

Employee-Ownership

An Interview with Andrew D. Pearl, Vice President and Division Manager, Swinerton

EDITORS' NOTE Andrew Pearl heads up Swinerton's New York City office—its first in the 133-year company history. Beginning in 2007, he worked at Swinerton on the West Coast in various positions and successfully opened and managed other regional offices. He ascended quickly to become one of the youngest Vice Presidents in firm history and a member of the Swinerton Builders Board of Directors. Pearl has served on the board of directors of the Greater San Francisco Chapter of Habitat for Humanity and is and active member of the NY Liberty Chapter of Young Presidents Organization. He recently joined the board of Rebuilding Together NYC. Pearl earned a bachelor's degree in architecture from Keene State College and a master's degree in construction management from the University of Southern California. Additionally, he is DBIA Certified and a LEED Accredited Professional.



Andrew D. Pearl

rests in the entrepreneurial spirit of the company culture nurtured by the ownership structure.

When disaster struck San Francisco in 1906 and a major earthquake destroyed 28,000 structures, the only buildings left standing were built of concrete by Swinerton, making them the first to pioneer reinforced concrete as a building material to withstand the pressures of California earthquakes.

Since joining Swinerton in 2007, I've experienced the power of employee-ownership firsthand. As an entry level

employee working on our first renewable energy solar array project at the Harrah's Casino in San Diego, it was obvious we had little interest in remaining a conventional commercial construction company. As an eager kid from New Jersey with aspirations far beyond my experience, I knew Swinerton fostered an environment of innovation and opportunity like no other.

Fast forward 14 years and that spirit remains alive and well. Just this year we've already launched three new business lines and opened our first office in New York City. Even better is that each of these concepts were initially conceived and fully sponsored by people within the organization. Take, for example, Timberlab, a fully integrated turn-key mass timber delivery solution with the ability to design, fabricate and erect mass timber structures across the country.

Several years ago, a concept was proposed to Swinerton shareholders by an employee-owner industry expert that we start a new business line, and building off of our success and growth in the mass timber market, Timberlab was born.

Countless other examples exist within the organization as we embark on the "March to 2030," our 15-year business plan, released in 2015 with a simple yet ambitious goal to set up the company for the next 130+ years through geographic expansion, innovative delivery solutions and diverse business lines, to name a few.

How do you describe the Swinerton culture and how critical is culture to the success of the company?

Swinerton has been a 100 percent employee-owned company since 1980 in which nearly 5,000 employees, half of which represent the trade, share in the company's profits and are thoroughly committed to its success. Our culture defines who we are and establishes the standards for how we operate. It is simply defined by employee-ownership, but difficult to understand without being part of it. Similar to the mantra at Texas A&M about being an Aggie: "If you're on the outside looking in, you can't understand it. If you're on the inside looking out, you can't explain it." At Swinerton you're a part of something bigger than yourself. Every day we look for ways to enhance shareholder value and do what's in the best interest of our fellow employee-owners.

COMPANY BRIEF Founded in 1888, Swinerton (swinerton.com) is a \$5 billion full-service national commercial construction company with financial strength, national clients, project diversity, and a company culture that is proud of its 100 percent employee ownership. It currently has 20 offices in nine states across the country and is ranked #17 on the ENR 2021 list of top contractors in the country. It represents diverse market sectors including affordable housing, aviation, education, corporate and critical facilities, gaming, healthcare, hospitality, interiors and special projects, industrial, life sciences, mass timber, public/civic, residential, retail, parking structures, and renewable energy. Swinerton is headquartered in Concord, California.

Will you highlight the history and heritage of Swinerton and what have been the keys to its industry leadership?

Founded in 1888 as a masonry and contracting firm, Swinerton put down its roots in Los Angeles by following the post-gold rush era. Since its founding, the Swinerton family of companies has operated first as a family-owned and then employee-owned organization, without external stakeholders or investors. Our ability to stay agile and adapt to an ever-changing set of circumstances largely

“Just this year we’ve already launched three new business lines and opened our first office in New York City. Even better is that each of these concepts were initially conceived and fully sponsored by people within the organization.”

“Swinerton has been a 100 percent employee-owned company since 1980 in which nearly 5,000 employees, half of which represent the trade, share in the company’s profits and are thoroughly committed to its success.”

Even after 14 years with the organization while in California, I am regularly reminded of the power of our culture. Pick up the phone and call another employee anywhere in the country and if they don’t pick up the first time, expect a call back shortly and with a “How can I help?” mindset.

Opening an office in New York and onboarding a new team of talented staff has once again highlighted how powerful our culture really is. New employees are shocked at their first exposure to the collaborative and positive attitude they feel when meeting with other employees. When the light goes on and they realize what they have just joined, it reinforces my passion for this organization.

