

Client Profile: n-Link Corporation

By Ron Zollars



In the world of mathematics the universal factorial symbol "n" is used as part of an algebraic equation. For a high-technology and engineering-services corporation and its employee owners, the symbol represents the company's mathematical "n" number of "links" between the people and technology where its "creative minds provide for n-finite solutions" (n-Link's slogan). The company's upside down organization chart logo reflects these "links" and its culture of "servant leadership".

Located in the Pacific Northwest, n-Link Corporation is based out of the picturesque city of Bend, Ore. The company began its operations in 1995 as a women-owned, small business entity with the vision to create a 95 percent employee-owned company, where its employee owners provide value to their customers, employees and stakeholders. Today, there are approximately 120 employees dispersed throughout 25 states across the country.

n-Link Founder Sandra Green explained that in the early days she wasn't exactly certain what employee ownership entailed but knew intrinsically that it was a good thing for the company and the employees. Green felt that if the company could engage its employees that serve their customers to think like owners, then the company can grow and the employee's share value can grow. "We didn't have a clue what an employee stock ownership plan (ESOP) was and how we would award stock," said Green. "It wasn't until I had met with a former colleague from PRC (and later SAIC) that I realized I could learn a lot more on the subject of employee ownership. He suggested that I attend a conference being hosted by Dr. Beyster's non-profit Foundation for Enterprise Development. That following year I registered a few of my management team and myself to attend the annual employee ownership conference in San Diego. After 16 years, between 10-20 of our employee owners and I continue to attend these annual conferences, co-hosted by the Beyster Institute and the National Center for Employee Ownership (NCEO). We

enjoy the incredible learning opportunities - not just on employee ownership, but also on many other subjects like corporate governance, mergers and acquisitions using the ESOP, ownership thinking, leadership, collaboration, financial literacy training techniques, legislative updates that impact ESOP-owned companies, and many other great topics.



Sandra Green
founder, chairman and
CEO, n-Link Corporation

Green received a Master of Science degree under the Department of Electrical Engineering from the University of Massachusetts Lowell with a concentration in communications and information systems. Earlier she achieved an undergraduate degree in Urban Planning from Salem State College in Massachusetts. Prior to starting n-Link, Green worked at several research firms in Washington, D.C. The expertise she provided to their customers was in the area of broadband coaxial cable designs of LAN/WAN and campus-wide networks for data communications. While the work was rewarding she still felt something was missing. “I recognized that I needed to do something for me. I was building the company but didn’t feel I was building my skill base,” Green said. “I noticed quite a shift in management styles between the original founder of the company and her husband. She was very much into what your goals were and how you could achieve them. Unfortunately, he was more into what can you do for me. Some of the dysfunctional management and leadership styles I observed were my catalysts to do things the right way. That was when I realized if I ever had a company, I was going to do everything I could to dedicate the company to enhance the goals of the employees. The company would in turn benefit. I’d have the employees drive their desire and commitment. When the company I worked for decided to renege on a stock agreement after performance objectives were achieved, that was the defining moment when I realized the time had come to start my company.”

At the outset n-Link established itself as a company that would provide superb technical expertise and help solve complex problems. n-Link was incorporated in Washington State and had offices near the Navy (Bremerton, Wash.) and the eastside (Bellevue, Wash). “The first contract was in 1998 for the U.S. Army Corps of Engineers in Portland to provide C++ programmers,” said Green. “On the heels of that came a contract with the U.S. Forest Service in Bend, Ore. to provide Java programmers. Under the GSA Region 10 contract – larger firms who had contracts were not thrilled about doing work in some of the outlying areas. We on the other hand, were not picky about where we were willing to travel to meet with the customer so Bend was one of those remote locations. We began traveling every month to visit our customers at

various sites and we'd take employees to lunch to strengthen our bond to them and to 'serve' them as they 'serve' our customers. That feeling of wanting to do the right thing for the customer and the employees from the beginning was how we wanted to conduct business."

The company's customer base at n-Link is diverse and its decentralized structure allows them to be flexible and rapidly adapt to meet the individual customers' needs. The Army Corps of Engineers and U.S. Department of Agriculture (USDA) have been two of its largest customers. "We had about five contracts with the Corps of Engineers," said Green. One was an agency-wide contract called Corps of Engineers Enterprise Infrastructure Services which required the design, installation and management of a Network Operations and Security Center for 70 district locations across the U.S. and in Korea. Included were firewalls, intrusion detection systems, managing throughput, and providing three-tiered help desk support. Then we bid on a USDA contract that was full and open called ITSS2 against some of the largest multibillion dollar companies and won first place technically which led to one of several awards. The first task order that was issued under this contract we won to provide a prototype for a single sign-on solution. Later, this solution was adopted as USDA's agency-wide solution called eAuthentication. From a successful prototype in 2002 to USDA winning the 2004 Federal Office Systems Exposition award for top 10 e-government applications, n-Link now had performed two crown-jeweled contract efforts that were agency-wide solutions."

