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Veterans First Contracting Program Preference Hierarchy: Effect on Veteran-Owned Small Business

Harry Parker
Walden University

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Walden University

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Harry Parker

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Walden University
2016

Abstract

Veterans First Contracting Program Preference Hierarchy:
Effect on Veteran-Owned Small Businesses

by

Harry I. Parker

MS, Mercy College, 2004

BS, Empire State College, 2002

Dissertation Submitted in Partial Fulfillment
of the Requirements for the Degree of
Doctor of Philosophy
Public Policy and Administration

Walden University

November 2016

Abstract

U.S. Department of Veterans Affairs (DVA) leaders created a Veterans First Contracting Program (VFCP) under Public Law 109-461 to provide procurement opportunities for veteran-owned small businesses (VOSBs) and service-disabled veteran-owned small businesses (SDVOSBs). However, DVA leaders established a preference hierarchy that increased opportunities for SDVOSBs and decreased opportunities for VOSBs. Research was lacking regarding the effects of the preference policy on VOSBs as a distinct small business category. The purpose of this phenomenological study was to explore and understand the experiences of 20 VOSB owners actively enrolled in the VFCP from Maryland, Virginia, and District of Columbia. Through the lens of distributive justice theory, this study examined the perceptions of VOSB owners about seeking access to VFCP procurement opportunities. These perceptions were examined within a framework of fairness. Qualitative data was collected through semistructured interviews resulting in coding and thematic analysis according to Moustakas modified van Kaam method. Findings uncovered 3 major themes: (a) VOSBs perceived a benefit to VFCP enrollment, (b) preference afforded SDVOSBs affects VOSBs motivation and VFCP competition structure (c) VOSBs perceived an unfair opportunity distribution between SDVOSBs and VOSBs. The study informs government leaders of the need to improve VOSB standing as a small business group. Implications for positive social change may be realized with a policy adjustment designed to strengthen VOSB access to federal procurement opportunities because increased competition has the potential to promote DVA cost savings.

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Dedication

I dedicate this dissertation to my grandfather Harry C. Parker and my grandmother Ethel M. Parker, both deceased. My grandparents created a memorable foundation for me as a child, and their love and caring has always been a source of inspiration. Finally, yet importantly, I dedicate this work to veterans past, present, and future with an understanding that through their sacrifice the nation is able to endure.

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I would like to acknowledge and thank Dr. Richard J. Fost, who planted the seed of personal discovery many years ago. I also thank my family, who gave me the love and space necessary to complete the work. The commitment and support that I received from my Walden University committee was exceptional and I remain eternally grateful to Committee Chair Dr. Hilda Sheppard, Methodologist Dr. Raj Singh, and URR Dr. Paul Rutledge.

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Table of Contents

| | |
|---|-----|
| List of Tables | vi |
| List of Figures | vii |
| Chapter 1: Introduction to the Study..... | 1 |
| Background of the Study | 3 |
| Problem Statement | 6 |
| Purpose of the Study | 8 |
| Research Questions | 8 |
| Theoretical Framework..... | 9 |
| Nature of the Study | 10 |
| Definitions..... | 11 |
| Assumptions..... | 13 |
| Scope and Delimitations | 14 |
| Limitations | 15 |
| Significance of the Study | 16 |
| Summary | 18 |
| Chapter 2: Literature Review | 20 |
| Introduction..... | 20 |
| Literature Search Strategy..... | 22 |
| Theoretical Foundation | 23 |
| Distributive Justice Theory | 23 |
| Theoretical Propositions | 24 |

| | |
|---|----|
| Theoretical Application | 26 |
| Theoretical Rationale | 27 |
| Veterans First Contracting Program | 29 |
| Introduction..... | 29 |
| Priority Preference | 30 |
| Constructs of Interest | 31 |
| Government Accountability Office..... | 33 |
| Introduction..... | 33 |
| Small Business Research | 34 |
| Federal Procurement Data System – Next Generation | 35 |
| Federal Small Business Landscape..... | 37 |
| Introduction..... | 37 |
| Veteran-Owned Small Businesses | 39 |
| Competition and Government Contracting..... | 41 |
| Introduction..... | 41 |
| Barriers to Competition..... | 43 |
| Government Barriers..... | 45 |
| Small Business Challenges | 47 |
| Preference and Government Contracting..... | 49 |
| Introduction..... | 49 |
| Preference and Access | 49 |
| Summary and Conclusions | 53 |

| | |
|---|----|
| Chapter 3: Research Method..... | 56 |
| Introduction..... | 56 |
| Research Design and Rationale | 56 |
| Research Questions..... | 56 |
| Phenomenological Research Design Rationale | 57 |
| Role of the Researcher | 59 |
| Methodology..... | 61 |
| Participant Selection and Sampling Strategy..... | 61 |
| Instrumentation and Data Collection | 65 |
| Procedures for Recruitment, Participation, and Data Collection..... | 67 |
| Data Analysis | 68 |
| Issues of Trustworthiness..... | 69 |
| Validity and Reliability of Qualitative Data | 69 |
| Informed Consent and Ethical Considerations | 72 |
| Summary..... | 75 |
| Chapter 4: Results..... | 77 |
| Introduction..... | 77 |
| Setting | 78 |
| Demographics | 78 |
| Data Collection | 80 |
| Data Analysis | 80 |
| Preliminary Grouping | 81 |

| | |
|--|-----|
| Reduction and Elimination | 81 |
| Clustering..... | 82 |
| Thematic Identification..... | 82 |
| Evidence of Trustworthiness..... | 84 |
| Results..... | 85 |
| Major Theme 1..... | 86 |
| Major Theme 2..... | 89 |
| Major Theme 3..... | 96 |
| Summarized Textural Descriptions..... | 98 |
| Summarized Structural Descriptions | 115 |
| Combined Textural-Structural Description..... | 120 |
| Summary..... | 122 |
| Chapter 5: Discussion, Recommendation, and Conclusion, | 125 |
| Introduction..... | 125 |
| Interpretation of the Findings..... | 126 |
| Central Research Question..... | 126 |
| Subquestion..... | 130 |
| Limitations of the Study..... | 133 |
| Recommendations for Future Studies..... | 133 |
| Implications..... | 134 |
| Conclusion | 136 |
| References..... | 137 |

| | |
|--|-----|
| Appendix A: Interview Guide..... | 158 |
| Appendix B: Invitation to Participate | 161 |
| Appendix C: Confidentiality Agreement (Transcription Service)..... | 162 |
| Appendix D: Veteran Referral Information | 163 |
| Appendix E: NIH Human Subject Research Certificate..... | 164 |

List of Tables

Table 1: Comparison of VFCP Awards Made to VOSBs and SDVOSBs in 2013, 2014, and 201536

Table 2: Demographics of the Participants79

Table 3: Major Theme 1: Acquiring Certification and Benefits Enticed VOSB Business Owners to Participate in the VFCP86

Table 4: Major Theme 2: Preferential Options to SDVOSBs Affect VOSB Owners’ Motivation and Changes the Competition Structure of the VFCP90

Table 5: Major Theme 3: Unfair Opportunity Distribution Between VOSBs and SDVOSBs96

List of Figures

Figure 1. Comparison of VFCP awards for 2012, 2013, 2014 and 2015.37

Chapter 1: Introduction to the Study

The Veterans First Contracting Program (VFCP) is a small business set-aside program specific to the U.S. Department of Veterans Affairs (DVA). The VFCP was implemented in 2006 under Public Law 109-461 to provide procurement opportunities to service-disabled veteran-owned small businesses (SDVOSBs) and veteran-owned small businesses (VOSBs) by increasing access to DVA contract dollars and restricting competition (Manuel & Lunder, 2012; Veterans Benefits, Health Care, and Information Technology Act, 2006). The VFCP is the only federal small business program that gives VOSB owners the ability to participate in set-aside procurement opportunities as a distinct socioeconomic category (Manuel & Lunder, 2012; McGann, 2014). A paradox exists because the VFCP contains a preference hierarchy that gives SDVOSBs priority over VOSBs, which diminishes VOSBs' access to DVA contract opportunities (DVA Office of Acquisition and Logistics, 2013; McGann, 2014).

Regular veterans own approximately 2.2 million businesses, compared to approximately 155,652 businesses owned by veterans who reported having a service-connected disability (U.S. Census Bureau, 2015). Considerably fewer veteran business owners have a service-connected disability than regular veteran business owners (U.S. Census Bureau, 2015). As a result of the Veterans, Entrepreneurship, and Small Business Development Act of 1999 and the Veterans Benefit Act of 2003, SDVOSB owners have access to 3% of the approximate \$460 billion allocated across 24 federal agencies (Kang & Miller, 2015; U.S. Small Business Administration [SBA], 2015). Even though SDVOSB owners can participate in procurement opportunities in every federal agency, as

the smaller group they also retain a competitive advantage over VOSB owners within the VFCP (McGann, 2014).

This study is important because the VFCP policy proclaims equal support for improving the economic condition of SDVOSBs and VOSBs (Veterans Benefits, Health Care, and Information Technology Act, 2006). However, SDVOSB owners received more than \$3 billion in procurements annually in 2013, 2014, and 2015 compared to less than \$500 million awarded to VOSB owners within the same period (Federal Procurement Data System Next Generation [FPDS-NG], 2015). The growth and financial stability of VOSBs is no less significant than that of SDVOSB owners, recognizing that the goal of government small business set-aside programs is to stimulate procurement opportunities for designated categories (Cullen, 2012; De Silva, Dunne, Kosmopoulou, & Lamarche, 2012; Mee, 2012).

Small business growth is a central component of the national economy, and small business progress equates to job creation, innovation, and a sustainable marketplace (Bressler, Bressler, & Bressler, 2013; Steiner & Cleary, 2014). Improved VOSB access to VFCP procurement opportunities can be a good start to further VOSB development (McGann, 2014). Researchers have primarily focused on investigating set-aside programs, preference, and competition as separate procurement-related topics (Hawkins & Muir, 2014; Johnston & Girth, 2012; Mee, 2012). In this qualitative phenomenological research study, I explored and described VOSB owners' perceptions and experiences of the VFCP to give policy makers a better understanding of VOSBs as a socioeconomic small business group. The findings add to the body of procurement-related literature.

Following this introduction, the background of the study, problem statement, purpose statement, research questions, theoretical foundation, nature of the study, definitions, assumptions, scope and delimitations, limitations, significance, and a summary appear in Chapter 1.

Background of the Study

The federal government has been an important advocate of the small business community since the inception of the Small Business Act of 1953. The 1953 act resulted in the formation of the SBA (Cullen, 2012; SBA, 2015b). The focus of the SBA mission is assisting members of the small business community through counseling, financial assistance, and facilitating sustained access to federal procurement opportunities (Cullen, 2012; Manuel & Lunder, 2013; SBA, 2015b). Administrators at the SBA monitor the federal government's use of four small business set-aside programs: woman-owned small businesses (WOSBs), small disadvantaged businesses (SDBs), historically underutilized small businesses (HUBzones), and SDVOSBs (SBA, 2015a). Veteran-owned small businesses are not in the SBA's small business goal initiative, but the SBA recognizes VOSBs under the auspices of the VFCP (SBA, 2015a). According to Cullen (2012) and Mee (2012), the leaders of many federal agencies have not been able to meet the SBA's prime contracting goal of awarding 23% of government contracts among the four small business categories. The shortfall noted by Cullen and Mee highlights the need for improvement in the allocation of small business set-aside procurement opportunities (Cullen, 2012; Mee, 2012).

According to Dimitri (2013), competition is an essential component of effective procurement that encourages innovation and acts as a stabilizer in the economic market. The members of Congress established the Competition in Contracting Act of 1984 (CICA) to promote fair and open competition on all federal contracts (CICA, 1984). A caveat in the CICA references full and open competition after excluding sources (CICA, 1984). The reference to the exclusion of sources allows contracting officers to implement set-aside contracting procedures that limit competition to the designated category (CICA, 1984; Manuel, 2011). The VFCP is the only federal small business set-aside program that restricts competition within the set-aside program (McGann, 2014). For example, VOSB owners are not able to participate in SDVOSB set-aside opportunities, but SDVOSB owners can participate in VOSB set-aside opportunities (DVA Office of Acquisition and Logistics, 2013). The VFCP preference language also encumbers VOSB owners by stipulating that as long as two or more SDVOSBs can compete on a contract, a contracting officer must set the opportunity aside for an SDVOSB (DVA Office of Acquisition and Logistics, 2013).

Tammi, Saastamoinen, and Reijonen (2014) reported a decreased rate of participation of small and medium-sized businesses in public sector procurement opportunities limited the benefits of full and open competition. Nicholas and Fruhmann (2014) reiterated the need for public policies that increase small business owners' access to public procurement opportunities by encouraging competition. Researchers from the U.S. Government Accountability Office (GAO) also noted the importance of promoting competition in federal contracting by observing that competition increases the probability

of improved goods and services at lower prices (GAO, 2014a). The findings in several small business studies supported the premise that competition is an important driver in small business growth (Boas, Dias, & Amtmann, 2014; Loader, 2011; Onur, Ozcan, & Tasm, 2012; Washah, Dickenson, & Paterson, 2013).

According to Manuel and Lunder (2012), preference programs are important because contracting officers have the ability to restrict competition to a specific socioeconomic category. Hawkins and Muir (2014) reported that public procurement officials face many regulatory challenges that add to the complexities associated with the effective implementation of preference programs. Some researchers have contended that preference programs are an important policy mechanism that fosters small business participation and restricts it at the same time (Fernandez, Malatesta, & Smith, 2012; Krasnokutskaya & Seim, 2011; Schmidt, 2011; Snider, Kidalov, & Rendon, 2013). Schmidt (2011) noted that open competition in contracting could meet market demand without preference programs. In contrast, Reis and Cabral (2015) indicated that preference programs improve small business participation in public procurement endeavors.

The GAO is the agency responsible for conducting research to evaluate the effectiveness of the VFCP (GAO, 2012a). Studies conducted by GAO researchers have left a significant gap that prevents the development of a balanced understanding of VOSB participation in the VFCP because GAO researchers evaluated contract awards made to SDVOSBs as awards to VOSBs (GAO, 2010, p. 5). The GAO research findings reported SDVOSB success as VFCP success, even if a VOSB did not receive a single contract

award (GAO, 2010, 2013). Researchers at the GAO have conducted studies on many federal small business programs, but a search of GAO literature did not reveal any research on VOSB as a stand-alone program focus (GAO, 2012b, 2012c, 2013, 2014b).

This study was necessary because the literature concerning veterans as a small business category addresses SDVOSB and VOSB collectively (GAO, 2011, 2012c, 2013). In this study, I explored VOSB owner perceptions within the VFCP as a separate small business group. Best (2013) reported that approximately 1 million veterans would be returning to civilian life between 2013 and 2018, only to face high unemployment and other transitional challenges. The sacrifices VOSB owners make require the same federal commitment that SDVOSB owners receive (McGann, 2014).

Problem Statement

A problem exists in the VFCP, as underscored by a report made by the DVA Office of Inspector General (OIG) to the House of Representatives on February 7, 2012. An important aspect of the congressional inquiry covered the award of approximately \$3 billion in contracts to SDVOSBs, compared to less than \$500 million in contracts to VOSBs in the same year (Finn, 2012). The disparity in contract awards highlighted in the OIG report is consistent with FPDS-NG reports for 2013, 2014, and 2015 (FPDS-NG, 2015).

Researchers from the SBA Office of Advocacy estimated that there are approximately 155,652 service-disabled veteran businesses compared to approximately 2.2 million veteran-owned businesses (Lichtenstein, 2013; U.S. Census Bureau, 2015). According to the SBA report, the awards made to SDVOSBs far exceed the awards to

VOSBs when considering the demographic disparity between the two. The disparity in contract awards is significant because the congressional language in Public Law 109-461 indicated the procurement opportunities to SDVOSBs and VOSBs would be equal (Veterans Benefits, Health Care, and Information Technology Act, 2006). The current administration of the VFCP created a gap in economic opportunity for VOSBs (McGann, 2014).

Various factors may be contributing to the problem, such as the VFCP preference hierarchy that gives SDVOSB owners priority over VOSB owners based on a service-connected disability rating ranging from 0 to 100% as defined by the DVA (DVA Office of Acquisition and Logistics, 2013; Veterans Small Business Regulations, 2012). Veteran-owned small businesses are second tier to SDVOSBs due to a disability criterion that does not differentiate between a true disabling condition and a medical injury (McGann, 2014). The VFCP preference hierarchy restricts VOSB access to DVA procurement opportunities because the language makes clear that as long as two or more SDVOSB owners can compete on a contract, the opportunity must be set aside for SDVOSBs (DVA Office of Acquisition and Logistics, 2013).

Researchers have conducted many small business studies to explore the role of competition in fostering small business growth (Atkinson & Sapat, 2012; Dimitri, 2013; Tiftik & Zincirkiran, 2013). However, an extensive review of the literature revealed no studies in which researchers directly explored the experiences of VOSB owners seeking access to VFCP procurement opportunities. Researchers at the GAO are responsible for conducting inquiries on the effectiveness of the VFCP, but they have not conducted

research on VOSB as a standalone topic (GAO, 2012a). Procurement research is an emerging research domain, and this study adds to the body of social science literature by providing theoretically based research findings on VOSB owner experiences (Flynn & Davis, 2014).

Purpose of the Study

The purpose of this qualitative phenomenological research study was to explore, understand, and describe the essence of the perceptions of 20 VOSB owners in seeking access to VFCP procurement opportunities as prime contractors. Through the lens of distributive justice theory, the focus was to explore, understand, and describe VOSB owners' perceptions and experiences within a framework of fairness. The preference afforded SDVOSBs over VOSBs was the central phenomenon of interest. I conducted this research through semistructured interviews with VOSB owners actively enrolled in the VFCP. While the VFCP is a national program, participants for this study were from Maryland, Virginia, and the District of Columbia.

Research Questions

To explore, understand, and describe the essence of the perceptions and experiences of VOSB owners' participation in the VFCP, this phenomenological study included one central research question: What are the perceptions of VOSB owners about seeking access to VFCP procurement opportunities? The only subquestion was as follows: What are the perceptions of VOSB owners about the fair allocation of procurement opportunities within the VFCP?

Theoretical Framework

Distributive justice theory served as the theoretical lens to explore VOSB owners' perceptions of the preference afforded SDVOSB owners. John Rawls was the originator of distributive justice theory, and the theory has a longstanding history as a theoretical model (Rawls, 1971). Distributive justice theory was suitable because researchers have successfully applied it to a myriad of social science research domains to understand perceptions of fairness (Cohen, 1987; Logar, 2013; Michelbach, Scott, Matland, & Bornstein, 2003; Miller, 1992).

According to distributive justice theory, the fair distribution of an opportunity is a form of justice in which an opportunity does not guarantee a favorable outcome (Pignataro, 2012). Pignataro (2012) and Cutler and Waine (2012) reported that a disparity in opportunities among people or groups results in perceptions of unequal treatment. The suppositions made by Pignataro and by Cutler and Waine received reinforcement from Cohen (Cohen, 1987; Cutler & Waine, 2012; Pignataro, 2012). Making opportunities available can be representative of equality, even though there may be an unequal distribution of resources (Cohen, 1987; Cutler & Waine, 2012; Lister, 2013; Pignataro, 2012).

Distributive justice theory related to this qualitative phenomenological research study because the results of the FPDS-NG database for 2013, 2014, and 2015 confirmed that SDVOSB owners received substantially more opportunities than VOSB owners did, even though VOSBs outnumber SDVOSBs (FPDS-NG, 2015; U.S. Census Bureau, 2015). The process of answering the central research question and research subquestion

involved exploring the essence of VOSB owners' perceptions and experiences with a focus on the fair allocation of procurement opportunities. Distributive justice theory has value in the study of policy decisions and in the way those decisions affect stakeholder perceptions of fairness (Burleigh & Meegan, 2013; Cutler & Waine, 2013; DeBres, 2012). Chapter 2 includes a detailed analysis of distributive justice theory and the reasons for its use in this study.

Nature of the Study

A qualitative phenomenological research approach was suitable for this study because the study involved an in-depth exploration into the essence of VOSB owners' perceptions in response to their lived experiences (Moustakas, 1994; Patton, 2002). Chouinard (2013) and Traber (2013) noted that policy research that involves affected stakeholders has the potential to promote accountability and better decisional outcomes. Existing data confirmed that the preference afforded SDVOSBs has marginalized VOSBs (FPDS-NG, 2015; McGann, 2014). Quantitative and mixed methods approaches received consideration but an exploratory research design was more suitable for the phenomenon under study. The qualitative phenomenological approach provided empirical insight into the VFCP preference policy, which adds balance to existing procurement research.

In this study, I explored and described the perceptions and experiences of 20 VOSB owners about seeking access to VFCP procurement opportunities as prime contractors. Owners of SDVOSBs have priority preference over owners of VOSBs, which diminishes VOSB access to VFCP procurement opportunities (DVA Office of Acquisition and Logistics, 2013). Participants were from Maryland, Virginia, and the

District of Columbia. The geographic catchment area was suitable because the DVA headquarters, located in Washington, DC, encompasses the Veterans Health Administration, Veterans Benefits Administration, and the National Cemetery Administration (DVA, 2013). Maryland, Virginia, and the District of Columbia are a tristate zone for the District of Columbia metropolitan region (U.S. Department of Labor, 2015).

Data came from VOSB owners who met the purposive sampling criteria through semistructured interviews with the intent of gleaning experiential information for the purpose of data analysis. According to Englander (2012), the purpose of interviews conducted within a phenomenological construct is to seek to understand a phenomenon from the experiences of the participants. After transcriptions of the interviews were completed, coded and analyzed, the data facilitated the development of three themes that correlated with the interview questions. Data analysis involved using NVivo11 software, which is an effective analysis tool that made it possible to organize and analyze the abundance of qualitative data in a proficient manner (Ishak & Baker, 2012). Research did not begin until after securing Walden University Institutional Review Board (IRB) approval. A detailed rationale for selecting the phenomenological research design appears in Chapter 3.

Definitions

The terms used in this study are procurement related and reflect common usage in the federal small-business contracting arena.

Exclusion of sources: A term used in federal contracting that applies to the implementation of set-aside contracting procedures (Manuel & Lunder, 2012).

Federal Business Opportunities (FBO) database: Web-based portal that alerts the public to federal procurement opportunities (Federal Business Opportunities [FBO], 2015).

Procurement: A term used to denote the process of procuring supplies, goods, or services (Waterman & McCue, 2012).

Service-disabled veteran-owned small business (SDVOSB): Small business category designated for verified service-disabled veteran business owners to receive federal set-aside procurement opportunities (Cullen, 2012).

Set-aside: A procurement process that restricts competition to a specific socioeconomic small business category (Cullen, 2012).

Socioeconomic small business status: A small business designation used to implement set-aside contracting procedures (Federal Acquisition Regulation [FAR], 2015).

System for Award Management (SAM) database: Government system that consolidates vendor information for securing contracts (System for Award Management [SAM], 2015).

Veteran-owned small business (VOSB): A small-business category for verified veteran small business owners to receive set-aside procurement opportunities from the DVA (Cullen, 2012).

Veterans First Contracting Program (VFCP): A DVA set-aside procurement program established by Public Law 106-461 to provide procurement opportunities to SDVOSBs and VOSBs (Veterans Benefits, Health Care, and Information Technology Act, 2006).

