

Small Business Leaders Perceptions of Factors Facilitating Successful Performance in Government Contracts

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Abstract

This descriptive study explored factors in leadership used by some small business leaders for successful performance in government contracting and was conducted by interviewing small business leaders in Washington, DC. Clustering themes according to Moustakas's modified van Kaam method were used to organize, analyze, interpret, and provide meaning to participant accounts of the phenomenon and how they succeed.

Problem

Approximately \$517 Billion or 25% of discretionary federal spending goes to contract awards (U.S. Government Accountability Office [GAO], 2014; Johnston & Girth, 2012). **Incentivizing poor performing contractors, cost the government between \$15 and \$40 billion to fix defective acquired systems** (Girth, 2014; Shull, 2013). **This cost element includes the 23% of the contract award dollars set aside to incentivize small business participation** (Snider, Kidalov, & Rendon, 2013).

Some small businesses lack:

- Access to resources for successfully implementing success measures in organizations (Metcalf & Benn, 2012).
- Leadership strategies that increase sustained success in government contracts.
- Knowledge of factors in leadership for successful performance in government contracting.

Purpose

The purpose of this research study was to explore factors in leadership small business leaders use for successful performance in government contracting.

Data derived may:

- Assist small enterprise leaders and government contracting officers in decision making in make or buy decision.
- Fill gaps in leadership education for business leaders aspiring to participate in government contracting opportunities.

Relevant Literature

Dimitri (2013) Effective procurement is an important subject for businesses.

Newman-Storen (2014) Creative thinking strategies are crucial to long-term development and successfully directing companies through success related requirements.

H. Walker, Miemczyk, Johnsen, & Spencer (2012) Identified social or societal, ecological, and economic dynamics as sustainable procurement and supply chain aspects.

Metcalf & Benn (2013) Explored transformational and servant leadership styles supporting successful corporate social responsibility and sustainability in organizations.

Research Questions

What factors in leadership do small business leaders use for successful performance in government contracting?

- What leadership factors experienced do you find are most effective for long-term successful performance in government contracts?
- What leadership behaviors do you believe are attributes that leaders/managers employ while performing in government contracts?
- How do you believe these attributes influence contract performance?
- How does the contractor–government relationship impede or affect performance?
- What do you believe are the apparent or experienced impediments or obstacles that small business leaders face when performing in government contracts?
- What available resources do business leaders use to assist in achieving success in government contracts?

Procedures

Qualitative Descriptive Design (Moustakas, 1994; Shields & Rangarjan, 2013).

Method

- Purposeful sampling, population with success experienced in the phenomenon
- 10-minute socioeconomic questionnaire
- Semistructured open-ended interviews

Participants

- Small business leaders
- Located within 30 miles of Washington, DC
- Favorable performance rating on at least three government contracting opportunity

Data Analysis

Nvivo, Moustakas's (1994) modified van Kaam

- Extrapolating horizontalized statements
- Use statements to list the units of meaning
- Clustering units into themes
- Develop textural descriptions
- Integrating textural descriptions into meaning and essence

Findings

Some success factor leaders exhibit:

- Persistence
- Leading People
- Leading by Example
- Diplomacy
- Building and Fostering Relationships

Barrier to successful performance:

- Delayed Payments
- Lack of Access to Cash Flow
- Lack of Understanding of Government Bureaucracy
- Lack of Resources
- Inability to Foster Relationships

Available resources to achieve success:

- Networking and Education
- Business Development and Capture Planning
- Organizations Involvement
- Teaming and Mentoring

Limitations

Participants limited to Washington DC area. Findings may not apply to all industries in all areas of the country.

Inconsistencies in definitions of success factors.

Limited availability of information on variables that affect performance and government contracts.

Lack generalizability for all contract types or all services.

May not include insight into the applicability among the various levels of government.

Conclusions

Leaders must use resources to learn the industry and build relationships to stay abreast of the many nuances for success. The Government can facilitate by improving regulations and treatment of small businesses in the acquisition process. Through fostering relationships small business leaders can obtain strategies for sustained success.

Social Change Implications

Implementing successful factors may influence social change through

- The identification of leadership factors to increase success of small businesses.
- Provide information for aspiring or struggling companies to increase performance and contracting opportunities.
- Encourage various business leaders within socioeconomic groups with access to federal set-asides.
 - Minority-Owned Small Business
 - Women-Owned Small Business
 - Veteran-owned Small Business

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