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Minority Business Enterprise Program's Impact on African American Businesses in Atlanta, Georgia

William Alvin Hopkins
Walden University

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Walden University

College of Social and Behavioral Sciences

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Walden University 2017

Abstract

Minority Business Enterprise Program's Impact on African American Businesses

in Atlanta, Georgia

by

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M. Div., International Theological Center, 2008

M. P. A., Georgia State University, 1988

BA, Albany State University, 1969

Dissertation Submitted in Partial Fulfillment

of the Requirements for the Degree of

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|

Abstract

There was a long history of Jim Crow laws in the State of Georgia, which permeated in social, educational, and economical ways that prohibited African American business owners from competing for the state contracts. In 1982, there was a shift in state policy that implemented an outreach programs to seek out African American businesses and ensure that those interested businesses were enrolled as registered vendors for procurement. Yet little is known about the success of those outreach efforts over the last 35 years. Using Swearing and Plank's work on survival of minority business programs as a conceptual framework, this study evaluated (a) the association between the registration status (registered, non-registered, unknown) with the Georgia Minority Business Enterprise Program (GMBE Program) and gender, and (b) descriptive information about the outreach efforts of the MBE Program. Data were collected from 108 randomly selected African American small business owners in the State of Georgia through an online survey. A chi-square test revealed a significant association ($p = .08$) between gender and enrollment of registered vendors, with women more likely to register as vendors than were men. Descriptive data also revealed that nearly half (48% percent) of respondents had not registered with the MBE Program and were not aware of the educational and economic opportunities offered through the program. Contracts were awarded 4 times more frequently to vendors registered with the MBE Program as compared to businesses not registered. The positive social change implications of this study include recommendation to the state of the Georgia MBE Program to collaborate on outreach efforts to African American business owners to encourage economic development in minority communities and minorities-owned businesses.

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Chapter 1

Introduction to the Study

The purchasing division of the state of Georgia invites all businesses to join the current registered vendors to do business with Georgia State procurement department. Registration with the purchasing division in Georgia entails becoming a part of the state purchasing apparatus allowing a business to provide competitive bids in contracts, equipment, goods, and services to Georgia state government through the Department of Administrative Services (Georgia Department of Administrative Service, DOAS, 2015). The Georgia state government must meet the needs of its people by purchasing supplies from businesses operated throughout Georgia (Georgia DOAS, 2011a). In past years, barriers, both factual and perceived, prevented many African American business owners from doing business with Georgia state purchasing (Hopkins, 1985). Georgia's minority inclusion policies make it less difficult to conduct business with the state government (Georgia O.C.G.A. Section 50-5-150, 2012). Many state government programs assist small and minority businesses. Georgia state government created the Georgia Minority Business Enterprise Development Program (Georgia O.C.G.A. Section 50-5-150, 2012) to assist business owners to participate with the purchasing department orientation through the suppliers' awareness programs, seminars, webinars, and training designed to help minority businesses gain a better understanding of the purchasing process.

Minority-owned businesses are increasing in number, and scholars have presented data that perceived career barriers or a lack of support, influence the career development of African American business owners. Constantine, Wallace, and Kindaichi (2005) examined early career choices of African Americans compared to African Americans

entering business today. These career choices are indicated in statistics recorded by the U.S. Census Bureau (2010). Constantine et al. suggested that during the past twenty years, there has been a continuous increase in the business ownership by minorities. These changes are the results of programs, training, effort, access, and education as reported by the United States Small Business Administration (USSBA, 2006) and the US Legal (US Legal.Com, 2002). Education in business training, technological access, and financial inputs affected this growth trend (USLegal.com, 2002).

Questions from African American and other minority business owners that arise regarding doing business with the state government include whether the business owner could sell goods or services to the government. Additional questions include the following: What does a business owner need to know about government purchasing? What does a business owner producing goods and services need to know? What is the necessary information doing government agencies need to know about a private business? What does the business need to know about the government to do business?

In my study, I sought to provide clarity to those who assist minority businesses, especially agencies affecting African American business owners in Atlanta, Georgia. The results from this research may help local government agencies and businesses become more proactive, ultimately leading to positive changes, new knowledge, increased registration, and increased sales for African American business owners.

Problem Statement

For many years, state government procurement excluded information, registration, and vendor bidding from the minority business sector. The practice of exclusion was a part of the social, economic, and political culture of the past (Shaylan,

2014; Wright, 1987; Blackmon, 2008). Stakeholders, community leaders, elected officials, political policy makers, and business owners from the minority business sector expressed a desire for change and a new policy of inclusion for all sectors of the Georgia business community. In previous years, the Georgia government procurement listing of businesses did not include many minority-owned businesses as registered vendors (Georgia O.C.G.A. Section 50-5-150, 2012). State agencies did not solicit bids from the minority sector to participate in state agency needs to buy products, goods, professional services, construction contracts, and equipment because of the limited registration parameters. The University System of Georgia has 29 university schools and campuses, 34 state departments, authorities, and other quasi-agencies, and resorts owned or operated by the state government (Badertscher, 2015). In 1982, the state of Georgia responded with a mandate to include, through solicitation, to increase the registration in the business sectors of minority's business owners.

Scholars have examined set-asides and preference programs; however, there was little research on the process of competitive bidding practiced by Georgia (Bates, 2014; Terman, 2014). This research was necessary to formulate a model for minority businesses to become part of a state bid system. Georgia state legislators recognized that the entire business sector should have an opportunity to participate fairly, equitably, and competitively by selling business products to the state government (Georgia O.C.G.A. Section 50-5-150, 2012). The Georgia General Assembly (1982) found it necessary to influence the policies and attitudes and chose to pass mandated programs used by the purchasing division and its purchasing agents around the state. The new legislation caused programs to preserve and expand the U.S. economic system of private enterprise

through free competition. The intent of this research was to examine how a mandated program affected the African American business population in Atlanta, Georgia. The Georgia Minority Business Enterprise Development Program was the subject of this research.

Significance of Study

This study provides information on the competitive bid and purchasing system practiced by the State of Georgia's Purchasing Division (2014). Since 1982, outreach activity included seminars, webinars, and training programs by the Georgia (DOAS) to educate and bring awareness to the minority business sector. Leaders such as former Governor Joe Frank Harris explained that it was his responsibility to ensure that businesses receive the necessary information to conduct business with state agencies (Harris, 1985). In my study, I examined whether the competitive bid system created fairness and opportunities for those businesses seeking to sell goods, products, and services to the state government (Ethnic Majority, 2012; Hopkins, 1985). Small and minority-owned businesses employ a portion of Georgia workers, and any expansion would be a source of new jobs and an economic boost for Georgia.

As reported by the United State Small Business Administration (USSBA, 2016) and the U. S. Census Bureau (2014), the number of African American-owned businesses increased by 60.5% or 1.9 million from 2002 to 2007. This increase is more than triple the national rate of 18% during the same period (U. S. Census Bureau, 2014). It is Georgia's responsibility to provide needed information to minority businesses on how to conduct business with various state agencies (Harris, 1985). Webb (2014) explained that the benefits have the potential to "contribute to a thematic" awareness of how minority

business enterprises (MBEs) can become a part of the organizational purchasing strategies (p. 17). In this study, I determined the effectiveness of the Georgia DOAS assistance program in the dissemination of the purchasing system through awareness seminars, webinars, and outreach activities for African American business owners since 1982.

Background and Historical Context

The state of Georgia has 159 counties. Fulton County, along with the city of Atlanta, Georgia, is the location of the state capitol and has a well-known reputation as a center of African American achievement, wealth, political power, and culture. Alonzo Herndon, who founded the Atlanta Life Insurance Company, was the first millionaire, minority business owner. Dr. Martin Luther King, Jr. was born in Atlanta and the Civil Rights Movement organization called the Southern Christian Leadership Conference was based in Atlanta, Georgia (Holmes, 2000; Sturgis, 2012, p. 17). Other stimuli contributing to increases in African American-owned businesses were affirmative action efforts, general economic growth, community support, urban renewal, increased education, networking, business experiences, and access to capital (USLegal.com, 2001).

The cities with the largest African American business ownerships are New York and Chicago (Stafford, 2010). Atlanta's African American business ownership is the third most in the United States. Terman (2014) chronicled shifts in attitudes of purchasing agents in Florida from 1985 through 1999 resulting from legislation affecting the first MBE preference and set-aside program. Bates (2014) described how existing procurement policies had a positive effect on MBEs in securing government clients. Richtermeyer (2002) and USLegal.com (2001-2015) presented trends, statistics, and

terms used in minority entrepreneurship and in clusters of literature emerging from the small business enterprises. Webb (2014) completed research on 20 private corporations in Nashville, Tennessee, on how leadership characteristics and the use of minority entrepreneurship impact positive business relationships emerging from these small business enterprises.

Webb (2014) determined that leadership qualities, decision-making, and promotion are positive influences, resulting in positive impacts. Positive leadership created good followership, ultimately leading to success in the environment that enabled the organization to achieve its tasks. Positive leadership did include diversity and decision making that impacted MBE involvement in the purchasing activities of these private corporations (Webb, 2014). Positive leadership by business leaders elicited positive behavior by their employees. This demonstrated linkages to business outcomes of goals and objectives. Success in any organization produced retention, productivity, profitability, safety, and customer engagement toward buyers and sellers of goods and services (Webb, 2014).

More inclusion, diversity, and opportunities in Georgia's economy have had positive effects on the economy and social well-being of a large segment of the population. African Americans seeking jobs and building the economy in areas that have higher unemployment positively affect Georgia's economy and promote the development of the small businesses segment of the population (Peake, Whitney, & Marshall, 2007). The governor of Washington state convened several departments to study where government can help small businesses, which included coordination and partnering, support in a competitive environment, providing communication and outreach, and

facilitating efforts to provide infrastructure to assist small and minority businesses (Small Business Survival, 2007).

The African American business owners are the X elements in the population. That means that the activity of the Georgia Minority Enterprise Development Program may impact African the African American business owners. Consequently, this may affect other X factors in successfully creating jobs and employment, ultimately leading to better homes, success in schools, family stability, and better residential communities. The treatment (Y) by government providing help, aid, assistance, training, seminars, and webinars to this population results in positive influences and effective information for African American outreach activity. I completed my study design of this research by attaining data that resulted from measurements that provided a dependent correlation between the vendors' exposure to state information and educational programs. Georgia's intent to collaborate with all business segments is designed to promote the factors above and strengthen business with state governments and state businesses.

Framework

The supporting document, research, and studies included the peer-reviewed articles from Walden University Public Policy documents, legal decisions, researchers, Annotated Codes from Georgia and Florida laws on Small and Minority business development, position papers, professional publications, book chapters, electronic media, meetings and symposia, doctoral research, and 130 works read and written on set-aside programs are a part of my research. These and other reading of research and publications from other states and the city of Atlanta are included in this study. Terman (2014) examined the political influence by state legislation using a mixed-methods approach.

Bates (2014) research provided a detailed quantitative and an affirmative action in the public sector. Holmes (2000) addressed legislation related to small and minority businesses, minority business development, and preference programs for minority businesses in Georgia. Webb (2014) presented qualitative phenomenological research on 20 private corporations in Nashville, Tennessee on the characteristics of leadership, decision-making, and promotion of MBE and their purchasing activities.

This study included a compendium of literature on the research in some states as well as at the federal level including highway construction and transportation. However, there was little research on minorities and African Americans as a subgroup, and the competitive bidding process in Georgia. Pure competitive bidding by the minority business sector and African American businesses is the legal practice of the state purchasing system in Georgia. In this study, I evaluated the impact and effectiveness of the program on the development of MBEs in Atlanta, Georgia. My study included a review of the Georgia law, policy, and programs initiated DOAS outreach efforts to increase awareness to determine the financial impact of African American businesses resulting from various informative seminars, webinars, advertisings, registrations, and enrollment activity for the minority business sector. The results provide evidence of the state program's positive impact.

Research Questions

The research questions were used to specify and measurable answers (Beiske, 2007). I used a quantitative method, a descriptive statistical design, for this research because the method and design provided a lens to the best approach to emphasize objective measurements through statistics, mathematics, and numeric analysis of data

collected by my research questionnaires, and surveys. I did not use any pre-existing statistical data from other computational techniques. In my quantitative research which focused on gathering numerical data that generalized inputs across groups of people that explain this phenomenon. This research measured registrations and the impact of participation and activity of these vendors, nonvendors and those who did not know whether they were registered vendors with the state government. The results generated from these activities show the intent of leadership to introduce programs.

1. How many responses from the Georgia MBE Development Program had any impact on the bidding process from the minority business community using the state government purchasing apparatus?

Hypothesis: Participants learn the process of the state purchasing system.

2. What must a business owner need to learn to do business with state government?

Hypothesis: Participants learn what the goods, products, are and equipment needs of state departments are.

3. To what extent do both parties need information about each other?

Hypothesis: The state has many institutions, and when participants access the state procurement apparatus, both parties exchange valuable information and resources.

The following are supplementary questions:

4. What does the business owner need to know about government purchasing?

Hypothesis: Participants learn the process of the state purchasing system.

5. What does a business owner of my business type need to do to do business with state government?

Hypothesis: Participants learn what are the goods, products, and equipment needs of state departments.

6. What is the necessary information that both parties need to know about each other?

Hypothesis: Environmental concept: The state is a large institution and when participants access the state procurement apparatus, both parties exchange valuable information and resources.

Nature of the Study

The Deductive Approach

This study used a deductive approach to determine whether there was a causal link or relationship obtained from a general circumstance. A deductive approach reaches a conclusion from a premise. In a quantitative approach, the deductive approach usually begins with a hypothesis. In this study, I used a descriptive statistic design. The intent of a descriptive design was to collect data, summarize the data, and present the data in a comprehensive manner to an audience, such as the African American business owners and state government. Descriptive statistics presents facts, characteristics, and attributes that describe, relate, and catalogue the essence of the information revealed in the research (Trochim, 2006)

The descriptive statistical design provided an exploration, description, explanation, and conclusion to gain a better understanding between African American businesses in Atlanta, Georgia and the Georgia MBE Development Program under the

Official Code of Georgia Annotated (O.C.G.A., 2012). The O.C.G.A. is the Official Published Code of Georgia Annotated to which the public has free access. The data that I collected provided several ways to present behaviors and attitudes resulting from the training by state government programs from seminars, training, and webinars as tools of learning and trials an error in understanding the purchasing process for the African American registered vendors. This descriptive analysis of data that I collected can be represented in several ways. First, it measures central tendency, then there are the what, why and how under that method. My goal was to reduce the number of scores significant to this data collection. The number of vendors and score can be high or low in relative to the registration in each category.

My study recorded the number of vendors and their demonstrated self-evaluation of themselves in the Liker scale and their self-evaluation of their own skill manifestations, which appeared in my exploration during this study. The data collected in this study fall under the purview of descriptive statistics. The deductive approach involved the use of an independent variable and its influences on several factors affecting African American businesses in Atlanta. Three hypotheses were developed from each of the three research questions. I designed a research strategy to test the three hypotheses (Wilson, 2010). My aim did ensure representation of minority businesses in becoming vendors competing to sell contracts, equipment, goods, products, and services to state purchasing recipients to increase the economic activities in the minority business community.

The instruments used in this research entailed the use of surveys, mailings, e-mailings, telephone interviews, and attending business conferences, and workshops to

acquire data. In doing this work, I collected data, business names, addresses, e-mails, and telephone numbers from the beneficiaries and recipients of the Georgia MBED program programs and the Georgia Departments of Transportation and DOAS to determine the impact the program had upon African American business owners in Atlanta. I used the descriptive statistical method to determined values, input, and investment in generating reasonable return on the output.

The hypotheses of this study were derived from the three main questions and propositions of the theory. A deductive approach entails reaching conclusions from the premise or proposition. Babbie (2012) stated, “Deduction begins with an expected pattern tested against observations” (p. 52). The purpose of this study was to determine whether changes resulting from the program related to minority business development affected the intended results. In reviewing the activity of this program, questions arose as to what effect the work and training had on the beneficences.

Strategy

In this study, I used a stratified sampling approach. There were different form arrangements in the sampling. Statistics form a benchmark, which improves the sampling of a population (Dictionary.com, 2016). Several factors necessitate stratification. African American businesses are diverse in their use, outreach, and participation in governmental purchasing. Additionally, women-owned businesses are useful in studying a female approach to business and governmental awareness programs. In this study, I sought to determine the level of success of the state mandated program and government input of dollars, numbers, and the results derived from African American business participation.

When placed in layers and allowed groups are formed, the data identified the business owner's diversity (Dictionary.com, 2016).

