

# The Advantages of Getting Certified as a Woman Business Owner—and How to Do It

As you well know, woman business owners face the typical challenges of running and growing a company and the additional hurdles that come with being a female entrepreneur.

There are some advantages to being a woman business owner as well, but you need to be certified as an official woman-owned business to take advantage of them. Some of the benefits of certification include (but don't guarantee) increased visibility for your business, access to business opportunities you otherwise may not have, and the chance to win government or corporate contracts

## What is Certification?

Decades ago, as small businesses started to emerge in record numbers across the country, the federal government set a goal to award at least 25% of federal contracts to small businesses and 5% to female business owners to help them grow.

There are two types of certification available to women-owned businesses:

1. **Women-Owned Small Business (WOSB):** This designation is used by federal government agencies looking for women-owned companies to do business with. Economically Disadvantaged Women-Owned Small Business (EDWOSB) is a subcategory of WOSBs that meet the criteria for being economically disadvantaged.
2. **Women's Business Enterprise (WBE):** This designation is used by private sector organizations and many state and local governments looking for women-owned companies to do business with.



Here's how it works:

- Federal government agencies are required by law to meet goals for giving a certain percentage of their contracts to WOSBs and EDWOSBs. In industries where women have historically been underrepresented, some federal agencies set aside a portion of their contracts for WOSBs and EDWOSBs.
- In addition, local and state governments, nonprofits, and private sector businesses may have similar quotas to meet. In situations like these, being a certified woman-owned business can help you get in the door to compete with larger companies for contracts.
- Some certification organizations offer additional benefits to members, such as educational programs, conferences, networking events, and matchmaking opportunities.



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## WOSB and EDWOSB Certification

The certification process for WOSBs and EDWOSBs changed in the last few years, making it even “easier for qualified small businesses to participate” in the program by improving the customer experience, says the Small Business Administration (SBA).

The SBA has several web resources offering information about the certification process:

- [WOSB \(Women-Owned Small Businesses\) federal contracting program](#)
- Check eligibility requirements at the SBA's [beta.Certify site](#)
- [Learn more about your options](#)
- Get [answers to FAQs](#).
- More info at the [beta.Certify Knowledge Base](#)

## WBE Certification

You can no longer self-certify your business. Instead, businesses must go through an approved third-party organization or the SBA website at [certify.sba.gov](#). There are four organizations approved by SBA that provide third-party certification for the WBE certification process (as well as WOSB certification). Contact them to find out about their certification process and any associated costs. They are:

- [National Women Business Owners Corporation](#)
- [U.S. Women's Chamber of Commerce](#)
- [Women's Business Enterprise National Council](#)
- [El Paso Hispanic Chamber of Commerce](#)



## Qualifications

Each organization has its own specific guidelines depending on the type of certification you're seeking. To qualify for WOSB certification, your business must:

- Be a small business as defined by SBA (size of the company may vary by NAICS code)
- Be at least 51% owned and controlled by women who are U.S. citizens
- Have a woman/women manage day-to-day operations and also make long-term decisions

To qualify as an EDWOSB, your business must:

- Meet all the requirements of the women's contracting program
- Be owned and controlled by one or more women, each with a personal net worth less than \$750,000
- Be owned and controlled by one or more women, each with \$350,000 or less in adjusted gross income averaged over the previous three years
- Be owned and controlled by one or more women, each \$6 million or less in personal asset



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To get certified as a WBE by the WBENC, for instance, your company must be at least 51% owned, controlled, operated, and managed by a woman or women. “This means one or more women must have unrestricted control of the business, a demonstrated management of day-to-day operations, and a proportionate investment of capital or expertise.”

In addition to certifying female-owned businesses, some certification organizations offer member benefits such as educational programs, conferences, networking events, and matchmaking opportunities. And if appropriate, you can also get certified as a veteran-owned business.

## Other Resources

- The SBA’s [federal contracting guide](#) to help you get started
- The SBA hosts [Procurement Technical Assistance Centers](#) (PTACs) nationwide; these centers provide hands-on assistance for small businesses interested in federal contracting opportunities.
- Before getting certified or competing for federal contracts, your business must register with the [System for Award Management](#) (SAM). Registration is free and enables contracting agencies to find your business when searching for contractors.

For help to guide you through the process, look for free advice from:

- [SCORE](#)
- [Small Business Development Centers](#)
- [Women’s Business Centers](#)



Though getting certified takes some time and costs some money, most women who have gone through the process will attest that it’s worth it for the access it gives your business to contracts you may never have known about otherwise.



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