

Recruiter Launches Diversity Program

Veteran recruiter **William Ferguson's** charitable foundation has launched a program aimed at increasing ethnic diversity among young professionals entering the commercial real estate sector.

The **Centers for Leadership Excellence**, sponsored by the **Ferguson Charitable Foundation**, has struck partnerships with 14 colleges nationwide to provide scholarships, mentoring and internship opportunities. Funding also is helping the schools establish real estate-related curriculums. With plans to expand the program to 60 schools graduating 600 students a year, the foundation is targeting \$25 million of annual fundraising from firms, associations and wealthy individuals.

The program is the latest attempt to expand the pool of junior personnel exploring the sector and comes at a time when more firms are looking to increase staff diversity. But the lack of diverse graduates pursuing real estate has been a persistent challenge, as for many recent grads, it's not on their radar.

The CLE hopes to address that challenge head on.

"The industry represents one of the greatest anomalies to college students," said Ferguson, who began laying the groundwork for the program about six months ago. He's spent 30-plus years as a recruiter in the real estate sector. "It can offer a great career path," he said, but real estate companies have been "massively unsuccessful in recruiting ethnic diversity into its ranks."

In recent years, real estate firms — often under pressure from their own investors — increasingly have focused on diversifying staff by ethnicity, gender and other factors. "They understand that you need to have diversity in the boardroom and the executive suite, because it leads to better corporate performance," Ferguson said.

To that end, the program's advisory council of directors includes executives and senior staffers from some of the industry's biggest investors, brokerages and lenders. Among them: **Brookfield, CBRE, Cushman & Wakefield, Hines, JLL** and **Starwood Mortgage Capital**.

The program will broaden recruitment beyond just a handful of colleges — another limiting factor to cultivating a more diverse workforce. Among participating schools are historically Black colleges and universities, as well as those with highly diverse student bodies. They include **Arizona State University, Baruch College, Florida A&M University, Howard University** and **University of Virginia**.

With interviews for the program's inaugural class underway, CLE plans to recruit three to five students starting at the sophomore level at each participating school, for a total enrollment of

about 60 students next year.

Participants will graduate with a minor in real estate operations, investments or development. Along the way, they will receive mentoring via the program's partnership with the nonprofit **Sponsors for Educational Opportunity** and be connected to internship opportunities through Ferguson's search firm, **Ferguson Partners**. The **Real Estate Executive Council**, a trade organization, also will partner with the program.

Over time, the program aims to bolster diversity among mid- and senior-level executives, where many in the industry see the greatest need. Today, that pool remains largely white and male.

"There is a lot of work to attract graduates to the sector taking place in the industry, but obviously there is also a lot of demand," said **Zoe Hughes**, chief executive of industry association **Nareim**. "That is absolutely critical and any work to grow the pipeline with underrepresented groups is superb."

To date, progress has been slow but steady.

Real estate firms in North America reported a workforce that was 57.5% male and 64.6% white, according to the annual Global Real Estate DEI Survey, released last week. The study, conducted by Ferguson Partners in a venture with seven other trade associations, gathered responses from 192 companies representing 357,041 full-time staffers. It benchmarks data on ethnicity, gender and other factors and gauges diversity, equity and inclusion efforts in the industry. The vast majority of surveyed firms, 81.4%, are based in North America.

Companies in North America reported a workforce that was 11.8% Asian, 9.6% Hispanic or Latino, and 6.8% Black or African American. Almost all — 95% — are addressing issues of diversity, equity and inclusion, either with formal programs or new initiatives and policies, to increase the representation of women and other underrepresented groups.

Those efforts have gained momentum in just the last few years, with the most notable effects in hiring and promotions. For example, men of color represented 37% of board hirings this year, far above their representation of 5.8% on boards. Likewise, men of color and women saw hiring and promotion rates increase as well, according to the survey.

But moving the needle on the overall "headline figures" won't happen overnight, Hughes said. "It will take time — and that is okay."

For more information about the CLE, email **Carrie Nowicki** at carrie.nowicki@theclefoundation.org. ❖

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