Population Sample in Atlanta

The population of my study included African American business owners in Atlanta. I used a simple, stratified random technique in the design. The stratification sampling (stratified random sampling) techniques included the following properties. I listed the subjected population, which were the X factor and the dependent variable. Several groups were categorized into subgroups by gender, age, education, and types of business. My population categories included businesses, minority businesses, and African American business owners in Atlanta. The subgroup list included gender, age, education, length of time in business, and computer literacy, which were all determined from data from the survey instruments. The populations were assigned X - 0 or X - 1 to denote male or female gender. No other stratification was necessary. Gathering the subgroup's age, education, and length of time of computer use was possible from the resulting data. There were no observations made, but there were some conversations by e-mail contact and by telephone.

Procedure

I used a descriptive analysis, which involved data represented in the form of tables and bar charts (Explorable.com, 2010). The state department training, educational seminars, and webinars were the independent variables. The African American business owners were the dependent variables. To build my mode, I used a descriptive analysis of the data represented in the form of tables and bar charts to understand occurrences in the experiment (Explorable.com, 2010). This method falls under descriptive statistics, which

is a generic term for all methods to collect data to quantify the relationship between two groups of variables practiced by the Georgia DOAS (2014). The department training, educational seminars, and webinars were the independent variables. The African American business owners were the dependent variables. I used this fitted model to describe the relationship between these two groups of variables, and to predict new values. X and Y usually denote the two data matrices involved in regression, and the purpose was to build a model $Y = f(X)$. These models were used to explain, or predict, the variations in the Y-variable(s) from the variations in the X-variable(s). Achieving the link between X and Y was used through a common set of samples collecting both X and Y-values (Camo Software, 2014; Fields, 2013). There were seven different instruments developed and used to attain data for this research.

Assumptions, Limitations, and Delimitations

In this study, my assumptions were that vendors could read, learn, and understand the state purchasing system apparatus. The minority business owner must have registered and taken orientation to learn the state purchasing system. Secondly, the registered vendor must have participated in the vendor's certification process. Thirdly, the registered vendor must have understood who, what, and where goods, products, contracts, and services purchased by state departments were required in Georgia. Different services and products were needed by different departments in different areas of the state. The assumption was that the business or vendor could locate and sell to state departments. That vendors attained a *Georgia Purchasing Manual* (Georgia DOAS, 2011b), which provides, instruction, and information on commodity codes, identifies the entire goods, contracts, and products that Georgia needs. Businesses were encouraged to avail

themselves of the locations of needs and the specific product needs. The use of a quantitative research approach has other assumptions inherent in the research through generalizations and explanations beyond the confines of this context. My assumptions are that other social scientists could replicate this quantitative approach (Bryman, 2012).

The limitations and criticisms about the quantitative approach were related to its epistemological and ontological foundations as a general research strategy, its foundations as a quantitative research design, and method associated with a quantitative approach. As reported by Bryman (2012), some scholars have suggested that the quantitative approach does not treat or differs from the two-social institution or people in life or the same environment. Bryman (2012) indicated that other critics have explained that quantitative measurement processes a false or artificial, but spurious precision and accuracy. Bryman (2012) explained that critics have claimed that this approach relies on instruments and procedures which hinder a connection between the research and the everyday life activity. A final criticism was that quantitative research relationships and analysis between variables create a stagnant or static view of people's daily lives on socialization (Blumer, 1956).

Delimitation in research methodology or research design is defined as outlining the ideal research approach as continuous. Scholars cannot cover each event or occurrence that happens during a process of a research study. Different theories may emerge from data collected and the subsequent analysis may lead to unexpected new knowledge and analysis techniques used to process new meaning in data analysis results. The best procedures are used to process quantitative methodology (Bryman, 2012). This means that during the process of data analysis, a researcher must check data and establish

whether there are obvious flaws, or whether some data could be amenable to quantitative data analysis, or whether alternative approach could be used in the management of raw data (p. 13) presenting new meaning.

Sources of Information

In addition to the website listings and the Georgia Secretary of State's Business listings, I obtained a listing of African American registered vendors from the DOAS covering the last 10 years (Werdelin, 2014). Other sources obtained included *The Metro Ebony Pages* (Ebonypages.com, 2005), the Black Business Planet (2007), the African American Chamber of Commerce (2014), the Georgia Department of Transportation (GDOT) vendor list, and listings of both majority and minority vendors by the Georgia DOAS (2014) in Atlanta, Georgia. Other listing groups used included Minority Business Development Centers (MBDC), Atlanta Business League (ABL), and nongovernmental Minority Enterprise groups.

Terms and Definitions

Administrative law: This primarily stems from the executive branch and is the body of law that governs the activities of administrative agencies of government. Government agency action can include rulemaking and the executive schedule (Gellhorn & Levin, 2006, p. 8; Owner Manual Download, 2015; USLegal.com, 2015).

African American business owners: Business owners who are African Americans (*Georgia Procurement Manual (GPM)*, 2012)

Certification: Means the use of identification of a group or person who requested being listed as a minority business enterprise. This classification claims a status under any law of this state or any regulation promulgated pursuant thereto shall first apply for

certification, in addition to any other certification required by the provisions of 49 C.F.R. 23, to the Georgia DOAS (DOAS, 2016d; *Georgia Procurement Manual*, 2012).

Competitive bidding in government procurement: A formal bid sent to suppliers, the government or public university, or agencies to ask for concessions that are favorable to the department, rather than accept what is in the best interest of the supplier (DOAS, 2016d).

Contractors: Are those parties to a contract or those who contract to do work or to provide supplies for another (Garner, 2006). Georgia legal definition of a “contractor” includes management of a construction (GPM, 2012).

Mandate: The formal and informal legal direction placed on an organization consisting of “musts” that it must confront. There are various requirements, restrictions, expectations, pressures, and constraints the organization it faces (Simon, 1995).

Minority business enterprises (MBEs): Businesses where at least 51% of ownership and control are by minority group members. Under the definition, minority group members are citizens of the United States who are African American, Spanish-speaking, Asian, Indian, Eskimo, or Aleut (Census Bureau, 2002), Also, known as minority owned businesses.

Minority subcontractor: Any business owned by an individual who is a member of a minority and reports as his or her personal income for Georgia income tax purposes the income of the business.

Commodity Code Index: National Institute of Government Purchasing (NIGP) commodity codes identify what goods and services a company provides (NIGP, 2016).

Occupational barriers: Internal structural barriers or business barriers include outreach and recruitment practices that do not reach or recruit women and minorities, corporate climates that alienate and isolate, and pipeline barriers that restrict career growth because of poor training, inadequate mentoring, and biased rating and testing systems (Redwood, 1996).

Public procurement laws: Competitive bidding that is the principal vehicle for public construction (GDOT, 2015).

Purchaser-provider contract model: The contract approach is a system of institutionalizing strategic planning and management, especially in simple to moderately shared-power environments. Public and nonprofit service providers employ the purchasing model for much of the planning and delivery of many publicly financed social services in the United States (Bryman, 2012).

Purchasing: This is the act by which a person who buys or acquires real property or services his or her own actions or another person's actions rather than by descent or inheritance (Garner, 2006).

Rulemaking: "Rule making means the whole or part of an agency statement of general or particular application for future effect designed to implement, interpret, or prescribe law and policy" (Kerwin & Furlong, 2004, pp. 2-3., 2004, pp. 2-3).

Set-aside-law: Requires federal agencies to spend 23% of their purchases with small businesses (Virginia Small Business Development Center Network, 2009).

State contract: This is a contract for purchase by the state for goods, property, services, or for the construction of any state building or structure for the state. Any department, board, bureau, commission, or agency of state government, by any authority,

officer, official, employee, agent, or any of the foregoing who executes a contract (Georgia DOAS, 2016d).

Trust: This is a reliance on the integrity, strength, ability, and surety of a person or thing.

Summary

In this chapter, information was provided on the nature and relevancy of my research. I introduced terms, definitions, problem statement, significance, background, history, framework, and research questions were also introduced. There were different sources from which to collect data. The information in this study had its basis on previous research involvement with minority firms in both federal and state governments. Georgia's purchasing apparatus was the focus of this study. The resulting data from my research what impact Georgia's Minority Enterprise Development Program has had on African American business owners in Atlanta, Georgia and determined what, if any social and economic implications are made for African American community and business enterprises.

Chapter 2 provides literature, empirical data, and research studies on other states, government activity, and assistance programs. Chapter 2 includes the legal foundation for the Georgia MBE Development Program, registration information necessary to become a state vendor in Georgia, and information from Georgia entities that assist MBEs. Chapter 2 includes information on how to register and become a vendor in the Georgia procurement system. Chapter 2 provides information on the bid submission process, *Georgia Procurement Manual* (Georgia DOAS, 2011a) business code identification for businesses, and frequently asked questions (FAQs). Chapter 2 provides literature on other

states' set-asides, preferences, and percentages programs on the state and federal level. Georgia's system, the *Georgia Procurement Manual* (Georgia DOAS, 2011b), policies on procurement contracts, and in-state purchasing and its historical significance, and current literature studies of affirmative action programs are presented. Finally, Chapter 2 is an introduction to the State of Georgia MBE Development Program (O.C.G. A. 50-5-150, 2012).

Chapter 2 Literature Review

Introduction

The purpose of this literature review is to provide parameters to develop a framework and a construct for the discussion of the Georgia Minority Business Enterprise Development Program's impact (GMBEP) on African American business owners in Atlanta, Georgia. The Georgia legislative branch passed and the governor of the state signed into law Title 50, Chapter 5, Article 3, and Part 4 mandating a program for MBEs development. In my research, I reviewed much literature from the peer-reviewed primary sources from the Walden University Library from various states. In addition, I used the Political and Social Research (ICPSR), Harvard Dataverse Network, University of Minnesota Population Center, U.S. Census Bureau, and federal and private programs affecting MBEs. I also examined pertinent constructs and frameworks which research other programs to compare and to measure the effectiveness of the Georgia MBE Program. I posit that minorities, by law, have the same opportunity as other private sector businesses to conduct business with state government (Hopkins, 1985).

Organization of the Literature Review

In my study, I first set out to research peer-reviewed articles from the Walden University Library, articles from business journals, studies made regarding minority business laws of the local, state, and federal governments, and summaries of findings by some states on small and minorities businesses. I researched, and I reviewed materials from the state of Georgia, the Department of Labor resources, and the United States Office of Small Business, which had articles on the state of affairs of small and minority business in the United States. I used the local Atlanta Public Library to review books,

journals, and articles on African American businesses and culture. I found many business articles and journals on line, in peer-reviewed journals from the University of Georgia and Michigan Research Libraries on African American businesses. The publication dates of the peer-reviewed articles range between 2011 through 2016. I also included historical research and articles from 2007 to 2011 to use in my research.

Overview of State Government Procedures Affecting Minority Business

Both state and federal governments have traditionally used the acquisition process to implement and further programs and initiatives for social and economic change. The tools used over the last 30 or more years were for support and assistance to the small and minority business community (Bates, 2014). Some states have “set-asides programs”, whereas in others, the state programs may be labeled “minority preference” or “minority or small business percentages,” (Terman, 2014). The intent of these programs is to provide information, and assistance to small, minority, and disadvantaged business owners by providing orientation, and training regarding the bidding process on federal and state contracts (BizFilings, 2012).

Georgia does not have set-aside programs, minority preferences, or minority or small business percentages. GDOT may follow federal guidelines in its procurement practices. Cities and local governments in Georgia may adhere to set-aside programs, which use federal dollars in funding programs in the local government school’s systems and on transportation contracts (Georgia DOAS, 2015). Minority and African American business owners, by law, have the same opportunity as other private sector businesses to conduct business with the state government (Hopkins, 1985). This access has an economic benefit because of a higher awareness, education and access. Researchers at

Harvard and the Brookings Institute have suggested a need for reviewing other social and economic change. Kille (2013), a Harvard researcher, explained that many cities have done well, but, the benefits are not evenly distributed (Kille, 2013). The economics base of cities has increased over the last 30 years, now poverty is seen in the rural areas and in the suburbs.

Affirmative action programs are intended to advance self-employment opportunities for minorities and women (Marion, 2011). GDOT collaborates with the Georgia DOAS application and certification process governed by federal guidelines in its procurement practices because of federal dollars spent (OCGA, 2012). Cities and local governments often yield to local political leaders and citizen demands in their procurement process because of federal dollars used in funding for schools, highways, or means of transportation contracts.

The state agencies involved in helping minority business development include the Minority Business Development Center (MBDC) in Atlanta, Georgia (Georgia Tech Enterprise Institute, 2015), the Georgia Economic Development Department (GDEcD, 2015), Georgia DOAS (2015), and GDOT (2015). A collaborative effort between the Georgia DOAS and GDOT involve a joint process for minority certification vendors list. Companies desiring to certify as a minority business enterprise or a minority subcontractor may do so by applying to GDOT. The GDOT certification application captures the required data used by DOAS.

Overview of Minority-Owned Business Demographics in Atlanta

In this section on demographics, I have outlined the makeup for the Atlanta metropolitan population and its business demographics. As reported by the U. S. Census

Bureau, African American Atlanta residents totaled 1.7 million in 2010 (Blackdemographics.com, 2012). This group comprised 4% of the total population of the Atlanta, Georgia region (U.S. Census Bureau, 2014). Minority businesses grew in the United States from 741,678 in 1982 to more than 1,213,750 by 1987 (U.S. Census Bureau, 2010). Pursuant to *Blackpages* (2016) writer provided the following information on Atlanta Metro.

The city of Atlanta has 226,894 African Americans who represent 54% of the city's total population of 420,003. This ranked Atlanta 12th nationally. This ranking is among cities with a large African American population. The Metro Atlanta areas had 1,772,569 African Americans that represent 33.6% of its 5,268,860 residents. This ranked Atlanta 2nd in the United States. African Americans total purchasing power was \$50.6 billion annually. There were 127,214 African American owned businesses in Metro Atlanta. This ranked Atlanta second in the nation per *Blackpages* (2016).

Most of this growth was in Asian, Pacific Islanders, and Hispanic business communities. All business firms' receipts in the United States totaled \$1.99 trillion (U.S. Census Bureau, 2011); minority business firms contributed 3.9% of this total (USSBA, 2016).

Swearington & Plank, (1997), provided a prognosis in their research on the African American business growth making it possible for legislation and challenges for the next decade. In a study by Swearing & Plank (1997) on purchasing behavior from the past and present, the authors included legislation, purchasing behavior, and programs (Swearing & Plank, 1997). Their study also included an examination of judicial

decisions, disparity studies, and the future survival of minority business programs, which indicated the need for further research (Swearington & Plank, 1997).

The Georgia legislature made legal and administrative changes since 1982 affecting minority businesses. Both government and private purchasing departments have earned credit for the success or failure of minority business programs. Those efforts defined the programs and indicated how entities approached, defined, and solved the problems related to minority businesses (Whigham-Desir, 1995). The General Assembly of Georgia legislated and the governor signed into law a mandated MBE program. The MBE program included procedures, names of state legislators, the polity of state governmental officials, assistance programs from the government, and other sources of support for African American owned businesses in Atlanta, Georgia (O.C.G.A. Sec. 48-7-380, 2012). Various organizations offered information and materials that might help minority vendors (Hopkins, 1985; Holmes, 2000). These agencies were put in place to assist and provide business information for small and minority business startups through the Georgia Department of Economic Development (GDEcD), DOAS and GDOT, and Small Business Development Centers created by state government and the university system.

The literature that I have presented is a concise and a current review from more than 300 documents that I have researched and archived. The articles published have been indexed in my database. Richtermeyer (2002), in writing about the wealth of literature related to African American business owners and vendors, noted that the spirit of entrepreneurship has had a link to religion and the disadvantaged in the capitalist system, but it also has had a basis in the protestant work ethics. Work ethics have

influenced culture and have given an impetus to labor markets for the disadvantage. Richtermeyer (2002) suggested that the driving forces in entrepreneurship by African American business owners included human, social, cultural, and financial factors, and work ethics. Work ethics included significant behavior factors shaping work attitudes of people in the socialization process, which occurs in the workplace. As stated by Hill (1996), when individuals and business owners entered the workplace to work and sell their products, the perceptions and reactions of others intended to confirm or contradict the work attitudes shaped in childhood.

