

Research Spotlight

Project Information

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Communications Findings

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MDOT Project Manager Pat Collins

Office of Business Development
Michigan Department of
Transportation
P.O. Box 30050
Lansing, MI 48909
collinsp@michigan.gov
517-373-2377



Improving communications for MDOT's DBE program

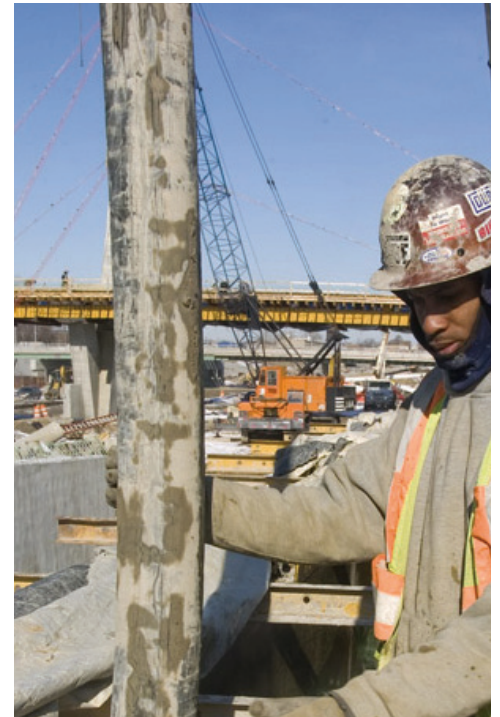
MDOT's Disadvantaged Business Enterprise (DBE) program helps Michigan's economy and also ensures that MDOT meets required federal regulations. However, many stakeholders, including contractors and MDOT employees, do not have a complete understanding of the program. This research effort looked into the many causes and extent of the problem and provided recommendations for better communications and training to enhance the program's effectiveness.

Problem

The U.S. Department of Transportation (DOT) mandates state DOTs to establish goals that ensure participation in transportation projects by businesses owned by historically disadvantaged individuals. MDOT's Office of Business Development (OBD) administers a robust Disadvantaged Business Enterprise (DBE) program for the department.

To date, OBD managers have generally focused their communications efforts on increasing participation among disadvantaged businesses. But for the DBE program to be most effective, several improvements need to occur. First, MDOT engineers involved in construction projects must better understand the program's rationale and procedures.

MDOT contractors also need more education about the program. In particular, prime contractors must understand the DBE program well enough to communicate information about it to subcontracted



MDOT's DBE program helps grow small businesses in Michigan. Participants include construction, engineering and architectural contractors that support the state's transportation infrastructure.

“The DBE program is a vital tool for economic and social development in Michigan. With this study, we were looking for better ways to communicate what we do and why we do it.”

Pat Collins
Project Manager

firms, which are often disadvantaged businesses.

The *MDOT Construction Manual* and other documentation must be modified to include or improve the explanation of the DBE program. Finally, MDOT needs to identify other communications tools to inform all stakeholders about DBE program offerings and requirements.

Approach

MDOT initiated an effort to identify communications gaps in the DBE program and to examine best practices in this area. The investigation involved a literature review to determine current practices by DOTs and similar organizations, interviews with contractors, MDOT employees and others, and surveys of a wider group of contractors and MDOT employees.

Research

The literature review included:

- A scan of the Web sites of states with strong DBE programs to review communication tools and strategies.
- A review of company strategies for implementing supplier diversity programs. Lockheed Martin, Boeing and Ford have published extensively about their programs.

- A review of the best practices of other agencies such as the National Minority Supplier Development Council, the Telecommunications Industry Group and the U.S. Department of Defense.
- An evaluation of current communications and training materials used by MDOT’s DBE program.

Investigators then interviewed DBE program personnel from 12 state DOTs and several internal and external (contractor) stakeholders. The results of these interviews were used to develop surveys that were completed by 175 prime contractors and subcontractors—both disadvantaged and non-disadvantaged businesses—to gauge their attitudes about the program and to determine whether and how they receive information about it. Approximately 2,500 MDOT employees also were surveyed, with 550 responding. The responses provided insights into how well employees understand DBE policies and procedures and how they rate MDOT’s DBE communications and training materials.

Results

Researchers reported that the OBD team is highly experienced and knowledgeable and that the OBD program office is a valuable resource for DBEs. However, there is room for much improvement in the area of internal communications. According to the employee survey results, only 29 percent of respondents said that DBE program policies and procedures were clear to them, 19 percent agreed that communications about the program within MDOT were effective, and 39 percent said they would benefit from further training.

Among the report’s recommendations is a plan for increasing communications to MDOT employees as well as to contractors. Components of this plan include:

- Modifying MDOT’s messaging about the program to clearly communicate its importance, goals, progress and procedures. This objective would be evaluated through

- increased reporting and transparency.
- Reorganizing the DBE Web site to provide more timely and easy-to-absorb information, such as a Frequently Asked Questions (FAQ) section.
- Increasing recognition of participating firms.

Value

This project has provided excellent value. For a low research cost, the OBD has gained the direction needed to revamp its communications to more effectively implement the DBE program throughout MDOT. Such a program needs to be well publicized to help increase participation and understanding among DBE stakeholders. The research results from this project provided a needed contribution toward this goal.

Research Administration

Principal Investigator

Timothy A. Davis

College of Business, University
of Michigan–Dearborn
19000 Hubbard Drive
Dearborn, MI 48126-2683
tadavis@umd.umich.edu
313-593-5248

Contact Us

PHONE: 517-636-4555

E-MAIL: mdot-research@michigan.gov

WEB SITE: [www.michigan.gov/
mdotresearch](http://www.michigan.gov/mdotresearch)

**This final report is available
upon request.**

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