Assumptions

Assumptions are a natural part of qualitative research, and my preexisting position served as a baseline for the purpose of evaluation (Creswell, 2013; Patton, 2002). The assumptions considered for this research study were as follows:

- Selected participants would have the experiences necessary to describe the phenomenon adequately.
- VOSB owners would be willing to participate in the study because the study would give them an opportunity to share their experiences.
- The semistructured interviews would be sufficient to capture the essence of VOSB owners' perceptions and experiences.
- The research questions would be appropriate to meet the research purpose.
- Participants' perceptions and experiences would be characteristic of the experiences of other VOSB owners located outside the catchment area.
- The research findings could benefit VOSB owners by illuminating the effect of the VFCP preference policy.
- Using a phenomenological approach is the best method to capture the essence of understanding VOSB owners' perceptions and experiences.
- The research findings would facilitate positive social change.

The assumptions were necessary because a distributive justice theoretical framework served as a guide within the study, with a focus on exploring the fair allocation of procurement opportunities from the perspective and experiences of VOSB participants.

Scope and Delimitations

This study involved exploring, understanding, and describing the perceptions and experiences of VOSB owners about seeking access to VFCP procurement opportunities as prime contractors. The research focus was VOSB owners' access to VFCP procurement opportunities because the preference afforded SDVOSBs has resulted in fewer procurement opportunities for VOSBs (McGann, 2014). Defining the research scope assisted in clarifying the essential elements of the study as well as delineating the purpose of the study from other problems worthy of investigation (Simon & Goes, 2013).

The study participants included 20 VOSB owners actively enrolled in the VFCP for a minimum of one year. Selected VOSB owners needed to possess the ability to pursue and secure a VFCP procurement opportunity as a prime contractor. The sample was from VOSBs located in Maryland, Virginia, and the District of Columbia. The research catchment area was appropriate because Maryland, Virginia, and Washington, DC, are in the tristate region of DVA headquarters (DVA, 2013; U.S. Department of Labor, 2015). The sample criteria required that VOSB participants have an active enrollment in SAM and be familiar with the FBO website. The criteria ensured the participants possessed the knowledge and experiences to support a phenomenological mode of inquiry (Patton, 2002).

Excluded from this study were VOSB participants located outside the Washington, DC, tristate region; firms not registered in the SAM system; firm owners unfamiliar with the FBO website, and firms enrolled in the VFCP for less than one year. Distributive justice theory was the theoretical lens, and procedural justice and organizational justice theories were not suitable because the research focus related to distributive outcomes. A detailed rationale that supported the selection of distributive justice as the theoretical lens appears in Chapter 2.

I addressed transferability by clearly documenting the steps central to the study. Transferability is an important consideration in qualitative research because it increases the value of the research findings (Cope, 2014). Data collection and data analysis received professional attention to ensure the research findings remained consistent with the participants' experiences, as reported. According to Sousa (2014), consistency is necessary to ascertain the credibility of the data and the analysis used to report the results. For this study, transferability may be limited because of geographical restrictions and because VOSB owners have varying experiences based on industry and specialized expertise.

Limitations

Limitations are an integral part of research endeavors in response to factors that researchers can attribute to methodological weaknesses (Patton, 2002; Simon & Goes, 2013). Several of the limitations of this study were characteristic of qualitative research. The first limitation was the transferability of the research findings because the sample consisted of 20 VOSB participants from Maryland, Virginia, and the District of

Columbia. The delineated sample criterion did not support generalizing the results across other boundaries. The VFCEP supports procurement opportunities for VOSB owners in construction, services, and commodities, but the study did not include a focus on a particular industry. Researchers can address the shortfall through further research that targets each industry within defined geographical boundaries. The lack of previous research on VOSB as a distinct socioeconomic small business category was also a limitation. The documented procedures used to conduct the study promoted dependability, which will assist in replication (Cope, 2014).

Researcher bias is a concern for all research projects (Patton, 2002). To assist in addressing bias, I used bracketing as a means to facilitate a deeper exploration into the perceptions and experiences of the participants (Chan, Fung, & Chien, 2013). Bracketing was necessary because I possessed firsthand knowledge of the nuances associated with the VFCEP. To further address the potential for bias in this study, I relied on the perceptions and experiences of participants as reported. I secured the transcribed data verbatim for the purpose of analysis. Transcription reviews served to confirm the accuracy of the data. Transcription reviews helped safeguard the integrity of the data, which is an essential criterion for trustworthiness (Creswell, 2013). In addition, committee members reviewed the study results for congruency prior to approval.

Significance of the Study

According to Flynn and Davis (2014), procurement research is an emerging research domain, and the need for procurement-related research supported by a theoretical foundation is a fundamental requirement for advancing the field. This project

was significant because Congress implemented the VFCP in 2006 to provide procurement opportunities to both SDVOSBs and VOSBs (Veterans Benefits, Health Care, and Information Technology Act, 2006). Since the program's inception, SDVOSBs have received an unbalanced distribution of procurement opportunities compared to VOSBs (McGann, 2014). The VFCP is the only federal small business program in which VOSBs receive consideration as a distinct socioeconomic small business category, and no researchers have investigated VOSB owners' participation in relation to the preference hierarchy (Best, 2013; McGann, 2014).

Researchers at the GAO are responsible for conducting studies to evaluate the effectiveness of the VFCP (GAO, 2010). However, research conducted by GAO researchers leaves a gap that prevents the development of a balanced understanding of VOSB participation because they evaluate contract awards made to SDVOSBs as awards to VOSBs (GAO, 2010). The GAO research findings do not adequately represent VOSB interests separate from SDVOSBs. The goal of public procurement programs is to improve the economic well-being of small business participants (Best, 2013; Eyal-Cohen, 2012; Mee, 2012).

It is understood that the purpose of the VFCP policy was to offer procurement opportunities to VOSBs and SDVOSBs, as espoused. However, this study captured VOSB owner perceptions and experiences that could give policy makers valuable insight regarding the effect the preference hierarchy has on VOSB access. This study differs from GAO research because the findings remain consistent with the reports of the impacted stakeholders.

Findings from this research study have the potential to promote positive social change because providing procurement opportunities to VOSBs within a milieu of fair competition could result in DVA cost savings (Gunasekaran, Rai, & Griffin, 2011). Cost savings and job creation are by-products of competition and small business growth (Nicholas & Fruhmann, 2014). The outcome of this research might benefit veterans' service organizations such as the American Legion, which is one of the largest veterans' lobbying groups in the United States (American Legion, 2013).

Summary

A qualitative phenomenological approach was suitable to explore the perceptions and experiences of VOSB owners' access to procurement opportunities within the VFCP. Members of Congress established the VFCP to provide DVA procurement opportunities to both SDVOSBs and VOSBs, but an unbalanced distribution of procurement awards favors SDVOSBs. The federal government's commitment to improve the economic growth of SDVOSBs appears in several congressional statutes spearheaded by the Veterans, Entrepreneurship and Small Business Development Act of 1999 that gives SDVOSBs access to 3% of all federal contract dollars dispersed among 24 federal agencies. The significance of this study was to understand and describe VOSB owners' perceptions and experiences as a distinct socioeconomic category, which contributes to the growing body of procurement literature.

An introduction, background of the study, problem statement, purpose of the study, research questions, theoretical framework, nature of the study, definitions, assumptions, scope and delimitations, limitations, significance of the study, and summary

appeared in Chapter 1. The review of the literature in Chapter 2 includes peer-reviewed journals, government research studies, books, government databases, and websites. A comprehensive outline of the process of implementation that appears in Chapter 3 covers informed consent, the importance of IRB approval, sample size, data analysis, and rationale used to support the phenomenological approach, among other significant steps. Other topics addressed are trustworthiness and reliability. Chapter 4 includes an introduction, setting, participant demographics, data collection, data analysis, evidence of trustworthiness, followed by the results and summary sections. Chapter 5 completes the dissertation with an introduction, interpretation of the findings, limitations of the study, recommendations for further research, implications, followed by a conclusion, which captures the essence of the research outcome.

Chapter 2: Literature Review

Introduction

Researchers for the DVA OIG reported a problem with the VFCP to the House of Representatives on February 7, 2012. An important aspect of the congressional inquiry covered the award of approximately \$3 billion in contracts to SDVOSBs compared to under \$500 million in contracts to VOSBs in the same year (Finn, 2012). The disparity in contract awards highlighted in the OIG report is consistent with FPDS-NG reports for the years 2013, 2014, and 2015 (FPDS-NG, 2015).

The purpose of this qualitative phenomenological research study was to explore, understand, and describe the essence of the perceptions of 20 VOSB owners about seeking access to VFCP procurement opportunities as prime contractors. Using the lens of distributive justice theory, the focus was on exploring, understanding, and describing VOSB owners' perceptions within a framework of fairness. The preference afforded SDVOSBs over VOSBs was the central phenomenon of interest. The research included semistructured interviews with VOSB owners actively enrolled in the VFCP. The VFCP is a national program, but for this study, participants were from Maryland, Virginia, and the District of Columbia.

Analysts for the SBA Office of Advocacy estimated that there are approximately 155,652 service-disabled veteran businesses compared to approximately 2.2 million veteran businesses (Lichtenstein, 2013; U.S. Census Bureau, 2015). The SBA report indicated that the awards made to SDVOSBs far exceed the awards to VOSBs considering the demographic disparity between the two (FPDS-NG, 2015). The disparity

in contract awards is significant because the congressional language that ushered in the VFCP declared the procurement opportunities provided to SDVOSBs and VOSBs would be equal (Veterans Benefits, Health Care, and Information Technology Act, 2006). The current method of administering the VFCP creates a gap in economic opportunity for VOSBs (McGann, 2014).

Various factors may be contributing to the problem, such as the VFCP preference hierarchy that gives SDVOSB owners priority over VOSB owners based on a service-connected disability rating ranging from 0 to 100%, as defined by the DVA (DVA Office of Acquisition and Logistics, 2013; Veterans Small Business Regulations, 2012). Thus, VOSBs are second tier to SDVOSBs in response to a disability criterion that does not differentiate between a true disabling condition and a medical injury (McGann, 2014). The VFCP preference hierarchy restricts VOSB owners' access to DVA procurement opportunities because the language makes clear that as long as two or more SDVOSB owners can compete on a contract, the opportunity must be set aside for SDVOSBs (DVA Office of Acquisition and Logistics, 2013).

Many researchers have explored the role of competition in fostering small business growth (Atkinson & Sapat, 2012; Dimitri, 2013; Tiftik & Zincirkiran, 2013). However, an extensive review of the literature revealed no studies in which researchers directly explored the experiences of VOSB owners seeking access to VFCP procurement opportunities. Researchers at the GAO are responsible for conducting research on the effectiveness of the VFCP but they have not conducted research on VOSBs as a standalone topic (GAO, 2010, 2011, 2012a, 2012b, 2014b). This study is important

because it adds to the body of procurement related research with an understanding that procurement research is an emerging research domain (Flynn & Davis, 2014).

The literature review included peer-reviewed journals, government research studies, books, government databases, and websites. Included in the chapter are an introduction, literature search strategy, theoretical foundation, summary, and conclusions; topics discussed include the VFCP, the GAO, the FPDS-NG, the federal small business landscape, competition and government contracting, and preference and government contracting.

Literature Search Strategy

The literature search strategy was initially broad and then narrowed using Walden University Library research databases. An exhaustive search took place using Political Science Complete, Business Source Complete, SAGE Premier, ScienceDirect, Academic Search Complete, PsycARTICLES, ProQuest Central, and Thoreau. Google Scholar was also a supplemental research source. The search terms included *distributive justice theory, distributive justice and fairness, distributive justice and public policy, distributive justice and perceptions, distributive justice and qualitative research, veteran-owned small business, small business and competition, small business and preference, small business and phenomenological research, federal procurement, federal contracting, government contracting and public policy, Veterans First Contracting Program, and government contracting set-aside program*. Using the reference lists from each article and dissertation expanded the relevant literature available. Furthermore, an examination

of DVA, GAO, Congressional Research Service, SBA, FPDS-NG, and U.S. Census Bureau websites provided significant information.

The focus of the literature search process was exploring and identifying public policy and business-related research that correlated with the research problem, purpose, theoretical foundation, and research questions. Political Science Complete and Business Source Complete were good starting points because the research premise included a public policy and business component. The literature search strategy uncovered only a limited amount of literature that directly applied to the VFCP as a research topic. The lack of research in this area was a challenge, but the search terms were instrumental in overcoming the shortfall by locating subject matter literature in a comprehensive way.

Theoretical Foundation

Distributive justice theory served as the theoretical lens to explore the perceptions and essence of the lived experiences of VOSB owners seeking access to VFCP procurement opportunities. Distributive justice theory was the theoretical lens selected because it has been effective in exploring research problems with variables associated with the unequal distribution of resources, opportunities, and benefits in a framework of fairness (Cloutier, Denis, & Bilodeau, 2012; Markovsky & Eriksson, 2012; Sud & VanSand, 2012). This section includes the following subsections: distributive justice theory, theoretical propositions, theoretical application, and theoretical rationale.

Distributive Justice Theory

John Rawls became the originator of distributive justice theory with the publication of his 1971 book *A Theory of Justice*. One of the primary principles of

distributive justice theory is the difference principle, in which a distribution of resources and opportunities should improve the position of all invested parties (Rawls, 1971). A caveat to the difference principle is that no inequalities should exist unless the unequal distribution benefits society as a whole. Rawls's application of justice theory concerns the importance of fairness in the context of policy implementation (Rawls, 1971). Many scholars have applied distributive justice theory over the years and validated the adaptability of the theory over time (Cohen, 1987; Logar, 2013; Michelbach et al., 2003; Miller, 1992).

Theoretical Propositions

Cohen (1987) understood distributive justice theory to be a multifaceted research concept. Cohen's work expanded the application of distributive justice theory with a focus on equality and reiterated that the ability to participate in an opportunity does not guarantee a favorable outcome. However, when all parties participate, they meet the standard of equality, even though the outcome may result in both winners and losers. Choo (2014) supported the premise posed by Cohen with an emphasis on distributive balance in the allocation of rewards.

Miller (1992) gave credence to distributive justice theory as a precursor in the advancement of political theory and its use as a lens to explore the beliefs about what is fair in policy outcomes. Miller covered the effect that researcher bias has in the research process regarding beliefs about what justice should entail. The dichotomy between what the researchers may believe and what the research participants may believe emerged as an important consideration in applying distributive justice as a theoretical lens. Miller's

implications are important because Rawls's (1971) application of distributive justice theory recognized that research participants' perceptions have value but are not the deciding factor in what constitutes a just outcome (Miller, 1992; Rawls, 1971).

Michelbach et al. (2003) provided a synopsis of the allocation principles that are an integral component of distributive justice theory. Equality, efficiency, need, and merit are primary elements of the interchanging priorities associated with allocation decisions. Michelbach et al. used the work of Rawls as the backdrop of their experimental research by testing Rawls's allocation formula. The outcome of the study reinforced the concept of distributive justice as a viable theoretical model.

Logar (2013) offered an analysis of distributive justice theory designed to explore the just-deserts principle contained in the theory. According to Rawls (1971), a person's personal attributes have no bearing on a fair or just result. The just-deserts principle espoused by Rawls received a lot of criticism because, at first glance, if a person has the ability to excel, it is safe to surmise that person should receive the reward. According to Logar, an important component of the just-deserts principle is the responsibility that Rawls placed on leaders of public institutions to implement policies that promote democratic equality.

Alternative views in the literature digress from the conventional distributive justice model (Freiman, 2014; Lister, 2013; Olsthoorn, 2013; Porter, 2012). Olsthoorn (2013) explored an interpretation of distributive justice held by Thomas Hobbes, a 17th-century English philosopher. Hobbes proposed that people must consider just any law that a government makes, and there should be no presumptions of equality in the

distribution of goods that contradicts the sovereign authority (Olsthoorn, 2013). Olsthoorn (2013) challenged Hobbes's interpretation by noting that the position held by Hobbes provides no recourse for common action by those affected by the sovereign's decisions.

Lister (2013) denounced the prevailing application of distributive justice theory, in which the focus is on the government's role in implementing laws, policies, and procedures that either promote or hinder fairness. Lister infused a social dimension to distributive justice theory focused on relationships and their impact on the equality of distribution. Even though Lister's views digressed slightly from the views held by Rawls (1971), Lister recognized the important role public policy plays in safeguarding smaller groups from larger groups and the potential for people with influence to take advantage of less fortunate people in an economically driven society (Lister, 2013; Sud & VanSand, 2012).

Theoretical Application

Researchers have used distributive justice theory in many contexts to explore participant perceptions of fairness in response to policy decisions (Cloutier et al., 2012; Cutler & Waine, 2013). Cutler and Waine (2013) used distributive justice theory to explore dimensions of fairness in public sector pension reform. The application of distributive justice theory within Cutler and Waine's (2013) study revealed flaws contained in the UK Coalition Government's policy scheme. Cutler and Waine supported the importance of policy research within a paradigm of distributive justice because the people affected by the policies can both measure and experience the concept of fairness (Cutler & Waine, 2013).

Monin, Noorderhaven, Vaara, and Kroon (2013) conducted a longitudinal qualitative research study and used distributive justice as a theoretical lens. The focus of the research was exploring the experiences and perceptions of two separate groups of managers regarding a company merger in the context of fairness. The research findings supported that perceptions of justice play an important role in the analysis of decisional outcomes (Monin et al., 2013). The study is significant because Monin et al. demonstrated the applicability of distributive justice theory to a framework of small business exploration.

Theoretical Rationale

Researchers have also applied distributive justice theory as a single theoretical construct in combination with other justice models, such as procedural justice and organizational justice (Burleigh & Meegan, 2013; Cloutier et al., 2012; Traber, 2013). I considered distributive justice, organizational justice, and procedural justice individually and collectively as frameworks to explore the experiences and perceptions of VOSB owners in seeking access to VFCP procurement opportunities. My review revealed that organizational justice includes a theoretical focus on the perceived fairness of organizational outcomes (Jones & Skarlick, 2012; Westerman & Westerman, 2013). The foundational elements of organizational justice did not apply when considering the external dimension of open competition relative to the research problem. Procedural justice was explored as a standalone theory because of its focus on the perceived fairness of rules and procedures (Burleigh & Meegan, 2013; Traber, 2013). However, distributive justice remained a congruent theoretical model when examining procedural justice in the

context of the central research question. For example, the focus of VFCEP research is on the experiences and perceptions of VOSB regarding distributive outcomes, not the rules and procedures that facilitated the unequal allocation. An analysis of distributive justice, procedural justice, and organizational justice indicated that distributive justice theory had the best framework for exploring the perceptions and experiences of VOSB owners within a paradigm of fairness.

Distributive justice theory related to this research study because according to the research problem, VOSB owners are experiencing an unequal distribution of procurement opportunities in response to a policy that espouses to offer those opportunities to both SDVOSBs and VOSBs (Veterans Benefits, Health Care, and Information Technology Act, 2006). Cloutier et al. (2012) confirmed the use of distributive justice theory to study policy decisions and the way those decisions affect stakeholder perceptions of fairness. The fair allocation of procurement opportunities was central to the application of distributive justice as the theoretical lens.

The central research question was as follows: What are the perceptions and experiences of VOSB owners about seeking access to VFCEP procurement opportunities? The question served as a guide for the study because the study involved an in-depth exploration of the participants' perceptions and experiences within a phenomenological research construct (Chan et al., 2013). A review of the literature indicated researchers have not used distributive justice theory to explore VOSB experiences within a framework of the fair distribution of procurement opportunities. Building upon distributive justice theory to explore the perceptions and experiences of VOSBs with a

focus on preference, competition, and access add to the body of existing procurement literature by providing new insights into VOSB as a distinct socio economic group (Corley & Giola, 2011; Flynn & Davis, 2014).

Veterans First Contracting Program

This section includes the following subsections: introduction, priority preference, and constructs of interest.

Introduction

Congress authorized DVA leaders to develop and implement the VFCP in response to the Veterans Benefits, Health Care, and Information Technology Act of 2006, which made it mandatory that DVA policy personnel craft VFCP policies that conformed to the statutory commitment (Kerwin & Furlong, 2011). Shedd and Garvey (2013) noted that when a statute is clear in its language, agency leaders do not have the authority to deviate from the congressional purpose. For example, Public Law 109-461, under Contracting Goals, included a requirement that DVA leaders must establish yearly procurement goals for VOSBs and SDVOSBs as two separate business categories. The statute reiterated that the goals set for SDVOSBs could not be less than those set for VOSBs. The 2006 act also made no distinction between a VOSB and an SDVOSB in the context of a preference hierarchy (Veterans Benefits, Health Care, and Information Technology Act, 2006). In spite of the statutory language, DVA leaders combined the goals and created a preference structure that favored SDVOSB.

Through the VFCP, the DVA has the authority to provide procurement opportunities to SDVOSBs and VOSBs through set-aside and sole-source contracts. Set-

aside procurements restrict competition to a specific small business category, and a sole-source contract consists of a direct award to one contractor within that category (Manuel & Lunder, 2012). Prior to the implementation of the VFCP in 2006, VOSBs were on equal footing with SDVOSBs because the DVA had the ability to make small business procurement choices under FAR, Part 19: Small Business Programs (FAR, 2015). After the implementation of the 2006 act, DVA leaders created procurement regulations that gave SDOVSBs priority preference over VOSBs under DVA Acquisition Regulation, Part 819.70 (DVA Office of Acquisition and Logistics, 2013). Priority preference means that SDOVSBs must receive set-aside procurements first, as long as two or more SDVOSBs can compete for the contract. Only if there were no SDVOSBs would a VOSB receive consideration for the set-aside or sole-source opportunity (DVA Office of Acquisition and Logistics, 2013).

A paradox exists between SDVOSBs and VOSBs because a SDVOSB owner can participate in VOSB set-aside procurement, but a VOSB owner cannot participate in SDVOSB set-aside procurement (DVA Office of Acquisition and Logistics, 2013). The VFCP preference hierarchy resulted in increased opportunity for SDVOSB owners and diminished the participation of VOSB owners (McGann, 2014).

Priority Preference

The DVA leaders created the preference hierarchy, even though Public Law 109-461, Section 8128, made no distinction regarding a contracting officer's ability to make set-aside or sole-source procurement awards to either a SDVOSB or a VOSB (Veterans Benefits, Health Care, and Information Technology Act, 2006). The DVA leaders may

have erred in creating a preference hierarchy when connected with the fiscal year goal requirements expressed in the statute as encompassing SDVOSBs and VOSBs equally and separately (Shane, 2014; Shedd & Garvey, 2013; Veterans Benefits, Health Care, and Information Technology Act, 2006).

Personnel in the DVA's Office of Small Disadvantaged Business Utilization have the responsibility of verifying the eligibility status of SDVOSBs and VOSBs for participation in the VFCP (DVA, 2015). Through DVA leadership, members of Congress created the Center for Veterans Evaluation (CVE) for the purpose of SDVOSB and VOSB verification and demographic data storage (DVA, 2015). The DVA's Office of Small Disadvantaged Business Utilization is the management entity of the CVE.