It was important to know and define terminology that determined who, what, why, how, where, and when within the Georgia Minority Business Enterprise Program that began to take shape since 1982, and what caused these changes to increase African American, small business and other minority vendor participation. As reported by the U.S. Department of Commerce (2001), there has been an increase in minority businesses ownership. The U.S. Department of Commerce reported that minority communities represented the highest market potential in the U.S. economy. One reason was that minorities were people experiencing a higher rate of population increase (births) than the European American population. Richtermeyer (2002) suggested that by 2050, African American businesses will have grown faster than the population in terms of the number of businesses and the revenue generated.

A study completed by Cormack and Niessen (1998), on both private industrial and government contract awards found that when trust was established between the purchasing agent and minority vendor, the relationships made it easier and more acceptable for state procurement agents to pursue public policy goals in relative to

minority vendors. Cormack and Niessen (1998) reported that MBEs had the opportunity to increase their participation in public procurement by establishing formal relationships with government and industry. Government contracts tended to be stable and profitable, which could positively affect the bottom line of African American business firms (Cormack & Niessen, 1998). Contracting with the government often provided assured markets for new products and services.

In this context, Swearingen (2000) used the term “trust,” which is a problematic word because the word has inconsistent use. Zaheer, McEvily, and Perrone (1995) identified three components of trust that should be essential within inter-organizational relationships. The three elements of trust included the belief that an actor: “(a) can be relied upon to fulfill obligations (reliability), (b) will behave in a predictable manner (predictability), (c) will act and negotiate fairly when the possibility for opportunism exists (fairness)” (Zaheer et al., 1995, pp. 5-6). The success of a purchasing agent was dependent upon a reliable vendor to complete the delivery of a product, or a service in a timely fashion. Customarily, the purchasing agent wants contracts to be fulfilled and completed on a timely basis to meet the requirements, deadlines, and needs of the departmental users. Some considerations included the following: (a) a potential source or supplier, (b) organization’s need, (c) vendor discussions, (d) personnel and financial ability to meet government requirements, (e) past reliability of experienced current customer assessments, and (f) use of a formal process, trusted supplier, and verifiable references.

In inter-organizational personnel, relationships, trust existed on two levels. First, inter-organizational trust was the extent to which organizational members have

“collectively held trust orientation” toward another firms, or groups of people (Zaheer et al., 1995, p. 27). Secondly, there was an interpersonal trust, which was the imposed reliance between two individuals representing separate entities. Reliability, predictability, and fairness were elements of inter-organizational trusts. Interpersonal trust included an emotional component, which might result in a sense of betrayal if broken (Zaheer et al., 1995).

Zaheer et al. (1995) claimed that interpersonal trust played a direct role in relational exchange, but that inter-organizational trust had a more profound effect on relations through a continuing relationship. Lorenz (1988) provided support for the findings of Zaheer et al. (1995) that interpersonal trust is possible, but not necessary for inter-organizational trust to develop. Zaheer et al. (1995) indicated that trust is developed when a contract was completed as agreed upon. When there were continuing social relationships, expectations of reliability, and dependence, and trust were established when delivery was made on a timely basis. In this study, I focused on how to interpret a continuing relationship between a vendor and a purchasing agent regarding inter-organizational trust. Some trust could result from training, and government information gained from state programs in Georgia.

Agency and Organizations Assisting Minority Business Enterprises in Georgia

The Georgia Department of Economic and Development (GDEcD, 2016) has assisted and has given information to minority and African American business owners. Georgia’s small and minority businesspersons interested in funding resources may access the GDEcD comprehensive business resources. Georgia has defined an MBE as those businesses that have an ownership of 51% that is controlled and owned by one or more

minorities (GDEcD, 2016). In the case of a publicly owned business, the minority business owner must have demonstrated ownership of at least 51% of all classes and type of stock in the business (U. S. SBA, 2016). Management and daily business operation should be under the control of one or more minorities. Requirements were that Georgia include in its definition of MBE status of having the authority to conduct business under the laws of the state, paying all taxes duly assessed, and having a proper domicile within the state (U.S. SBA, 2016). Georgia DOAS and GDOT used the federal guideline for the definition of a minority owned business since GDOT used federal dollars in its highway construction contracts.

Georgia agencies and organizations that monitor and contribute to the public policy of all minority businesses include the MBDA from the U.S. Department of Commerce, which is a federal agency. The National Minority Supplier Development Council serves as a private, national, nonprofit group that contributed to and has monitored public policy. Agencies from Georgia providing various forms of assistance to MBEs include the Georgia Disadvantaged Business Enterprise (DBE) Association, which was established to serve as a networking organization for the minority-owned businesses, corporations, government contractors, and those individuals and companies looking to conduct business with GDOT's subcontractors (GDOT, 2016). Additionally, the Georgia Minority Suppliers Development Council is a corporate member-based organization that fostered and expanded economic opportunities between MBEs, corporations, and government entities within Georgia (Georgia MSDC, 2016). Even MBEs with less than five employees can take advantage of and have mentoring and training accessed under Georgia's Mentor Protégé connection.

The MBDA Business Center in Atlanta has helped facilitate business growth, connected to the global marketplace, and has helped businesses succeed. The Office of Minority Business Development has identified procurement opportunities, has located sources of capital, and has supported outreach efforts of minority business people around the state (Georgia Tech Enterprise Innovation Institute, 2016). For those minority businesses where English is a second spoken language, various organizations have been in place to assist these MBEs, such as the Hispanic American Center for the Economic Development, which has helped advance the formation and growth of Hispanic businesses throughout Georgia. Additionally, the US Pan Asian American Chamber of Commerce has represented the common interests of all Asian American and Asian American-related groups in business, sciences, public and community services, the arts, sports, and education. The Office of Native American Affairs has dedicated itself to promoting and advancing policy issues and programs to strengthen and enhance economic climate in African American businesses operating statewide (Georgia Tech Enterprise Innovation Institute, 2016). In addition, the Atlanta Urban Business League's (AUBL) Entrepreneurship Center has worked with private, public, and nonprofit resources to build strong, sustainable, and successful minority businesses (AUBL, 2016).

Georgia's Small Business Certification Program

Several Georgia departments used the same definition for defining a small and minority business. The GDEcD (2015) defined a small business as one that is independently owned and operated and had either fewer than 300 employees or less than \$30 million in gross receipts per year. Georgia did not have a small business enterprise (SBE) designation or certification requirement. Companies could self-report to designate

themselves as a small business through the Georgia DOAS (2015) through Supplier Registration and Team Georgia Marketplace to select the organization's classifications. The Georgia DOAS provided business solutions to Georgia's state and local government entities. The only certification used by Georgia was a DBE under GDOT (2015) to perform the departmental certification. In meeting with the GDOT certification, the business must have certified with GDOT to do business with them as a DBE. Georgia had a diagram on its website, which allowed potential vendors to register and become a vendor by creating a business profile of its company. Georgia DOAS (2015) products and service offerings have encompassed a broad spectrum, including purchasing (procurement), risk management, business enterprise, human resources, fleet support services, and surplus property transactions.

The area of this research included the purchasing apparatus of Georgia state government and the certification housing and operation within the DOAS. The duties and responsibilities of the State Purchasing Division were to negotiate statewide competitive contracts to reduce cost, to offer technical assistance in conducting and assessing the competitive bids process, and to provide efficient purchasing of goods and services, complying with the standards, specifications, training on best practices, and compliance reviews (DOAS, 2016). A minority business owner could find information within this department on the State of Georgia Procurement Registry (DOAS, 2016a).

Georgia government has been a supporter of small business development and has put in place the Small Business Development Center (SBDC) with seven centers located strategically around the state, including one center housed at Georgia State University in Atlanta. The Georgia State University SBDC has been a public service unit that providing

consulting and training to Georgia small businesses (Georgia SBDC, 2016). The center has been a part of the Robinson College of Business and one of 17 Georgia SBDC Network locations (Georgia State University, 2016; SBDC, 2016).

Under the program Grow Smart, Adam (2015) of the SBDC explained that the overall trend in the state's economy is improving and indicates growth. Adams (2015) indicated that participation in training programs such as Grow Smart, a program for early strategies of businesses development, has helped in marketing, social media, managing finances, customer service, and human resources. This Grow Smart initiative has provided learning opportunities for entrepreneurs and has created sales of \$7B and debt and equity capital of \$500M (SBDC, 2016; Grow Smart, 2015). This initiative has been an outreach program of the SBDC, which has been funded in part by the USSBA. Current Georgia Governor Nathan Deal (2015) expressed a commitment to help small businesses through the GDEcD (2015) with an integrated approach in support of traditional businesses and economic development. This approach has highlighted international trade, film, arts, music, and tourism industries, all of which have had their origin in small business creativity and growth.

Team Georgia Marketplace™ has been a set of state-of-the-art electronic PeopleSoft (doas.ga.gov) procurement tools. The functions of these tools have provided modules that make up Team Georgia Marketplace™ and have performed a variety of procurement functions (DOAS, 2016). Information has included bid policies and procedures, items needed for purchase, work force reports, risk management, news, and announcements related to bid information (DOAS, 2015). A business should do the following: (a) attain the bidders supply training materials, (b) read the supply source

newsletter, and (c) call the contact number to begin the process of doing business with Georgia state government (DOAS, 2015).

Peer-Reviewed Research

Researchers in minority business and African American business owners seeking business relationships with state governments were reviewed and discussed in this stage of my research. The literature demonstrates the benefits and virtues of small and minority business ownership and the benefits of African American entrepreneurs that exist today. These African American and other minority businesses play a significant role in the economy of the United States. Georgia's economy has benefited by having viable minority and African American business enterprises, which are vibrant, innovative, promote job growth, utilize technology, increase local spending, further loyalty, and have a commitment to increase diversity. African American business owners provided a wealth of returns for all stakeholders (*Black Pages*, 2015). Given the significant role that small and minority businesses have played in the economy, the responsibility to ensure success has extended to government and equally to all interested private corporations (Luke, Ventriss, Reed, & Reed, 1988).

In my review, my research on the impact of the acceptance of electronic evidence before and after the 2006 Federal Rules of Evidence (FRE) on criminal cases, Borrego (2010) presented some of the problems and pitfalls of becoming a state vendor. Borrego (2010) explained the difficulties an average businessperson had moving through the maze of government apparatus to understand FRE procedures, applications, and registrations to become a vendor with a state government. A business owner whose desire is to become a prospective vendor must read and understand the issues, procedures, and concepts of a

legal governmental system where there is a mandated policy to help minority businesses navigate the procurement operation (Werdelin, 2014; Borrego, 2010).

Terman's (2014) research on minority businesses in Florida suggested that legislation and political decisions influenced the notion that bureaucratic actors evaluate and responded to signals from policymakers' intentions. Terman (2014) used a quantitative approach rather than a qualitative methodology inquiry, which exposed purchasing personnel attitudes and behaviors in increased content, context, and character responses. Terman's (2014) research supported the theory that bureaucrats evaluate the overall atmosphere and intentions of policymakers. Bureaucratic actors made decisions and then responded to minority related preferences in purchasing contracts. Terman's (2014) study added validity to Zaheer et al. (1995), who suggested that trust is a misused word. In the study by Zaheer et al. (1995), these researchers revealed that interpersonal trust played a direct role in entity relational exchanges. This literature and the word *trust*, based on the findings, suggested that bureaucratic actors respond to political signals in terms of policymaking and regulatory outputs such as industry inspections and licensing denials.

Carpenter (1996) explained that budgetary shifts, coupled with congressional oversight mechanisms, helped communicate signals to agents, created and heightened outputs and performance over time. Carpenter (1996) indicated that a timely response is rare and political officials must send repeated signals to influence agencies to respond. Bates (2014) added a description that real procurement policy preferences resulted in a positive effect on minority business enterprises (MBEs) in securing government contracts. Bates (2014) explained that adopting the objective of achieving a level playing

field was in response to the past legal environments. Bates (2014) here also suggested that procurement spending targeting MBEs often had the perception of reverse discrimination.

Bates (2014) leaned on Myers and Chan's (2013) position relating to set-aside programs. The presumption by Meyers and Chan (2013) was that race-based remedies often receive justification from evidence of prior discrimination. However, one of their research questions asked, "Who are set-asides programs benefiting?" (p. 33). Meyers and Chan (2013) studied data in the New Jersey state government program favoring minority contractors. Most programs for minority business have worked if there is a direct benefit to the intended beneficiary. Meyers and Chan (2013) analyzed that New Jersey's program rewarding public procurement contracts attempted to remedy past discrimination during a period prior to the 1990s and after the 1990s. Their research used a conventional approach in testing the objective Oriented Testing integration tests used by a preliminary design decomposition approach.

The study completed by Bangs, Murrell, and Constance-Huggins (2007) offered a single different view on the reasons for low representation by minority owned businesses in contract awards in the United States. Bangs et al. (2007) revealed two factors affecting this law surrounding the bidding processes and a lack of qualifications and capabilities among MBEs. The second factor revealed a still private, silent, and public discrimination against MBEs. Bangs et al. (2007) found that low bid rates greatly contributed to the low MBE shares by prime contractors, and that local government processes and characteristics of small and minority firms caused a reduction of those interested in bidding.

Meyers and Chan (2013) revealed significant gaps in discrimination in the success of minority versus nonminority-owned firms in obtaining contracts. Data from Meyers and Chan's (2013) analysis suggested that minority contracting success rates fell from the pre-set-aside era to the set-aside era. Records revealed evidence of past and present discriminatory outcomes persisting in that state. The remedy chosen, while justified based on evidence of prior discrimination, appeared not to have reduced the original discrimination, nor did it unambiguously benefit minority businesses. The article verified to some degree the extent to which the research of Bates (2014) and Zaheer et al. (1995) applied.

Armstrong (2004) explained that using minority firms is a source of good business because it makes very good business sense. In an automotive panel of executives, inclusion was the topic noted and discussed in a format during the Society of Automotive Engineers (SAE) world congress meeting in Detroit, Michigan (Armstrong, 2004). The Federal government in some instances encouraged, and sometimes required, large corporations to spend 5% or co-op with minority firms (Armstrong, 2004). Some companies, such as Ford Motor Corporation, totaled at least \$500M in sales to the federal government and had a requirement to buy at least 5% of their supplies from minority-owned businesses. The use and outreach to minority business owners and contractors have been only a part of government in this state procurement a little more than three decades old (De Silva, Dunne, Kosmopoulou, & Lamarche, 2011).

The research completed by De Silva, Dunne, Kosmopoulou, and Lamarche (2011) added to the discussion that there are no significant differences when large corporations used minority firms as subcontractors. Another study completed by De Silva et al. (2011)

explained the impact of a program requiring prime contractors to subcontract portions of highway procurement projects to minority businesses. The study by De Silva et al. (2011) investigated subcontracting to minority companies and its effect on the bidding process in federally funded projects. De Silva et al. (2011) completed a cost analysis to learn if any distribution of cost fluctuation took place when requiring large corporation projects to retain or set-aside a percentage for subcontracting goals. The researchers used nonparametric estimation methods to uncover and compare the cost of firms bidding on a class of asphalt projects related to road construction and treatment occurred in Texas. De Silva et al. (2011) noted very little differences in the cost structure between projects subcontracted and goals using minority firms.

In an article by Gumpert (1979) in the *Harvard Business Review*, the author explained that small companies owned and operated by African Americans and members of minority groups have remained an insignificant part of U.S. commerce and industry. Minority businesses, including African American businesses, constitute 4% of all businesses and account for less than 1% of total corporate revenues. Some hard-hitting and sensible government purchasing programs have generated lucrative proceeds for African American suppliers (Weems, 2013). The difficulties in changing long-standing purchasing practices and the problems faced by minority-owned companies competing and securing government business have remained but the outlook is better (Gumpert, 1979).

Zarrop, Payne, and Goodwin (1979) presented a theory developed from an experimental design for a multivariable time series analysis. The theory had its basis in the experimental design work for regression problems. The new results showed the set of

all possible information matrices arising from normalized designs and a proof that optimal designs could occur from the use of a combination of a finite number of sinusoids. The study indicated that sinusoids were low-pressure vascular channels that received blood from terminal branches of the hepatic artery and portal vein at the periphery of lobule (Zarrop, Payne, & Goodwin, 1979). The information provided by the Georgia DOAS represents a metaphor of clusters of information providing and giving lifeblood assistance to African American businesses in Atlanta.

Perlman (1983) examined the racial and ethnic differentials on the types of assets owned and the levels of each asset for blacks and whites over time. This study presented the extent to which national origin among blacks makes a difference in the types and levels of assets owned. Specifically, the focus was on several key indicators of income, assets, and ownership. Some factors were home ownership, housing values, interest, dividends, rental income, business ownership, and business income and profits. There is an extent that black and white differences in these variables are attributable to more factors than race and ethnicity. Perlman (1983) used a Tobit regression, logistics, and ordinary least squares regression analyses claiming they are appropriate methodologies for the present quantitative study.