How do you define the Swinerton difference and what sets the company apart in the industry?

Several years ago, our corporate marketing team performed an exhaustive brand awareness study with the aid of an external agency. Over many months, the agency interviewed hundreds of people, some from within the organization and many from outside, on how they perceived Swinerton in the marketplace. In the final analysis, the agency reported their findings that consistently people felt “peace of mind” when working for or with the organization. Some of this stems from knowing that the job would get done, but also from the positive interactions they have with our people.

Introducing innovative solutions such as new technology, self-performing work, or pioneering procurement strategies like public/private partnerships, are all value-adds that Swinerton can offer, but the true difference is in our people. We stop at nothing to deliver on our commitments and do what we say we will do. It is our people that set us apart in the industry.

Will you discuss Swinerton’s expansion into the New York market and your outlook for growth in New York?

Expanding into New York is a play from the “March to 2030” playbook. It is deliberate in approach, focusing on serving our clients on a national basis and offering a fresh approach to how construction projects are delivered. New York is the largest construction market in the United States with nearly \$60 billion in construction revenues put in place annually across the five boroughs. There are regions in the country that combined don’t come close to those figures.

So, the work is here. Our growth plans are strategic, disciplined and patient. We do not intend to quickly outgrow our ability to deliver on our promise, but rather to build a sustainable business with steady, consistent, and responsible growth year-over-year. Our unique advantage in supporting the New York office is a \$5 billion organization that is financially solvent, debt-free and passionate about the investment strategy.

How is Swinerton planning to address New York City’s post-pandemic recovery, specifically in regard to office space?

The story of COVID-19 and the impacts on the workplace environment are still very much untold. In recent months, New York has seen a significant ramp up in the commuting workforce, signaling the return-to-office future state is real, but what that looks like from a physical environment and what changes may be implemented is still unknown.

Some companies have taken a “wait and see” approach to return their workforce. Others are bullish and have set dates for when employees must report to the office. In both cases, change is inevitable. Trends like the open-floor workplace with high-density seating may not survive a post-pandemic world. Perhaps offices will revert back to hard-walled offices and low-density large stations spread out over larger footprints. Whatever the future may bring, we are confident in our ability to adapt to our clients’ needs, no matter what they may be.

How critical is it for Swinerton to build a diverse and inclusive workforce?

Building high performing teams demands that we explore every avenue to draw the very best and brightest to our industry and develop their talents and leadership. Developing teams that are diverse in experience, background and thought is what has kept us on the leading edge of innovation throughout our existence. In 2020, Swinerton signed AGC’s Culture of Care pledge, which affirms our commitment to a work environment that is free of harassment, hazing and bullying. We commit to hire and pay based on skill and experience, regardless of ethnicity, gender identity, nationality, race, religion, sex or sexual orientation. We retain high-performing employees by identifying and removing barriers to advancement. We empower every individual to promote a culture of diversity and inclusion. Swinerton was included in Fortune’s Best

Workplaces for Diversity and employees are pledged to a “Culture of Care” commitment (Swinerton’s Equity & Inclusion Program).

In order to continue our efforts to educate our employees and encourage a more culturally inclusive environment, we established an Equity & Inclusion Council which reports directly to the Executive Committee. Our vision is to build a workplace that mirrors the diversity of the communities in which we work at all levels of the organization and fosters an environment where all feel safe, respected and able to thrive, and where Swinerton leverages the strengths everyone has to offer.

What do you see as Swinerton’s responsibility to the communities it serves?

Our role in supporting the communities in which we serve is a tremendous responsibility and we take it seriously. Across the organization, we partner with national organizations like Rebuilding Together and American Red Cross, offering resources and expertise to support the cause. Recently, I was honored to be accepted as a Board Member for the local New York City chapter of Rebuilding Together. Next month, our team will be volunteering at GrowNYC, a local nonprofit organization aimed at improving New York City’s quality of life through environmental programs that transform communities.

In 2002, we formed The Swinerton Foundation which helps build sustainable cities and neighborhoods by partnering with community-focused nonprofit organizations to support health, social services, cultural, education and environmental programs that benefit all members of the community. The Swinerton Foundation also serves as a catalyst to encourage and expand the philanthropic endeavors of Swinerton employees.

What advice do you offer to young people interested in building a career in the construction industry?

Stay humble, stay hungry and never stop learning. If you don’t know how to solve a problem, administer a new technology or understand contract language, ask questions. Be a sponge of information and get involved. The construction industry offers such a diverse range of career opportunities, not solely based on operations. Your role today will not be the same years from now. So, stay open-minded and say “yes” to new opportunities, because it’s unknown what will come from them. ●