According to Veteran Small Business Regulations (2012), a SDVOSB owner must have a documented service-connected disability from the DVA with a rating from zero to 100%. To qualify as a VOSB, the owner must demonstrate documented military service with an honorable discharge or other than dishonorable. The SDVOSB and VOSB owners should own no less than 51% of the business entity, among other factors (Veteran Small Business Regulations, 2012). Many service-connected conditions have minimal to no impact on a veteran's daily functioning, and the VFCP preference hierarchy gives SDVOSB owners with marginal conditions priority over non-service-connected veterans who may have severe injuries incurred outside military service (McGann, 2014).

Constructs of Interest

Lewis (2012) conducted a study of veterans' preferences used in federal hiring and revealed that the priority afforded service-disabled veterans over non-service-

disabled veterans begins at 30%. Lewis indicated that service-connected conditions rated below 30% have a lower significance. The VFCP rating criteria add to the complexity already associated with federal procurement preference programs (Snider et al., 2013).

In Johnston and Girth's (2012) qualitative research study that included semistructured interviews with federal contract administrators, the unequal distribution of government procurement dollars correlated with difficulties relevant to promoting competition. Other GAO research findings (GAO, 2012a, 2014b, 2010) exemplified Johnston and Girth's work. The authors of each identified GAO study indicated that access to federal small business opportunities, in the context of competition, remains a concern (Johnston & Girth, 2012).

Middleton (2013) conducted a mixed methods research study designed to explore the perceptions of SDVOSB owners regarding the set-aside and sole-source contracting procedures associated with the federal SDVOSB procurement program. Middleton highlighted the difficulties SDVOSB owners face in securing contracting opportunities outside the VFCP. Middleton also supported the importance of exploring the perceptions of VOSBs in the context of fair opportunities because the findings will add balance to procurement research as an academic discipline (Flynn & Davis, 2014; Wan, 2014).

Bublak (2013) conducted a qualitative phenomenological research study to explore the barriers small business owners face in seeking access to federal overseas procurement opportunities. Bublak conducted in-depth interviews within a phenomenological qualitative framework designed to understand the barriers from the

perspective of the small business owners affected. Bublak used distributive justice as a theoretical lens with a focus on fairness.

Valez (2014) used a qualitative phenomenological research approach to explore war-injured-contractors' access to aftercare support. The qualitative approach used by Valez was instrumental in securing real-time data from affected participants (Valez, 2014). Johnston and Girth (2012), Bublak (2013), and Valez (2014) confirmed that a qualitative phenomenological research paradigm has value in gleaning firsthand experiential data for the purpose of analysis (Chan et al., 2013).

A review of the literature indicated that a gap in research exists regarding VOSB owners' perceptions and experiences about VFCP participation within a qualitative phenomenological research design. The preference hierarchy inherent in the VFCP may be a factor in limiting access to DVA procurement opportunities among VOSBs. The ability to compete for procurement opportunities is an essential element in promoting small business growth (De Silva et al., 2012; Wan, 2014).

Government Accountability Office

This section includes the following subsections: introduction, small business research, and Federal Procurement Data System-Next Generation.

Introduction

Researchers at the GAO are responsible for leading research to assess the effectiveness of programs and policies implemented by federal agencies (GAO, 2012a). Researchers at the GAO employ research methods that include interviews, observations, documentation reviews, and statistical analyses that traverse qualitative, quantitative, and

mixed methods frameworks (GAO, 2012a). Government policy makers use GAO research findings to monitor federal program goal achievement and to recommend policy changes as needed (GAO, 2012a).

Small Business Research

Researchers at the GAO conduct research studies of small business programs that are an integral component of federal procurement efforts (GAO, 2010, 2012b, 2014b). The GAO researchers conducted a research study to explore the challenges that owners of small minority-owned businesses face in seeking access to federal procurement opportunities (GAO, 2012b). The study was important because the research involved conducting interviews with agency officials, among other methods. The research findings resulted in a recommendation that leaders of federal agencies should implement better outreach activities designed to foster increased access to small minority-owned businesses (GAO, 2012b).

Researchers at the GAO (2014b) investigated the challenges specific to the WOSB program. The research involved conducting interviews with agency officials and reviewing contract award data. One aspect of the research outcome was the recognition that the awards made to WOSBs account for less than 1% of all federal contract dollars to small businesses (GAO, 2014b). The verification of WOSBs was a significant finding because misrepresentation of WOSB status resulted in awards that no one should have made (GAO, 2014b).

The GAO researchers also conducted research on DVA contracting officers' efforts verifying the eligibility of SDVOSBs and VOSBs for participation in the VFCP

(GAO, 2012c, 2013). Researchers at the GAO found that in 2012, the verification of approximately 3,717 of 6,178 firms was not satisfactory (GAO, 2012c). Inadequate verification controls resulted in fraud and abuse (GAO, 2013). The GAO researchers did not report on challenges involved in VOSB verification (GAO, 2012c, 2013).

In GAO (2010), the researchers reported that the VFCEP exceeded its prime contracting goals for 2007, 2008, and 2009. The report authors highlighted that the process of verifying the eligibility of SDVOSBs and VOSBs remained problematic (GAO, 2010). The content of the GAO (2010) study is significant because the VFCEP exceeded its obligation goals, as noted. The researchers of the report emphasized that the awards made to SDVOSBs also count toward VOSB goal achievement (GAO, 2010, p. 5). The VFCEP practice of tabulating VOSB procurement awards, including SDVOSB awards, does not capture the program's effect on VOSBs as a separate socioeconomic category.

Federal Procurement Data System – Next Generation

The FPDS-NG is an electronic data management system used in federal agencies for reporting SBA socioeconomic goal achievement (FPDS-NG, 2015). FPDS-NG contains a fiscal year reporting category for the DVA that captures SDVOSB and VOSB award data (FPDS-NG, 2015). Even though SDVOSBs and VOSBs are in separate categories in the FPDS-NG system, the award amounts assigned to VOSBs include SDVOSBs' awards (FPDS-NG, 2015). Table 1 and Figure 1 are examples of how the award data display in the FPDS-NG fiscal year reports. The Actual VOSB Award column was added to delineate the true VOSB allocation.

Table 1

Comparison of VFCP Awards Made to VOSBs and SDVOSBs in 2013, 2014, and 2015

| Year | VOSB designation | SDVOSB awards | Actual VOSB awards |
|------|--------------------|--------------------|--------------------|
| 2015 | \$3,742,436,890.45 | \$3,375,811,705.59 | \$366,625,139.86 |
| 2014 | \$3,986,289,222.28 | \$3,560,048,734.36 | \$426,240,487.92 |
| 2013 | \$3,958,662,683.48 | \$3,544,566,375.41 | \$414,096,308.07 |

Note. From FPDS-NG (2015). Data are in the public domain and therefore do not require permission.

The data highlighted by the FPDS-NG system are significant because according to Section 8127 of the Veterans Benefits, Health Care, and Information Technology Act of 2006, the goals set for SDVOSB cannot be less than the goals set for VOSB. However, it appears that DVA leaders followed the SBA practice of allowing federal agencies to receive small business socioeconomic credit for multiple categories in response to a single award (SBA, 2015a). For instance, for one small business company designated as a WOSB, SDB, and SDVOSB, the DVA could receive credit for all three categories as a result of one award. Even though this is a practice of the SBA, the VFCP has a requirement to implement two separate but equal goals for SDVOSB and VOSB (Veterans Benefits, Health Care, and Information Technology Act, 2006)

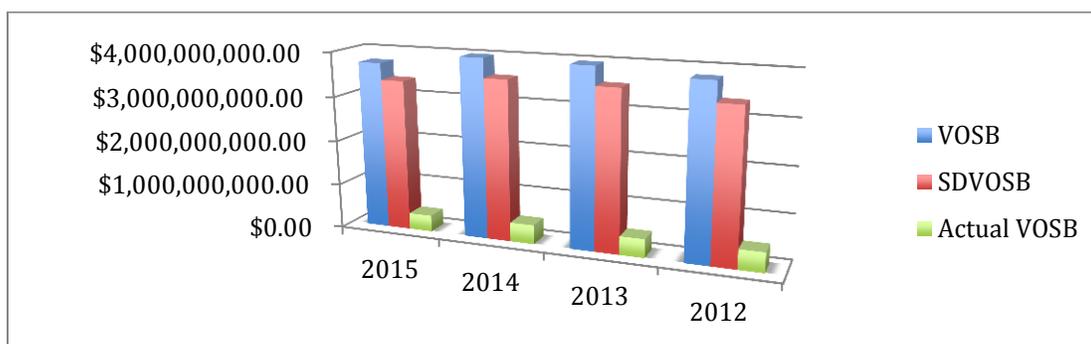


Figure 1. Comparison of VFCP awards for 2012, 2013, 2014 and 2015. Developed from the Federal Procurement Data System-Next Generation website. Data are in the public domain and therefore do not require permission.

The VOSB and SDVOSB award data confirmed that the actual allocation of contract awards made to VOSBs are marginal in comparison to SDVOSBs (FPDS-NG, 2015). During my review of the literature, the graphs and charts used to highlight VOSB and SDVOSB success only depict two columns, which gives the appearance that VOSB receive the greater share (GAO, 2010; GAO, 2013). The preference toward SDVOSBs and the importance of competitive access for VOSB participation was the research focus.

Federal Small Business Landscape

Introduction

The federal government has been an advocate of the small business community since the implementation of the Small Business Act of 1953, which established the SBA to provide small business research, counseling, training, advocacy, and financial support to the small business community on a national scale. The SBA has an important role in supporting the small business goals of federal agencies (Manuel & Lunder, 2013). The SBA's goal-setting program ensures federal agencies meet established fiscal year obligation goals through procurement awards to small business entrepreneurs (SBA,

2015a). The SBA's definition of a small business is a firm that has less than 500 employees and a size standard that cannot exceed gross receipts that correlate with a particular industry classification (Dilger, 2012; SBA Office of Advocacy, 2014). The North American Industry Classification System code size standards delineate what firms are eligible to participate in federally designated small business programs (Dilger, 2012).

A report issued by the U.S. Census Bureau in 2011 indicated that 28.2 million firms in the United States were small businesses (SBA Office of Advocacy, 2014; U.S. Census Bureau, 2011). Small businesses are a major contributor to job creation and represent 99.7% of domestic business activity (Bressler et al., 2013; Chow & Dunkelberg, 2011; U.S. Census Bureau, 2011). A multifaceted segment of the U.S. population owns and operates firms identified as small businesses, with a record 10% to 12% opening in a given year and the same percentage closing in the same year (SBA Office of Advocacy, 2014). Small business owners face many challenges, which situations such as the recession of 2008 and other factors exacerbate (Chow & Dunkelberg, 2011).

The federal government demonstrated its commitment to the small business community by responding to the 2008 recession by implementing measures to improve small business success (National Economic Council, 2012), such as tax cuts for hiring veterans, a \$1 billion capital investment to high-growth companies, and approximately \$300 billion in federal prime contracts to small businesses, among other incentives (National Economic Council, 2012). According to Chow and Dunkelberg (2011), a link exists between the growth and development of the small business community and the

financial stability of the nation. The federal government's commitment to the small business community is important, but the need for increased VOSB access to procurement opportunities through open competition remains a concern (Kang & Miller, 2015; McGann, 2014).

Veteran-Owned Small Businesses

Veterans own and operate approximately 2.2 million firms, with approximately 155,652 owned and operated by veterans with a service-connected disability (Lichtenstein, 2013; U.S. Census Bureau, 2015). The 1999 Veterans Entrepreneurship and Small Business Development Act is a congressional commitment to provide small business owners support by establishing a 3% federal goal to award prime and subcontract procurement opportunities to SDVOSBs. From a historical standpoint, the 1999 act is a congressional milestone because it delineates SDVOSBs as a distinct socioeconomic small business category (Veterans Entrepreneurship and Small Business Development Act, 1999).

The 2003 Veterans Benefit Act expanded federal procurement opportunities to SDVOSBs because the parameters of the 2003 act gave every federal agency the ability to award sole-source and set-aside contracts under the auspices of SBA guidelines (Veterans Benefit Act, 2003). The 2003 act is important because it served as a mechanism that gave contracting officers the ability to restrict competition to SDVOSBs when SDVOSB owners met regulatory conditions. The new legislation improved SDVOSB access to 3% of federally allocated procurement dollars (SBA, 2015b).

Executive Order No. 13360 (2004) is a presidential mandate that strengthened the 2003 Veterans Benefit Act within the limits of SDVOSBs. Executive Order No. 13360 is an executive-level commitment to improve the business opportunities of SDVOSBs by making it mandatory for agency heads to create internal policies to promote SDVOSB access to prime and subcontract procurement opportunities. The outcome of Executive Order No. 13360 was an increased standing of SDVOSBs and the maximization of the 3% of allocated funds.

The 2006 Veterans Benefits, Health Care, and Information Technology Act is the only legislatively mandated small business program that includes VOSBs as a distinct socioeconomic group. The history of the federal government's commitment to improve the growth and development of VOSBs appears directed toward SDVOSBs, as highlighted in the 1999 and 2003 statutes and further elucidated in Executive Order No. 13360 (McGann, 2014).

The 2006 Veterans Benefits, Health Care, and Information Technology Act was promising, but the preference hierarchy that rendered VOSBs second tier to SDVOSBs limited VOSB owners' access, even though SDVOSB procurement opportunities traverse the federal landscape (McGann, 2014; Middleton, 2013). Using the term VOSB interchangeably with SDVOSB further marginalizes VOSBs, which makes it difficult to maintain the identity of VOSBs within the parameters of government research efforts (GAO, 2011, 2012a, 2012c).

Competition and Government Contracting

This section includes the following subsections: Introduction, barriers to competition, government barriers, and small business challenges.

Introduction

Congress implemented CICA to promote fair and open competition on all federal contracts. Federal Acquisition Regulation, Part 6.101 clarifies competition in federal procurement defined in CICA (CICA, 1984; FAR, 2015). CICA requires contracting officers to seek full and open competition after the exclusion of sources (Manuel, 2011). The impasse associated with the implementation of CICA is the reference to the exclusion of sources. The term *exclusion of sources* is significant because, under certain regulatory conditions, contracting officers have the latitude to use noncompetitive procurement procedures to secure goods and services (Manuel, 2011; Manuel & Lunder, 2012). Noncompetitive procedures include set-aside methods that restrict competition to a small business socioeconomic category, sole-source contracts, task orders under indefinite delivery–indefinite quantity type contracts, and a host of other procurement methods that diminish CICA’s role in promoting competition (Manuel, 2011; Manuel & Lunder, 2012). CICA applies only to contracts valued above \$150,000 because contracting officers can award contracts that fall at or below \$150,000 using simplified acquisition procedures under FAR, Part 13 (CICA, 1984; FAR, 2015). CICA is important because it formed a federal baseline supported by a competition advocate required to screen agency-contracting procedures with a focus on encouraging maximum small business competition (CICA, 1984; Manuel, 2011).

Competition in government procurement is a controversial topic because even though CICA has been in place since 1984, small businesses remain marginalized by regulations and political factors that limit competition rather than promote it (Kang & Miller, 2015; Tammi et al., 2014). According to Kang and Miller (2015), the federal government spends more than \$460 billion each year on procurement contracts to sustain agency operations. Kang and Miller's (2015) review of the government's vast expenditures, identified approximately 43% of contract awards occurred through limited or sole-source procurement procedures. Kang and Miller's review highlights that there may be a practice that contravenes the intent of CICA as proposed (CICA, 1984; Kang & Miller, 2015).

Competition in federal procurement is an essential element in generating better prices for goods and services, in addition to increasing opportunities for small business groups (Dimitri, 2013; Johnston & Girth, 2012). However, Tammi et al. (2014) reported that small and medium-sized businesses lack adequate representation in public procurement endeavors. A lack of small and medium-sized business participation contravenes the benefits that full and open competition presents in the public procurement arena (Tammi et al., 2014). Tammi et al. and Nicholas and Fruhmann (2014) noted a need exists for regulations that foster increased accessibility for small and medium-sized business in public procurement efforts because of the benefits that open competition provides.

According to Preus (2011), public procurement policy plays a significant role in regulating procurement activity in industrialized nations. The dominance of large

business in competitive markets supports the contentions presented by Preus because leaders of large firms have the ability to manipulate the market through price reductions and other measures that can marginalize small business participation (Shimomura & Thisse, 2012). The competitive advantage large businesses have over small businesses makes policy implementation an important instrument in sustaining small business participation in the federal procurement marketplace (Neumark, Wall, & Zhang, 2011).

Barriers to Competition

Owners of small and medium-sized firms face barriers to competition, even though small business participation in public procurement endeavors is a driving force in many industrialized nations (De Silva et al., 2012; Salazar, Sotoa, & Mosqueda, 2012). Salazar et al. (2012) contended that, in some instances, poor financial planning and a failure of small business owners to strategize is an internal barrier to small business competitiveness. They based their conclusions on the results of a qualitative research study in which they incorporated in-depth interviews as the data-gathering technique. Salazar et al. determined that additional research is necessary to explore the relationship between internal business strategies and the ways those strategies improve or hinder competitiveness across industries.

Tiftik and Zincirkiran (2013) examined the effect of globalization on small and medium-sized companies and owners' responses to barriers that require resilience in remaining competitive in a global market and reported that small businesses are a dominant force in the economy of many industrialized nations. Tiftik and Zincirkiran revealed that clustering has the ability to give small and medium-sized businesses a

competitive edge in a demanding market. Clustering results in centralized small and medium-sized businesses that promote opportunities for innovative collaboration (Tiftik & Zincirkiran, 2013). In spite of the private sector gains, small business access remains a viable research subject in response to the value small business brings to the success of society (Salazar et al., 2012; Tiftik & Zincirkiran, 2013).

According to Cullen (2012), the federal government has the ability to implement policies that promote competition and restrict it at the same time. The SBA's small business programs are an example of Cullen's restrictive inference (Cullen, 2012; Manuel & Lunder, 2012). For example, each SBA small business program is a set-aside procurement opportunity that acts as a barrier for small businesses that do not meet the particular socioeconomic criteria (Cullen, 2012; Manuel & Lunder, 2012). Through the SBA, Congress established a 5% goal for SDBs, 5% for WOSBs, 3% for HUBzones, and 3% for SDVOSBs (Fernandez et al., 2012; SBA, 2015a). The designated percentages are an attempt to ensure each small business category receives an opportunity to benefit from the 23% of federally allocated expenditures established by Congress (SBA, 2015a). Even though the SBA set-aside construct generates competition, a barrier remains that prevents access by other small businesses (Cullen, 2012; Manuel & Lunder, 2013).

Wan (2014) recognized public procurement as an important activity in promoting competition through government regulations and procurement contract awards. The demand side of the supply and demand paradigm is a significant element in improving small business innovation and competitiveness (Wan, 2014). Wan reviewed data from the Federal Procurement Data System (FPDS) against federal competition rules that covered

full and open competition, full and open competition after exclusion of sources, and sole-source contracting procedures. Wan considered the number of small business suppliers to be barriers to competition because innovation has the ability to give one small business an advantage over another within an emerging industry. Wan reported that research on industrial competition in the context of policy implementation is lacking.

Government Barriers

Government leaders face internal barriers in their attempt to meet agency procurement goals that span international borders (Binderkrantz, Holm, & Korsager, 2011). Chaturvedi and Gautam (2013) and Binderkrantz et al. (2011) supported performance contracting as a way of improving government efforts to meet organizational procurement milestones. Girth (2012), Chaturvedi and Gautam (2013), and Binderkrantz et al. (2011) demonstrated that the barriers small business owners face in securing public procurement contracts are in contrast with the government's need to secure contracts from competent small businesses. Racca, Perin, and Alban's (2011) research supported the view that fair and open competition is an important element in public procurement with a recognition that a contractor's participation does not end with awarding the contract. The demand for qualified small businesses and the internal government controls required to manage those firms' performance remains an important research topic (Binderkrantz et al., 2011; Racca et al., 2011).

Girth (2012) conducted a qualitative research study using interviews and surveys as the data collection method to explore the decisions employed by public managers to secure goods and services through public procurement methods. The focus of the

research was on identifying how public managers hold contractors accountable for poor performance (Girth, 2012). A conclusion of Girth's findings is that political influence may play a role in hindering managerial decisions to hold contractors accountable for poor contract performance.

Williams (2015) explored the principles of sustainability in government contracts as a way to understand the barriers intrinsic to maintaining a productive business relationship between the contractor and the government. Principal agent theory was the conceptual framework because the research purpose was to understand how the contractual parties embraced risks and sustained rapport (Williams, 2015). The research has value because the data are germane to small business owners' perceptions with a goal of identifying sustainable contract administration solutions (Williams, 2015).

Williams elucidated that when contractors and government procurement personnel maintain a mutually beneficial relationship, they minimize contract risk.

According to Withey (2011), few researchers have explored the perceptions and experiences of small business owners in conducting business with government entities. The focus on understanding the relationship between small businesses and the government from the perspective of small business owners made Withey's scholarly inquiry relevant (Murray, 2014; Withey, 2011). The research findings supported a consensus view that small business owners' perceptions remain less than favorable regarding government procurement efforts (Withey, 2011). Traber (2013) and Chouinard (2013) addressed the significance of including affected stakeholders in the development and evaluation stages of public policy implementation.

Small Business Challenges

Federal procurement spending is likely to decrease progressively by 2019, with discretionary expenditures holding at approximately \$450 billion annually (Friel, 2014). Federal spending may decrease 5.2% in comparison to the 6.8% realized in 2014. The discretionary budget directly links to federal procurement activity (Friel, 2014). The forecast decline in federal spending may be a challenge to small businesses because reduced funding diminishes agency leaders' ability to secure goods and services (Friel, 2014).

Loader (2011) recognized that competitive procurement methods could serve as a means to promote cost saving during economic downturns. The focus of Loader's research was to understand government strategies to secure contracts with small businesses. According to the results of the survey, small business firms are in a better position to grow when open competition is available on small-scale procurement opportunities (Loader, 2011). Loader noted that additional research is necessary to identify procurement opportunities that meet small business needs (Loader, 2011).

Onur et al. (2012) conducted a quantitative research study designed to investigate how competition affects the cost of public goods and services. The outcome of the study supported the view that increased competition reduces the price of goods and services, which translates to customer cost savings (Onur et al., 2012). The benefits and drawbacks identified correlated with a large competition pool. For example, if the competition on a procurement opportunity is saturated, the benefit to the successful firm can decrease considerably by a diminished profit margin, which may be necessary to win the

opportunity (Onur et al., 2012). Onur et al.'s findings are significant because an increase in competition by 1% can decrease a competitive price by approximately 3.9%.

Washah et al. (2013) conducted a qualitative research study using in-depth interviews as the data collection method. Twenty-seven randomly sampled business owners participated in the study. The interviews took place via telephone and face-to-face. The focus of the study was on understanding how minority small business owners perceived the development and use of e-commerce as a means to improve marketability and competitiveness (Washah et al., 2013). Washah et al. purported the study was the first of its kind, and the findings indicated that minority-owned small businesses were lacking in the use of technology as a business tool.

Boas et al. (2014) examined the relationship between competitiveness and the competencies intrinsic to the stability of a business using a qualitative exploratory framework. Flexibility, administrative skill, networking ability, and strategic planning emerged as essential competencies that improved entrepreneurial success (Boas et al., 2014). Boas et al.'s research is important because it addressed the fact that if a business owner is not competent, the life expectancy of the business decreases.