In the research study by Sykes (2007), the researcher indicated that federal procurement programs for the support of minority businesses provided expanded opportunities that resulted in the growth, development, and sustainability of minority-owned businesses in the federal marketplace. Sykes (2007) completed a thesis conducted through tests from four questions and four hypotheses. The first was on Small Disadvantaged Businesses (SDBs) and 8(a) programs. The data results showed that the

program from the federal procurement using minority businesses contributed to improvements in the ability and capacity of the MBEs used in this study. The second factor was that the capacity of MBEs, showing that the growth and expansion of minority businesses had positive results. Thirdly, the study by Sykes (2007) factored that Federal Acquisition Streamlining Act (FASA) negatively affected the MBE community. Lastly, the WBE and SDB programs have led to declines in 8(a) awards (2015). The 8(a) Program is a Small Business Administration (SBA) program intended to aid economically and/or socially disadvantaged business owners.

Sykes (2007) considered conditions in the federal market at three intervals: 1979, 1989, and 1999. This study used comparative and counterfactual methodologies. The comparative analysis involved two control groups of small, nonminority-owned businesses, and large businesses with federal government contracts. The analysis of the data supported a conclusion that government intervention contributes to increased growth, development, and sustainability of minority-owned businesses. However, the combined effect of different federal policies served to slow progress toward increased competitiveness with minority owned businesses. Policy initiatives should first focus on providing incentives to agencies and large prime contractors to provide contracting opportunities to minority-owned businesses (Sykes, 2007). The next initiative should change usage of the term disadvantaged when referring to businesses of that type to one with a more positive connotation. The initiatives should consider minority-owned business incentive programs as economic development and not welfare. The courts have ruled differently on the policies and changes from one state to another, creating both a positive and negative effect (Sykes, 2007).

Wilson's (2001) quantitative study gave impetus to the government's use of minority businesses providing goods, services, and contracts to governments. Set-aside programs have come under scrutiny in the United States since their inception in the 1940s (Anderson, 2005). A United States Supreme Court case, *Fisher v. University of Texas-Austin* (2011), forced a broader national debate regarding race-based enrollment and public monies used in the admission process at a state-funded institution of higher learning. The effectiveness, relevance, sustainability, and legality of that set-aside program by a state government agency represented the legal challenges involving the balance between equality and access to government dollars spent for goods and services converging with new minority business interests with established firms.

In a novel approach to investigating a recently enacted set-aside program, Blount, (2013) reviewed a study by Mazmanian and Sabatier's (1980) implementation framework examining the effectiveness of Executive Order (EO) 2008-S13 signed by Ohio Governor Ted Strickland in 2008. EO 2008-S13 required government agencies to improve their expenditures with MBEs through set-aside initiatives. The intent was to increase the number of MBEs registering to do business with the state government of Ohio. The findings disclosed the following information: First, there was a significant increase in government expenditures with MBEs following implementation of EO 2008-S13 (2008). Second, there was a twofold increase in the number of MBEs registering to do business with Ohio following the implementation of EO 2008-S13. Thirdly, the agency training and education resulted in a significant positive relationship change in agency expenditures with MBEs. Then finally, the findings revealed that cabinet agencies participated in more MBEs outreach, training, and education programs, and submitted

reporting documents in a timelier manner than did non-cabinet agencies and colleges and universities were to have a more positive outcome with MBEs (Blount, 2013).

Ward (2009) investigated the theory that minorities comprise a large segment of the population and only receive a small share of available government contracting dollars. The purpose of Ward's (2009) study was twofold. First, Ward (2009) was to gain deeper insight into strategies used by successful African American business owners in Memphis, Tennessee. Secondly, Ward (2009) sought to acquire a better understanding of the problems minority business owners faced in procuring government contracts. Ward's (2009) study was a qualitative phenomenological inquiry design that provided insights into my quantitative descriptive statistic design of Georgia contracts with African American vendor activity. Ward (2009) revealed owners' leadership experiences in their application and use in a contingency theory to minority businesses. Ward (2009) concluded that minority percentages in contracting in Tennessee are relatively small and the contracting services required selective and competitive solicitation practices (Ward, 2009).

Jackson (2009) completed a study on the effects of government-sponsored programs with minority and women enterprises (WMBEs) in Buffalo, New York. The city of Buffalo had a \$1B 10-year Joint Schools Construction Project undergoing analysis to determine if a set-aside program had any far-reaching impacts on the business viability and the community's economic contributions to minority and women contractors. As part of the analysis, officials reviewed and compared the diversity goals of set-aside school projects in Akron, Ohio, Newark, New Jersey, and Chicago, Illinois, to the set-aside program in Buffalo, New York. The analyzed data pointed to the need for a continuation

of set-aside programs for minorities including African American business owner's activity from government contracts in procurement. Jackson (2009) made recommendations for strengthening minority and women entrepreneurs through set-aside programs who contributed to the economic revitalization of minority businesses in the Greater Buffalo Region.

Webb (2014) explained that U.S. purchasing agents and their companies lacked a commitment to minority business enterprise (MBE) programs. In this study, Webb (2014) learned that MBE programs supported the social responsibility within an organization to catalyze economic parity, or an amount or quantities between MBEs and majority companies. Executives, leaders, and decision maker's action could bring about positive outcomes in a conceptual framework of leadership theory. Webb (2014) used a phenomenological study to discuss the lived experiences using a purposeful sampling of 20 corporate leaders and decision makers in Memphis, Tennessee. The researcher interviewed participants on their practices and policies. Webb (2014) revealed five areas of leadership needed in organizations considering group efforts to promote MBEs. The five areas studied included: (a) the importance of organizational leadership, (b) the positive social and economic impacts of MBE program implementation, (c) the positive impact of transformational leaders, (d) MBE program hindrances such as misperceptions and misrepresentation, and (e) the need to use best practices of goal setting, leader commitment, and qualifications of MBEs. This data contributed to positive social change, community economic growth and enhanced strategic citizenship for organizations and MBEs (Webb, 2014).

Chatterji, Chay, and Fairlie (2013) detailed the impact of a program on set-aside contracts and employment. Chatterji et al. (2013) studied a program that had a social deed proportion, where some is incremented, and set-aside contracts for minority-owned businesses. During the 1980s, set-aside contracts for minority owned businesses were plentiful (Chatterji, Chay, & Fairlie, 2013). It is apparent and reasonable to recognize this activity as a social program, using a proportion to help the development of disadvantaged businesses. The outcome from this study showed the program's impact having a positive effect among a percentage of self-employed African American men (Chatterji, Chay, & Fairlie, 2013). During that period and to date, African American business ownership increased significantly after the initiation of the city's set-aside program.

Chatterji et al. (2013) indicated that unemployment among African American men fell. One limitation in their study is that the paper did not give a definite percentage on the number of African American men helped from unemployment to future employment. The data reported gains in the employment of African American men concentrated in the heavy industries (Chatterji, Chay, & Fairlie, 2013). Therefore, Chatterji et al. (2013) claimed that there is plentiful literature skewed to set-asides, political influences, and preferences between governmental contracts and African American and other minority-owned businesses and vendors. The necessity of this research was the study of the bid and procurement system occurring in Georgia.

Adamson (2012) used wage as a phenomenon of inquiry in the U.S. Department of Labor's Federal Glass Ceiling Commission (FGCC). A report published in 1995 showed glass-ceiling barriers blocking female promotions to executive-level positions in American businesses. Adamson (2012) used three process variables that would impede or

foster a selection of female candidates. The processes tested determined impediments to promotion, operating policies, and policy enforcement activities. In 2011, glass-ceiling barriers continued to have a place of importance in the literature as a means of excluding all but a small minority of females from CEO positions in American companies.

Adamson (2012) used a web-based survey to collect data. Web-based surveys have had a profound influence on the survey process. The ability to gather data through Web surveys has been widely available (Babbie, 2001; Gunn, 2002).

Davis (2014) provided a rare glimpse of a conduct on constructs as primary variables in theory based on business setting with minority-women entrepreneurs. Davis (2014) showed a positive relationship between those variables and females entrepreneurs in Arizona. Davis (2014) did not allow for generalizations among minority-women entrepreneurs. This study reviewed the data to determine a difference in self-efficacy between the minority-women entrepreneurs who were mentored and those who were not.

Davis (2014) studied the subjects of mentoring and self-efficacy individually for many years. Internalization had a negative effect on the self-efficacy of minority women. Davis (2014) sought to examine how minority-women entrepreneurs, women business owners, the personal and business demographics, how minority-women business owners had a propensity to participate in mentoring relationships, and the difference between those who received mentoring and those who did not.

Bui (2009) used a quantitative research methodology to study the nature and characteristics of learning within an organizational structure affecting the lack of competitiveness of minority businesses. Bui (2009) also used the learning elements from Malcolm Baldrige Quality Award (MBNQA), which means that success has its basis

upon transformation learning within the owner's organization. The MBNQA was an award established by the U.S. Congress in 1987 to raise awareness of quality management and recognize U.S. companies that have implemented successful quality management systems. In the MBNQA criteria technique, teaching management of the owners' use of their resources was a daily constant. Owners' constraints were daily management tools derived from a learning activity as part of the formula of becoming successful in a competitive environment in the United States. This study suggested that MBEs and WMBEs could be successful using the MBNQA system (Bui, 2009).

Based upon a study completed by Hairston-Hogan (2011), women-owned businesses increased steadily. The researcher examined some cultural shifts in work for women in North Carolina attaining greater levels of education, experience, and personal risk-taking. These attainments were some of the more common characteristics of minority women-owned businesses reflecting the factors of education, experience, and personal characteristics. The aggregate population of women remained underrepresented in business ownership in North Carolina. Hairston-Hogan (2011) suggested that other factors present affected the success for women-owned business. These factors might vary and might include racial identity. The purpose of the Hairston-Hogan (2011) study was to consider the differences in business success between WMBEs business owners and European American business owners. The study compared business success and barriers to the success of WMBEs and European American women.

Hairston-Hogan (2011) revealed that significant differences between these two groups of women did exist. A major factor was in human capital. A second factor was the risk of taking an internal locus of control, essentially a perception where control could

have an impact on a viewpoint and the way the person interacted with the environment (Wengrzyn, 2015). The main idea in Rotter's (2014) social learning theory was that personality represented an interaction of the individual with his or her environment. People could not speak of a personality, internal to the individual that is independent of the environment (Mearns, 2009). The final factor in Hairston-Hogan's (2011) study included domestic responsibilities. The researcher's findings in this study were the results of a quantitative descriptive comparative approach, which provided a clearer picture of what barriers WMBEs and European American women business owners face.

In a sample of women business owners from North Carolina, the findings revealed that minority-women business owners faced many challenges not typically experienced by men (Hairston-Hogan, 2011). The findings from this study included both African American and European American women business owners. Regardless of race, the findings suggested WMBEs might face additional challenges regarding domestic responsibilities and role restrains. The study suggested providing continued support to these high achieving women in other aspects of education, experience, domestic responsibilities and internal focus, but allowing special concern for non-married, minority, women business owners who had dependents to support. Support in this category might prove crucial to success for many WMBEs and small business owners (Hairston- Hogan, 2011).

Townes (2011) studied agencies throughout the state of New York and listed the Dormitory Authority of the State of New York (DASNY) as a stellar example. Gov. David Paterson, following through on an initiative first introduced and implemented during the previous administration, reported that DASNY boasted a 25% MWBE

participation rate. These statistics far outdistanced any other agency in New York. Paul T. Williams Jr., DASNY president, said agencies throughout New York continued to come up short when it came to recruiting and contracting with MWBEs. Williams explained that DASNY made it a point to contract MWBEs for many of its multi-million dollars contracting projects throughout the state. A prime example of this occurred when DASNY struck a billion-dollar deal with M.R. Beal & Co. for its \$1.3B personal income tax bond issuance agreement (Townes, 2011).

The Wall Street-based firm is one of the largest minority-owned investment banks in the nation, ranked No. 4 by *Black Enterprise Magazine*. Leadership, compliance and the re-evaluation of commitment are the key elements in getting agencies across the state to utilize minority-owned businesses (Townes, 2011). DASNY president Williams suggests that the issue of vendor diversity in state contracts is crucial. Former New York City Comptroller and mayoral candidate William Thompson moderated a panel discussion that featured several of Governor Andrew Cuomo's key M/ WBE team executives. Thompson frequently chimed in on his views regarding the poor record of various agencies using MWBEs across the state. Thompson explained that some state agency directors are simply not committed to MWBEs and this has been an ongoing problem. RoAnn Destito, commissioner for the Office of General Services (OGS), elaborated that her office awards millions of dollars of contracts annually to vendors, but has not come close to meeting the goals set by Cuomo or Paterson (Townes, 2011). Destito explained that MWBEs numbers could be better but they are far less than those of the DASNY. Destito added that on several occasions, the Office of General Services had used the services of noncertified MWBEs. Therefore, these minority firms were not

counted and were excluded from registered vendors as mandated MWBEs by the governor-specified MWBEs program that did not fit goal objectives (Townes, 2011).

Finally, Townes (2011) indicated that state guidelines certification, pertaining to MWBEs on orders and bids on many state procurement projects, should take place. Some potential vendors opted not to complete because of the cumbersome and costly application process that offered no guarantee of landing a lucrative state contract.

Summary and Transition

Chapter 2 provides the reader with a theoretical foundation and framework of actual research and completed studies to favor or negate contracting with African American vendors and a background of the demographics of minority business and government involvement in minority businesses. Some attempts at redressing grievances of past discrimination have occurred by some governments toward minority businesses as the research and literature review indicated. There are programs in states, Georgia being one example, having only a bid system in the SPD to assist minority businesses toward economic development of using sales to government by participation and inclusion as a narrow facet in the activity of set-asides. Contract preferences and minority involvement in government procurement contracts and purchasing of goods and services in the United States represent a desired outcome of businesses. However, there is little information in these articles on the practice of the competitive bid process incorporated in Georgia's procurement program. Procurement in government activity is an ongoing competitive business requiring private business contacts as a necessary tool in a free enterprise system. Chapter 3 moves from the historical and empirical activity to decisions to a

methodology from the framework established in Chapter 2. This approach describes and defines this inquiry through a measuring of the Georgia Minority Business Enterprise Development Program's Impact on African American Businesses in Atlanta, Georgia. Georgia uses a competitive bid system for purchasing and securing goods and services.

Chapter 3

Research Methods

The purpose of this study was to examine the Georgia Minority Business Development Enterprise Program's impact between Georgia DOAS and Georgia (SPD) supplier's orientation program and African American businesses in Atlanta. Positive learning experiences from seminars, webinars, and other training programs build a framework for analysis between purchasing agents and vendors. This study used a descriptive statistics design, which implies a quantitative summary of collected data. I used valid and reliable instruments to attain data. The focus of this study was on the Georgia MBE Development Program and its impact on African American businesses in Atlanta. Some aspects of this program have been in effect since 1982.

Georgia currently ranks behind only New York and Illinois for the highest number of African American owned businesses at 20.4%, in reported by the U. S. Census (2010), and the Georgia USA Small Business Resource Directory (2015). Georgia uses a competitive procurement bid system. The competitive bidding system is the desired procedure within a free enterprise system. Georgia began an aggressive program to include more participation in the state's procurement system. The governors, state legislators, and state leaders mandated Georgia Minority Business Enterprise

Development Program in 1982 (DOAS, 2015) by passing a bill to seek out small and minority businesses to offer goods and services to state government use (Hopkins, 1985). Over time, the MBE Development Program has evolved with several departments and other Georgia agencies participating in minority business development.

The Purpose and Design of Research Questions

The purpose of the study was to examine the relationship between the mandated program, the Georgia MBE Development Program, and African American businesses in Atlanta, Georgia. My study sought to understand if there is any relationship between the activities of the DOAS outreach program and the African American vendors registered with registered with the state. Here are the questions used in the questionnaires, surveys, and instruments to determine the program's impact:

RQ1: To what extent have responses from the Georgia MBE Development Program had any impact on the bidding process from the minority business community using the state government purchasing apparatus on a regular basis?

Directional Hypothesis # 1: Participants should report higher bidding information from the Georgia procurement process.

RQ2: Has there been any increases or decreases in minority business registration from Georgia's vendor registration files?

Directional Hypotheses # 2: Participant bidding may result in increased sales to state departments needing goods, services, and equipment.

RQ3: How effective is the registration of minority vendors and to what degree is the impact of that registration on minority businesses obtaining contracts with the state to provide services, and goods?