In her pursuit of setting up an ESOP in 1999, Green said it was equally important to her that the company be founded on a solid ethical base. "I wanted to ensure we had impeccable core values. This is the employees' company and I'm interested in their vision and values."

There were, however, some roadblocks encountered in the beginning. Green cautioned that it's important to do your homework when setting up an ESOP and admitted that she made some costly mistakes early on. "I didn't know I needed to have the precise wording 'money purchase' in our resolution when the Board approved the ESOP in 1999," said Green. "The attorney we worked with said you don't have those exact words so you can't contribute 25 percent of the employees' compensation into the account. That was extremely disappointing for us. We had intended to contribute \$220,000 into the ESOP but instead were limited to \$120,000 and had to pay Uncle Sam a huge chunk." Green said the lesson learned from the experience is to create a team where each ESOP advisor knows one another and works together when issues come up. There are a lot of people involved such as the valuation consultants, plan designers, ESOP attorney, trust attorney, fiduciaries and administrators. Knowing their roles and when to engage them will help.

Earlier this year, Green determined that she wanted to create a corporate advisory board. The idea behind this would be for employees at n-Link to be given a representative voice to speak on behalf of all employees as well as work with seasoned professionals who are very knowledgeable on the topic of employee ownership. Gary Sick, a 13-year employee and software architect at n-Link provides software development services to the Bonneville Power Administration in Vancouver, Wash. Sick is also one of two employees selected to be part of the newly formed advisory board. Gary explained that what currently is known as the corporate advisory board eventually will become the n-Link board of directors – consisting of two employee-owner directors and four external directors. "As a member of the corporate advisory board, I want to

see this goal achieved with an n-Link board of directors that is fully engaged and committed to the ideas of employee ownership and consists of directors that are strategically aligned with the long-term corporate goals and vision,” said Sick.



Gary Sick, certified employee owner (CEO). And one of two CEO's that serve on n-Link's Corporate Advisory Board

From a personal perspective, Sick said that employee ownership has provided him a valuable investment opportunity and is helping him to attain a comfortable retirement for the future. “But on a more personal level it has given me the opportunity to work with a group of really creative and brilliant people who are all dedicated to this concept of employee ownership,” said Sick. “These employees are working hard to build a successful company that embodies the ideals of employee ownership.”

At n-Link, the management team feels it is important to motivate and reward the employees for excellent performance. Being recognized for outstanding achievement and receiving awards is not unusual for n-Link. In 2011, Inc. Magazine selected n-Link for one of the magazine’s “Top 50 Winning Workplace” awards.

“We were one of only two companies in Oregon that won,” said Green. “I think a lot of the employees at a job site see opportunities that they would never have realized as opportunities for growth, for themselves and for the company. Now it’s their company. They know they can do a better job than the competitors. So it’s a mindset change evolving from being an employee to becoming (and thinking like) an owner.”

The company backs up what they say and generously invests in the individual employee. “The last two years, we have contributed 25 percent of an employees’ salary into the ESOP, along with a four percent match in the 401K,” said Green. “We also have paid up to \$15,000 per year for educational allowance on such key certifications as PMP (program management) and Federal Enterprise Architecture. We bonus them \$2,500 for their effort once the certification is earned.”

Green also emphasizes the importance of a management team that works hard to incentivize, empower and serve its employee owners in the field. “They are the critical link to building trust across the company so our employee owners in the field and our infrastructure staff at our headquarters and regional offices operate as one united force – serving one another while serving the customer.”

We asked Sandra Green about her future plans and what she would like to accomplish in the industry before she leaves. She said she intends to remain active at n-Link for another 10 years. “Information technology services are becoming more and more commoditized and the future will be in the hands of the employees,” said Green. “Today, an employee needs to be very entrepreneurial to think outside of the box to create efficiencies that help reduce the customer’s IT costs. That is where we’d like to go on a consistent basis. Get employee owners to think like owners, constantly pushing the envelope, bringing unique ideas to the customer so we can go to another level where the costs are continually declining because you are using innovation to get the job done. In essence, become better, cheaper and faster.”

According to Gary Sick, n-Link became a 100-percent employee-owned company about a year and a half ago. “It has taken 13 years to arrive at this point. I do not believe this would have been achievable without the vision and dedication of Sandy Green, our founder. She started this company 15 years ago with a vision at the very outset of instilling employee ownership ideals. Of course none of us at that time knew what that really meant, even less so how to achieve it. We received a lot of help along the way from the Beyster Institute, the NCEO and numerous consultants who have attended our yearly team events to provide training to our employee owners and help us succeed. We can’t thank them enough.”

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