Cronin-Gilmore (2012) conducted a qualitative research study with 22 purposefully sampled participants who provided experiential data that resulted in findings that were similar to those of Boas et al. (2014). The research focus was exploring the marketing strategies of small business owners using interviews as the data collection method (Cronin-Gilmore, 2012). Cronin-Gilmore uncovered the fact that many small

business owners lack training in marketing and an understanding of the competitive environment in general.

Preference and Government Contracting

This section includes the following subsections: introduction and preference and access, which are components of the central research question.

Introduction

Through federal procurement preference programs, contracting officers have the ability to restrict competition to a specific socioeconomic small business category (Manuel & Lunder, 2012). The four federal small business preference programs governed by the Small Business Act of 1953 and monitored by the SBA are WOSBs, SDBs, HUBzones, and SDVOSBs (SBA, 2015b). The leaders of 24 federal agencies must set goals to support using the four small business socioeconomic groups through the allocation of 23% of annual federal contract dollars (Manuel & Lunder, 2013; SBA, 2015b). The DVA is the only agency with the authority to provide set-aside procurement opportunities for VOSBs, which are a hallmark of the VFCP (Veterans Benefits, Health Care, and Information Technology Act, 2006). However, the SBA's goaling categories that cover WOSBs, HUBZones, SDBs, and SDVOSBs signify that **[who or what?]** marginalize VOSBs beyond the VFCP as a socioeconomic small business group (McGann, 2014; SBA, 2015a).

Preference and Access

According to Hawkins and Muir (2014), public procurement officials face many challenges driven by a landscape of regulations and policies that purport to promote

fairness, transparency, and public trust regarding the public procurement process. An analysis of Hawkins and Muir's research revealed that federal procurement preference programs may espouse to promote fairness, but research confirmed that preference programs add to the difficulty associated with the need to encourage competition (Fernandez et al., 2012; Krasnokutskaya & Seim, 2011; Schmidt, 2011; Snider et al., 2013).

Schmidt (2011) conducted research designed to understand preference and competition in the context of meeting market demand. Schmidt provided an exhaustive overview that involved supposing that competition in contracting has the ability to meet market demand without using preference programs (Schmidt, 2011). An analysis of the literature that examined the topic of preference in the context of competition from a quantitative supply and demand paradigm supported Schmidt's research (Schmidt, 2011).

Fernandez et al. (2012) explored the challenges owners of SDBs and WOSBs face in securing federal contracts as a preference category. Fernandez et al. used the theory of representative bureaucracy with an objective of identifying a correlation between the ethnicity and gender of procurement officials and their impact on agency decisions to use SDBs or WOSBs as the procurement vehicle (Fernandez et al., 2012). Fernandez et al.'s research findings indicated that no link existed between ethnicity and gender and the outcome of SDB and WOSB contract awards (Fernandez et al., 2012). However, from 2000 to 2008, federal agencies did not meet the 5% award allocations for WOSBs, but they did meet the 5% goals for SDBs (Fernandez et al., 2012). Fernandez et al.'s research is important because the authors recognized the flexibility that contracting officers have

in choosing which preference program is suitable for meeting an agency's procurement needs (Fernandez et al., 2012).

Krasnokutskaya and Seim (2011) reported that public procurement dollars accounted for more than 10% of the U.S. gross domestic product and indicated that the objective of preference programs is to facilitate the participation of disadvantaged groups in the commercial marketplace. Krasnokutskaya and Seim used a statistical model to explain the impact preference programs have on government spending and the distribution of profits to small business participants. Krasnokutskaya and Seim's research results indicated that preference programs, in the context of bid discounts, remain unclear in the area of government cost savings.

Snider et al. (2013) supported the supposition of Krasnokutskaya and Seim (2011) that the design of preference programs is to provide procurement opportunities to disadvantaged groups through government-imposed socioeconomic policies. Snider et al. defined public procurement as a vehicle to assist government agencies in securing goods and services through contracts with the public. Snider et al.'s research is important because it involved exploring whether contracting officers set aside contracts as a matter of convenience in response to an unmanageable workload or to meet the policy criteria established to promote socioeconomic participation. The outcome of their research supported the view that contracting officers may implement preference programs as a matter of expediency (Snider et al., 2013).

Reis and Cabral (2015) noted that preference programs improve small business participation in public procurement endeavors. Reis and Cabral (2015) and Hefetz and

Warner (2011) noted that increased competition among small business firms improves the cost savings of customers who contend for the business. However, preference programs can limit competition when the procurement opportunity is available only to a specific small business socioeconomic category (Nakabayashi, 2013; Reis & Cabral, 2015).

Nakabayashi (2013) recognized that small business preference programs restrict competition with an understanding that the limitations can negatively affect the market environment. Nakabayashi conducted a quantitative study to examine if set-aside programs worked in the Japanese public procurement construction marketplace. Nakabayashi found that set-aside programs have value in improving competition among disadvantaged small business groups (Nakabayashi, 2013). Nakabayashi reported that removing set-aside programs as government procurement vehicles would result in a decline in small business participation. Nakabayashi reiterated that research on the benefits and drawbacks of government set-aside programs is lacking.

Bressler et al. (2013) conducted a research study of VOSBs that highlighted the contributions VOSBs make to the U.S. economy. Bressler et al. used a survey instrument to glean VOSB data with the objective of identifying a connection between demographics and VOSB success. The findings indicated that VOSBs consist of a mix of socioeconomic factors (Bressler et al., 2013). Bressler et al.'s research is important because small business owners who are veterans do not receive preference opportunities outside the VFCP, even though they are an important socioeconomic group (Bressler et al., 2013; McGann, 2014). The literature concerning federal small business preference

programs showed that preference programs are difficult to implement (Krasnokutskaya & Seim, 2011; Snider et al., 2013). The research conducted by Schmidt (2011) challenged the fair allocation premise that federal preference programs are a means to facilitate disadvantaged small business participation.

Summary and Conclusions

The literature was organized, but not limited, by five applicable themes which are congruent with the research problem, purpose, and research questions. The five themes included a concise review of the VFCP, GAO research, the federal small business landscape, competition and government contracting, ending with preference and government contracting. By exploring the existing literature within the thematic construct, I was able to elucidate what is known and what remains to be known about the VFCP preference hierarchy policy and VOSB participation.

According to Shoraka (2014), the federal government allocates 23% of its expenditures to support small business programs governed by the SBA. The 23% equates to approximately \$90 billion in revenue for small business firms, which is an economic driver that translates to increased jobs, innovation, and improved resource allocation on a national scale (Chow & Dunkelberg, 2011; Shoraka, 2014). The allocation for SDVOSBs is 3% of the approximately \$90 billion, which improves their competitive advantage over VOSBs because SDVOSBs are a federal preference program and VOSBs are second tier to SDVOSBs within the VFCP (McGann, 2014).

Members of Congress created the VFCP to provide procurement opportunities to SDVOSBs and VOSBs, but a SDVOSB preference hierarchy limits VOSB access to

those opportunities, even though Public Law 109-461 stipulates that the award goals for VOSBs cannot be less than the goals set for SDVOSBs (DVA Office of Acquisition and Logistics, 2013; Veterans Benefits, Health Care, and Information Technology Act, 2006).

The federal government relies on private and nonprofit organizations to provide products and services, and sufficient competition is lacking (Girth, 2012; Onur et al., 2012). The research premise is competition, preference, and understanding that public procurement preference programs facilitate small business access and restrict it at the same time (Dennis, 2011; Nakabayashi, 2013; Reis & Cabral, 2015).

Through the literature review, I confirmed the gap in research by examining VOSB participation in the VFCP as a distinct socioeconomic category (McGann, 2014; Middleton, 2013). The central research question for this study was as follows: What are the perceptions and experiences of VOSB owners about seeking access to VFCP procurement opportunities. I conducted the study using distributive justice theory as the theoretical lens. I developed the central research question in response to the preference afforded SDVOSBs over VOSBs, facilitated by the uneven allocation of contract awards highlighted in the FPDS-NG annual reports (FPDS-NG, 2015). No studies were found that explored the SDVOSB and VOSB preference hierarchy phenomenon.

A review of the extant literature supported the premise that distributive justice theory has been effective in exploring the outcomes of policy decisions in the context of fairness (Burleigh & Meegan, 2013; Debres, 2012; Drori, Wrzesniewski, & Ellis, 2011). Researchers agree that public procurement research that builds on theory is necessary to advance the academic field (Corley & Giola, 2011; Flynn & Davis, 2014). By conducting

the research within a qualitative phenomenological design, I obtained results that give policy makers' the opportunity to understand the VFCP from the perspective and experiences of VOSB stakeholders (Chan et al., 2013).

Chapter 2 included a review of the literature that included peer-reviewed journals, government research studies, books, government databases, and websites. Included in the chapter were an introduction, literature search strategy, theoretical foundation, summary, and conclusions, and topics discussed included the VFCP, the GAO, the FPDS-NG, the federal small business landscape, competition and government contracting, and preference and government contracting. Chapter 3 will cover informed consent, the importance of IRB approval, sample size, data analysis, and rationale used to support the qualitative phenomenological approach to answer the central and subresearch questions. Other topics addressed are trustworthiness and reliability.

Chapter 3: Research Method

Introduction

The purpose of this qualitative phenomenological research study was to explore, understand, and describe the essence of the perceptions and experiences of 20 VOSB owners in seeking access to VFCP procurement opportunities as prime contractors. Through the lens of distributive justice theory, the focus was to explore, understand, and describe VOSB owners' perceptions and experiences within a framework of fairness. The preference afforded SDVOSBs over VOSBs was the central phenomenon of interest. I conducted this research through semistructured interviews with VOSB owners actively enrolled in the VFCP. While the VFCP is a national program, participants for this study were from Maryland, Virginia, and the District of Columbia. The comprehensive outline of implementation in Chapter 3 includes an introduction, research design rationale, role of the researcher, methodology, issues of trustworthiness, and a summary.

Research Design and Rationale

This section includes the following subsections: research questions and phenomenological research design rationale.

Research Questions

To explore, understand, and describe the essence of the perceptions and experiences of VOSB owners' participation in the VFCP, this phenomenological study included one central research question: What are the perceptions and experiences of VOSB owners about seeking access to VFCP procurement opportunities? The only

subquestion was as follows: What are the perceptions of VOSB owners about the fair allocation of procurement opportunities within the VFCP?

Phenomenological Research Design Rationale

The central phenomenon of this study was the perceptions and experiences of 20 VOSB owners in their pursuit of VFCP procurement opportunities. Distributive justice theory was suitable as a theoretical lens because the research focus was on understanding VOSB owners' perceptions and experiences regarding distributive outcomes in a context of fairness (Burleigh & Meegan, 2013; Rawls, 1971). Through the literature review in Chapter 2, I determined that a gap existed in research regarding VOSB owners' participation in the VFCP as a distinct socioeconomic small business category in response to the preference afforded SDVOSBs. A benefit of conducting research on VOSB owners' participation in the VFCP is a better understanding of the policy's outcome (Chouinard, 2013).

I decided to use a qualitative phenomenological approach after exploring the benefits and drawbacks of conducting the study within a quantitative or mixed-methods approach. I also explored the advantage of conducting the research using a qualitative narrative, ethnographic, case study, or grounded theory approach. The quantitative research method was not suitable because quantitative techniques in an open-ended inquiry construct could not capture the exploratory data necessary to understand VOSB owners' perceptions and experiences (Ingham-Broomfield, 2015). According to Ingham-Broomfield (2015) and Pietkiewicz and Smith (2014), quantitative methods are

advantageous to a study in which it is important to generalize findings, in contrast to a study that involves a deep exploration into the meaning of a given phenomenon.

Venkatesh, Brown, and Bala (2013) reported that mixed methods research techniques are a viable mode of exploration when there is a need to use quantitative and qualitative approaches within the parameters of a research study. However, the uneven distribution of contract awards between SDVOSBs and VOSBs negated the need to conduct the study using mixed methods. According to Creswell (2013), five primary qualitative approaches support the qualitative tradition of research. Each may include an exploratory dimension to scientific inquiry, but using one approach in place of another remains dependent on the purpose of the research. The narrative approach has value in capturing the stories of research participants for the purpose of data collection (Holly & Colyar, 2012) but was not suitable because the focus of this research was exploring and understanding participant experiences in the context of a specific phenomenon.

The ethnographic approach is useful in exploring the experiences of a cultural group or an organizational setting that has shared values (Creswell, 2013; Samnani, & Singh, 2013). The ethnographic approach was not suitable because VOSB owners have a diverse mix of socioeconomic backgrounds, and the cultural dynamic is not a research factor (Bressler et al., 2013). The grounded theory approach is beneficial when a need exists to explore a given phenomenon inductively to form a theoretical model to explain a phenomenon (Creswell, 2013; Gambetti, Graffigna, & Biraghi, 2012). The grounded theory approach was inappropriate for this study because distributive justice theory was the theoretical lens, which negated the need for an inductive mode of exploration.

The case study approach is favorable for exploring a phenomenon within the context of a single case or a small number of cases (Creswell, 2013). The case study approach could have been applicable to the study because the approach includes the flexibility necessary to explore a particular phenomenon through interviews, observation, and document review (Creswell, 2013; Patton, 2002). However, the case study approach was not applicable based on a need for multiple participants who would provide a deeper and richer understanding of the phenomenon. The phenomenological approach was the best approach for this study because the essence of the lived experiences of VOSB owners was central to the research purpose. As noted by Moustakas (1994), the focus of research guided by a phenomenological construct is on exploring and understanding the human experience, which assists in providing a framework for interpretive meaning.

Role of the Researcher

For this study, I functioned as a participant observer for the purpose of data collection through semistructured interviews. In my role as participant observer, I exercised care during data collection by establishing rapport and trust with each participant. The professional encounters maintained consistency throughout the interview process (Englander, 2012; Patton, 2002). The interview was a data-gathering technique, and my conduct was an integral component of the research outcome (Collins & Cooper, 2014).

My work involves procuring contracts under Public Law 109-461, the VFCP. Therefore, I possessed an in-depth understanding of the DVA procurement environment. My employment was not a factor that influenced participant responses. However, to

safeguard against the potential for undue influence, participants were made aware of my employment with an understanding that I was conducting the study as a Walden University student. In addition, my office does not have contracts with VOSB firms. There were no conflicts of interest between my employment and the research study because VOSBs are public entities and the study took place in my capacity as a private citizen. I knew no one in the study personally and Agency approval was not necessary. Each participant was included in the study through the process of informed consent.

I made initial contact with participants via telephone, e-mail, and face-to-face encounters as were necessary and appropriate. I conducted the interviews and transcribed, coded, analyzed, and interpreted experiential interview data with a goal of mitigating bias by remaining objective in my analysis of the research findings. Bracketing techniques assisted me in remaining cognizant of my predisposition to bias throughout the data gathering and data analysis process (Chan et al., 2013). Englander (2012) emphasized that it is essential for a researcher to remain systematic in the development and execution of scientific research.

I received a bachelor of science in counseling in November 2002, and I have approximately 15 years of professional counseling experience. I remained cognizant of the differences between providing counseling services and interviewing participants under the auspices of research. My experience includes understanding the importance of self-awareness and not asking leading questions. Rehfuss and Meyer (2012) reported that counseling experience could be beneficial to the research domain with practical training.

Participation in this research study was voluntary and did not include any incentives. The standard format used informed each participant of the parameters of confidentiality, protection of data, voluntary consent, and potential benefits to society, as outlined in 45 C.F.R. Pt. 46 § 46.116 (Protection of Human Subjects, 2009). I maintained ethical standards that served to protect the integrity of the research process. I am a veteran who works for a government agency and no conflicts of interest had the potential to affect the outcome of the study.

Methodology

This section includes the following subsections: participant selection and sampling strategy, instrumentation and data collection, procedures for recruitment, participation, and data collection.

Participant Selection and Sampling Strategy

Participants for this study were VOSB owners actively enrolled in the VFCP, as verified by the Center for Verification and Evaluation (CVE) database. The CVE is a government entity whose staff members are responsible for confirming the eligibility and enrollment of SDVOSBs and VOSBs for participation in the VFCP (DVA, 2015). Purposive sampling was suitable for locating and identifying participants for this study. Purposive sampling was the most suitable sampling strategy because a requirement within the research purpose was that participants had the lived experiences that were central to the research questions (Anney, 2014; Robinson, 2014). Purposive sampling was favorable in selecting information-rich cases that were characteristic of the qualitative phenomenological approach to data collection (Creswell, 2013; Patton, 2002). Random

selection from the CVE list increased the credibility of the research outcome in response to the small representative sample (Patton, 2002). Random sampling gave each VOSB owner who met the purposive selection criteria an equal chance of participation by mitigating bias in the selection procedures (Robinson, 2014).

For this study, I selected VOSB participants according to their active enrollment in the VFCP for a minimum of one year. The CVE certifies VOSB owners' military service and ownership of no less than 51% of their business entity, among other factors (Veteran Small Business Regulations, 2012). The selection criteria also included participant registration in the system for award management (SAM) database, which was necessary to receive a federal contract (SAM, 2015). The SAM criterion was important because an unregistered VOSB firm would be ineligible for a DVA contract award.

All selected VOSB owner participants were familiar with the FBO website and knew the site publishes VFCP procurement opportunities (FBO, 2015). The VFCP is national in scope, but the delineated area for participant selection was Maryland, Virginia, and the District of Columbia. The geographic catchment area was suitable because the DVA headquarters, located in Washington DC, encompass the Veterans Health Administration, the Veterans Benefits Administration, and the National Cemetery Administration (DVA, 2013). Maryland, Virginia, and the District of Columbia are also a tristate zone for the DC metropolitan region (U.S. Department of Labor, 2015).

In summary, participants met the sampling criteria by having active enrollment in the VFCP and SAM databases; knowledge of the FBO website; and a business office in Maryland, Virginia, or the District of Columbia. Selection criteria were an essential

element that confirmed that each selected participant retained the ability, business controls, and knowledge to seek and secure VFPC procurement opportunities as a prime contractor. The criteria also supported the selection of individual VOSB business owners who had experience of the phenomenon that was under study. This study did not include a differentiation between age, race, or gender, with the exception that participants were all adults, as confirmed by military service.

The sample size for this qualitative phenomenological research study was 20 VOSB owners who met the designated selection criteria. Additional participants were not necessary because 20 participants yielded saturation. Scholars developed recommendations for sample sizes that support qualitative research with an understanding that the number of participants should match the research purpose (Creswell, 2013; O'Reilly & Parker, 2012; Patton, 2002; Robinson, 2014). According to Englander (2012), three participants could serve as an adequate number of cases to conduct a phenomenological research study. An emphasis on content depth rather than numbers supports Englander's reference to three cases. However, Creswell (2013) made a case that approximately 10 participants are sufficient for a phenomenological research design. My review of the literature indicated that 20 VOSB was a good starting point to capture the data necessary to support a phenomenological approach to the inquiry. The basis of the decision was a need for saturation in content, as evidenced by the research results.

Participant identification involved using a public access database located on the CVE information page website (<http://www.vip.vetbiz.gov>) by entering *VOSB* under *Maryland, Virginia, and District of Columbia* (DVA, 2015). The generated list contained

business contact information that included business name, business address, telephone number, e-mail address, and date of enrollment or renewal in the VFCP. Virginia had 207 active VOSBs, Maryland had 150 active VOSBs, and the District of Columbia had 18 active VOSBs. I sorted the list by geographical area, and I used the RAND function on the Excel spreadsheet to create a randomized potential participant list. I cross-checked each potential participant for active enrollment in SAM. After I verified 1 year of VFCP enrollment, including SAM registration, I began to select one business at a time randomly for recruitment purposes.

The decision to use a minimum of 20 participants as the sample size resulted from the need for saturation. Several researchers reported that identifying the right sample size to achieve saturation in qualitative research is a debatable requirement associated with the flexibility that is intrinsic to qualitative research methods and the need for reliable research data (Marshall, Cardon, Poddar, & Fontenot, 2013; O'Reilly & Parker, 2012; Robinson, 2014). Marshall et al. (2013) contended that a link exists between saturation in interview data and the number of interviews, quality of the interview, sufficiency of the procedures, and skill level of the researcher. Even though researchers agree that there are no rules to determine the sample size of a qualitative research project, the sample must provide enough data to support an evidence-based outcome (Marshall et al., 2013; O'Reilly & Parker, 2012; Pietkiewicz & Smith, 2014). My analysis of the literature supported that purposive sampling, with a goal of securing a minimum of 20 participants, would assist in identifying information-rich cases that had the potential to promote

saturation as proposed. Additional participants were unnecessary because saturation occurred at the minimum number.

Instrumentation and Data Collection

Data collection took place through semistructured interviews, as outlined in interview guide I produced (see Appendix A). I used the interview guide to ensure I asked each participant the same questions in the same order, which promoted congruency in preparation for data analysis (Jacob & Furgerson, 2012). According to Jacob and Furgerson (2012), interview guides can be instrumental in maintaining the research focus, as reflected in the substance of the research questions. Digitally recording each interview supported the decision to transcribe the interviews.

To ensure the interview questions, as covered by the interview guide, were sufficient to address the central research question and subresearch question, the study involved mini-testing the interview guide by using the first three participants to answer the eight interview questions. The data obtained from the individuals used to test the instrument were not going to be used in the main study, if major changes were necessary. However, after the test was complete, only minor adjustments were needed concerning two interview questions. The original wording of Question 3, which was, “As a veteran-owned small business owner, your business is designated as a ‘Second-Tier Participant’ within the VFCP. What are your views concerning the impact of this designation during the competition process in the VFCP,” changed to the following: “As a veteran-owned small business owner, your business is designated as a ‘Second-Tier Participant’ to SDVOSBs within the VFCP, what are your views or experiences concerning the impact

of this designation regarding the competition process?” The original wording of Question 4, which was “Do you believe the VFCP is meeting its purpose to provide procurement opportunities to both service-disabled veteran-owned small business and veteran-owned small business,” changed to “Do you believe the VFCP is meeting its purpose to provide procurement opportunities to veteran-owned small business firms as prime contractors? Probe: why/ or why not?” In response to the minor adjustments, IRB change procedures were not necessary to conduct a retest with different participants. The test participants went through the same recruitment and informed consent procedures as the remaining participants and the data served to support the research findings.

The interview questions, as covered by the interview guide, were suitable to explore the phenomenon under study from the perceptions and experiences of VOSB participants. The interview questions were theory based, linked to the distributive justice theoretical lens, and formed within a framework of fairness (Cloitier et al., 2012; Mayser & Wagenheim, 2012). According to Englander (2012), qualitative research questions must serve to explore and capture participant responses according to the intended purpose.

Content validity occurred through the transcription review process. All participants validated their responses to the interview questions, which supported the claim that participant reports remained accurate (Cope, 2014). Before using the interview questions on primary participants, the interview questions underwent testing on three participants. The data gleaned from the test participants supports that the data collection instrument was sufficient to address the research questions as proposed.