Directional Hypothesis # 3: The activities involved with registration bidding may increase sales from African American vendors to the state.

Research Design

In this study, I accrued data over a period of 6 weeks. My use of descriptive statistics involved a summary for data collected. In my study, I used a quantitative approach where math constitutes collected values. I converted large quantities into percentages. Large numbers are involved in a quantitative study in contrast to a qualitative study that may only use a few numbers (Trochim, 2006).

In quantitative research, a descriptive statistics design allows researchers to provide another context, a richer picture, and an interpretation of the results and trends beyond inferential statistics, when comparing correlation and statistical significance (Bryman, 2012). For example, the researcher used two groups. After the two groups are established, there is no manipulation upon the independent group. The other group, the dependent group, reacts to the treatment. The performance is then measured to determine the effectiveness of the experiment, sometimes called a random experiment or random controlled (Bryman, 2012). Some school teachers often use this formula to test student wherein a group is measured before and after the study have been taught experimental theory and information (Bryman, 2012).

The Georgia MBE Development Program was examined with a descriptive statistical design that allowed me to summarize data in ways that were helpful for

understanding meaning, and usefulness. This descriptive design allowed me to study central tendencies of a variable and measure the means, mode, and median. In my research, using a descriptive statistics design, I could use the means and median with normal numerical data.

In my descriptive statistical study, I provided inferences about the relationship between activity, learning, and response from the DOAS (2015) program having an impact on the African American business owners in Atlanta. This descriptive statistics design was used to measure the activity between the mandated program and African American businesses. Measurement is the process of observing and recording the observations that are collected as a part of a research effort. First, the researcher must understand the fundamental ideas involved in measuring. There were two major measurement and concept levels of measurement. Concepts are debatable because of beliefs, symbols, and attitudes. These are common properties but are necessary to understand concepts or ideology (Gerring, 1999). Measurement is determined precisely by what our concept is. The researcher determines a way to indicate and measure its presence in the real world by being sensible, reliable and valid (Adcock, & and Collier, 2001), but the four major levels of measurement are nominal, ordinal, interval, and ratio. My study mostly used an ordinal level of measurement.

The chi-square test can be used to set up categorical data in cross-tabulated or contingency tables and analyze them by comparing observed frequencies to expected frequencies (Siegel & Castellan, 1988). Fishers' exact test is used to measure the exact probability test, and it is useful for analyzing nominal and ordinal data when the two independent samples are small and the variables are measured dichotomously (Siegel &

Castellan, 1988). The independent t tests were the appropriate tests for exploring differences in self-ratings between the program of DOAS and the African American business owner.

For my study, I could move my research to the reliability of measurement (Study.com, 2016). A descriptive analysis of survey results was sent to African American businesses owners in Atlanta. A total of $N = 108$ participants with minority-owned businesses completed the survey. All the participants were African Americans whose primary language was English. The overall database was evenly divided between vendors and nonvendors, $n = 34$ registered vendors, $n = 48$ nonvendors, and 26 not sure.

The key feature of the data collected can be represented in several ways. For example, the first group might have been involved in higher risk behavior, and this might be quantified in some way. The descriptive behavior means, and the corresponding graphical location and representation of these data, both fell under the purview of descriptive statistics. As an example, data is collected when business persons read the daily newspaper they are likely to be influenced by investment, and the decisions that they may make in the future. The following is a study design of a description and analysis. The figure below demonstrates a population that is a set involving two groups. The description is program treatment, and the treatment through the intervention of African American business owners who were observed. Figure 1 is a design used in a descriptive study. This study was conducted where the environment was not changed and nothing was manipulated.

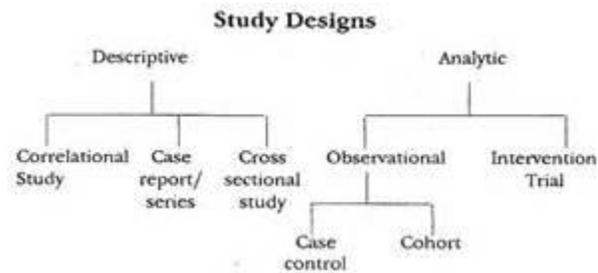


Figure # 1. Study designs (Descriptive statistics, 2016)

Figure 2 below shows the hypothetical bivariate distribution for this situation. Each dot on the figure indicates a single person's pretest and posttest scores. The vertical line at the pretest score of 50 indicates the cutoff point (although for Figure 2), if there has been no treatment given. The solid line through the bivariate distribution is the linear regression line.

To interpret the results of a descriptive statistical design, a researcher must know the nature of the assignment variable, who received the program, and the nature of the outcome measure. Without this information, there is no distinct pattern outcome that directly indicates whether an effect is positive or negative.

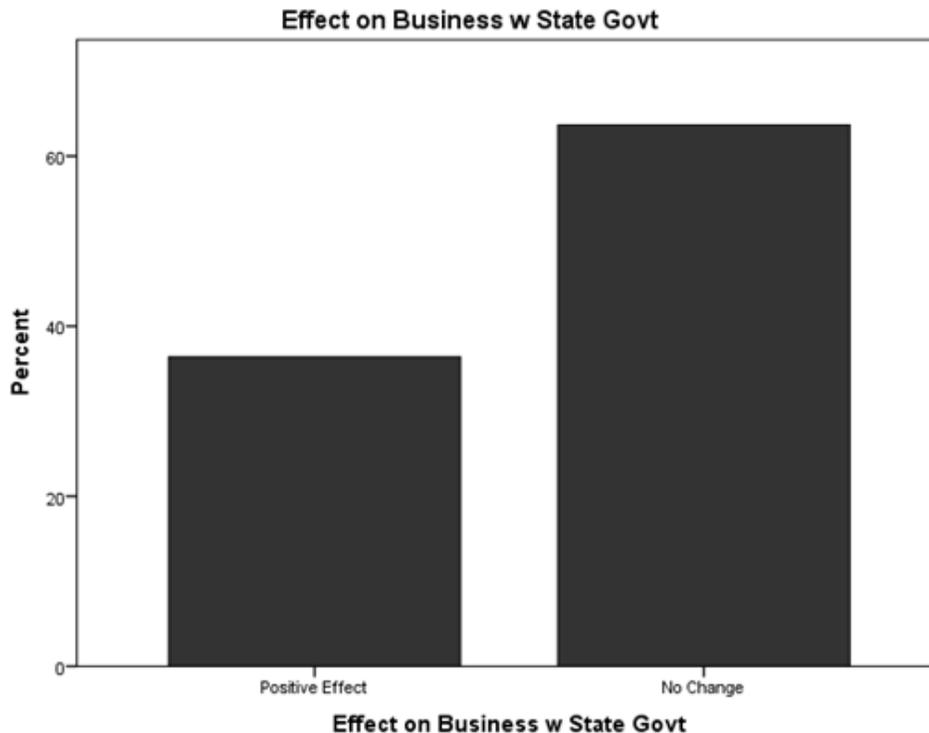


Figure # 2

Figure # 2. This descriptive statistical design illustrates the effect the state government program had on the businesses, and the Effect on business with state government.

Model Analysis

Descriptive statistics are used to present quantitative descriptions in a manageable form. In a research study, we may have many measurements. Descriptive statistics help us to simplify large amounts of data in a sensible way. Each descriptive statistic reduces large amounts of data into a simpler summary (Trochim, 2006).

To examine the effect of a government-funded educational program on minority businesses in Atlanta, Georgia, the study used a longitudinal scale administered to a sample of minority firms receiving benefits from the Minority Business Enterprises Development Program. I compared outcomes at different time points to assess the

program's effect. This sequential chart is used making periodic measurements of defined groups. The population was African American business owners and vendors in Atlanta, Georgia.

In this study, my hypothesis tests, and the central inferential question provided outcome differences between the two groups, the DOAS program and African Americans business owners in Atlanta. My observation for the internal validity and inference was that the analysts had to attempt to demonstrate that the program was responsible for the effect. In my study of literature on internal validity, these plausible alternative explanations or factors were often termed "threats" to internal validity. Several typical threats of internal validity have been identified. For instance, threats in a one-group pre-post study from pretest to posttest was attributable to the program or to other plausible factors such as historical events occurring between pretest and posttest, or natural maturation over time (Trochim, 2006).

Trochim (2006) explained that construct validity has a direct reference to the theory from which research is designed. Trochim (2006) indicated that generalizing is a part of construct validity (Trochim, 2006). Trochim (2006) explains that construct validity involves generalizing external validity from the study context to other people, places, or times, while validity involves the measurement of concept to the program. Therefore, "labeling," is the idea of placing requirement and issues that must then be measured accurately (Trochim, 2006).

Lawmakers and administrators should recognize that programs are more accountable when the allocation of the program is more public and verifiable. Measurement is the process of observing and recording the observations that are

collected. This research considers four major measurement concepts. The four major levels of measurement include the following: nominal, ordinal, interval and ratio. Therefore, my research assumed the reliability of my measurement providing consideration for a true score from my theory to the variety of reliability estimators (Trochim, 2006).

In nominal measurement, the numerical values are a set of words that are known attributes (Trochim, 2006). There is no ordering of the cases, as implied in this study. In ordinal measurement, the attributes can be rank-ordered. The interval between values is interpretable. Finally, ratio measurement always has an absolute zero considered meaningful. This means that it is possible to construct a meaningful fraction with a ratio variable (Trochim, 2006).

Participants, Settings, and Samples

The participants of this study were a random sampling taken from the minority business data collected from multiple sources such as the U.S. Census Bureau, Georgia DOAS, GDOT vendors' registration list, the Georgia Secretary of State Business directory, *Black Pages*, and the Atlanta Business League (ABL) directories. Following is a representative compilation of the participants for this study:

- Business - Total number of firm's definition and source are 50,970,901 (2007). Black-owned firms, percent definition and source info Black-owned firms, percentages are 30.9%-20.4% (2007).
- American Indian-- and Alaska Native-owned firms, percent definition and source percent are 0.6%-0.7% (2007).

- Asian-owned firms, percent definition and source percent are 4.4%-5.1% (2007).
- Native Hawaiian and other Pacific Islander-owned firms, percent definition and source percent are 0.1% (2007).
- Hispanic-owned firms, percent definition and source percent are 2.4%- 3.6% (2007).
- Women-owned firms have a percentage definition and source percent range of 33.4 - 30.9% (2007).

The following data is the total goods produced in dollar amounts expressed during 2007 for African American and other minority businesses involved in manufacturing in Georgia. The percentages expressed above provide a sampling of production by each minority category. The following numbers are expressed in thousands of dollars are as follows: Manufacturers' shipments definition and source are (\$1000) 5,304,252; 144,280,774 (2007). Merchant wholesaler sales definition and source are (\$1000) 7,523,615; 141,962,359 (2007). Retail sales definition and source are (\$1000) 5,594,126; 117,516,907 (2007). Retail sales per capita definition and source are \$10,767 \$12,326 (2007). Finally, accommodation and food services sales definition and source are (\$1000) 2,743,688; 16,976,235 (2007; United States Census Bureau, 2014).

The method used in a regression model, the descriptive statistics of analysis, comprises methods for analyzing data to extract meaningful statistics and other characteristics of the data.

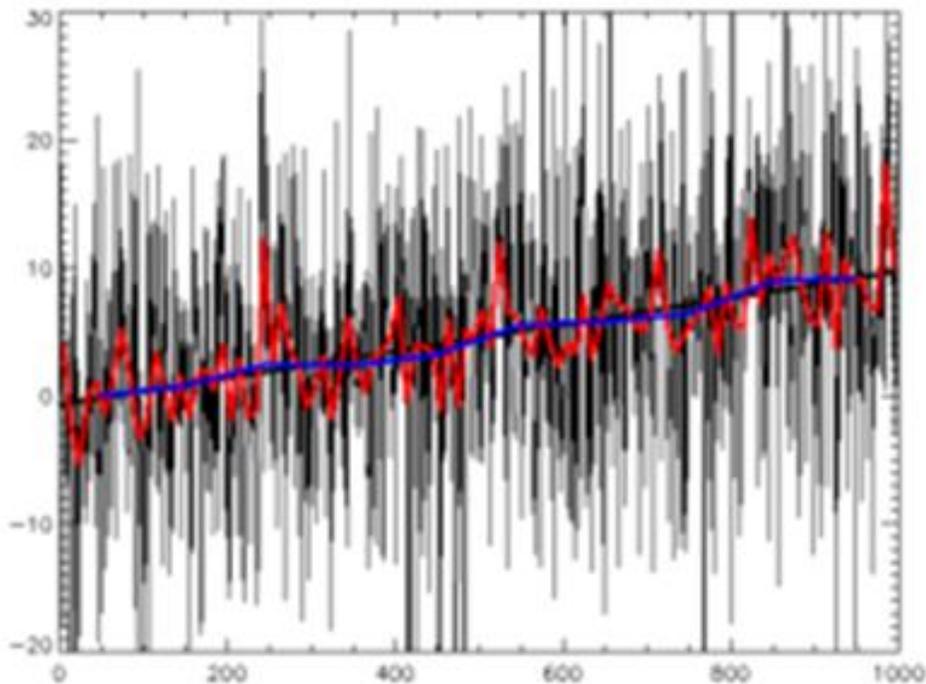


Figure #3. Example of quasi-experimental design.

Figure #3 is example of a quasi-experimental design in which making periodic measurements on a defined group of individuals both before and after implementation of an intervention occurs (Health Services Research, 2015). Regression-discontinued forecasting is the use of a model to predict future values based on previously observed values. Employing regression analysis is necessary in such a way as to test theories that the current values of one or more independent variables should affect the current value of another variable. This means not calling a quasi-experimental analysis, which focuses on comparing values of a single or multiple dependent at different points (Imdadullah, 2013). The three different colors demonstrate a triangulation of red, blue, and black of a regression design.

The most persuasive experimental evidence occurs in triangulation designs of measurement processes. The following conjunction represents a triangulation. Each of these designs is a complementary network of design that meets different research demands by eliminating sources of different and rival hypotheses (Campbell, 1967; Campbell & Stanley, 1963).

In qualitative research, Bryman (2012) explained that the use of the grounded theory has become the mostly widely used framework for analyzing qualitative data and it is the chief wellspring approach. The qualitative approach studies the complex nature of phenomena that Glaser and Anselm discovered in 1967 (Bryman, 2012). Grounded theory has considerable significance because it (a) provides explicit, sequential guidelines for conducting qualitative research; (b) offers specific strategies for handling the analytical phases of inquiry; (c) streamlines and integrates data collection and analysis; (d) advances conceptual analysis of qualitative data; and (e) legitimizes qualitative research as scientific inquiry (Bryman, 2012). Qualitative research using grounded theory methods have earned their place as a standard social research method and have influenced researchers from varied disciplines and professions (Charmaz, 2009).

Bryant (2012) laid out a detailed analysis of the general strategies of qualitative data analysis, induction, definition of research questions, examination of cases, hypothetical explanations of confirmed or deviant cases, tools, coding, and the end of examination data cessation including the outcomes of grounded theory, which is an excellent research methodology (Bryant, 2012).

This research study used in this quantitative method is a study of meanings in the form of an attitudinal scale (Likert scaling techniques). A qualitative researcher uses the

tendencies for attitudinal scales formulated and imposed on research participants, meaning that they produce different phases in qualitative research (Strauss & Corbin, 1988; Bryant, 2012). In the grounded theory approach, there are elaborated concepts, labels, and categories concerning representation of real-world phenomena and properties. This representation is where attributes or aspects of a category or hypothesis should have a well-developed category through statements and relationships (Strauss & Corbin, 1988; Bryant, 2012).

This descriptive statistics analysis reflects the research questions and hypothesis used in the instruments for the measurement of variables. This approach allows the data to be analyzed through regression analysis. The following questions and hypotheses reflect this procedure. In my study, I used the research questions and hypotheses again. The descriptive statistics design set out to answer the following questions.

RQ1: To what extent have responses from the Georgia Minority Business Enterprise Development Program had any impact on the bidding process from the minority business community using the state government purchasing apparatus on a regular basis?

RQ2: To what extent are there increases or decreases in minority business registration on the State of Georgia's vendor registration files?

RQ3: What is the impact of the registration of minority vendors' effect on attaining contracts, providing services, and selling products, equipment and goods to state government?

There are secondary questions added to the list of questions that follows, including some assumptions that arise when doing business with government:

RQ4: What does the business owner need to know about government purchasing?

Hypothesis: Participants learn the process of the state purchasing system.

RQ5: What does a business owner of my business type need to do to do business with state government?

Hypothesis: Participants learn what are the goods, products, and equipment needs of state departments.

