

DO NOT ENTER: Women Shut Out of U.S. Government's Biggest Contracts

WIPP's Latest Report - In Brief

Over the last decade, federal agencies have favored large umbrella contracts with select vendors supplying unlimited goods or services over a specified period. In a first-of-its-kind report, *DO NOT ENTER: Women Shut Out of U.S. Government's Biggest Contracts*, WIPP scrutinized these multiple-award contracts, or "MACs", to determine if they were harming women entrepreneurs specifically.

The analysis examined nineteen MAC's, managed by seven agencies with a total estimated value of over \$253 billion across broad industry segments including information technology, human capital and training, and office supplies.

What the Report Found

- Major contracts reserved awards or "tracks" for socio-economic groups, including 8(a), HUBZone, and Service-Disabled Veteran-Owned Small Business (SDVOSB), but did not reserve a track for Women-Owned Small Business (WOSB)
 - 12 of the contracts analyzed had socio-economic specific tracks, 9 of those contracts or a full three-quarters of the contracts – had no tracks for WOSBs
- ❖ The 8(a) and SDVOSB programs have exclusive IT contracts worth billions of dollars, but no such vehicle exists for WOSBs, making it more difficult for contracting officers to use their services
- Disparities already identified by the U.S. Department of Commerce were reinforced if not exacerbated
 on many of the contracts, including one contract that had no WOSBs
 - o The 2016 Commerce report found women to be **21% less likely to win a contract**, even when controlling for size, age, and past performance of the firm
 - o Many of these contracts had even greater disparities than found in the report
- **❖** *A Silver Lining:* Once access to these contracts is gained, WOSBs are successfully winning at the task order level, providing high quality and innovative services across all industries

What WIPP Recommends

- Ensure Parity: When tracks are used for specific socio-economic groups on MACs, all groups, including WOSBs, should be represented
- ❖ WOSB GWAC: Create a Governmentwide Acquisition Contract (GWAC) for WOSB firms to provide IT services to all agencies, similar to 8(a) STARS and SDVOSB VETS
- ❖ **Onboard Companies:** Add and enforce a robust onboarding process for contracts already underway, as some contracts are 10 years long, allowing more women-owned firms to join an existing contract.
- **❖ Improve Reporting**: Clearly identify companies on MACs and their socio-economic status to demonstrate diversity of firms and allow contracting officers to easily find WOSBs

A copy of the full report is available on WIPP's homepage at www.WIPP.org.