

Wendi Goldsmith, President  
Bioengineering Group  
18 Commercial St.  
Salem, MA 01970  
617-901-2306  
wgoldsmith@bioengineering.com  
[www.bioengineering.com](http://www.bioengineering.com)



Building Sustainable Communities on an Ecological Foundation

**Bioengineering**  
GROUP

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### **Testimony to US Senate Committee on Small Business & Entrepreneurship**

I am honored to be invited to provide testimony which may help in the formulation and adoption of proposed programs to assist women owned businesses, and particularly those who contract with federal agencies. The firm that I founded in 1992 has been growing, evolving, and working for federal agencies and other clients for over 15 years. Although I am fortunate to have experienced much success along the way, there have been many obstacles and a few near death experiences as an entrepreneur. I am happy to share some of my experiences and lessons learned to help foster insight in federal small business contracting practices, issues related to teaming with large firms, obstacles faced by entrepreneurs, and special constraints encountered by women in business.

My company began working on small-scale projects tied to wetland restoration and river and coastal flood protection, providing research and development and technical training to the US Army Corps of Engineers Waterways Experiment Station and a smattering of other clients. Over the years, due to the technology transfer function of the Experiment Station, we were tapped by a growing number of Army Corps Districts. We began small, performing engineering work initially on pilot scale jobs, but we were afforded incremental opportunities to handle increasingly larger projects. Within the last year, we formed a Joint Venture with ARCADIS, the Dutch-owned firm regarded globally for their expertise in sea defense engineering. Our Joint Venture has received \$200 million worth of contracts to date with the US Army Corps of Engineers focused on planning, design, and construction management of improved hurricane protection infrastructure and related coastal wetland repair in Louisiana. I have been told by the Corps of Engineers that our \$150 million contract is the single largest federal civil engineering contract ever awarded, so clearly this is a success story for women-led business enterprise.

My firm is essentially an engineering company, but we are not conventional civil engineers, we are an interactive team of ecologists, earth scientists, landscape architects, and engineers of different disciplines. We don't

just plan, design, and oversee the execution of various land development and public infrastructure projects, we help involve the community in the decision-making process, and we all work together to achieve environmentally beneficial outcomes. We see each project budget as an opportunity to leave the human and ecological communities in better shape, and we pursue the triple bottom line of economic, social, and ecological benefits in relation to project costs. We find this approach avoids many problems, and wins support from many corners, and most of all leaves the project team proud of our results. It is extremely unusual for an engineering firm to be founded and managed by a woman, and a non-engineer at that (since I am trained as a scientist and designer) and I believe our culture is indeed influenced by my leadership style as a woman, fostering communication and participation by people with differing perspectives. In short, I see women leadership in business as a plus.

Regarding the constraints, I can speak best about my personal experiences in the industry in which I have spent my career. The engineering and construction world is so heavily dominated by men, that although women have slowly become more involved, the number of women in decision-making roles remains quite small. In the first decade of my career, I estimate that fewer than 5% of the decision-makers who were involved in selecting, approving, or managing contracts awarded to my firm were women, and typically these women were relatively new to these roles, hence wielding less influence. This is important because as an engineering consultant, selection is based not on price, but on assessment of qualifications, and most importantly on relationships and past track record. It is virtually impossible to win work through a competitive process without a level of comfort that comes through personal relationships, be they long-term relationships or the rapidly formed relationships that can be developed in the sales and marketing process. In my early career I often faced situations where I was selling to people who “did not look like me” and it was an uphill process.

One way that small businesses typically gain experience, especially in government contracting, is through teaming with large business, and of course there are requirements for large businesses to share work appropriately amongst small businesses. However women still face disproportionate hurdles in forming teaming relationships with large firms, and at times actually suffer unfair costs. In many cases small firms, including women owned businesses are recruited onto teams to help large firms win work as called for in contract solicitations by appearing in the proposals (often at great expense to the small minority and women owned business due to the demands of researching and compiling proposal materials) only to never actually receive work once the contract is awarded. I cringe to recount how many times that happened to my firm, and to tally how much money, namely hundreds of thousands of dollars, my firm

involuntarily contributed in order to help other firms win and perform work while we received none or sometimes a token amount. I can also say that in many other cases the relationships were fair and responsible, though the times we were treated unfairly and at great cost to us were not rare exceptions, but rather an oft repeated pattern. In fact this pattern is inadvertently caused by current small business subcontracting program structures. One key step to changing this pattern and relieving women-owned firms of the extra burden of participating in proposal efforts that yield no subcontracting fruit is to promote prime contracting opportunities for qualified women-owned firms through set-asides and other means. Additionally, the small business community and in particular women-owned firms would welcome greater enforcement of small business subcontracting rules so our efforts are not exploited to help other firms win contracts which they then do not share as represented.

In my view sole source contracting is a valuable tool to boost the position of women-owned business. I experienced sole source contracting first by virtue of being recognized for providing truly unique technical expertise, then later through 8(a) status which afforded my firm sole source access. By gaining government contracts through these mechanisms, I continued to grow and evolve my business, build relationships, and establish technical track records which in turn improved my ability to compete through open channels including outside the federal market. The 8(a) program also facilitated two Mentor-Protégé relationships during the last six years which helped provide management and technical support during challenging periods of development for my business. Similar mechanisms would be beneficial to other women-owned businesses. In addition to benefiting the business who receives sole source contracts, I would like to point out what has often been a clear advantage for the clients who access our firm that way: sole sourcing affords the chance to openly negotiate a set of services, often through thoughtful collaboration between the user and the service provider. The conventional approach to contracting forces a separation between the contractor and the end user and this approach dampens innovation or tailored problem-solving, generally inviting or even enforcing that the methods used to perform work will be established methods. My firm has performed some first-of-kind work, some urgent deadline-driven project facilitation, and other high performance consulting and design services for agencies that could not have accessed the level of quality, creativity, and efficiency through conventional acquisition methods. For instance, we have led the Department of Homeland Security through the process of incorporating green building principles into their new facilities by performing an award-winning level of detailed design and cost-estimating work. We also found ourselves guiding and clarifying for our client along the way how and why the green building approach differs from conventional design decision-making, and generally helping to advance the green building policy within the agency through outreach efforts. In another

case we performed the stakeholder coordination and due diligence process for the transfer of 62,000 acres of land in California with special conservation value. This land transfer had been stalled in the BRAC process for fifteen years, and our innovative and tailored approach helped the Army Corps solve their thorny issue while saving time and money. These examples illustrate how sole-sourcing can benefit federal interests, not only the firms receiving contracts.

In general, as a woman business owner I have faced constraints tied to access to working capital and dismissive treatment by bankers; the need to figure out how and why to tap a network of mentoring and advisory resources, then building one from scratch; and cultural challenges tied to recruiting and retaining male staff. But I won't dwell on these issues – though they are very real – since over time I learned to overcome them. On the flip side, my firm has been greatly successful developing women leaders within the firm, and by building a diverse staff who thrive in a collaborative teamwork-based work environment. I remain very happy with the pursuit of my technical and entrepreneurial calling, and wish to continually share my knowledge and other resources to help others do the same. I would like to recommend and support any measures that will help other qualified women business owners take their vision of success, and their commitment to problem-solving into the federal marketplace with improved policies to help reduce the burdens they will face along the way. All entrepreneurs bravely face risks, and now would be a good time to clear away some of the special obstacles that interfere with women conducting business in the federal sector. We will serve the country well, not only by performing in keeping with expectations, but in many cases by exceeding and re-defining them.

Thank you!