A recent report from the U.S. Chamber of Commerce’s Center For Women in Business found that women-owned firms have grown at one and a half times the rate of other small enterprises over the last 15 years and account for nearly 30 percent of all businesses. These numbers suggest the significant role that women entrepreneurs play in the economy, leading many to become certified women-owned businesses as well. Carrying that distinction can open doors for these businesses when they compete for contracts in both the government and private sectors.
A multi-step process

Many companies have diversity supplier programs where a certain amount of the products and services they buy are awarded to businesses owned by women. “You’re really coming in as a partner and a value-add from that perspective,” says Candace Waterman, chief of staff of the Women’s Business Enterprise National Council (WBENC), a Washington, DC-based nonprofit third-party certifier of women business enterprises and small businesses. “So there’s a real benefit from having access to the marketplace, being a partner to your customer, and then the economic impact that women have in the country.”

According to Waterman, WBENC has certified about 13,000 woman business enterprises across the country. Businesses that want to apply for certification must be a minimum 51 percent owned, operated, and controlled by at least one woman, who should also have the highest assigned title in the company.

WBENC asks for different documentation depending on the type of business entity that is applying. Besides the majority stake under female control and proof of U.S. citizenship, the applicant might be requested to provide the company’s bylaws to prove she has legal authorization to operate the company, bank papers that show she has control over its funds, as well as management or service agreements, biographies of the owner and executive team, and stock certificates, if appropriate.

After a hard copy of the document package has been reviewed, the WBENC will schedule an on-site review of the business. “We have a good conversation around how the office functions on a day to day basis,” Waterman says. “Who’s in charge? Who makes the decisions and in what areas of the business? Then a big part is: what plans for the future do you have for the company? What are you doing to reach those goals? How are you fulfilling for current suppliers that you may have? We really talk about the operations side of the company.”

The time between the submission of the paperwork and the awarding of certification can take up to 90 days. Fees are set on a sliding scale, typically from $350 to $1,000, depending on the size of the firm. Firms need to reapply for certification every year, although the process is much more streamlined. Even though some states may require additional certification to meet their own local requirements, Waterman says that many will accept WBENC certification after completing an abridged application.

*“Certification is not your sense of entitlement, but a sense of empowerment.”*

Candace Waterman, chief of staff, Women’s Business Enterprise National Council

*“Certification is not your sense of entitlement, but a sense of empowerment.”*
Giving back

For some women business owners, the seed for becoming certified may be planted by the very clients that want to do business with them.

Case in point: Hallie Satz was a third-generation printer in a family business. After it was sold, she stayed on and amassed an impressive sales record. “It was funny,” she explains. “Clients used to say to me ‘If only you were the owner’ because they were really interested in working with a diverse group of suppliers.”

When Satz founded Highroad Press, a Moonachie, New Jersey-based printing company, in 2004, she got certified in her first year. “MetLife was under contract with my old company and other companies, so I really did not start with them,” Satz explains. “But they were kind of the ones who first told me about WBE. [After I got certified,) I was able to reapply to them and go through the request-for-proposal (RFP) process and did get them and they’re still a client.”

Satz sees three core benefits of certification. First, she made it a priority to go to WBE events. As a result of her contract with MetLife, she was able to get more work from other companies that were also looking to do business with a diverse group of suppliers. “That never would have happened if I wasn’t WBE certified because they were looking for WBE certified names,” Satz says. Second, she learned a lot through WBE general business educational panels, especially about topics that were off her radar screen. For example, after hearing how concerned corporate clients were about cybersecurity, “I interviewed our programming and IT people and made sure we had in place proper procedures and insurance,” she says. Third, Satz gives back to her regional chapter and was named a Women’s Business Enterprise Star by WBENC in 2015 for her efforts. “I’m proof that if you show up and engage, you can absolutely build your business,” she adds.

Deserving recognition

For Get Efficient, a Cape Coral, Florida-based consulting and technology integration firm, the certification process took almost three years to complete. As a small business that was trying to get off the ground and which also relocated at the same time, it did not have the resources to devote to expediting the application process.

“They really do go through a rigorous screening process,” says Brandie Fennell Duncan, Get Efficient’s CEO and founder. “They interviewed our customers, came out to me personally, and they wanted to see our business operations. I was impressed with that process. It makes you feel a little more proud about having it because it wasn’t so easy to get. It’s not just a little sticker that somebody puts on your wall. It’s something you truly worked for and shows that you were deserving of it.”
Since becoming certified, Duncan says that she was able to grow her business by 40 to 50 percent. She can’t attribute that solely to certification, but she says that the credibility and added exposure that come with certification likely played a significant part in attracting new business. For example, Duncan says that her business was able to complete a project for a non-profit association that was, in part, looking for a woman-owned business.

Duncan also found networking to be an added benefit of certification. “I had gone to a new member meeting up in Tampa where I met a business owner who was also part of the group,” she says. “She has actually become a mentor of mine over the last year and a half. Learning how she grew her business and how she would get exposure has been extremely helpful. The mentoring aspect for me was invaluable.”