RQ6: What is the necessary information both parties need to know about each other?

Hypothesis: Environmental concept: The state is a large institution and when participants access the state procurement apparatus, both parties exchange valuable information and resources.

The organization's leadership practices and policies must be a part of its corporate purchasing strategy. The importance in organizational leadership must demonstrate a commitment and acceptance throughout the corporations. Secondly, leadership must seek positive social and economic change resulting from MBE program implementation. Thirdly, transformational leaders most often create a positive impact with a smaller contribution through transactional leadership. Determining a leadership style, per Webb (2013), is critical to MBE program success within the private corporations in Tennessee incorporating an MBE program. Hindrances such as misperceptions and misrepresentation could occur. Finally, there is the need to use best practices of goal setting, leader commitment, and connecting with a sponsor or minority agency to support MBE qualifications while sending a clear message to purchasing agents (Webb, 2013).

The chart below shows the African American population, showing subgroup categories of females, males, homes, values, rents, college graduates, and unemployment. This study captures the broad area of survey research that encompasses any measurement procedure that involves asking questions of respondents. A survey per Merriam-Webster (2016), can be anything from a short paper-and-pencil feedback form to an intensive one-on-one in-depth telephone interview requiring quick writing and check-offs to ask a question(s). The population considered was 30,340 African American owned-businesses in the Atlanta area and the population from the U.S. Census Bureau and the vendor's lists from GDOT and DOAS.

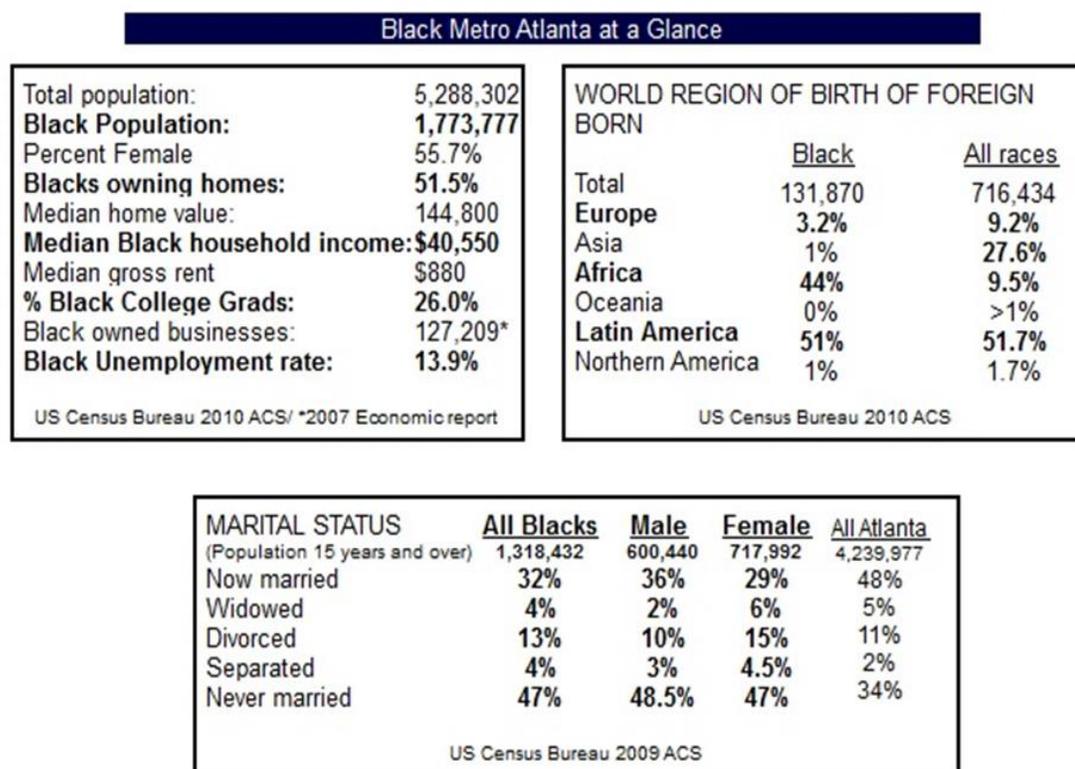


Figure # 4. Total Population Demographics for Study Participants in Atlanta, Georgia

Procedures and Design

This study reviewed and selected randomly from a 30,340 pool of African American businesses. The lists of businesses were taken from the Georgia Departments of Administrative Services and Transportation and the United States Census Bureau (2007). The list included both registered and nonregistered vendors on Georgia departments lists. The U.S. Census Bureau shows the Atlanta population on July 1, 2014 at 456,002. This research required sampling will use 96 participants, which represents samplings of minority business owners using 30,104 African American owned businesses in Atlanta.

Confidence Level:	<input checked="" type="radio"/> 95% <input type="radio"/> 99%
Confidence Interval:	<input type="text" value="10"/>
Population:	<input type="text" value="30,104"/>
Sample size needed:	<input type="text" value="96"/>

Find Confidence Interval	
Confidence Level:	<input checked="" type="radio"/> 95% <input type="radio"/> 99%
Sample Size:	<input type="text" value="96"/>
Population:	<input type="text" value="30,104"/>
Percentage:	<input type="text" value="50"/>
Confidence Interval:	<input type="text" value="2.79"/>

Figure # 5. Sampling calculations.

- Confidence Interval: In statistics, a confidence interval is the interval estimate of a population parameter.

- Confidence Level: Is the same as confidence coefficient. Confidence level represents the possibility that the confidence interval is to contain the parameter.
- Population Size: In statistics, population is the entire entities from which statistical inferences are drawn. This population size is the total number of the entities.
- Percentage: The percentages are listed as follows:

April 1, 2010, as stated by the U. S Census made up 54.0%. of all business firms in the Atlanta area as of 2012 totaled 64,593. Reports from the U.S. Census Bureau, in 2012 there were 30,340 African American owned firms (U.S. Census Bureau, 2016).

The calculations from Figure 4 include a confidence level of 95%. The confidence interval is 10. The sample size needed is 43 participants with a 30,304 (U.S. Census Bureau, 2016) number. This study will use a power analysis for a one tailed test a $p < .05$, to detect and affect confidence size of 10. This calculation used a population number of 30,104 businesses and the calculation results in a sample size of 43 participants. The confidence interval of .95% requires a sample size of 43 participants and a 14.93 confidence interval (Creative Research Systems, 2012).

The population of this study came from the African American business owners in Atlanta and SPD agents. Gender and ethnicity inclusion received treatment as subgroups or cofounders in the descriptive statistics models. The researcher took the addresses and businesses from the government sources from DOAS, GDOT, and the U.S. Census Bureau. There are other sources and addresses of businesses reviewed having business

owner's data such as the state government departments, the *Black Pages*, the Minority Business Development Center, and the GDEcD.

Participants and Frame

This investigator randomly selected participants from the government listings and from a group where their experience with or without DOAS (2015) received scoring. The study samplings used selection by attaining a representative number of participants from the population using a Cronbach's alpha scale (Field, 2013).

The Instruments

The instruments in this study received hand scoring. The demographic questionnaire assessed basic information regarding the participant's age, gender, and ethnicity and educational attainment. The study used the Statistical Package for Social Science (SPSS) version 10. The research questions are as follows:

1. What do you need to know about doing business with state government?
2. Are you a registered minority vendor with the State of Georgia?
3. If you are a minority business owner, has your business won any contracts, sales or services with the State of Georgia?

The following diagram is one instrument used to determine skills levels of anticipated vendors and representative's treatment and intervention from questions bearing formation of information, awareness and resulting impact from a variable upon the dependent variable from the focus population. The research used a self-reporting and rating Likert scale for this population:

Figure # 6

	Poor	fair	average	good	excellent
Vendor skill_____	_____	_____	_____	_____	_____
Leadership_____	_____	_____	_____	_____	_____
Focus _____	_____	_____	_____	_____	_____
New ideas_____	_____	_____	_____	_____	_____
Work quality_____	_____	_____	_____	_____	_____
Performance_____	_____	_____	_____	_____	_____

This is a Likert scale used to rate the above categories as poor = 1; fair = 2; average = 3; good = 4 and excellent = 5. The *scale* part of the Likert Scale comes from applying values to each of the answers. The above scale is a typical Likert scale. Bar chart, pie charts and graphs could represent this scale.

The interviewer built rapport by telephone contact, by e-mails and by using the U.S. Postal Service with responses noted on the answer sheets. Answer sheets remained with the researcher who marked the respondents' choices. Answer sheets were hard copies or computer-based copies.

Appropriate timings: The process included contacting business owners at appropriate times for instrument completion. First, an e-mail, or letter was sent with a follow-up telephone call by the researcher after sending questionnaires, a return pre-stamped envelope containing a package of the entire process. The study used the following data collection instruments and included the following:

Surveys: I conducted mailing surveys by sending the questionnaires directly to minority businesses and properly drafting the questionnaires so that respondents had no difficulty in understanding the questions and/or how to mark the responses.

Telephone Surveys: Reluctance from respondents was a possibility in contacting minority businesses owners via telephone for calls.

Mail surveys: Conducting mailing surveys by sending the questionnaires directly to the minority business was a part of the process.

Online surveys: Online surveys on businesses have increased. This is a medium frequently used to conduct research surveys with the use of more computers in business. This researcher sent these survey questionnaires to respondents via their e-mail addresses.

Reliability and validity: A study is reliable if the same question asked of a similar person produced the same findings. If the results from each half are the same, the results are reliable. A study is valid if it collects the appropriate data needed to answer the questions or objectives stated in the first stage of the research process. This instrument included both questionnaires and an attitudinal scale. Secondly, the test-retest reliability portion received analysis with the Pearson r product-moment correlation, coefficient of repeatability (CR), or the Smallest Read difference (SRD).

Questionnaires: I developed the research questions in the questionnaire and took into consideration important guidelines needed while wording questions in the questionnaire.

Data Analysis

This study employed a research approach using a regression-discontinued design. The instruments and measurements of the variables in this study allowed for the data

analyzed in a regression. The first assumptions were that vendors must read, learn and understand the state purchasing system apparatus. The second assumption was that minority business owners must register and take orientation to learn the state purchasing system. A third assumption was that African American business owners must register and become a vendor by completing the vendor's certification process. The fourth assumption was that a registered minority vendor understands the goods, products, contracts and services the purchasing departments need and the services and products the business can sell to state government. A fifth assumption was that a vendor would secure a *Georgia Purchasing Manual*, which explains and identifies all the goods, contracts, and products the state needs for each organization.

Assumptions, Limitations, and Delimitations

Educational background might serve as a factor in future studies. The population was taken from a highly-concentrated area and a macrocosm, which might represent smaller segments of Georgia. Although a research design with time series has many applications, there were two central goals in this study. This study sought the identification and the nature of this phenomenon between the DOAS mandated program and African American vendors in Atlanta. The importance of a times and regression analysis research should define occurrences and observations.

Using confidence intervals, I provided an accessible approach to sample-size estimation and gave a reliable interpretation of outcomes. This research simply took enough subjects to give an acceptable precision estimation for the effects in this research study (Martin, 2015). Precision usually refers to a 95% confidence interval for the true value of the effect; the range within which the true (population) value for the effect is

95% likely to fail. The process justified the confidence intervals by the choice of the sample size. The sample size is about half of what this research required by using a statistical significance (Hopkins, 2000).

Concept Paper and Proposals

From my understanding of the Publication Manual of the American Psychological Association (American Psychological Association, 2010), academic research entails scientific data collection, scholarly writing, and publication. As such, my study involves a special methodology that is not the same as that used by a journalist or the casual inquirer. The concepts and curiosity of this inquiry centered on learning from studying the results of the Georgia Minority Business Enterprise Development Program amended in 2010. The focus was also on the results of that program's intent to foster assistance and provide information to help minority businesses and African American business owners in Atlanta. Some considerations included the following questions: How do I do business with state government purchasing? How do I register and become a vendor? What products do state government purchasing require (Bianco, 2015)? I hypothesized that Atlanta's African American businesses have a relatively low percentage of contracts compared with Caucasian businesses of similar size. I hypothesized that there is a higher percentage of African American owned businesses in Atlanta. I hypothesized that construction contractors are getting the larger dollar contract. There are several forces, which can stimulate a person's curiosity. This one concept stimulated this research resulting from personal experience (Bianco, 2015).

Ethical Considerations

This study considered the nature of this process and used an informed consent form as presented in the appendix. The investigator distributed and collected this form from all possible participants as a priority. Informative discussions of the importance of the consent form occurred prior to any procedures used for this study and prior to contact with any participants. Each participant knew that confidentiality issues related to their personal life and identity was paramount in this study. The participant understood that participation in the study was voluntary. There were no risks or benefits given to participants involved in this research study. The participants received information on how to contact the researcher, committee members, advisors and Walden University IRB with any questions about this research.

The consent form clearly stated that the records of this study remain confidential and only the researcher shall have access to the study's records and files. All participants received notification concerning freedom to withdraw at any time without consequences to their family, employment, or community. The participant received notification and acknowledgment that this research would in no way affect their school, employment, family, or community. Participants were business people with time constraints, and they were informed of the negative effect on any participant was the interruption and use of the participant's valuable time during the reading and signing of the consent form and completing the survey and questionnaire process.

Summary and Review

Chapter 3 methodologies research presented the research design, methods of data collection, methods for data analysis and synthesis, ethical consideration, validity,

reliability, and issues of trustworthiness. There was a logical connection between the independent variables relationship to the dependent variables. This chapter presented the specific procedures and design used in conducting this research. The interrelated elements reflected in a sequential nature, which contributed to the integrity of this study. In addition to the methodological presentation in this chapter, there were other studies completed using quantitative methods and designs. Presenting that information added to the framework for this quantitative approach and design.

Chapter 4 Results

Introduction

Business remains a central institution in American society, while involving the economy, family life, politics, and laws of that society. As of the 2010 U.S. Census, 27.9 million small businesses had registered in the United States; compared to just 18,500 companies of 500 employees or more. Included in that total figure are sole proprietorships (73.2%), corporations (19.5%), and franchises (2%). 52% of small businesses are home-based. The most important fact is that 99.7% of U.S. employer firms are small businesses (Hecht, 2016).

To do this research, I was given permission from the Institutional Review board (IRB) who approved my application for the study entitled “Georgia Minority Business Enterprise Program Impact on Atlanta’s African American businesses” with this approval number 02-12-16-0398354.

This research study examined the impact of the Georgia Small and Minority Business Enterprises Development Program on African American business owners in Atlanta, Georgia. The study was primary source research. The data I collected took approximately eight weeks commencing on February 12, 2016 and ending on April 16, 2016. During this eight-week period, I sent introductory letters to 124 African American businesses randomly selected from U.S. mail addresses. There were 1,870 sample e-mails addresses from a list of 6,200 business names and addresses from GDOT, Georgia DOAS databases, and the general population. The sampling required a minimum response from 43 randomly selected participants from a population intervallic taken from the 30,340 African American business owners in Atlanta. The process began with the mailing of an

introduction letter. Eight days later, on February 28, 2016, I sent potential participants, a title page and informed consent forms by e-mail. A few days later, I sent 104 letters using the U.S. Postal Service. The e-mail and postal responses that I received constituted about 3.5%. I received 49 respondents, or 33% completed surveys, as returned to my address via e-mail or U.S. mail. Two weeks later, I made 25 to 50 telephone calls to prospective respondents.

I compiled and explained this data in a descriptive statistics design from activities analyzed from the selected vendors and their responses. The report from these vendor statistics comprised the data received from both registered and nonregistered African American business owners attempting or hoping to do business with the Georgia state government. In 2007-there were 1.6 million Asian owned businesses, 1.9 million African American owned businesses, 2.3 million Hispanics owned businesses, and 0.3 million Native American/Pacific Islander-owned businesses the United States (Ordoñez, 2014).

Pre-analysis Data Screening

All data were initially screened for entry errors and missing data points. Hard copy surveys were included so there were entry errors in the form of answers that were provided in addition to and instead of, the proffered response array on the survey. The analysis included categorized and coded data (explained in the pertinent section). The specific variables that had a high proportion of missing data points were in response to survey items about the participants' status as military veterans, future bids, previous bids, and the use of webpages. Reporting the numbers of missing values throughout the chapter in the pertinent section and descriptive statistics was used to examine the available data as a part of the process. The remaining missing values did not show any systematic

pattern. The result of missing data points was that the number of participants (n) varied per analysis.

Statistical significance was set at $alpha = .05$. Percentages were rounded off to whole numbers and may not have added up to precisely 100%. I analyzed data with SPSS Version 23, which is dedicated statistical software. Apart from self-ratings of business qualifications, the variables were measured categorically. I tested associations between categorical variables with chi-square tests or Fisher's exact tests. The next sections briefly describe these tests.

