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NEWS & ANALYSIS

BGO marks three years of surpassing diversity hiring targets

After exceeding its self-imposed, company-wide two-thirds women and underrepresented minorities recruitment quota three years running, Amy Price of manager BGO tells PERE how the next target is senior management.

For more than three years, BGO has been pushing forward with its minority-focused hiring targets – and so far it is exceeding them.

In 2020, BGO made a notable public commitment to making 66.7 percent of new hires either be female or from a visible minority. The pledge was made shortly after mass protests against racial inequality that summer forced businesses and institutions alike to examine their own record on diversity.

Four years later, and just as a landmark Supreme Court ruling on affirmative action has reshaped the conversation on DE&I – the Miami-based firm can say it is exceeding the initial broad base target for new hires and is now zeroing in on diversifying its senior leadership.

“The challenge we gave ourselves was: we’re accountable for our investment performance, we live in a world that has a lot of metrics... and if this is truly important to us, why are we not willing to also have some metrics and some accountability around it?” BGO president Amy Price told PERE of its ongoing commitment to track, measure and disclose its progress. “It’s very helpful in aligning behavior and aligning focus behind that common goal.”

BGO figures show the firm was able to beat its diversity hiring goals immediately. In 2021, 74 percent of 333 new hires were women or from diverse groups, a number which was followed by 68 percent of 398



Amy Price, BGO president

new hires the next year. Last year, some 69 percent of 301 new hires were from diverse groups.

These numbers over a sustained period of time, Price said, gave them the confidence that the strategy was working.

Now, with the overall hiring pipeline suitably diverse, both from gender and race perspective, Price said the focus is now on the top levels of the firm. As of last year, female leadership at BGO was at 25 percent, according to internal numbers. The goal is to reach 30 percent by the end of 2025. By 2030, the aim is to achieve 50 percent female representation.

“When we first started introducing these diversity metrics, we did see disparity between, for example, men and women and

their perception of their opportunities for their own career and their support with BGO,” Price said. “We’ve obviously done a lot to try to understand the ‘why’ of that – we have seen that disparity narrow, which is great.”

Shifting mood

BGO’s commitment to diversity hiring comes as the mood around diversity has shifted significantly. The events of 2020 injected a fresh energy on the issue of racial and gender inequality, driving a spate of public pledges across the business community. The real estate industry, known particularly for being largely white and male dominated, was no exception.

But in some quarters, there is a sense of fatigue on diversity, in others a backlash. A year ago, the Supreme Court of the United States ruled to end the use of affirmative action in college admissions, meaning that race could no longer be considered as a factor in university admissions.

That ruling sent a chill through corporate America, with many worrying the precedent could put their own operations in jeopardy. Firms like PwC and JPMorgan Chase have in recent months removed or changed descriptions for underrepresented students, the Wall Street Journal reported last month. Similarly, McKinsey & Co earlier this year removed “self-identify as a member of a historically underrepresented group” from a list of ideal attributes for applicants for

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its sophomore summer business-analyst program, per the publication.

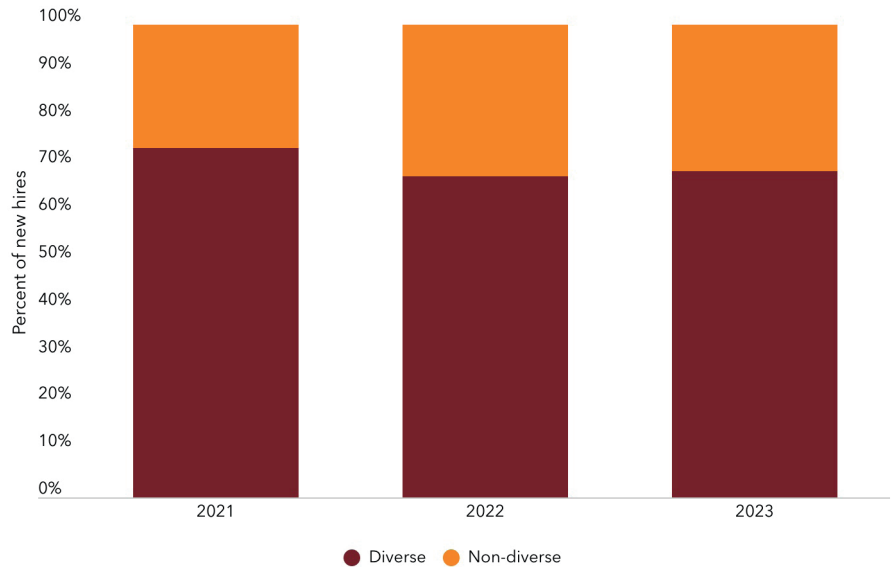
“The best firms in the world are always investing in talent – we can’t get confused on some lawsuits and rulings,” said Cedric Bobo, who runs Project Destined, a social impact platform that provides training in financial literacy, entrepreneurship and real estate. BGO, he said, is one of its biggest partners, and he describes it as an innovative company when it comes to hiring diverse talent.

Project Destined places students from underrepresented backgrounds on internships at companies like Hines and Brookfield, and he told PERE that many firms don’t set hiring goals because they don’t have a good grip on the numbers within the firm. “They don’t have the data for robust and achievable targets,” he said. “We should be setting goals around talent and building education structures and talent acquisition goals.”

Ultimately, diversity in real estate workplaces remains a pervasive issue. Affiliate publication PERE Credit’s inaugural DE&I State of the Market research released in December, found a lack of diversity was cited by 29 percent of analysts and associates and 45 percent of managers as creating a barrier to career advancement at their respective companies. Some 39 percent of respondents said the company does not report DE&I statistics, while 33 percent did not know if such disclosures were being made. By

BGO SURPASSING DIVERSITY HIRING TARGETS

The firm has now beaten a goal set in 2020 that 67% of new hires would be women or from diverse groups three years in a row



Source: BGO

comparison, a combined 28 percent of respondents say their companies reported statistics internally, externally or in both forums.

“Pretty quickly, we had confidence that what our approach is and what we were doing and are doing, you know is, defensible, if you will, even in the reading and the understanding of the ruling,”

BGO’s Price said of the Supreme Court’s ruling on affirmative action. “[The energy and focus of 2020] that’s dissipated. I also feel that it’s become more polarized, particularly in the US... [but] we have to be far more reflective of our continents and our clients than a group of like-minded investors sitting in one boardroom in one city of the world.”