Procedures for Recruitment, Participation, and Data Collection

This study did not include a pilot study, and I collected data from 20 VOSB owners actively enrolled in the VFCP. Data collection procedures began after I identified 30 names as described under the sampling strategy. Approximately 120 names were necessary to locate 20 willing participants. I began by making phone calls and sending out e-mail notifications to the potential participants identified on the randomized list. The communication included a description of the study and an invitation to participate (see Appendix B). The e-mails also included the IRB-approved consent form. I checked daily for responses to the invitation to participate, and I conducted follow-up calls and e-mails to those who did not return the consent forms. The process continued until I secured 20 VOSB owner consent forms. Once I received a consent form, I conducted a follow telephone call and asked the remaining screening question, which was as follows: Are you familiar with the Federal Business Opportunity (FBO) website? All selected participants answered yes to the screening question.

After I had completed the screening process, I set up a date and time to conduct the interviews. One face-to-face interview took place at the Rockville Library in Rockville, Maryland, and the remaining 19 participants participated in telephone interviews. Each semistructured interview lasted approximately 20 minutes, and data collection took place over a 5-week 4-day period. I digitally recorded all interviews and encountered no issues during the recruitment and interview process.

All participants answered the interview questions in their own words, which was necessary to capture the essence of the participants' perceptions and experiences (Jacob

& Furgeson, 2012). The digitally recorded face-to-face and telephone interviews supported content accuracy. At the beginning of each interview, I reminded participants that they could stop at any time, which reinforced the voluntary nature of the research. Each participant fully participated without interruption.

At the conclusion of each interview, participants had an opportunity to ask questions or make known any concerns. No participant observed or reported an adverse event, but I remained prepared to offer a veteran's crisis hotline call number and to provide the address of a DVA medical center (see Appendix C) if necessary. The interviews concluded with an acknowledged appreciation for participation and a reminder that a brief follow-up encounter would be necessary to confirm the accuracy of the interview transcription. I also informed participants that they would receive a summary of the research findings after the study was complete. The only data collection instruments used in this study is the interview guide and digital recordings.

Data Analysis

Qualitative data analysis is a process of interpretation that requires an ability to make sense of word patterns, pictures, and documents in a way that descriptively explains the phenomenon under study (Pietkiewicz & Smith, 2014). Data collection was conducted through semi structured interviews. The interview questions correlated with the central research question and the subresearch question, with questions 1-4 centered on VOSB access to procurement opportunities and questions 5-8 centered on fairness as outlined in the interview guide.

After the participant interviews were completed, an authorized employee of a transcription service fully executed a Walden-University-approved confidentiality agreement before transcribing the data (see Appendix D). The next step involved preparing the transcribed data for coding and thematic analysis using NVivo, which is a software program widely used for qualitative data analysis (Ishak & Baker, 2012). NVivo was suitable for coding the interview data and developing themes that correlated with the theory-based research questions (Finfgeld-Connett, 2014; Ishak & Baker, 2012). The process involved making sense of the transcribed words and phrases to identify patterns or discrepancies that clarified the meaning of the research outcome (Finfgeld-Connett, 2014; Patton, 2002). The approach taken to analyze the data was the modified van Kaam method by Moustakas (1994). Analysis of the interview data took place without a preconceived position to mitigate bias in interpretation (Pietkiewicz & Smith, 2014). Chan et al. (2013) covered the importance of using bracketing in research comprising a phenomenological research construct. The process resulted in descriptions that explain the deep and rich data including discrepant participant responses. A detailed description of data analysis appears in Chapter 4.

Issues of Trustworthiness

This section includes the following subsections: validity and reliability of qualitative data and informed consent and ethical considerations.

Validity and Reliability of Qualitative Data

The validity and reliability of a qualitative research project is fundamental to the contribution of science in advancing universal knowledge (Yilmaz, 2013). According to

Ingham-Broomfield (2015) and Sousa (2014), the process used to determine the validity and reliability of a qualitative research project differs from the statistical cause and effect method that denotes a quantitative experimental design. Researchers who use qualitative approaches to explore phenomena have a responsibility to uphold societal trust by employing methods that denote credibility, transferability, dependability, and confirmability (Sousa, 2014; Yilmaz, 2013).

In this qualitative phenomenological research study, I addressed credibility, transferability, dependability, and confirmability throughout the research design and implementation process. Reflexivity and transcription review served to establish credibility. Reflexivity was an integral part of this study because I had direct knowledge and experience regarding the VFCP procurement environment. According to Berger (2013), reflexivity involves an appropriate level of researcher detachment to uphold ethical boundaries in cases where the researcher may have direct involvement. I remained cognizant of my role as a researcher and maintained ethical boundaries appropriately.

Scholars agree that validating participant responses through transcription review and other means is an important step in promoting the credibility of research data, which also supports reliability (Cope, 2014; Creswell, 2013; Kolb, 2012; Maxwell, 2013). Every participant reviewed the accuracy of their verbal responses by conducting a comprehensive review of their individual transcriptions, as confirmed by an e-mail record. An employee of a transcription service that fully executed a Walden-University-approved confidentiality agreement transcribed the data (see Appendix D).

I addressed transferability through the criteria used to identify participants who had the phenomenological experiences under study and the detailed descriptions developed through the analysis of the interview data (Cope, 2014; Sousa, 2014). Yilmaz (2013) emphasized that a connection exists between transferability and credibility and recognized that research data must be credible to prevent a flawed outcome. To promote transferability further, I randomized the list to maximize participation within a participant pool that encompassed 375 potential participants. I also understood that the scope of transferability may have limitations because VOSB owners outside the delineated area may possess varying experiences based on industry and specialized expertise.

I maintained dependability through an audit trail evidenced by the documented procedures used to develop and conduct the study (Anney, 2014). All the documents, which included but were not limited to copies of the interview transcripts, recordings, spreadsheets, data analysis procedures, and associated items, are available to validate the procedures that comprised the study. The hard copy and electronic documents will remain secured in a locked file cabinet for a minimum of 5 years as required by federal regulations and Walden University's IRB (Protection of Human Subjects, 2009). According to Anney (2014), researchers use audit trails to establish confirmability and to verify the procedures used for secondary inspection.

Confirmability is important because an interested party should be able to duplicate the procedures used to conduct a study to validate the findings (Wahyuni, 2012). Wahyuni (2012) and Anney (2014) highlighted the relevance of an audit trail in supporting confirmability of the research outcome. The interactive process with the

dissertation committee, which involved a thorough review of the research design, acts as an additional measure in addressing confirmability regarding this research study (Wahyuni, 2012).

To promote intercoder reliability, I used the modified van Kaam method which is applicable to phenomenological research. The process involved seven steps that describe how the findings were established (Moustakas, 1994). Standardizing the coding scheme was paramount because I was the only person coding and analyzing the data (Campbell et al., 2013). A detailed description is provided in Chapter 4.

Informed Consent and Ethical Considerations

Government or institutional permission was not needed to gain access to VOSB research participants. The CVE maintains a public website that includes VOSB information for public access. The CVE also conducts a rigorous evaluation process to ensure veteran business owners have appropriate business controls and capabilities to perform before gaining acceptance into the VFPCP program (DVA, 2015). The randomized nature of the purposive sample criterion made it impossible to identify elderly, pregnant, or mentally or emotionally challenged participants. Even though the study did not knowingly include participants who might be elderly, pregnant, or mentally or emotionally challenged, there remained a possibility that the study included a participant in a protected group. If I determined during data collection that a potential participant did not have the capacity to participate at any stage of the research process, I would have discontinued their participation. The decision would help to safeguard the

integrity of the research and promoting the safety and autonomy of the participants. I did not observe or report any known adverse events.

In preparation for conducting research on human participants, I secured Walden University IRB approval under identification number 01-22-16-0313605. I also completed the Protecting Human Research Participants training (see Appendix E). The safety and autonomy of research participants were fundamental requirements that were an integral priority concerning this scientific research endeavor (Damianakis & Woodford, 2012). I remained cognizant of the need to secure Walden University IRB approval to ensure the methods proposed complied with the standards exemplified in Title 45 C.F.R. Pt. 46 (Protection of Human Subjects, 2009). I fully adhered to the methods throughout the research process, which assisted in mitigating participant risk (Aluwihare-Samaranayake, 2012).

I exercised care in securing informed consent before collecting any data. I understood that voluntary consent was a prerequisite that informed potential participants of the parameters of the study, including the benefits and drawbacks associated with voluntary participation (Jacob & Furgerson, 2012). I safeguarded each document in the official research record. Recruiting VOSB owner participants did not require permission from the leaders of a government body, institution, corporation, or other secondary entity. The only permission required was the voluntary consent of participants. I recruited the VOSB participants from the vendor information pages of the CVE database, which is a depository of SDVOSB and VOSB vendor information. The research purpose did not include exclusion criteria based on race, ethnicity, gender, or age, with the exception that

the participants must be adults. Securing VOSB business information from the CVE did not raise ethical concerns because the information was publicly available.

Informing participants of their ability to revoke consent and withdraw from the study at any time as outlined in the written consent form maintained the autonomy of participants. The study did not include any expectation of harm to participants because the research focus was business and policy related. However, if a participant displayed an adverse response or verbalized a negative reaction during the research process, I would have stopped the interview immediately and advised the participant to seek appropriate medical or other professional attention, as appropriate.

I shielded participant identities within the recordings, transcriptions, and write-ups of the research findings to maintain confidentiality. I used a transcription service to transcribe the recordings. The service provider signed a Walden University approved confidentiality agreement, as required. Participants remained anonymous through the use of an assigned number for internal and external identification. Participants received a number from 1 to 20 in the order in which they entered the study. In support of the confidential nature of the research, the recordings, transcripts, data analysis, and selection documents will remain in a locked file cabinet for minimum of 5 years, at which time I will appropriately destroy the documentation. There were no conflicts of interest presented and participants did not receive any incentives to participate, with an understanding that VOSB owners are not a vulnerable population.

Summary

The purpose of this qualitative phenomenological research study was to understand the perceptions of 20 VOSB owners about their lived experiences in seeking access to VFCP procurement opportunities as prime contractors. Through the lens of distributive justice theory, the focus was on exploring the essence of VOSB owners' perceptions and experiences within a framework of fairness. The study included semistructured interviews with VOSB owners actively enrolled in the VFCP. The VFCP is a national program, but for this study, participants were from Maryland, Virginia, and the District of Columbia.

To prepare for data collection procedures, I participated in training that covered the ethical responsibilities associated with conducting research on human subjects (Protection of Human Subjects, 2009). Research did not begin on human subjects until I received Walden University IRB approval. Upon approval of the Walden University IRB, the process of data collection commenced with a search in the CVE database for VOSB owners who met the selection criteria and maintained an office in Maryland, Virginia, or the District of Columbia. The criteria were an essential element that confirmed each selected participant had the knowledge and ability to seek and secure VFCP procurement opportunities as a prime contractor. The criteria supported the phenomenologically based research questions.

The safety and autonomy of research participants were a fundamental requirement incorporated throughout the research study. I secured informed consent from each participant with an understanding that it upholds research standards in advancing

scientific knowledge (Damianakis & Woodford, 2012). I explored VOSB owners' perceptions and experiences within the parameters of the qualitative phenomenological research design. Data collection proceeded with no adverse events observed and participants actively participated by providing data and completing the transcription review process. I informed participants that I considered them invested stakeholders, and they could expect to receive a summary of the research findings.

The comprehensive outline of implementation in Chapter 3 included an introduction, research design rationale, role of the researcher, methodology, issues of trustworthiness, and summary. Chapter 4 includes an introduction, the research setting, participant demographics, data collection, data analysis, evidence of trustworthiness, research results, and summary.

Chapter 4: Results

Introduction

The purpose of this qualitative phenomenological research study was to explore, understand, and describe the essence of the perceptions of 20 VOSB owners in seeking access to VFCP procurement opportunities as prime contractors. Through the lens of distributive justice theory, the focus was to explore, understand, and describe VOSB owners' perceptions and experiences within a framework of fairness. The preference afforded SDVOSBs over VOSBs was the central phenomenon of interest. I conducted this research through semistructured interviews with 20 VOSB owners actively enrolled in the VFCP. Although the VFCP is a national program, participants for this study were from Maryland, Virginia, and the District of Columbia.

To explore, understand, and describe the essence of the perceptions and experiences of VOSB owners' participation in the VFCP, this phenomenological study included one central research question: What are the perceptions of VOSB owners about seeking access to VFCP procurement opportunities? The only subquestion was as follows: What are the perceptions of VOSB owners about the fair allocation of procurement opportunities within the VFCP?

The data analysis approach used was the modified van Kaam method by Moustakas (1994), and I developed themes from the lived experiences shared by the participants during the interviews. The approach involved seven extensive steps with the aim of showing the complete process of how the findings were established. I also employed NVivo11 by QSR to assist in the systematic organization of the codes and to

determine the thematic relationships of the formed themes. The sections that follow this introduction are research setting, demographics, data collection, data analysis, and evidence of trustworthiness, research results, and summary.

Setting

The study did not include a pilot study, but the first three interviews served as a mini test to address the viability of the interview questions to explore the phenomenon. The mini test resulted in a minor adjustment to Questions 3 and 4 that did not affect the data collected. I employed a purposive sampling strategy using a randomized CVE list to collect data from 20 VOSB owners actively enrolled in the VFCP. The majority of participants reported being extremely busy, which made telephone interviews a practical alternative to face-to-face interviews for most participants. I conducted each telephone interview from my home office, which offered the privacy necessary to ensure confidentiality. Nineteen individuals participated in telephone interviews. The one face-to-face interview took place in a private meeting room at the Rockville Library in Rockville, Maryland. All the participants reviewed and signed the Walden University IRB-approved consent form prior to participating. The data collection encounters were audio recorded and did not present any organizational challenges that may have influenced the study results.

Demographics

Twenty VOSB owners from Maryland, Virginia, and the District of Columbia who were actively enrolled in VFCP participated in the semistructured interviews to share their lived experiences in seeking access to VFCP procurement opportunities. Even

though the study was not gender, age, race, military, or industry specific, the demographic synopsis in Table 2 provides a picture of the general characteristics of the participants.

Table 2

Demographics of the Participants

| Participant number | Gender | Age | Former military branch | State | Years in business | Services offered |
|--------------------|--------|-----|------------------------|-------|-------------------|--|
| 1 | Male | 60 | Marine Corps | VA | 6 | Electrical, power generation, supply chain and consulting services |
| 2 | Male | 52 | Navy | MD | 4 | We support aeronautics, base operations and energy efficiency, business consulting, information technology |
| 3 | Male | 48 | Marine Corps | MD | 10 | Software development. |
| 4 | Female | 49 | Army | DC | 8 | Program management, system engineering, business process improvement, acquisition support, and budget support |
| 5 | Male | 33 | Army | VA | 5 | Fleet maintenance and repair services. |
| 6 | Male | 47 | Marine Corps | VA | 2 | Cloud-consulting services, we provide cyber security services, and we provide big data analytics services. |
| 7 | Female | 58 | Navy | VA | 3 | Information technology services. |
| 8 | Male | 49 | Marine/Air Force | VA | 8 | Consulting management services |
| 9 | Female | - | Air Force | VA | 1 | Training |
| 10 | Male | 70 | Navy | DC | 15 | Human resources. |
| 11 | Male | 40 | Army | VA | 4 | Security consultant services, security technology access control, CCTV |
| 12 | Male | 50 | Navy | MD | 3 | Security and also, janitorial, and trash removal, and landscaping |
| 13 | Male | 72 | Air Force | VA | 21 | Information Technology and Intelligence Analysis for the intelligence community |
| 14 | Male | 73 | Air Force | VA | 20 | Cloud such as software as a service, infrastructure as a service, hardware and other types of computer services and products. |
| 15 | Male | 53 | Army | VA | 6 | Land surveying |
| 16 | Male | 65 | Navy | MD | 23 | Leadership development, learning systems design and training |
| 17 | Male | 39 | Army | DC | 2 | Commercial LED lighting retrofit. |
| 18 | Male | 40 | Army | MD | 5 | Security systems installation. |
| 19 | Male | 53 | Air Force | MD | 14 | Professional Management and Engineering Services focusing on Command and Control and Decision Support Systems and Logistics Systems. |
| 20 | Male | 69 | Army | MD | 30 | Financial accounting and tax services |

Data Collection

Approximately 120 names were necessary to locate 20 VOSB owner participants actively enrolled in the VFCEP for 1 year or more. Each participant retained active enrollment in the SAM, possessed knowledge of the FBO website, and maintained a business office in Maryland, Virginia or District of Columbia. After I secured IRB approval, I began making phone calls and sending e-mail notifications to the potential participants identified on the randomized list. The process continued until I secured 20 VOSB owner consent forms.

After I had completed the selection process, I set up a date and time to conduct the interviews. The face-to-face interview took place at the Rockville Library in Rockville, Maryland, and the remaining 19 participants participated in telephone interviews. I conducted all the telephone interviews from my home office, which offered the privacy necessary to ensure confidentiality. Each semistructured interview lasted approximately 20 minutes, and data collection took place over a period of 5 weeks and 4 days. I digitally recorded each interview and encountered no issues during the recruitment and interview process. The IRB approved research plan was sufficient to collect the data, and change procedures were not necessary.

Data Analysis

Data analysis involved using Moustakas's (1994) modified van Kaam method. The modified van Kaam method was the preferred method because it was suitable for analyzing and describing the phenomenon as experienced and expressed by the

participants (Moustakas, 1994). Data analysis followed four steps: preliminary grouping, reduction and elimination, clustering, and thematic identification.

Preliminary Grouping

As a first step, I performed horizontal procedures, which required me to list and do a preliminary grouping of the experiences and perceptions of VOSB owners' participation in the VFCEP shared during the telephone and face-to-face interviews. In this step, I grouped the responses of the participants according to their demographic profile. The groups were in accord with the perceptions of 20 VOSB owners who had operated their business for (a) 1 to 5 years, (b) 6 to 10 years, (c) 11 to 15 years, and (d) 16 years or more. The initial review of the transcripts indicated that the perceptions of 11 VOSB owners who had been in the business for several years were not structurally similar to those of the nine VOSB owners who had operated a business for 1 to 5 years.

Reduction and Elimination

From the preview of the experiences that emerged during the listing and preliminary grouping of experiences, I categorized the participants' lived experiences and perceptions according to their age, former military branch, and current business services. The responses of these participants indicated that they shared similar experiences and that categorizing the responses according to these domains was not relevant in the course of the analysis. Following this procedure, I reached the second stage of the modified van Kaam method (Moustakas, 1994). The reviews of the transcripts that I performed involved understanding the experiences of the participants for the purpose of data abstraction and labeling (Moustakas, 1994).

The initial groupings I completed required the elimination and reduction of information that did not apply to the lived experiences of VOSB owners' participation in the VFCP. After delineating discrepant reports, I identified nine parent codes, as expressed in the language of NVivo 11, or major thematic labels, as expressed in manual coding exercises. The next step involved tagging the perceptions and experiences coded under these labels as the grouped participants or the essential lived experiences of VOSB owners concerning the VFCP program.

Clustering

The study also involved sorting out important information for clustering and developing themes of the grouped participants identified in Step 2 by reducing data. According to Moustakas (1994), the core themes of a study emerge from clustered participant groups. As this process required synthesizing information from the participants' responses to different interview questions, I used NVivo11 to extract and relate code classifications to different parent codes or major thematic labels. This process helped me understand the themes by looking at the description of the lived experiences of VOSB owners in the VFCP. For the purpose of the detailed analysis of the major group participants that builds a specific theme, I only discussed the groups shared or commonly experienced by two or more participants.

Thematic Identification

This stage involves finalizing the identification of the grouped participants and themes and substantiating these phenomenological experiences according to the evidence in the interview transcripts. Substantiating the phenomenological experiences involved

following Moustakas's review questions: "Are they expressed explicitly in the complete transcription? Are they compatible if not explicitly expressed? If they are not explicit or compatible, they are not relevant to the participant's experience and should be deleted" (Moustakas, 1994, p. 121). Following the fourth step, three themes emerged in the analysis: (a) acquiring certification and benefits enticed VOSB owners to participate in the VFCP, (b) preferential options to SDVOSBs affected VOSB owners' motivation and changed the competition structure of the VFCP, and (c) unfair opportunity distribution existed between VOSBs and SDVOSBs. These themes and associated grouped analyses present the answer to the research question: What are the perceptions of VOSB owners about seeking access to VFCP procurement opportunities? Specifically, I sought to understand the VOSB owners' perception about fair allocation of procurement opportunities within the VFCP. This was accomplished with themes (a) and (b) addressing the central research question and theme (c) addressing the subresearch question.

I addressed discrepant cases throughout the process of reading and analyzing participant responses to identify shared experiences that are an integral component of the Moustakas modified van Kaam method of analysis. For example, the process requires researchers to omit participants' experiences and perceptions that are not explicit, compatible, or relevant (Carter & Baghurst, 2014; Moustakas, 1994). The results section includes a description of each participant's textual and structural responses that further demonstrate the process of factoring discrepant data into the study results.

Evidence of Trustworthiness

In this qualitative phenomenological research study, I addressed credibility, transferability, dependability, and confirmability throughout the research design and implementation process. I established credibility through the transcription review process that served to validate the content of the research data. Every participant reviewed the accuracy of his or her verbal responses by conducting a comprehensive review of the individual transcriptions, as confirmed by an e-mail record. Validating participant responses through transcription review was an important step in preserving the integrity of research data (Cope, 2014; Creswell, 2013; Kolb, 2012; Maxwell, 2013).

I addressed transferability through the criteria used to identify participants who had the phenomenological experiences under study and the detailed descriptions developed through the analysis of the interview data (Cope, 2014; Sousa, 2014). Yilmaz (2013) indicated that a connection exists between transferability and credibility and recognized that research data must be credible to prevent a flawed outcome. To promote transferability further, I randomized the list to maximize participation within a purposive participant sample that encompassed 375 potential participants. I also understood that the scope of transferability may have limitations because VOSB owners outside the delineated area may possess varying experiences based on industry and specialized expertise.

I addressed dependability for this study through an audit trail evidenced by the documented procedures used to develop and conduct the study (Anney, 2014). All the documents, which included but were not limited to copies of the consent forms,

confidentiality agreements, interview transcripts, recordings, spreadsheets, data analysis procedures, a code chart, and associated items, are available to validate the procedures that comprised the study. The hard copy and electronic documents will remain secured in a locked file cabinet for a minimum of 5 years, as required by federal regulations and Walden University's IRB (Protection of Human Subjects, 2009).

I maintained confirmability throughout this study because no deviations were necessary in the approved design and implementation of procedures. According to Wahyuni (2012), confirmability is important because an interested party should be able to duplicate the procedures used to conduct a study to further validate the findings. I also used consistent coding methods to categorize units of text (Campbell et al., 2013). Standardizing the coding scheme was paramount because I was the only person coding and analyzing the data (Campbell et al., 2013). The interactive process served as an additional measure to address confirmability regarding this research study (Wahyuni, 2012).

Results

The results section covers the remaining three steps of the modified van Kaam Method, which are summarized textural descriptions, summarized structural descriptions, and combined textural and structural descriptions (Moustakas, 1994). This section is organized as Major Theme 1, Major Theme 2, and Major Theme 3, summarized textural descriptions, summarized structural descriptions, to include combined textural and structural descriptions, a summary, and a conclusion.