Chi-squares

Chi-square tests set up categorical data in cross-tabulated or contingency tables and analyze them by comparing observed frequencies to expected frequencies (Siegel & Castellan, 1988). Observed frequencies or counts were the actual number of participants in the database that fell into a specific category. Expected frequencies or expected counts are the number of participants expected if there were no relationship between the variables in the test, for example status and gender. Expected frequencies occurred because of chance. An overall chi-square statistic (X^2) indicated whether the distribution of the observed frequencies differed significantly or nonsignificant from the distribution of expected frequencies (i.e., expected by chance). When the chi-square statistic is significant, individual pairs of observed and expected frequencies were inspected for statistical significance by transforming the difference between them into z scores called adjusted residuals. Adjusted residuals that are ± 1.96 identify statistically significant relationships (Siegel & Castellan, 1988). Chi-square test results were invalid if more than 20% of the cells had expected frequencies of five or less (Siegel & Castellan, 1988). One

solution was to collapse categories to increase the frequencies if there were theoretically or intuitively reasonable ways to do so (Siegel & Castellan, 1988).

Fisher's Exact Test

Several research questions only pertained to the portion of the database related to registered vendors. This created small sample sizes. Small samples sizes (i.e., 20-30 data points) were conventionally tested with a 2 x 2 Fisher's exact probability test instead of a chi-square test. Fisher's exact probability test was extremely useful for analyzing nominal and ordinal data when the two independent samples were small and the variables were measured dichotomously (Siegel & Castellan, 1988). Fisher's exact test determined whether the two groups differ in the proportions with which each fell in the two classifications, like the output for chi-squares, but it was appropriate for small samples. If proportions differed, the variables were significantly associated. SPSS output for Fisher's exact test provided a p value only.

Independent t Tests

Research question 6 asked how registered vendors and nonvendors compared on self-ratings of business qualifications. Self-ratings were the only variables measured on a ratio or continuous scale. There were two groups (registered vendors and nonvendors). The independent ~~samples to test was~~ samples to test were the appropriate test for exploring differences in self-ratings between the two groups. Each participant was only included in one of the groups. -The t test generated a t statistic and a p value based on the number of degrees of freedom (calculated as the total number of data points minus 2; Weaver & Goldberg, 2011). The p value (p = probability) was compared to the alpha level and a decision was made to reject or fail to reject the null hypothesis. Effect sizes

were calculated using Cohen's d to assess the magnitude and practical importance of results regardless of statistical significance (Weaver & Goldberg, 2011). Cohen's d divided the average (mean) difference between means by the standard deviation and was interpreted as small ($d = .20$), medium ($d = .50$), or large ($d = .80$).

Descriptive Analysis of Survey Results

A total of $N = 108$ participants with a minority-owned business completed the survey. All the participants were African American whose primary language was English. The overall database was divided between vendors and nonvendors, $n = 34$ registered vendors, $n = 48$ nonvendors and 26 who were not sure whether they were registered.

Registered Vendor Demographics. Thirty-four registered vendors completed the survey. This section presents their personal demographic characteristics, specifically gender, age, veteran status, and highest educational level achieved. Personal demographics followed by five sections on professional demographics included business type, state contracts, benefit to the community in doing business with the state, and suggestions on how to attract more minority businesses. There were 48 nonregistered vendors completing the same information and 26 vendors who were unsure completing the surveys.

Gender and age. For gender, 20 of the registered vendors were male (59% of 34 vendors) and 14 were female (41%). For age groups, six registered vendors were between 26-40 years old (5%). Fourteen were in the 41-55-year-old age group (41%). Eighteen were in the 56 years or older age group (54%).

Although it was of interest to determine whether there was a significant association between registered vendor, gender, and age, a chi-square test of independence

was not run because too many cells had expected frequencies of less than five to produce a valid test result. However, Figure 6 shows that the relative proportions of males to females were different in the two oldest age groups in the data set. In the 41 to 55-year-old age group, there were half as many males ($n = 15$, 14% of 34 registered vendors) as females ($n = 9$, 27%). In contrast, in the 56 years or older age group, there were five times as many males ($n = 15$, 45%) as females ($n = 3$, 9%).

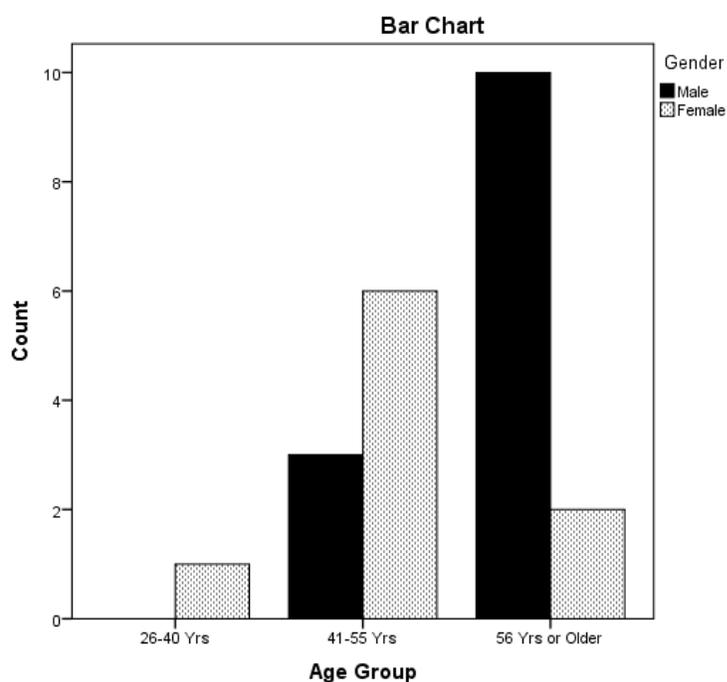


Figure # 7. Distribution of registered vendors by age and gender.

Veteran status. Only 24 registered vendors (22% of 108) provided information about whether they were veterans. Of those, 80 said no (81%) and 24 said yes (19%).

Highest educational level. All 108 registered vendors provided information about the highest educational level they had completed (illustrated in Figure 7). The largest category was bachelor's degrees ($n = 55$ participants, 51%), followed by master's degrees

($n = 26$ participants, 24%), and professional degrees ($n = 8$ participants, 7%). Three registered vendors held a doctoral degree (3%) and one chose the “other” category (15%).

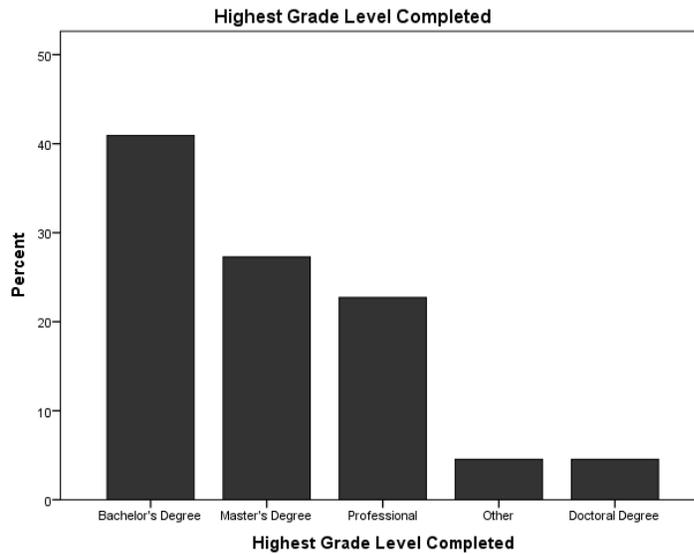


Figure # 8. Vendors’ highest educational level completed.

Business type. Figure # 8 illustrates the distribution of registered vendors by business type. The largest proportion ($n = 44$ participants, 41%) sold business products or services. The next largest proportion were professionals ($n = 35$ participants, 32%). Smaller proportions were four general contractors or ($n=19$ or 18%) and two distributors ($n=10$ or 9%). None of the registered vendors were retailer.

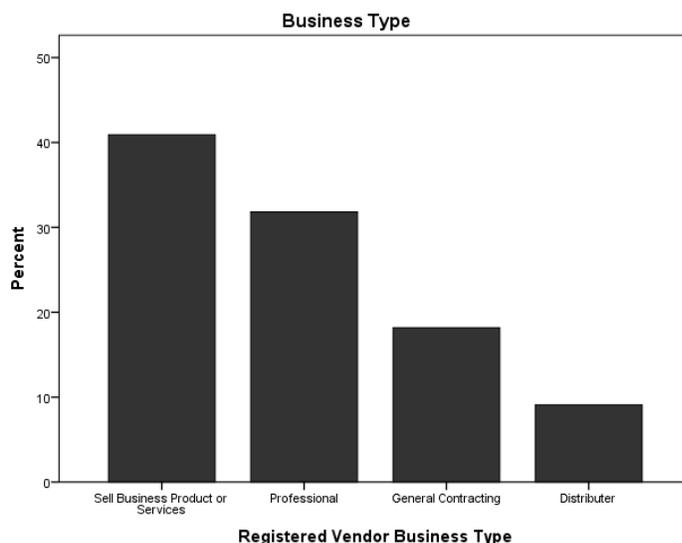


Figure # 9. Distribution of registered vendors by business type.

Contracts with the State of Georgia SPD. Most of the registered vendors ($n = 34$ out of 108 participants or 32%) had been awarded at least three state contract or 8% through the state of Georgia SPD with 29 registered vendors reporting zero awarded contracts (92%).

Community benefit of doing business with the state. Of the twenty registered vendors who provided this information, 18 (90%) agreed that doing business with the State of Georgia SPD improved the community's economics, with just two registered vendors disagreeing (6%).

Attracting minority business. The research investigator asked registered vendors to provide suggestions on how the state of Georgia could attract more minority business vendors who registration by choosing one of four categories (advertising, mailings, social media, and other). A fifth category was created after inspection of the results, which was

the combination of advertising and social media. Figure 9 shows results from the 34 registered vendors who responded to this survey item. Twelve of the 34 registered vendors (35%) said the state could attract more minority businesses registration with “other” methods (that is, other than advertising, mailings, or social media). Their recommendations included contacting the minority network, providing more direct bid opportunities and encouraging minority businesses to register for bids. An equal proportion of registered vendors suggested using social media ($n = 7$ participants, 21%) or advertising ($n = 7$ participants, 21%). A smaller proportion ($n = 6$ participants, 18%) suggested a strategy that combined advertising and social media. One vendor said that mailings would be effective (3%).



Figure # 10. Distribution of registered vendor suggestions for attracting more registered vendors among minority businesses.

Registered vendor self-ratings of business qualifications. Registered vendors also provided self-ratings of their business qualifications on a five-point scale (0 = poor, 1 = fair, 2 = average, 3 = good, 4 = excellent) as they related to the five categories of

vendor skill, leadership, focus, new ideas, work quality and performance. Nonvendors rated themselves as uniformly excellent on work quality ($M = 4.00$, $SD = 0.00$) and performance ($M = 4.00$, $SD = 0.00$). In descending order, the remaining ratings were leadership ($M = 3.91$, $SD = 0.29$), new ideas ($M = 3.86$, $SD = 0.35$), focus ($M = 3.73$, $SD = 0.70$) and vendor skill ($M = 3.68$, $SD = 0.48$).

Nonvendors. Twenty-three nonvendors completed the survey. This section first presents the personal demographic characteristics of nonvendors, and specifically for gender, age, veteran status, and highest educational level. Personal demographic data are followed by nonvendors' professional demographic data: business type, community benefit of doing business with the state, suggestions for attracting minority business to register for vendor status with the State of Georgia, and self-reported business qualifications.

Gender and age. Nonvendors were approximately split into two age groups. Just over half were 56 years of age or older ($n = 12$ participants, 52%) and just under half were 41-55 years of age ($n = 10$ participants, 44%). One participant fell in the 25 years old or younger category (4%). In contrast, there was a substantial skew for gender. All but one nonvendors was male ($n = 21$ participants, 96%) with one female (5%).

Veteran status. Most of the nonvendors did not answer the question about whether they were a veteran ($n = 16$ missing values, 70%). Seven nonvendors responded. Most of them were veterans ($n = 5$ out of 7 participants, 71%); two nonvendors were not veterans (29%).

Highest educational level. Five nonvendors did not answer the education question. Of those who did, most held a bachelor's degree ($n = 13$ out of 18 participants,

72%), with another 11% each with a high school diploma or an equivalent ($n = 2$ participants) or some college ($n = 2$ participants). One Nonvendor held a master's degree (6%).

Business type. All 23 nonvendors provided some type of business information. Thirty-five percent ($n = 8$ participants) sold business products or services and nearly as many worked in general contracting ($n = 7$ participants, 30%). One in four listed themselves as a professional ($n = 6$ participants, 26%) and two participants were distributors (9%).

Community benefit of doing business with the state. Three-quarters of the nonvendors (75%, $n = 36$ out of 48 participants) agreed that doing business with the Georgia SPD would improve their community's economic wellbeing. Twelve nonvendors disagreed (25%).

Attracting minority business. Finally, nonvendors were asked to provide suggestions on how Georgia could attract more minority business vendor registrations. They were asked to choose one of four categories (advertising, mailings, social media, and other). A fifth category was created after inspection of the results, which was the combination of advertising and social media. Table 1 shows the results (there were 5 missing data points; percentages were based on 18 nonvendors). Just under half of the nonvendors provided suggestions that fell into the "other" category. Five of these eight suggestions in the "other" category called for more registration or greater efforts to generate more registered vendors. The remaining three suggestions were to provide more programs, have an open policy, invitation and provide economic help, and host marketing events. About one in every three nonvendors called for a combined strategy of

advertising and social media. Less than 20% suggested advertising. Just one Nonvendor suggested the use of mailings.

Table 1

Nonvendors' Suggestions on How to Attract Business with State Registration

Nonvendor	Frequency	%
Other	21	44
Advertising and Social Media	16	33
Advertising	8	17
Mailings	3	6
Total	48	100

Nonvendors' self-ratings of business qualifications. Nonvendors also provided self-ratings of their business qualifications on a five-point scale (0 = poor, 1 = fair, 2 = average, 3 = good, 4 = excellent) as they related to the five categories of vendor skill, leadership, focus, new ideas, work quality, and performance. Nonvendors rated themselves as uniformly excellent on work quality ($M = 4.00$, $SD = 0.00$) and performance ($M = 4.00$, $SD = 0.00$). In descending order, the remaining ratings were new ideas ($M = 3.86$, $SD = 0.35$), vendor skill ($M = 3.73$, $SD = 0.46$), focus ($M = 3.68$, $SD = 0.48$) and leadership ($M = 3.64$, $SD = 0.49$).

Results of Hypotheses Testing

The following section presents the results of addressing six research questions. Due to the nature of the questions and data available from the survey, some research questions were addressed descriptively and others with inferential statistics.

RQ1: What is your registration status, are you a registered vendor with the state government of Georgia purchasing department?

This involved a descriptive question that was not answered with hypothesis testing. Of the $N = 45$ minority business owners who completed the survey, $n = 22$ were registered vendors with the State of Georgia.

RQ2: How many business contracts awards did you win from a Georgia department or state agency?

This involved a descriptive question that was not answered with hypothesis testing. Most of the vendors ($n = 20$ out of 22 participants, 91%) had not been awarded at least one state contract, with only two indicating one contract awarded (9%).

RQ3: How does the number of African American women-owned businesses compare to the number of male-owned business among African American Owned Businesses?

For this question, vendors and nonvendors were compared with a chi-square test of independence. It tested the following hypotheses:

H_01 There is no association between vendor status and gender of the minority business owner.

H_12 : There is a statistically significant association between vendor status and gender of the minority business owner.

Results of the chi-square test of independence with the Yates correction for 2 x 2 analyses revealed a significant association between vendor status and the gender of the minority business owner, $X^2(1, 44) = 6.34, p = .012$. The null hypothesis was rejected.

Frequencies are illustrated in Figure 8. Adjusted residuals showed that all four observed frequencies were significantly different than expected by chance.

