- and women-owned businesses to an average of 25 percent per project – up to 40 percent for smaller projects under $300,000.

Construction of UNC-Greensboro’s Nursing and Instructional Building

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Similar, albeit smaller-scale projects across the Triad also have achieved success. Take, for instance, Winston-Salem’s $4.5 million Quarry Park development project, which had an overall minority participation rate of 40.8 percent. And Winston-Salem State University’s $42.8 million science building, which had a 34 percent rate.

At UNCG, increasing participation rates among minority and women contractors have become more than a goal. It’s policy.

Along with Jorge Quintal, UNCG’s associate vice chancellor for facilities, Phillips and the rest of his staff have established a manual for the university’s HUB program. It outlines the process during various phases – design, pre-bid, bid, award and construction – which helped identify areas that need an increase in minority participation.

UNCG also has established a database of minority contractors and suppliers. Updated bi-annually, it segments minority contractors and suppliers by area of expertise, making it easier to identify qualified minority companies for all university projects, Phillips said.

But all the manuals and databases and mission statements in the world won’t turn over a single shovel without something more important driving the process: Relationships.

“After spending several years in the construction and engineering industry that included five years with a minority-owned general contractor, I was able to understand the importance of networking and relationship building to succeed in this business,” Phillips said.

That meant getting to know minority business owners, networking with them and letting them network with each other and larger general contractors.
What it really meant was inviting them to a table previously dominated by white male business owners.

**Advocacy matters**

Minority business owners say help from UNCG’s Historically Underutilized Businesses Program has been a critical part of their success.

GP Supply Co. is a Greensboro-based distributor of pipe valves, fittings, and commercial plumbing supplies. When Antonio Wallace, who is African American, bought the business in 2014, it had roughly $3 million in inventory, $9 million in assets and a lot of debt.

Today, GP Supply Co. has an annual revenue of $15 million.

Some of Wallace’s first contracts came through Phillips and UNCG. Now his company holds the contracts on UNCG’s plumbing – from toilets to sinks and water fountains.

A smaller company needs someone to advocate for them, especially in the construction industry, Wallace said. It’s tough for a newcomer to break in because of longstanding relationships, he said.

“When you get to the pipe valves and fitting side of it, that mechanical contractor or that commercial plumbing contractor has a relationship with a larger company,” Wallace said. “These guys go hunting with each other on $10,000 hunting trips.”

Like Wallace, Joe Wilson said he had a tough time getting established because he wasn’t always invited to meetings or given a heads-up when a contract was coming up for bid. He started ASJ Wilson Construction in 2007.

Joe Wilson, left, president of ASJ Wilson Construction, joins Tony Phillips, coordinator of UNCG’s Historically Underutilized Businesses Program, at the construction site of the Nursing and Instructional building.

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“Not having capacity (and) resources when you start is one of the biggest hurdles when you are a new business,” Wilson said. “When you go and try to get referrals
for business, the first thing they are going to ask (is), ‘Who have you worked for? What have you done?’”

Initially, ASJ wasn’t bonded. So Wilson hunted for projects that didn’t require it. He relegated his three-person company to doing what he knew it was good at – laying concrete. Partly through some successful work on UNCG projects, Wilson is bonded and has grown from a subcontractor to a general contractor.

“Now we are in excess of $2 million,” he said of ASJ’s revenue.

His staff also has grown to 12 full-time employees and a number of subcontractors with whom he regularly does business.

Wilson and Wallace credit their relationship with Phillips with setting them on a successful path. Phillips, however, points to their hard work and perseverance. Equally important to being designated minority- and women-owned businesses are being local, he said. That’s important because locally based minority companies reinvest their earnings in their communities.

**Holding the door open**

Each connection becomes an opportunity for Wallace or Wilson to hold open the door for others.

Lisa Gilgeours, the owner of Gilgeours Construction Corp., saw the door cracked and pushed through it.

While her company isn’t involved in the Nursing and Instructional Building project, her success can be traced in part to the relationships forged through Phillips and UNCG.

She started her company in 2015, bringing in about $30,000 in revenue. Today, it’s on the brink of $1 million.

Gilgeours first met Wallace in 2016, when he was a guest speaker at the Triad Contractors College, a collaboration of Winston-Salem State University, UNCG, and N.C. A&T State University. After his presentation, she asked him to be her mentor.

“Whenever I need his help or advice he is always there,” she said.

Change and success don’t happen without such strong collaboration, communication, support, and leadership, Phillips said. UNCG’s success boosting participation from minority- and women-owned businesses have been largely process-driven and systematic, he said.

Still, nothing is given in such a competitive landscape. Everything is earned. Once the contracts are awarded, the job still has to be done and done well.

“Now, I still have to compete. At the end of the day, (Phillips’) advocacy is to say, ‘Hey, there are companies with capacity here,’” Wallace said.

“From there, I have to be just as competitive.”