Major Theme 1

Major Theme 1 was as follows: Acquiring certification and benefits enticed VOSB owners to participate in the VFCP. The theme emerged from the data reduction analysis that articulates the motivation of VOSB owners to participate in the VFCP. While I grouped the participants into three categories (see Table 3), majority of the participants' lived experiences indicate that they find the VFCP program a good venue to acquire certification and additional procurement credits within the VFCP.

Table 3

Major Theme 1: Acquiring Certification and Benefits Enticed VOSB Business Owners to Participate in the VFCP

| Major theme grouped participants | <i>n</i> |
|---|----------|
| Acquiring certification and benefits enticed the business owners of veteran-owned small businesses to participate in the Veterans First Contracting Program | 9 |
| Getting advantage to compete with veteran-eligible government contracts | 6 |
| Enticing invitations | 3 |

Participant Group 1: Acquiring certification and benefits enticed VOSB business owners to participate in the VFCP. Nine participants claimed that getting recognition as a veteran is an initial step in accessing projects under VFCP. Participant 1 considered this initial process as the “only path to being recognized . . . as a viable veteran enterprise.” Other participants also believed that a certification would provide them opportunities set aside for the veteran business owner community. Participant 13 said, “I thought that there would be some opportunities set aside, for veterans who had gone through the trouble of certifying that they were in fact a veteran-owned business.” Similarly, Participant 10 shared that the certification would provide better advantage to

compete for government contract work. Participant 10 related that other business owners encouraged him to apply for certification for which he would qualify. Participant 10 related the potential benefits veteran owners could get with the VOSB certification, including, “getting certification and hopefully taking advantage of some of the opportunities for being certified as VOSB.”

Nine participants perceived that the program leaders set aside opportunities for veteran business owners. Participant 12, for instance, believed that the certification would increase the “ease of achieving a contract for business.” This perception emerged from the program implementers, who said there are preferential options for veterans to access government contracts. Participant 17 believed, “I thought I could benefit from preferential contract set-asides.” Participant 18 specifically identified the potential benefit: “To receive some tutelage for a business and how to run a business within the veteran set-aside dynamic.”

Participant 15 said, “I was under the impression that I might experience some contracting or subcontracting preference with that status.” Participant 16 corroborated that belief: “Veteran-owned small businesses are supposed to be treated in a preferential way for certain contracts.” Participant 16 clarified that being a veteran may add credits to accessing government contracts but project costing as well as the qualifications of the contractors are also significant factors in the procurement requirement. Participant 16 detailed this consideration:

When you’re competing against other small businesses who may not be veteran certified, you may have an advantage to be selected over them, provided of course

that your costing and your services are at least equivalent to what's being offered by other companies. And because I'm a veteran and I think that it's important to, in a sense, to put that out there, that I'm a veteran-owned business, that I took a route that required me to get a doctorate degree and that I've used it as a . . . when working. For example, for 10 years, I worked as a consultant at a major DC Medical University.

Participant Group 2: Getting advantage to compete with veteran eligible government contracts. Among the grouped participants emerged under the acquisition of certification and benefits as motivating factors, they believed the program would give them the ability to compete for veteran eligible government contracts. Six participants shared that participation in programs for the veteran community is appropriate given the nature of their former job. Participant 19 described his participation as “the right thing to do . . . prudent thing to do, given that I am a veteran and to get the veteran's status and become a certified veteran-owned small business.” This perceived belief of their right became their motivation to compete with other veterans. Participant 10 said, “I had hopes of competing for contracts that were set aside for veterans.” Participant 15 stated, “I was under the impression that I might experience some contracting or subcontracting preference with that status.” Participant 6 wanted “to have the opportunity to bid on small business contract set-asides.”

Participant Group 3: Enticing invitations. This participant group illustrated the effectiveness of DVA social marketing ability in influencing veterans to participate in the program. Participant 20 accounted his experience with the VA. Participant 20 shared that

the program is appealing to a veteran who had negative experiences in government contracting. Participant 20 recalled,

I received an e-mail suggesting that the VA was looking for veterans to enroll in their program for contracts opportunities. I decided to participate after many, many years of staying out of all government types of programs, because they didn't appear to work. I had some bad experience with some of the local governments, including DC, which suggested that sometime it's not the best form of doing business.

Participant 2 corroborated Participant 20's statement: "What motivated us is the fact that we found that there were more opportunities possibly provided to folks who have retained their certification so more opportunities for business." Participant 9 also shared that it was the SBA, a co-implementer of the VA program, that convinced him to participate in the program. Participant 20 stated, "So somewhere somebody in my path with the SBA got me over on to the Veterans thing."

Major Theme 2

Major Theme 2 was as follows: Preferential Options to SDVOSBs Affect VOSB Owners' Motivation and Changes the Competition Structure of the VFCEP. While I grouped the participants into three categories (see Table 4), majority of the participants' lived experiences indicate that they perceived that the preference hierarchy negatively affects the competition process and their motivation to participate in the VFCEP. The variable of disability versus length of service was also factored into the analysis.

Table 4

Major Theme 2: Preferential Options to SDVOSBs Affect VOSB Owners' Motivation and Changes the Competition Structure of the VFCP

| Major theme and grouped participants | <i>n</i> |
|---|----------|
| Preferential options to SDVOSBs affects the VOSBs' motivation and changes the competition structure of the VFCP | 19 |
| VOSB is no longer beneficial in the procurement process | 16 |
| Priorities shifted to disability than length of service | 4 |

Participant Group 1: Preferential Options to SDVOSBs Affect VOSB

Owners' Motivation and Changes the Competition Structure of the VFCP. Three participants reported that they had a limited understanding of the VFCP procurement process. Nineteen participants indicated the procurement process within the VFCP gives preferential access to SDVOSBs, which hinders VOSB owners from winning government contracts. Participant 18 shared his limited understanding: "I've looked for contracts that have veteran set-asides, but I don't have an understanding of how it'll work in the Veteran First Program." The 19 participants shared how they understood the program as it is supposed to be implemented. Participant 16 described this program as follows: "Theoretically, it's supposed to give us a preference, for those people looking for the kinds of service that I offer." Participant 10 shared his perception: "The VA has set up a program where if you are certified as a VOSB or a SDVOSB, they will set aside certain contracts for those who are veterans or service-disabled veterans." Participant 11 had a similar understanding: "Certification for those set-asides within federal opportunities will allow me to compete with other Veteran-Owned Small Businesses to give me a better

chance of winning those set-asides with that certification.” Participant 12 further explained this perception:

The veteran is given an opportunity because of his status as a veteran to gain access to quality contracts and have the pool of competitors, even though they are veterans, whoever has got the best price and the best offer will win the contract.

Participant 20 added, “My understanding is, it’s supposed to make contracts a lot easier for veterans to apply for, and to hopefully win the bid, to be able to provide services to either the veterans or to the Veterans Administration.” Participant 5 explained that because of the complicated process they completed to acquire the certification, “There will be more doors opened. . . . It’s going to give us more opportunity to get some of those connections and work.”

With the preference hierarchy set-aside for SDVOSBs, VOSB owners realized the procurement process does not necessarily provide an advantage for the veteran business owners in general. Participant 4 shared, “My understanding was different before I certified versus actually since the time that I certified and have been actually working on supporting bids.” Participant 4 further explained her experience:

My initial interpretation was that given the Veterans First program, the intent was to provide an enhanced set of opportunities for companies that had been certified as Veteran-Owned Small Businesses and Service-Disabled Veteran-Owned Small Businesses, and that within VA, those opportunities would be above and beyond those for other small business classifications. That was my understanding beforehand. Since the time of my actual certification, now I’ve come to realize,

however, that it seems that when the government is looking at opportunities for Set Aside, rather the first and only requirement they're looking at is for Service-Disabled Veteran-Owned Small Businesses. So in fact, trying to bid as a Prime, per se, as a Veteran-Owned Small Business, there are no opportunities for Set Aside.

Participant 1 offered similar observation. Participant 1 said, "The Veterans First Program was supposed to, um, promote my business and I do not see any value from that program, other than a certification that was issued by the program." Participant 1 further shared:

I have not received any opportunities from the Veteran's First Program. All of my business is by searching the FBO website and other search engines to find projects that I qualify for, first as an expert in the field that I operate in, and second that I'm a small business, and third that I'm a Veteran-Owned Small Business.

This implementation experience indicated that within the preferential competition structure for veterans, there is an add-on preferential that is only beneficial for SDVOSBs. Participant 16 explained,

We do not have, as a veteran small businesses, the same rights as a service-disabled veteran-owned business, or as a woman owned business, or as an ethnically driven 8(a)-type business. We do not have sole source opportunities available to us, so that we could go in and obtain a sole-source contract just based on the fact that we are a veteran-owned small business.

Participant 15's experiences gave him an impression that "service-disabled veteran-owned firms get a lot of attention and a lot of opportunity and veteran-owned firms get little opportunity or little preference if any."

The experiences of the participants in the preference hierarchy set aside for service-disabled veteran business owners affected the motivation of the VOSB owners to continue participating in the program. Participant 15 said, "I think there's enough service-disabled veteran-owned firms out there now that an opportunity will never get to veteran owned." The 19 participants believed that gaining certification as a VOSB has not been justified with the actual procurement process. Participant 16 explained, "My company, as a certified VOSB, is not treated any differently than any other Veteran-Owned Small Business who has not been certified. There's nothing there. It's not worth the certification." This loss of interest in the VFPC emerged from the results from the voluminous work necessary to be certified. Participant 9 shared,

It is a lot of hoops to jump through and very time consuming. Once you get it down, it probably works very well. But the initial time to get it down and the application process and everything is quite cumbersome . . . with something that takes so much of our time and yields initially such small results.

The experiences changed the initial positive perception of the VOSB owners toward the VFPC. Participant 14 said,

I thought it was going to be a situation where I, as a VOSB, would benefit when someone in the VA, searching for particular products and services, would go down the list and say, "Ah, veteran-owned," and then he/she would see if I could

supply those products on the lists, just as any other set-aside type of thing. I expected that there would be some RFPs [requests for proposals] or RFQs [requests for quotations] or something that were set aside for veteran-owned small business. Just like in 8(a), it would be . . . you would compete against other veteran-owned small businesses.

Participant 2, for instance, shared that getting certification as a VOSB is not valuable because for projects exclusive for the VA, “There are socioeconomically disadvantaged classification targets and set-asides as prime contractors and subcontractors on large contracts for basically service-disabled vets only and not a VOSB.” Participant 2 shared his disappointment: “I am not finding it to be very valuable in agencies outside of the VA, which is very disappointing.”

Participant Group 2: VOSB certification is no longer beneficial in the procurement process. Fifteen participants observed that while certification is essential in the VA procurement requirement, VOSBs are the last priorities for veteran bidding projects. Participant 13 said, “It is no benefit to be certified Veteran-Owned Small Businesses. It’s of no benefit.” Participant 13 further explained, “You’re not getting any points or any credit for being a certified veteran-owned small business should you decide to go after a particular acquisition. The only companies that are credited are service-disabled owned businesses.” Participant 15 shared his understanding about the issue:

There’s a pecking order. I think there are probably a half a dozen different categories and there’s a hierarchy in service-disabled first and only if there aren’t

any of those will they go to a veteran owned, and only if there are none of the above will they go to the next one.

The experiences of the 15 participants indicated that the prioritization scheme in the procurement of projects puts VOSB certification as no longer essential when competing against service-disabled veteran business owners. Participant 15 said, “I don’t see a veteran-owned business having a chance anymore.” Participant 16 indicated, “Veteran-owned small business designation really doesn’t do you any good.” Participant 16 explained, “You have the same chances and opportunities as other businesses who are not veteran certified.”

Participant Group 3: Priorities shifted to disability rather than length of government military service. Four of the participants shared that the original purpose of helping veterans to acquire economic gains after serving the country had been defeated. Participant 17 considered the process a “skew.” Participant 17 explained that the program gives an advantage to service-disabled, to the point where I think if there is any opportunity that’s labeled or designated for service-disabled, there’s almost no point for a regular VOSB to even go for it. It’s a waste of time.

The preference hierarchy implemented in the VFPCP can no longer provide opportunities for VOSBs who are also eligible for the program. Participant 15 referred to a scenario where there are only limited projects available for service-disabled veteran business owners. Participant 15 said, “There’s enough service-disabled firms, just enough of them out there, that I don’t see a contracting officer ever failing to find a service-disabled firm and then opening up the opportunity for veteran owned, I don’t see that ever happening.”

Participant 7 concluded, “There aren’t opportunities for veteran-owned small businesses in the Veterans First Program.

Major Theme 3

Major Theme 3 was as follows: Unfair opportunity distribution between VOSBs and SDVOSBs. The theme emerged from grouping the participants into two categories (see Table 5). The participants' lived experiences indicate that they perceived that the procurement opportunities favor SDDVOSBs and there should be separate categories for SDVOSB and VOSB for the purpose of evaluation.

Table 5

Major Theme 3: Unfair Opportunity Distribution Between VOSBs and SDVOSBs

| Major theme and grouped participants | <i>n</i> |
|---|----------|
| Unfair opportunity distribution between VOSBs and SDVOSBs | 20 |
| Distinction between VOSBs and SDVOSBs | 15 |

Participant Group 1: Unfair opportunity distribution between VOSBs and SDVOSBs. While Participants 1 and 20 vehemently claimed that they could have limited experiences in the VFCEP, all 20 participants offered perceptions and experiences that illustrated the unfair distribution of project rewards for VOSB owners participating in the VFCEP. These participants are mostly from business services that require less technical knowledge. Participant 19, who offers information technology services, stated, “We have not focused on the VA too much.”

Participant 4, who had limited exposure to the bidding process, said, “I can tell you that in 6 years of providing acquisition support to VA, I have never seen a set-aside solicitation or an award to a Veteran-Owned Small Business.” Participant 2 justified that

the preference hierarchy given to the first tier (service-disabled veterans) rather than the second tier (VOSB owners) is problematic. Participant 2 shared, “The fairly large number of SDVOSBs that are out there” is creating a large opportunity gap for the second tier.

Participant 16, who had been in the business for almost 23 years, observed that in addition to the number of projects supposed to receive a fair distribution to both SDVOSBs and VOSBs, the latter had been prejudiced with an additional burden.

Participant 16 related,

When you give a contract to a service-disabled veteran-owned business, or to an 8(a) contractor, that’s primarily a singular sole-source contract to them, but that is not the same right extended to veteran-owned small businesses. It’s very hard for veteran-owned small businesses other than those who participate in GSA and become suppliers of some type of equipment, or something like that, to in fact get prime contracts. We’re not able to compete at the same level on sole-source contracts as service-disabled and/or 8(a)s.

Participant Group 2: Distinction between VOSBs and SDVOSBs. According to the 15 participants who offered their experiences with the program, the current procurement system set common accountability indicators for both VOSBs and SDVOSBs. An example is the quota set for veterans. Participant 10 shared,

The government has set quotas for SDVOSB participation and goals for VOSBs, but the government is able to award a contract to an SDVOSB and get credit for both the SDVOSB quota as well as the VOSB goal. The impact is that VOSBs get

no opportunities at all, even though the government shows that it has met the VOSB goal.

Participant 16 perceived that the current system that requires regrouping VOSBs and SDVBOs and evaluating them according to their own performance criteria is cumbersome. Participant 16 noted, “The problem is if the government treats them as two separate entities, those two separate entities should be judged on their own merits.” This scenario was believed to be unfair because “one person or one group is really getting the business, and the other group is not getting the business, and yet on paper it appears that they are getting the business.” Participant 16 added, “For a veteran’s administration project, the contracts are always through prime contractors that are service-disabled veteran-owned firms. With the VA, it’s SDVOSB or nothing. It’s not just a preference, it’s an exclusive set-aside.” Major Theme 3 appears in Table 5.

Summarized Textural Descriptions

The summarization of participant descriptions took place using the relevant grouped participant data and the major themes discovered during the earlier stages of the analysis. I used the validated major themes and grouped participants to generate the individual textural descriptions of the experiences of VOSB owners’ participation in the VFCP. This stage also involved using verbatim examples from the transcripts, which was a component of the third step of the modified van Kaam method (Moustakas, 1994).

Participant 1. Being recognized through certification as a veteran motivated Participant 1 to enroll in the VFCP. Participant 1 stated, “Without that, I don’t believe that we would have been judged as a viable vendor.” Participant 1 believed that with the

unfair elements favoring SDVOSBs, DVA leaders should reclassify service-disabled veteran business owners to VOSB owners to promote fair competition.

Participant 2. Although Participant 2 was a well-experienced contractor for private companies, he was a neophyte in government contracts. Participant 2 was motivated to help fellow veterans succeed in business using the VFCP. Participant 2 said that it was only during the interview that he became aware that his business was classified as second tier because he is not a SDVOSB owner. With such limited information, Participant 2 said, “I probably should refrain from answering if VFCP is meeting its purpose to provide procurement opportunities to VOSB because I don’t have enough data to make an informed decision on that.”

Participant 3. Participant 3 shared that the services his company offered was in software development. Participant 3’s knowledge with VA technology served as a motivator. He said, “I thought it was a perfect fit for us.” However, he described enrolling in the VFCP as “disappointing.” Participant 3 mentioned the word “excluded” as an aspect of the procurement process, even if the business is a certified VOSB. Participant 3 said that winning a project would require the company to be a prime contractor to participate in the bidding.

Although Participant 3 said the company qualified to be a prime contractor, but the navigation process is difficult. Participant 3 said, “You have to be a service-disabled veteran-owned small business or a different category, I believe those were the categories, but the process is not easy.” This prioritization scheme convinced Participant 3 that a VOSB is a second-tier bidder in VA projects. Participant 3 noted that the number of

VOSBs, which is larger than the number of SDVOSBs, is one reason VOSBs are a second-tier bidder.

Participant 4. Participant 4 provided services for VA projects in “program management, system engineering, business process improvement, acquisition support, and budget support throughout all phases of financial management, project management, and program acquisition and performance management life cycle.” Participant 4 had managed the business for 8 years, but had just recently decided to seek certification as a VOSB. Having several contract experiences outside the VA, Participant 4 noticed that the bidding process was not supporting equal opportunity for VOSBs. She explained that the majority of the projects set aside for veterans are projects with requests for information set aside for SDVOSBs. Participant 4 shared,

It has completely turned me off from spending the time and energy to generate an RFI [request for information] response . . . because there are never VOSB set-asides, or at least an equal opportunity to have a set-aside, just as there would be for an SDVOSB.

Participant 4 explained that being a second tier “relegates her to the same impact as being a large business.” Participant 4 believed that having a program for veterans therefore defeats the purpose of giving opportunities to the veteran population. Participant 4 said that the only benefit is the opportunity to become a subcontractor. Participant 4 explained, “Prime gets credit for a VOSB subcontractor, which they have to specify in their subcontract plan when they typically make their bid.” Participant 4 further claimed that the acquisition process is not balanced” for VOSBs.

Participant 5. Like other participants who have been in the business for 1 to 5 years, Participant 5 believed that the VFCP would give them “more opportunities possibly provided to folks who have retained their certification so more opportunities for business would be available.” Participant 5 said,

I have not seen where our certification has opened any more doors to us. I’m not saying that . . . I’m speaking for my company, not anyone else’s. My opinion on that is that I don’t really see a difference. I really don’t see more opportunity come through, so the question always lies in my mind whether or not the proper channels and procedures are being followed on the other folks and to pick from the Veterans First contractors instead of just whoever now. You have to understand that I only know my personal experiences. There could be hundreds of bids coming on a same contract and those folks were either better qualified, or had a better price, or something. Of course I don’t have that information, but for me, I just don’t see us getting additional opportunities.

Participant 6. As a neophyte in government contracts, Participant 6 said, I’m not totally familiar with the Veterans First Program, but I do know a lot about the DOD [U.S. Department of Defense] programs and some of the other government agencies and how they look for and set aside specific veteran type contracts, so I’m looking for opportunities for those types of contracts.

Participant 7. Participant 7 was a retired Navy service member who opened his own small information technology services business 3 years ago. Participant 7 enrolled in VFCP after to get certified as a VOSB because it would help should her business intend

to participate in federal government contract work for veterans. Participant 7 shared that even if she knew that there were no opportunities for VOSB owners under the VFPC, she still decided to get the certification she needs to participate in the procurement process as a subcontractor. Participant 7 described the VFPC procurement process as an “unfair process.” She further explained that VOSB owners can compete for projects only when designated as a “socioeconomic category.”

With her experiences as staff for SDVOSBs, Participant 7 noted that, in general, veteran business owners, whether classified as VOSBs or SDVOSBs, are having difficulties in project prioritization when they failed to have a VA Transformation Twenty-One Total Technology (T4) Prime contractor designation.

Participant 7 said,

Unless you are one of those 15 companies who hold T4 currently, or on the on-ramp for the T4 Next Generation, you won't have an opportunity to obtain work with the VA unless you are a subcontractor or a T4 Prime. That is the only way, or small chance that VA decides to use GSA MOBIS or Schedule 70, which is really few and far between, or some other GSA vehicle. All comes out on T4 for the next 10 years.

Participant 7 noted that as long as the SDVOSB set-aside category is in the procurement policy, “There are no opportunities for VOSBs as far as Vet First is concerned.”

Participant 8. As a veteran-owned small business owner for 8 years, Participant 8's primary motivation in enrolling in the VFPC was to be able to participate in a program that was set up to benefit veterans that provided screening and had the ability to

ferret out fraudulent businesses that misrepresented themselves as veteran or service-disabled veteran-owned businesses.

Participant 8 also stressed that he was also motivated by the “marketing and branding” of identifying the company as a VOSB. He said that management service businesses are a competitive sector and that by having the company certified as VOSB, “I could differentiate myself from other companies or other consultants.” Having limited experience in the business, Participant 8 described the procurement opportunity process as follows:

Veteran-owned businesses will gain the first opportunity for, not so much the right of refusal on contracts, but the ability for them to be able to compete amongst themselves, amongst veteran-owned businesses, and service-disabled veteran-owned businesses. Basically without having to compete with non-veteran-owned businesses and an opportunity for themselves to pay back for their service to the country.

He further described the process as follows:

I see it as a social program to help businesses get started and stay in business for those folks that gave up their primary earning years in servicing their country. While they weren’t able to grow up and build a business in their younger years because they were serving their country, they’re now offered this opportunity as a benefit to help get started and get them over the hump and become a self-sustaining enterprise.

Participant 8 emphasized that his business model has been subcontracting with large firms. He described government contracting as intricate and complicated and noted that he was not motivated to submit for prime contracts. However, Participant 8 was motivated to be certified as a VOSB owner so that his participation in the contracting business would count as veteran's participation on federal contracts. Although Participant 8 described the VOSB navigation process as a "tough" process, he shared his motivation as follows: "My goal is to help large prime contractors find and use small businesses. I see that as my primary benefit, and the reason why I participate as a subcontractor is to provide guidance and mentoring to these large businesses." Participant 8 offered a view that was far more understanding, when compared to other participants. Participant 8 said, "I certainly understand the preference for service-disabled veteran-owned businesses compared to veteran-owned businesses like myself. I think they could offer preference to service-disabled veteran-owned businesses but they could also enhance the benefits of using veteran-owned businesses to some degree." Participant 8 stated, "Veteran-owned businesses are at a disadvantage to service-disabled businesses." Participant 8 further explained, "You could have a 0% disability rating as a veteran and qualify as a service-disabled veteran business." Participant 8 recommended the following:

I think if they want to give SDVOSBs advantages for being disabled, I think there should also be a disablement metric, or disability metric, attached to that of 20, 30, pick a percentage, but it shouldn't be zero. So that there's really no difference between myself—with little or no injuries but a veteran—and somebody who has a very minor injury and earned 0% disability rating but can qualify as a service-

disabled firm, but really has no inherent limitations on their ability to perform. . . . I think there should be separate criteria for both. I think they should be required to track both because that just puts every veteran-owned business . . . it kind of leaves the door shut on them, and the ability . . . I see the same problems in the subcontracting arena as well, in that service-disabled vet-owned businesses can count towards the veteran goal.

Participant 9. As a 1-year VOSB owner of a training firm, Participant 9 was encouraged by the SBA to be certified as a veteran under the VFCP. Participant 9 described the procurement opportunity process as a “complicated convoluted process.” Her views about the procurement process emerged as a result of the negative experiences she had when she submitted a proposal as a prime contractor. Participant 9 said,

I didn’t get the contract. In fact, they never even responded other than the fact that they received my proposal on time. As it was a new experience, it was a bit challenging. I thought it was good and I thought I did a good job.

She indicated that in addition to the SDVOSB category, new VOSBs are often required to have more experience and money upfront which leaves entry-level VOSB owners unable to compete in the procurement process.

Participant 9 observed that with the unfair procurement opportunity practiced under VFCP, some veteran business owners applied for SDVOSB certification even for a minor disability. Participant 9 said,

It is a funny thing that more and more people are coming out the military service-disabled who weren’t in the Middle East and haven’t served in a war zone and

they are giving out 80% to people with sleep apnea and all that kind of stuff. So they get the prime contracts as well.

Participant 9 believed that the disabilities reported should be more than zero percent and better prioritized compared to minority group veterans such as women veterans.

Participant 10. Participant 10 was among the VOSB owners who had operated a business for more than 10 years. Participant 10 noted that VOSB certification is too difficult to achieve given the documentation requirement, and certified VOSB owners are not getting the results of their expectations. Participant 10 believed that the system is set for only SDVOSBs. Participant 10 said,

I believe that there should be opportunities for all veterans, whether they are SDVOSB or VOSB. But they should not discriminate against the VOSB, which is what they are doing now. I would be OK having a quota for both SDVOSBs and VOSBs, but they should not be able to double count when they award to a SDVOSB.

Participant 11. Participant 11 described his motivation to enroll in the VFCEP as part of his certification process as a veteran business owner. Participant 11 said, “Actually getting certification and hopefully taking advantage of some of the benefits for being certified as VOSB.” As his motivation was to receive certification, Participant 11 clarified that he had a limited understanding of the process. However, the immersion of the real process including the actual participation of the program, Participant 11 realized that as the opportunities are vast, there is a large number of SDVOSBs who are

prioritized for such programs compared to VOSB owners. Participant 11 thought the current system supports unfair treatment for VOSB owners.

Participant 12. The “ease of achieving a contract for business and set-asides for veterans-owned business” was the motivational factor when Participant 12 decided to participate in the program. Participant 12 used to be optimistic about the VFCP.

Participant 12 stated,

It’s basically the same process for everyone, but the veteran is given an opportunity because of his status as a veteran to gain access to quality contracts and have the pool of competitors. Even though they are veterans, whoever has got the best price and the best offer will win the contract.

Participation in the program exposed Participant 12 to realities such as, “If it’s not SDVOSB, then the VOSB is left out in the cold. It’s not an easy process because everything I would go after requires an SDVOSB.” Participant 12 perceived that “a veteran is a veteran.” Participant 12 opposed the favor provided to SDVOSB owners, particularly regarding the North American Industry Classification System code.

Participant 12 shared,

When I drill down and look for opportunities, there are practically none for just the VOSB. If you have a designation as a certified SDVOSB, there are plenty. For a veteran-owned small business, the hurdles that someone who has been separated from the military for a number of years, for that person who owns a VOSB to go back to the VA to get a actual 0% rating for service-disabled, is virtually impossible. The time for you to wait for an appointment, your CVE certification

for veteran-owned can expire. It's almost like you don't even want to try. When I look at opportunities, I see SDVOSB all over.

Participant 13. Having been in the business for 21 years, Participant 13 believed that getting a VOSB certification would provide his company "some opportunities set aside for veterans who had gone through the trouble of certifying that they were in fact a veteran-owned business." Participant 13's firm offers "information technology and intelligence analysis for the intelligence community," and Participant 13 noted, "There's really nothing there". My company, as a certified VOSB, is not treated any differently than any other veteran-owned small business that has not been certified. There's nothing there. It's not worth the certification." Participant 13 further described, "There is no opportunity within the program. Anything that comes out of VA is either full and open for small business or service-disabled, but there's really nothing for the certified VOSBs." Participant 13 described the participants of the VFCEP as follows:

The difference between the disabled owner veteran and a veteran that is not disabled is that the disabled one was unlucky, or the veteran-owned one that is not disabled was lucky. They didn't get hit or hurt, et cetera, but they've both been placed in the same environment, with the chances of the same thing happening to them, and one may even be mentally disabled that hasn't been classified yet, but he or she may have been within that same environment and survived it. A lot of times, it may have been just pure luck. I'm sorry to have to say that, but that's a reality.

Participant 14. As a retired veteran business owner, Participant 14 received certification as a VOSB after 20 years of business operation. Participant 14 was a “systems integrator and a value added reseller of computer services.” The potential of positive contributions that VFCEP would make to his business enticed Participant 14 to enroll in the VFCEP. Participant 14 recalled an event where he became interested in gaining VOSB certification. Participant 14 said,

When we were at some of the veteran conferences, the program was presented there. It seemed like a very, very good idea; the fact that they were going to give preferences, especially VA, to veterans. I was asked that we do this, sort of, when we did our application for being certified as veterans, which was very hard.

He also said,

I thought it was going to be a situation where I, as a VOSB, would benefit when someone in the VA, searching for particular products and services, would go down the list and say, “Ah, veteran-owned,” and then he/she would see if I could supply those products on the lists, just as any other set-aside type of thing. I expected that there would be some RFPs [requests for proposals] or RFQs [requests for quotations] or something that were set aside for veteran-owned small business, just like in 8(a), it would be . . . you would compete against other veteran-owned small businesses.

Participant 14 offered a unique observation about the VFCEP. Participant 14 noted that with the prioritization hierarchy, the procurement process went “from the general to the specific.” He further explained, “The general is a veteran-owned business. The

specific is the service-disabled veteran-owned business. I think they've got it turned around." Participant 14 said, "That while he understood the essential help the service-disabled veteran would need, the VOSBs should have an equal opportunity in the program. Participant 14 also said it would make sense to say,

"Out of the veteran-owned businesses, I'm going to set-aside sixty percent to service-disabled veteran-owned," and to me that would serve the purpose. Right now, it's the other way around. There is no percentage for veteran-owned services, as far as I'm concerned.

Participant 14 explained fairness in this manner:

It's not fair to the veteran who was fortunate enough not to get his legs blown off, or come back home with PTSD or something like that. It is very unfair if you declare a veteran-owned business a service-disabled business when you have someone who had high blood pressure while he was in service, and now he's declared as a service-disabled veteran-owned. I think it's very unfair, and I think it's very unfortunate. I think it's almost very immoral on the part of the veteran who did that. I don't think there should be a zero-benefit determination. I think you've got a category where you're service-disabled with zero benefits or something like that. I'm not sure exactly how to describe it, because I refuse to apply for a benefit like that.

Participant 15. Participant 15 specialized in land surveying and had been in the government contracting business for 6 years. Participant 15 gained certification under the

impression that the company “might experience some contracting or subcontracting preference with that status.” Participant 15 explained,

My experience, and from what I read and see and the awards I see and the set-aside preference given, service-disabled veteran-owned firms get a lot of attention and a lot of opportunity and veteran-owned firms get little opportunity or little preference, if any.

When asked about the navigation process experienced with the program, Participant 15 said it was “not particularly easy.” Participant 15 shared that his participation in the program was continuous because the company had already started the process. However, participant 15 confirmed that with the unfair procurement process, “right now I don’t think it does much for me.” Participant 15 further shared that no one from the SDVOSBs would reclassify themselves VOSBs because of their current benefits. Participant 15 described the competition principle in the VFCP as follows:

I see no possibility for a veteran-owned small business to compete when grouped with service-disabled veteran-owned small businesses, when the priority is for SDVOSBs over VOSBs. It appears that between those two categories there’s no veteran-owned-only category, where VOSBs take priority over SDVOBs.

Currently, when SDVOSBs are grouped with VOSBs, the VOSBs lose out. In that scenario, there’s no contracting opportunity for a company that’s not service-disabled. I don’t see any reason why the government should not have several set-aside versions, some for veteran-owned-only, excluding SDVOSBs; some for

service-disabled only, excluding VOSBs; maybe some for both, where the two categories carry the same weight.

Participant 16. With 23 years of experience as a government contract firm, Participant 16 recognized the need to be certified as a VOSB. Participant 16's first reason for obtaining VOSB certification was for project acquisition as a subcontractor:

Participant 16 explained, "If you have the capability for what's required, it's easier for you to become accepted by a large prime." Participant 16 further explained,

It made sense to me as a veteran-owned small business for several reasons. One is contracting authorities go to larger companies, prime contractors normally, and when they seek subcontractors, they want to make sure that a certain amount of the subcontracting goes to either a service-disabled veteran-owned business or a veteran-owned small business.

Participant 16 further claimed that

getting certification would give the firm the competitive advantage against other small businesses who may not be veteran certified . . . provided of course, that your pricing and your services are at least equivalent to what's being offered by other companies; and because I'm a veteran and I think that it's important to, in a sense, put that out there, that I'm a veteran-owned business, that I took a route that required me to get a doctorate degree and that I've used it when working, for example, for 10 years I worked as a consultant at a renowned DC medical university.

Participant 17. Participant 17, who had limited experiences, said, I thought I could benefit from preferential contract set-asides.” Participant 17 believed that the Veterans Administration should implement a fair distribution of project rewards and stated, “VOSBs should get preferential consideration when bidding for such contracts.” Participant 17 shared the difficulties acquiring projects in his field and the added burden of prioritizing projects had made it even more difficult for the business. Participant 17 said,

There’s certain ways of doing business with the government in general that is difficult, so finding opportunities is a challenge, number one. FedBizOpps is not the easiest system to navigate, and then when you do find opportunities, very few if any were earmarked for VOSBs. They were more for service-disabled.

Participant 18. Acquiring knowledge “for business and how to run a business within the veteran set-aside dynamic” motivated Participant 18 to enroll in the VFCP. Participant 18 believed that although it is rightful to provide preferential opportunity for disabled veterans, the DVA might need to provide venues that would allow VOSB owners to be in fair competition. Participant 18 said,

I believe that, again, service-disabled veteran-owned should have some preference, but I think, the way I’ve seen opportunities come out, it’s almost 99% service-disabled veteran-owned opportunities for prime contracting and maybe 1% for veteran, if that. I don’t believe that’s a fair ratio, especially in the limited opportunities that come out for veteran or service-disabled veteran-owned companies.

Participant 19. As a veteran air force service member, Participant 19 opened his business offering “professional management and engineering services focusing on command and control and decision support systems and logistics systems.” Participant 19 was optimistic regarding the benefits of the VFCP. He described his decision as the “prudent thing to do, given that I am a veteran and to get the veteran’s status on, becoming a certified veteran-owned small business.” Participant 19 noted the low priority given to VOSBs. He also indicated the VFCP implemented “distinguishing factors” that not all SDVOSBs would have. Participant 19 was waiting for this type of opportunity before joining the project bidding process.

Participant 20. After 30 years in the business, Participant 20 recently enrolled as a VOSB under the VFCP. He recalled an e-mail inviting his company to take part in the program. Participant 20 shared that he had hesitations about participating in government contract work because of some bad experiences he had with the government. He said,

I decided to participate after many, many years of staying out of all government types of programs, because they didn’t appear to work. I had some bad experience with some of the local governments, including DC, which suggested that sometime it’s not the best form of doing business.

Participant 20 decided to try the program and was under the impression that “contracts are a lot easier for veterans to apply for, and to hopefully win, the bid to be able to provide services to either the veterans or to the Veterans Administration.” Participant 20 had not yet participated in any bidding projects. He stated,

I guess I maybe need to find out how to best go about doing that. I have been invited to various types of conferences from the VA that they're putting on, but have not been made aware of any particular contract opportunity by any announcements or anything like that, so I have not participated in any of the opportunities.

Summarized Structural Descriptions

Individual structural descriptions are an essential step in the modified van Kaam method (Moustakas, 1994). The process involved concisely synopsising the verbatim transcripts of participant responses, which is an essential element of bracketing in phenomenological analysis (Chan et al., 2013). The summarized structural descriptions add depth to the process of analysis and the descriptions that support the results as reported (Moustakas, 1994).

Participant 1. Certification as a veteran motivated Participant 1 to enroll the VFCP for the purpose of securing contract opportunities. With a limited understanding about the program, including the systems and procedures of procurement, Participant 1 thought that obtaining the certification was a requisite in determining a qualified vendor to undertake contract work. Participant 1 felt dismay as he observed that there was no fair competition regarding awarding projects for both VOSBs and SDVOSBs. This understanding made him realize that the VFCP should let VOSBs and SDVOSBs reclassify and compete in their own respective category.

Participant 2. With private contracting work experience, Participant 2 was optimistic about participating in the program. Participant 2 believed that VOSB

certification would give him opportunities to help other veteran-owned businesses succeed in the business. Although he experienced rejections in the project procurement process, Participant 2 refused to provide further opinion without full knowledge of the procurement process.

Participant 3. With a high level of optimism that his knowledge about the VA technology and the VOSB certification would provide a competitive advantage in winning a government project, Participant 3 experienced disappointment after enrolling in the VFCP. He felt the exclusiveness of the VFCP program for SDVOSBs. He said that the Veterans Administration award prime projects to SDVOSBs and not VOSBs. The limited number of projects available for bidding is just sufficient for the number of certified SDVOSBs.

Participant 4. Participant 4 regretted her decision to obtain certification from the VFCP. Participant 4 believed the program leaders are implementing unjust procurement policies that prioritize the SDVOSBs over the VOSBs. Participant 4 indicated that the VFCP is supposedly giving veterans an equal opportunity against civilian competitors. Participant 4 realized that competition is no longer in the outside of the veteran population when it comes to SDVOSB. The competition became the precedent for seeing VOSB owners pursuing subcontract work for SDVOSBs.

Participant 5. Enticed by the business opportunities that VFCP could provide to VOSB owners, Participant 5 was optimistic about the program. Participant 5 indicated that some prime contractors have more qualifications and are willing to accept a lower contract price to win the contract.

Participant 6. Participant 6 observed how the government set aside projects for veterans. This observation motivated him to enroll in the program and obtain the certification required to be a VOSB. Although he observed an unfair distribution of projects between VOSBs and SDVOSBs, his limited experience in the procurement process hindered his ability to provide further comments.

Participant 7. Participant 7 is a well-informed VOSB owner. She once worked for SDVOSBs that gave her opportunities to build her network within the SDVOSBs. Her motivation to participate in the VFCP is to be able to work as a subcontractor for either SDVOSBs or T4 projects. Participant 7 knew that although both SDVOSB owners and VOSB owners had difficulties in winning projects, the latter faced more barriers than the former.

Participant 8. Participant 8 empathized with the plight of the SDVOSBs and noted the preferential opportunities in the VFCP are appropriate for service-disabled veterans. Participant 8 emphasized that while he viewed the procurement process as unfair, his business model was appropriate given the current unfair project distribution. Participant 8 opposed the unfair distribution of projects and noted that some SDVOSB owners' disabilities are not even total and permanent disabilities.

Participant 9. Among all new-entry VOSBs, Participant 9's lived experiences depicted the struggle of VOSBs in the procurement process. Participant 9 shared that in addition to being categorized as VOSBs, as a new VOSB, she experienced challenges trying to keep up with procurement requirements to participate in the bidding as a prime contractor. Her experiences in government procurement indicated that she had limited

knowledge concerning the dynamics and procedures in government contracting in general.

Participant 10. Participant 10 offered ideas about the faulty performance monitoring system of the VFCP. Participant 10 shared that the VA receives credits for giving veterans job opportunities, even if only SDVOSB owners benefit from the opportunities. Participant 10 believed that VOSB owners are receiving unfair treatment, despite the difficulties they overcame during the certification process. Participant 10 felt disappointment given his beliefs and expectations of the VFCP program.

Participant 11. Participant 11 was lacking lived experiences with the VFCP and the government procurement system. Like all neophyte VOSB owners aspiring to win a government project through the VFCP, Participant 11's experience led to a belief that SDVOSB owners benefit from the VFCP more than VOSB owners do. Participant 11 observed that as the opportunities are vast, many SDVOSB owners have priority for such programs.

Participant 12. Participant 12 clarified that VFCP is for SDVOSBs. Participant 12 offered his procurement search experience, which revealed that all projects required the participation of SDVOSBs. He shared his disappointments in the program because he expected that the program is supposed to provide set-aside projects for veterans overall. His lived experiences contradicted what VOSBs should be getting according to the program premise of providing opportunities to both SDVOSBs and VOSBs.

Participant 13. Considered an expert in the field of contracting work, Participant 13 was surprised that his company was receiving similar treatment to uncertified bidders.

His primary motivation in obtaining the VOSB certification was receiving privileges such as set-aside projects for veterans. His experiences indicated that even leaders of long-term consulting firms viewed the program as an unfair treatment for VOSBs given the intended objectives of the program.

Participant 14. The lived experiences of Participant 14 included an inverted funnel implementation, where a small number of SDVOSBs are occupying a higher echelon while many VOSBs are at the bottom. Participant 14 claimed that SDVOSB owners can take projects as a prime contractor while VOSB owners can take only subcontracting roles. Participant 14 thought that a fair procurement process would include allotting a percentage of projects to both VOSBs and SDVOSBs.

Participant 15. The lived experiences of Participant 15 with VFCP were challenging. He said that the difficulties his business encountered in the certification process did not provide beneficial results for the business. The fact that the company leaders had already started the certification process motivated Participant 15's participation in the program. The ongoing bid rejections may dissuade his interest in the VFCP.

Participant 16. The lived experiences of Participant 16 in the VFCP depicted his knowledge about the unfair project distribution between VOSBs and SDVOSBs. An indication of the unfair distribution was the way he positioned his business strategies as a subcontractor. He never sought projects as a prime contractor. He believed that obtaining the VOSB certification was necessary to receive subcontracting work from SDVOSBs.

Participant 17. Participant 17 offered experiences that added to the current challenges of VOSB owners. Participant 17 stressed that only few highly technical projects are available for bidding. This limited number of projects is only sufficient for SDVOSBs.

Participant 18. Participant 18 called for a fair competition that would allow VOSB owners to compete with SDVOSB owners. He shared that 99% of the opportunities available are for SDVOSBs. Participant 18 believed that while it is rightful to provide preferential opportunities for disabled veterans, VA leaders may need to provide venues that would allow VOSBs for fair competition.

Participant 19. Participant 19 had limited lived experiences in terms of the system and procedures of government procurement, particularly the VFCP. Although he observed the unfair distribution of projects for VOSBs, he believed that this system could have been due to the limited number of qualified VOSBS in the program willing to undertake the bidding process.

Participant 20. Participant 20 had few setbacks in government contracting. His experiences with government contracting in general motivated him to try VFCP. While he invested effort to be recognized as a VOSB owner, he was not surprised about the unfair distribution of projects between VOSBs and SDVOSBs.

Combined Textural-Structural Description

The final step of the modified van Kaam method was the integration of the grouped participants and themes to assemble both the “meanings and essences” of the participants’ experiences (Moustakas, 1994). The three main lived experiences were (a)

acquiring certification and benefits enticed VOSB owners to participate in the VFCP, (b) offering preferential options to SDVOSB owners affects VOSB owners' motivation and changes the competition structure of the VFCP, and (c) unfair opportunity distribution between VOSBs and SDVOSBs.

Based on their lived experiences of acquiring certification and the benefits that enticed VOSB owners to participate in the VFCP, the participants believed that VFCP is a rightful program for any veteran who intend to participate in government contracts as a veteran-owned small business owner. A majority of the participants believed that the certification is a means of recognizing their service to the government and their qualifications to undertake government-related contract work.

The second lived experience of preferential options to SDVOSBs affected the VOSB owners' motivation and changed the competition structure of the VFCP, the participants who had been in business as a VOSB owner had experiences that negatively affected their interest in continuing as a VOSB classified business. For these participants, the certification made no significant contribution in winning bidding projects compared to the abundance of opportunities afforded SDVOSBs. The VOSB owners are second-tier qualifiers concerning projects available for veterans.

For the third lived experience of unfair opportunity distribution between VOSBs SDVOSBs, the participants believed that is it unjust to categorize both VOSBs and SDVOSBs in one group in which the former gets most of the limited contract opportunities while being a VOSB owner hinders the latter from participating. The

VOSB owners' lived experiences in the procurement process, even if they are not getting any projects, become part of the total successes of the VFPCP.

I addressed discrepant cases through the identification of those responses, which digressed from the distributive theoretical lens and other aspects of the research design. The rich descriptions cover all discrepant cases. For example, under summarized textural descriptions, Participant 2 indicated that he should refrain from answering if the VFPCP was meeting its purpose to provide procurement opportunities to VOSB. Participant 18 reported that he believed SDVOSB should have some form of preference even though it was his experience that VOSB firms was being overlooked. Participant 20 reported that he was new to the process. Under summarized structural descriptions, Participant 2 refused to offer his experience concerning the procurement process because of a lack of knowledge. Participant 8 empathized with SDVOSB even though he believed the competition process was unfair.

Summary

A review of the results revealed that all VOSB owners included in the study were motivated to participate in the VFPCP because of the belief that they would receive set-aside procurement opportunities as a certified veteran. They shared that although the navigation process and certification requirements were difficult to accomplish, they completed the steps. These participants believed that it was prudent to obtain a certification as a VOSB because they were veterans. The lived experiences illustrated that participants' belief that the government is honoring their contribution by providing them set-aside procurement opportunities motivated them to join the program.

As a result of the lived experiences of VOSB owners regarding the preferential options provided to SDVOSBs that affected their motivation and the competition structure of the VFCP, all VOSB owners recognized the unjustness of the VFCP. As reported, SDVOSB owners are taking all set-aside projects given to veterans. The participants shared that this phenomenon is observable in the list of available projects for bidding and the number of accomplished projects. They said that VOSB owners have received only a very small portion. Three participants shared knowledge of this unfair system and were able to use this unfair system as an advantage. These three participants claimed that with the preferential benefits provided by VFCP to SDVOSBs, VOSBs must be the subcontractors of the SDVOSBs. The participants who possessed a grounded understanding of the system shared that they designed their business appropriately to the current system.

In response to the lived experiences of the VOSB owners in the unfair opportunity distribution between VOSBs and SDVOSBs, the majority of the participants indicated that the procurement process under the VFCP provides set-aside projects for SDVOSBs in general. Although a majority of the participants empathized with the plight of service-disabled veterans, they believed that the procurement system should also allot projects for VOSBs. The participants observed that the limited number of projects available for veterans is only enough for qualified SDVOSBs. This phenomenon illustrated that competition within the VFCP marginalizes VOSBs.

Chapter 4 included the data analysis and findings from the interviews with 20 purposively selected VOSB owners actively enrolled in the VFCP in Maryland, Virginia,

and the District of Columbia. Using this approach, I explored and described the essence of the perceptions of VOSB owners' participation in the VFCP. The process served to address the central research question: What are the perceptions of VOSB owners about seeking access to VFCP procurement opportunities? The following themes emerged as answers to the central research question: (a) acquiring certification and benefits enticed VOSB owners to participate in the VFCP and (b) providing preferential options to SDVOSBs affects VOSB owners' motivation and changes the competition structure of the VFCP. I designed interview questions 1 through 4 to address the central research question, which proved sufficient to gain insight regarding VOSB owner perceptions and experiences. The subquestion was as follows: What are the perceptions of VOSB owners about the fair allocation of procurement opportunities within the VFCP? A third theme answered the subquestion: (c) unfair opportunity distribution between VOSBs and SDVOSBs. Interview questions 5 through 8 addressed the subresearch question, which served to support the distributive justice theoretical lens used in data collection. Further discussion of these themes appears in Chapter 5 as well as discussions on the interpretations of findings, limitations, and recommendations for future studies, implications, and conclusions.

Chapter 5: Discussion, Recommendation, and Conclusion,

Introduction

The purpose of this study included bridging a gap in knowledge by exploring, understanding, and describing the essence of the perceptions of 20 VOSB owners in seeking access to VFCP procurement opportunities as prime contractors. Through the distributive justice theoretical lens, the focus included exploring, understanding, and describing VOSB owners' perceptions within a framework of fairness. I used a qualitative phenomenological research approach to explore the perceptions and experiences of VOSB owners regarding the preference afforded SDVOSBs, which was the central phenomenon of interest. Participants included VOSB owners actively enrolled in the VFCP, as verified by the CVE database. I chose a purposive sample of 20 individuals for the study, and I gathered data in one face-to-face and 19 telephone interviews that included eight prearranged interview questions and lasted 20 minutes.

This study was important because existing FPDS award data confirmed that the VFCP preference policy supports SDVOSBs and marginalizes VOSBs (FPDS-NG, 2015; McGann, 2014). Chouinard (2013) and Traber (2013) reported that policy research has the potential to promote accountability and better decisional outcomes when it includes the impacted parties. By exploring the experiences of VOSBs, this phenomenological study obtained empirical insight into the VFCP preference policy, which adds balance to existing procurement research.

Ten of the VOSBs were from Virginia, three were from District of Columbia, and seven were from Maryland. Given that the industry remains heavily dominated by males

(Sobota & Lichtenstein, 2012), only three women VOSB owners were among the participants. Participants included business owners who possessed at least 1 year of entrepreneurial experience. By using Moustakas's (1994) modified van Kaam method of analysis, I identified three major themes from the interviews:

1. Acquiring certification and benefits enticed VOSB owners to participate in the VFCP.
2. Preferential options to SDVOSBs affected the VOSB owners' motivation and changed the competition structure of the VFCP.
3. Opportunity distribution between VOSBs and SDVOSBs is unfair.

Interpretation of the Findings

To explore, understand, and explain the findings concerning the perceptions and experiences of VOSB owners in seeking access to VFCP procurement opportunities, this qualitative phenomenological research study included one central research question and one subquestion. This section includes subsections on the central research question and the subquestion.

Central Research Question

The central research question of the study was as follows: What are the perceptions of VOSB owners about seeking access to VFCP procurement opportunities? Confirmed by the findings, participants noted that acquiring certification and benefits enticed VOSB owners to participate in the VFCP. The majority of the participants indicated that they considered the VFCP a good venue to acquire certification and procurement opportunities. Nine participants claimed that acquiring recognition as a

VOSB was an effective step toward accessing projects under VFCP. Some participants also shared their belief that certification would provide them exclusive set-aside or sole-source opportunities as a verified VOSB owner. Participants noted that the VFCP represents the rightful program for any veteran who intends to participate in government contracts. Participants recognized the VFCP as a vital program, as confirmed by the findings of Bressler et al. (2013). Bressler et al. (2013) recognized the contributions that VOSBs make to the U.S. economy. However, McGann (2014) indicated that there are no opportunities outside the VFCP for certified VOSBs, despite the fact that they are a significant socioeconomic category.

Insights from participants on the importance of a program that caters to small businesses were in agreement with several researchers who recognized the ability of leaders of large firms to use strategies that impede small business access to procurement opportunities (Preus, 2011; Shimomura & Thisse, 2012). Preus (2011) indicated that leaders of large firms have the ability to manipulate the market through strategies such as price reduction that can marginalize small business participation (Shimomura & Thisse, 2012). Due to the advantage of large businesses, policy implementation represents a vital instrument in sustaining small business participation in the federal procurement arena (Neumark et al., 2011). Moreover, competition in government procurement remains controversial, as regulations and political factors often limit competition rather than promote it (Kang & Miller, 2015; Tammi et al., 2014).

The majority of participants believed that the VFCP provides preferential access to SDVOSBs that prevents VOSB owners from winning VFCP contracts. The findings

indicated that the preferential treatment toward SDVOSBs over VOSBs, as experienced by the participants, affected their motivation to continue participating in the program. The VOSB participants also reported that they conducted a lot of work to achieve certification, but the effort does not necessarily translate to access to procurement opportunities. This led to a loss of interest on their part. Participants explained that while certification remains essential to the DVA procurement requirement, VOSBs represent the last priority for veteran bidding projects. One participant stated, “It’s no benefit to be certified as a veteran-owned small businesses; It’s of no benefit.” The participant further explained, “You’re not getting any points or any credit for being a certified veteran-owned small business should you decide to go after a particular acquisition. The only companies that are credited are service-disabled veteran-owned businesses.”

Participants indicated that they did not see the benefit of acquiring certification and researchers have also identified problems with the process. Research conducted by analysts at GAO (2013) noted that the verification process remained problematic, which captures how the certification process may not help. The verification of approximately 3,717 of 6,178 firms remained unsatisfactory (GAO, 2012c). The controls seemed inadequate, which resulted in fraud and abuse (GAO, 2013). In addition, the authors reported that VFCEP exceeded its prime contracting in 2007, 2008, and 2009; however, it remains questionable if VOSB owners actually received the amounts allocated for the years in question when VOSB and SDVOSB award goals are combined (GAO, 2010).

The majority of the participants explained that VOSB certification does not seem essential when competing against SDVOSBs due to the VFCEP preference policy. Four

participants noted that the original purpose of helping veterans to acquire economic gains derived from a concept from past wars that made them suppose they would receive benefits after the government defeated the country they warred against. The preference hierarchy implemented in the VFCP can no longer provide opportunities for VOSBs who remained eligible for the program. One participant mentioned a scenario in which only limited projects existed for VOSBs.

Manuel and Lunder (2012) confirmed this preferential treatment or prioritization in their study and explained that the preference programs of federal procurement allow contracting officers to restrict competition to a specific socioeconomic small business category. Fernandez et al. (2012) identified that federal agencies met the 5% goals for SDB allocation; however, government leaders did not meet the 5% award allocation for WOSBs from 2000 to 2008. Fernandez et al. recognized the flexibility that contracting officers have in choosing which preference program will meet an agency's procurement needs, but it appears contracting officers fall short in meeting the goals (Fernandez et al., 2012). Snider et al. (2013) supported the inferences of Krasnokutskaya and Seim (2011) that congressional leaders implemented preference programs to help disadvantaged groups by providing procurement opportunities through government-imposed socioeconomic policies. The findings of their research supported the observation that contracting officers may implement preference programs, especially as a matter of expediency (Snider et al., 2013). With the preference hierarchy set aside for SDVOSBs, VOSB owners realized that the VFCP procurement process did not necessarily provide advantages for veteran business owners. This implementation experience included a

suggestion that within the VFCP competition structure, the preference policy marginalizes VOSBs and is only beneficial for SDVOSBs.

Subquestion

The only subquestion for the study was as follows: What are the perceptions of VOSB owners about the fair allocation of procurement opportunities within the VFCP? Findings indicated that an unfair distribution opportunity existed between VOSBs and SDVOSBs. The VFCP leaders implemented a preference hierarchy that created an unfair opportunity distribution between VOSB and SDVOSBs. The majority of the participants shared perceptions and experiences that revealed the unfair distribution of project rewards for VOSB owners, which included participating in the VFCP. One participant shared that the current system is burdensome, especially when a requirement to use VOSBs and SDVOSBs exists, which involves receiving evaluations according to specific performance criteria. According to Participant 16, “The problem is if the government treats them as two separate entities, those two separate entities should be judged on their own merits.” The problem with the approach taken by the government includes that it appears on paper that both business types receive business; however, as Participant 16 stated, only “one person or one group is really getting the business, and the other group is not getting the business.” Participants indicated that it is unjust to categorize VOSBs and SDVOSBs into one group, where the former receives most of the procurement contracts and the latter is not able to participate equally because of the categorization as a VOSB.

Although the GAO researchers noted that VFCP exceeded its obligations, they emphasized that SBA allowed awards given to SDVOSBs to also count as goal

achievement for VOSBs (p. 5). As a result, the effect of the program on VOSBs remained uncaptured by the GAO researchers who reported in 2010. The report seemed misleading, as the numbers did not highlight the correct statistics regarding the number of contracts VOSBs had attained, as the numbers also included contracts received by SDVOSBs. In this study, interview question 8, “The VFCP has a practice of using the awards made to SDVOSB firms to also count toward VOSB goal achievement. Do you consider this practice fair? Why or why not?” addressed the findings in the research completed by researchers at the GAO (2010).

The Veterans Benefit Act of 2003 remains significant because the act serves as a mechanism that allows contracting officers to limit competition to SDVOSBs via set-aside contracting procedures. Due to this legislation, SDVOSB owners’ access improved to 3% of all federally allocated procurement dollars (SBA, 2015b). The implementation of Public Law 109-461 led DVA leaders to make procurement regulations within the VFCP that gave SDVOSBs priority over VOSBs under DVA Acquisition Regulation Part 819.70 (DVA Office of Acquisition and Logistics, 2013). As a result, opportunities for SDVOSB owners increased, while the participation of VOSB owners diminished (McGann, 2014). A paradox occurred between SDVOSBs and VOSBs because SDVOSB owners could participate in VOSB set-aside procurement opportunities, but VOSB owners could not participate in SDVOSB set-aside procurement opportunities (DVA Office of Acquisition and Logistics, 2013). As such, the opportunities available for SDVOSBs continue to prevail.

Middleton (2013) studied the perceptions of SDVOSB owners regarding the set-aside and sole-source contracting procedures associated with the federal SDVOSB procurement program and highlighted that SDVOSB owners face various difficulties in securing contracting opportunities outside the VFCP. Middleton highlighted the effects of preferential treatment for SDVOSBs on VOSBs by examining the perceptions provided by the participants. This unfair treatment included the source of the diminishing VOSB opportunities from the VFCP. McGann (2014) highlighted that the preference hierarchy made VOSBs second tier to SDVOSBs and limited the access of VOSB owners, even though SDVOSB procurement opportunities traverse the federal landscape.

The unfair treatment of VOSBs owners covered in McGann's (2014) study remains in line with the findings of Hawkins and Muir (2014). Federal procurement preference programs may promote fairness; nevertheless, researchers have demonstrated that these programs add to the challenges associated with the need to encourage competition (Fernandez et al., 2012; Krasnokutskaya & Seim, 2011; Schmidt, 2011; Snider et al., 2013). Schmidt (2011) challenged the fair allocation premise that federal preference programs represent a means to facilitate disadvantaged small business participation.

Using the distributive justice theoretical lens, it remains evident that issues reside in the VFCP concerning the fairness of policies for contracting opportunities for VOSBs. As indicated by the results and in the literature, a disparity existed in the opportunities and contracts provided to SDVOSBs compared to VOSBs (FPDS, 2015). Therefore, VOSBs experience an unequal distribution of procurement opportunities in

response to a statute that espouses to offer those opportunities to both SDVOSBs and VOSBs (Veterans Benefits, Health Care, and Information Technology Act, 2006).

Limitations of the Study

As discussed in Chapter 1, several limitations existed in this study, including generalizability, lack of previous research regarding VOSBs, and researcher bias. As the study included a purposive sample of 20 veterans from Maryland, Virginia, and the District of Columbia who owned small businesses and who had registered with the VFCP, the results may not be representative of all veterans who own small businesses in other locations. The limitation of the lack of previous research on VOSBs, as a distinct socioeconomic small business category, was also a concern. The limited information available on the topic also confines the studies in which one may develop comparisons. Lastly, I addressed the research bias limitation by using bracketing to facilitate a deeper exploration of the perceptions and experiences of the participants as reported.

Recommendations for Future Studies

As this is a new and emerging topic, additional research designed to understand VOSB challenges may provide a framework for policy improvement. The scope of the study included 20 VOSB participants from Maryland, Virginia, and the District of Columbia. It might be insightful for future researchers to consider other factors. I recommend the following expansions:

1. Expand the sample across different states to achieve a broader understanding of the topic. Even though the results cannot be generalized, additional findings will add breadth to the body of knowledge and the impact of the problem.

2. Group and compare the VOSBs and the SDVOSBs using the number of years in the business. This will allow the researcher to identify if a difference occurs in perception, depending on how long the veteran has remained in business.
3. Identify and focus on a certain industry across different locations. This will allow the researcher to find if perceptions or opportunities remain the same despite location and industry demand.
4. Compare and contrast the perceptions of VOSBs and SDVOSBs based on their experiences with the VFCP. This will help identify if perceptions vary greatly concerning opportunities.

Implications

Social change is an integral component of this research study because the VFCP preference policy marginalizes VOSB access to procurement opportunities. As identified in the study, veterans who own small businesses have a hard time competing with other businesses to secure contracts. With the exception of the VFCP, small business policies created by government leaders and monitored by SBA administrators do not include VOSBs as a socioeconomic small business category (SBA, 2015). The gap in opportunities makes the need for policies, such as the VFCP, vital to the financial stability of VOSB (McGann, 2014). The disparity experienced by VOSBs is well documented in FPDS-NG goaling reports for every year the VFCP has been in existence (FPDS-NG, 2015). According to Steiner and Cleary (2014), small business progress equates to job creation, innovation, and a sustainable marketplace. If government leaders improved VOSB access to procurement opportunities on a federal level, a review of the

literature indicated that VOSBs will be a viable addition to the growth and stability of the nation (McGann, 2014; National Economic Council, 2012).

The results of the study uncovered that VOSB owners believe an unfair allocation of procurement opportunities occurs within the VFCP. Participants reported that acquiring certification and benefits enticed VOSBs owner to participate in the program, but they also shared that DVA policies provide preferential treatment to SDVOSB owners, which affects the motivation of VOSB owners, and results in an unfair distribution of opportunity between the two groups. At the policy level, legislators need to revisit the current policies in place, including the VFCP, to assess whether a need to change or improve current programs and policies exists to help VOSB owners. Given the negative influence of the current policies on VOSBs and the preference given to SDVOSBs, who benefit most of the time, legislators would do well to identify steps that they may take to balance the opportunities between the two groups.

At the individual level, owners of VOSBs will benefit from the findings of this study because they highlight how the current policy may heavily influence their businesses. Several study participants also recommended that the goals for VOSBs should be separate which may give DVA contracting officers the ability to make VOSB contract awards. Using the lens of distributive justice theory, I determined that most participants were aware of the disparity and unfairness in the opportunities provided to VOSB owners. It also remains beneficial for owners to remember the issues surrounding the policies and programs of the government. Owners of VOSBs do not receive enough support from the government, and through this study, I further highlighted this disparity.

Conclusion

The policies created by the government to help small businesses owned by veterans appear directed toward the SDVOSB socioeconomic group. A review of the literature confirmed that Congress recognized SDVOSBs as a socioeconomic small business group through the enactment of the Veterans Entrepreneurship and Small Business Development Act of 1999. The 1999 act established a 3% federal goal to award set-aside procurement opportunities to SDVOSBs. The ability of SDVOSB owners to participate in set-aside opportunities in every federal agency further highlights the marginalization of VOSB owners as second-tier participants in the only program that recognizes them as a socioeconomic small business category. The findings from this research study described the challenges that VOSB owners face in gaining equal recognition with SDVOSB owners.

Legislators must revisit the current policies and programs to identify how they can effectively address the concerns and issues of owners of VOSBs. Individuals may use the findings from this study to understand the perspective of VOSB owners. Leadership at the DVA and leaders of veteran service organizations can also use the findings when creating and modifying policies or lobbying for change. The owners of VOSBs and SDVOSBs are the targets of these programs, and it remains important that both groups feel they benefit from the policies and programs of the government. Improving VOSB owners' access to federal procurement opportunities will add to the growth of the small business community that represents an essential component of the national economy (Bressler et al., 2013; Steiner & Cleary, 2014).

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Appendix A: Interview Guide

- Welcome participant and introduce myself.
- Explain the general purpose of the interview and why the participant was chosen.
- Explain the presence and purpose of the recording equipment.
- Explain general ground rules and interview guidelines to ensure that the interview topics can be covered in the time allotted.
- Review break schedule and where the restrooms are located, for face-to-face interviews.
- Address the importance of confidentiality.
- Inform the participant that information discussed is going to be analyzed as a whole and that participant names will not be disclosed in the analysis of the interview data.

Interview Purpose

The purpose of this qualitative research study is to explore and understand the perceptions of veteran owned small business owners about seeking access to Veteran First Contracting Program procurement opportunities.

Interviewer will explain:

You can withdraw your participation at any time and your confidentiality remains my ethical responsibility. Before we begin, please provide the following

Demographic information:

- How long have you been in business as a veteran owned small business? _____
- What is your age? _____

- What branch of the military did you serve? _____
- What services does your business provide? Construction, Architect Engineering, Supplies, or Services: _____

General Instructions

It is important that you answer each question and if you do not understand a question, I will explain. I may ask you to offer additional clarification, if the need arises; if you are ready, we may begin.

Interview Questions

1. What motivated you to enroll in the VFCP?
2. In your own words, please tell me what is your understanding about the procurement opportunity process for VOSB owners within the VFCP?
Probe: Do you perceive this to be an easy to navigate process? Why or Why Not?
3. As a VOSB owner, your business is designated as a “Second Tier Participant” to SDVOSB within the VFCP. What are your views concerning the impact of this designation during the competition process in the VFCP?
4. Do you believe the VFCP is meeting its purpose to provide procurement opportunities to VOSB firms as prime contractors?
Probe: Why / or Why not?
5. What are your perceptions concerning the fair distribution of procurement opportunities within VFCP?
6. What are your perceptions and understanding of the VFCP set aside hierarchy that gives SDVOSB owner’s priority preference over VOSB owners?

7. What are your perceptions about the VFPC rating criteria which allows a zero percent SDVOSB owner to have priority preference over a VOSB owner?
8. The VFPC has a practice of using the awards made to SDVOSB firms to also count toward VOSB goal achievement. Do you consider this practice to be fair?

Why/Why Not?

Conclusion

That was the last and final question, which concludes the interview. Do you have any questions? I would like to remind you that once the interview recording has been transcribed, I will contact you so you can review the transcription for accuracy. If any changes are needed, you can let me know at that time. I thank you for your participation in this very important research study.

Appendix B: Invitation to Participate

Dear (Participant Name Here)

My name is Harry Parker and I am a doctoral student attending Walden University. I am conducting a research study on Veteran Owned Small Business Owner's by exploring their perceptions in seeking Veterans First Contracting Program procurement opportunities. The study is specific to the veteran owned small business (VOSB) category.

I would truly appreciate your participation.

Your participation involves providing your written consent. You retain the right to withdraw your consent at any time. Your role in this study will require you to participate in a digitally recorded interview that will involve answering eight open-ended questions. The interview will take approximately (45) minutes to complete. After the interview has been completed and the content has been transcribed, you will be given an opportunity to review the transcription for accuracy. No harm is expected to come from your voluntary participation.

Your involvement in this research study will be kept strictly confidential and measures will be implemented to ensure that you will not be identified in any reports associated with the research outcome.

Face-to-Face or Telephone Interview

I would like for you to participate in a face-to-face or telephone interview, which ever is convenient for you. If you choose to participate in a face-to-face interview, it will be conducted in a private meeting room at the Rockville Library located at Rockville Town Square, Plaza 21 Maryland Avenue, Rockville MD, 20850. If you are not able to participate in a face-to-face interview a telephone interview will be arranged at your convenience as well.

If you are interested in participating please review, sign, and return the attached consent form, which is necessary to promote research integrity.

If you have any questions or concerns about the study, please feel free to contact me at "Walden.edu email address" or give me a call at 000-000-0000. I thank you in advance for your consideration and assistance with my research project.

Harry Parker, M.S.
Doctoral Candidate

Appendix C: Confidentiality Agreement (Transcription Service)

Name of Signer:

This is a Non-Disclosure Agreement (the “NDA”) between Harry Parker (the “Client”) and ----- (the “Company”) which is entered into between the Client and the Company in consideration of the Client retaining the Company for the performance of services (the “services”) for the benefit of the client.

The Client and the Company, each separately, is a party (a “party) to this NDA and collectively are herein referred to as the parties (the “Parties”).

During the course of the activity of the Company in transcribing data for the following research project: **“Veterans First Contracting Program Preference Hierarchy: Effect on Veteran Owned Small Business”** the Company will have access to information, which is confidential and should not be disclosed. The Company acknowledges that the information must remain confidential, and that improper disclosure of the confidential information can be damaging to the participant.

By signing this Confidentiality Agreement, the Company acknowledge and agree that:

1. The Company will not disclose or discuss any confidential information with others, including friends or family.
2. The Company will not in any way divulge, copy, release, sell, loan, alter or destroy any confidential information except as properly authorized.
3. The Company will not discuss confidential information where others can overhear the conversation. I understand that it is not acceptable to discuss confidential information even if the participant’s name is not used.
4. The Company will not make any unauthorized transmissions, inquiries, modification or purging of confidential information.
5. The Company agrees that my obligations under this agreement will continue after termination of the work that I will perform.
6. The Company understands that violation of this agreement will have legal implications.
7. The Company will only access or use systems or devices the Company officially authorized to utilize and the Company will not demonstrate the operation or function of systems or devices to unauthorized individuals.

Signing this document, the signer acknowledges that they have read the agreement and the Company agree to comply with all the terms and conditions stated above.

Signature: _____ **Date:** _____

Appendix D: Veteran Referral Information

In the event of an adverse encounter during the interview, the participant will be referred to the nearest Veterans Health Administration location for follow up care. A hotline number will also be provided.

Veterans Crisis Line: 1-800-273-8255

Virginia

Hampton VA, VA Medical Center
100 Emancipation Drive, Hampton, VA 23667
Phone: (757) 722-9961

Maryland

Baltimore MD, VA Medical Center
10 N Greene St, Baltimore, MD 21201
Phone:(410) 605-7000

District of Columbia

Washington DC, VA Medical Center,
50 Irving St NW, Washington, DC 20422
Phone:(202) 745-8000

Appendix E: NIH Human Subject Research Certificate