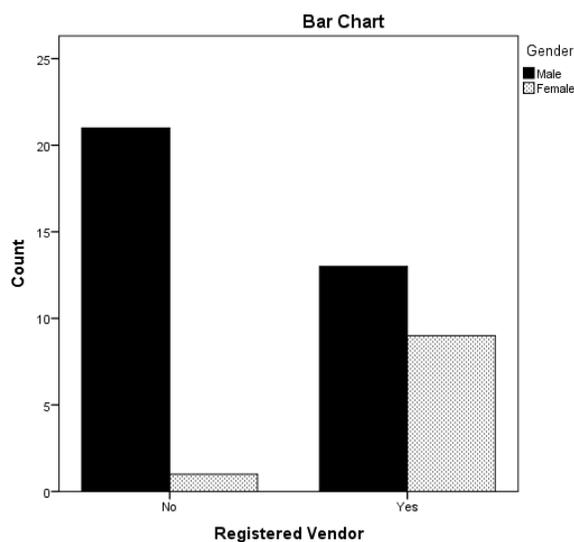


Figure # 11. Cross-tabulation of observed frequencies of vendor status by gender of minority business owner.

Among registered vendors, there were significantly fewer male minority business owners ($n = 23, 38\%$ of the male participants) than expected (expected 17, $z = 2.9$), and there were significantly more female minority business owners ($n = 9, 90\%$ of the female participants) than expected (expected 5, $z = -2.9$). In contrast, among nonvendors, the number of male minority business owners ($n = 21, 62\%$ of the male participants) was higher than expected by chance (expected 17, $z = 2.9$), and the number of female minority business owners ($n = 1, 10\%$ of the female participants) was less than expected by chance (expected 5, $z = -2.9$).

RQ4: How frequently have you received responses from the Georgia Minority Business Enterprise (MBE) Development Program had any impact on the bidding process from the minority business community using the state government purchasing apparatus on a regular basis?

RQ5: To what extent has doing business with SPDs, has had a positive or negative effect on your business? This question pertained only to registered vendors. This question was addressed in two parts. Response array: Negative effect or positive effect.

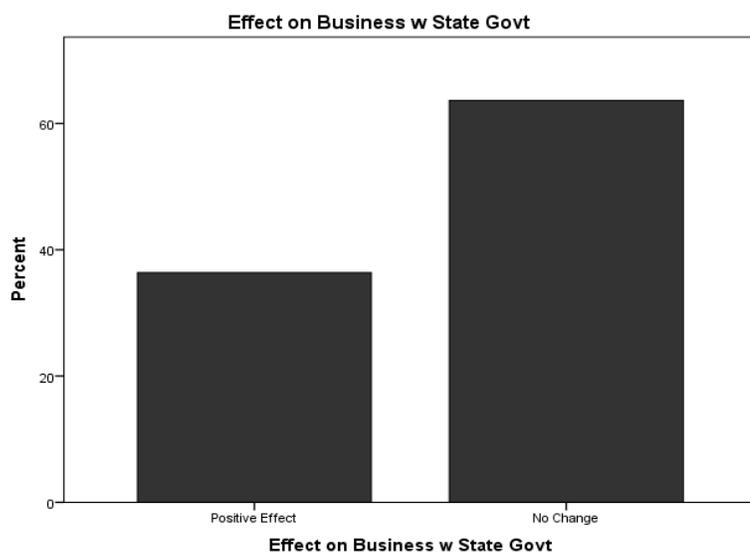


Figure # 12. Distribution of effect of vendor registration on minority business.

Figure 12 show that a large proportion of registered vendors provided a third response that was not on the survey, which was “none.” This response was recoded as “no change.” There was an unequal number of positive effect responses (n = 12 registered vendors, 36%) and no change responses (n = 22 registered vendors, 64%).

Therefore, the probability that being a registered vendor with the state of Georgia had a positive effect on minority business was approximately one in three chances, $p = .36$. None of the registered vendors said that registration had a negative effect on their business.

The first part of addressing RQ4 was descriptive rather than with hypothesis testing. The survey question was: “As a registered vendor, has your registration with state government had any effect on attaining contracts, providing services, and selling products, equipment and goods to state government?” Registered vendors were asked to select from the following dichotomous.

The second part of addressing RQ4 was based on the idea that registered vendors have presumably attended some state training workshops, seminars and/or webinars designed to improve their skills in writing and submitting bids (under whatever code the vendor is registered), skills that lead to attaining a state contract. There were two related survey questions. One was “Have you ever attended a Georgia Purchasing Seminar?” The other was “Have you spent time on a computer webinar with the Department of Administrative Services?”

Twenty-five of the registered vendors (74%) provided responses to the question about seminar attendance. Most had attended at least one seminar, $n = 25$ registered vendors, 75% of 26 registered vendors; $n = 7$ registered vendors had not attended at least one seminar, or 25%. Eighteen of the registered vendors provided responses to the question about webinar attendance. Again, most had attended at least one webinar, $n = 21$ registered vendors, 61% of 21= registered vendors; $n = 13$ registered vendors had not attended at least one webinar, 39%). A Fisher’s exact test for 2 x 2 analyses was run to

determine if the same registered vendors who attended seminars also attended webinars.

The hypotheses were:

H_01 There is no association between seminar attendance and webinar attendance among registered vendors.

H_02 : There is a statistically significant association between seminar attendance and webinar attendance among registered vendors.

Results of the Fisher's exact test revealed a significant association between vendor status and the gender of the minority business owner, $p = .008$. The null hypothesis was rejected. The distribution of registered vendors is illustrated in Figure 12. Since 25 registered vendors provided responses to the question about seminar attendance and 18 provided responses to the question about webinar attendance, the exact test was based on the 25 registered vendors who answered both survey questions. Figure 12 shows that of the 25 registered vendors who had attended seminars, 21 had also attended webinars. Thus, the probability of attending both seminars and webinars, based on the current sample, is $p = .63$. Of the six registered vendors who had attended webinars, 10 had also attended seminars and the remaining 14 had not attended seminars.

The survey included a follow-up question about the ease of navigating the Georgia SPD's webpage (When visiting the Purchasing Department webpages, did you find what you were looking for?).

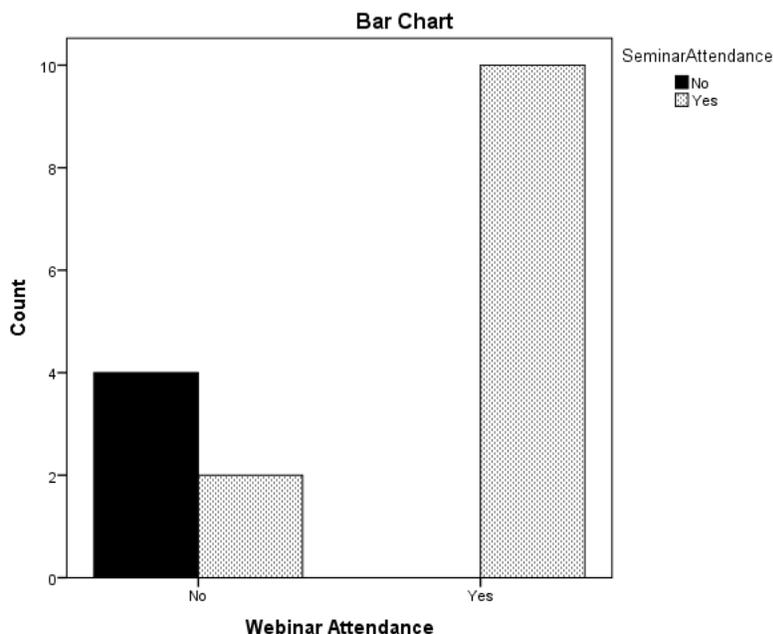


Figure # 13. Distribution of registered vendors by attendance at SPD-related seminars and webinars:

The response array included three items: Yes, no, or I was just browsing. Many registered vendors did not respond to the question and were missing values ($n = 20$ registered vendors, 59%). Of the nine who responded to the survey question about the ease of navigating the webpage, 100% said, yes, they found what they were looking for.

RQ5: What percentage of bidding have you done in the past? How much future bidding will you conduct? How satisfied are you with the bidding process?

This question only pertained to registered vendors. Response patterns in three survey questions were used to address this question, which was descriptive and did not test hypotheses.

The first survey question was whether the vendor had placed bids with state agencies, department, or a college/university in the past. Twenty-six of the 34 registered

vendors (77%) provided a response. All but one registered vendor reported placing bids with state agencies, department, or with a college or university, $n = 32$ (94% of 17 registered vendors). Thus, the probability of placing a bid among registered vendors was $p = .94$. The single registered vendor who had not placed a bid constituted 6% of the registered vendor sample.

The second survey question used to address RQ5 was whether the registered vendor planned to participate in future Georgia State Purchasing bid opportunities. Twelve registered vendors (36%) did not provide a response. The 22 registered vendors who provided a response were evenly divided. About half of the registered vendors said they planned on submitting bids in the future ($n = 11$ vendors, 50%). Nine registered vendors reported that they did not have current plans to submit future bids (43%). Two registered vendors said the question did not apply to them (7%).

The third survey question for RQ5 was whether registered vendors would rate their work and preparation to solicit bids from state government as satisfying or unsatisfying. Results are shown on Figure 11. Most registered vendors reported that they were satisfied with the process of soliciting state bids ($n = 24$, 73%). The remaining 10 registered vendors (27%) found the process unsatisfying.

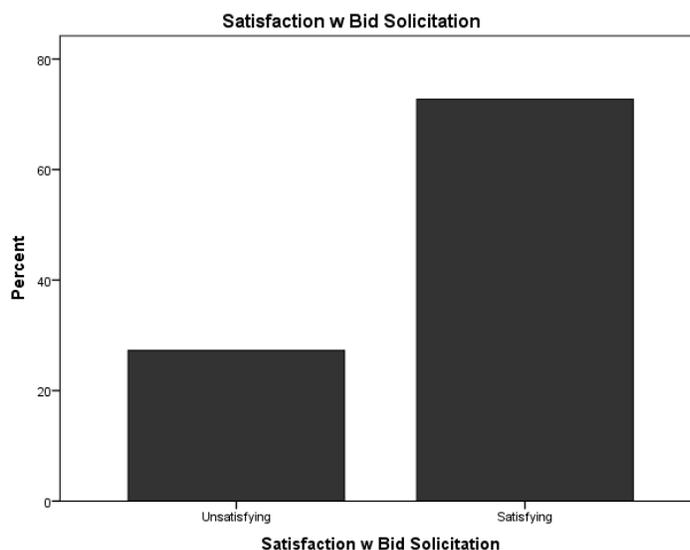


Figure # 14. Distribution of registered vendor responses to satisfaction with bid solicitation.

RQ6: How do the business qualifications differ between registered vendors and nonvendors?

Participants were asked to provide self-ratings of their business qualifications on skill, leadership, focus, new ideas, work quality, and performance. They were asked to rate themselves using a five-point scale (0 = poor, 1 = fair, 2 = average, 3 = good, 4 = excellent).

Mean self-reported ratings for each business qualification for each participant group are shown in Table 3. Means for three of the business qualifications did not differ between the two participant groups (new ideas $M = 3.86$; work quality $M = 4.00$; performance $M = 4.00$). Both registered vendors and nonvendors rated their work quality and performance as uniformly excellent. The self-ratings for new ideas were rated just under excellent on average. The other three business qualification ratings shown on Table

3 were also close in value across the two participant groups, and rated just under excellent on average as well. The sole exception was leadership among nonvendors.

Independent t tests were run to compare registered vendors to nonvendors on the remaining three business qualifications. The generic form of the hypotheses was:

H_0 : There is no difference in business qualification by vendor status.

H_1 : There is a statistically significant difference in business qualification by vendor status.

Table 2 also shows the results of the t tests. Leadership was the only business qualification in which registered vendors differed significantly from nonvendors. The null hypothesis was rejected for leadership. Nonvendors rated their leadership skills significantly lower than did registered vendors. Cohen's d on Table 3 shows that the effect of vendor status on leadership was large. For vendor skill, the null hypothesis was retained and Cohen's d on Table 3 shows that the effect of vendor status was very small.

|

Table 2

Descriptive statistics for Self-Reported ratings of Business Qualifications by Vendor Status

Nonvendors	Registered vendor		$t (df), p$	d
Vendor skill personal qualifications	3.73 (0.46)	3.68 (0.48)	$t (43) = 0.10, p = .92$.04
Leadership personal qualifications	3.64 (0.49)	3.91 (0.29)	$t (43) = 2.44, p = .02$.77
Focus personal qualifications	3.68 (0.48)	3.73 (0.70)	$t (43) = 0.42, p = .68$.13
Personal qualifications	3.86 (0.35)	3.86 (0.35)	*	
Work quality personal qualifications	4.00 (0.00)	4.00 (0.00)	*	

Open-Ended Comments for Improvements

At the end of the survey, participants were asked to add any open-ended comments they had for improving the registered vendor system. Their comments, shown on Table 4, fell into seven categories. The greatest number of open comments pertained to minority goals. The second largest number of calls pertained to improving the bidding process.

Table 3

Open-Ended Comments for Improvement

Case Number	Open-ended Comments for Improvement
4, 7, 9, 14, 21, 28, 43, 8, 16, 26, 30, 32, 31, 25, 34, 38, 41, 42, 44	Goals for minorities Minority Goals; Partnership, Minority goals; minority support/percentage goals; Minority goals; minority goals; Provide some goals/percentages; Use minority percentage; Registering and percentages for minorities; Percentages goals; Minority Percentages; Minority goals; More minority opportunities; More minority participation; Add percentages for minorities; More Events for minorities businesses; Minority Events; Minority Programs; Have more events/programs
2, 3, 10, 24, 27, 23, 36, 37, 39, 19, 40, 45, 13, 18, 22,	Do direct bid to contractors; Do direct bid to contractors; Do direct bid to contractors; direct mailing bids; More Direct bids; Direct buyers opportunities; More direct bids; More RFPs, Direct buyer events; More Bids opportunities/Events; awareness bids; Bidders programs; Some offer of bids; More bid opportunities; More bid opportunity; More bids, some percentages, advertising;
11, 35, 20	Registration and more bidding; More registration of African Americans; More registration set asides for minority businesses
1, 5, 12, 6	Advertise more; More advertisement; More advertising/bonding help; Direct mailing/advertise local media
17, 33	Partnership, joint/ventures, bonding help; Help with more business
40	Training
29	None

Fewer participants called for more registration, advertising the opportunities the state can provide, partnerships, and training. Only one participant said that there were no improvements needs.

Interpretation of the Results

One third of the 108 participants who completed the survey were registered vendors and 8% had received one state contract. There were fewer males and more females among registered vendors than expected by chance, and more males but fewer females among nonvendors. There was a 1 to 2 ratio of positive effects of the bidding process to no change because of the bidding process; none of the registered vendors said that registration had a negative effect on their business. Registered vendors who attended SPD-based seminars also attended webinars. Only 49% of registered vendors responded to the survey question about the ease of navigating the webpage, but 100% said they were successful in the search and navigation of the site. Most registered vendors reported placing bids with state agencies, departments, or with a college or university, half planned to submit future bids and the majority was satisfied with the bid process. The only difference in business qualifications between registered vendors and nonvendors was a significantly lower leadership skill among nonvendors.

Data Summary

A total of $N = 108$ participants that were African American business owners completed the survey. All the participants were African American whose primary language was English. The overall database was evenly divided between vendors and nonvendors, $n = 34$ registered vendors, $n = 48$ nonvendors, and 26 were not sure.

The modal of the registered vendor was a male in his late 50s who was not a veteran. He held a bachelor's degree, sold business products or services for a business, had not been awarded at least one state contract, thought that business with the state could improve the community's economics, and could be increased if the state encouraged more minority businesses to register for bids. He rated his business qualifications as excellent.

The modal of a Nonvendor was a male in his late 50s who was a veteran. He held a bachelor's degree, sold business products or services for a business, and thought that business with the state could improve the community's economics and could be increased if the state encouraged more minority businesses to register for bids. He rated his business qualifications as excellent.

RQ1: Are you a registered vendor with state of Georgia purchasing division?
Of the $N = 108$ minority business owners who completed the survey, $n = 34$ were registered vendors with the State of Georgia.

RQ2: How many contracts have you won bidding with a Georgia department or state agency?

This involved a descriptive question that was not answered with hypothesis testing. Most of the vendors ($n = 3$ out of 34 participants, 8%) had been awarded at least one state contract.

RQ3: How does the number of African American women-owned businesses compare to the number of male-owned business among African American Owned Businesses?

There was a significant association between vendor status and the gender of the minority business owner. There were fewer males and more females among registered vendors and more males but fewer females among nonvendors.

RQ4: What proportion of bid responses from the Georgia Minority Business Enterprise (MBE) Development Program had any impact on the bidding process from your business using the state government purchasing apparatus on a regular basis?

There was a 1 to 2 ratio of positive effects of the bidding process to no change because of the bidding process. None of the registered vendors said that registration had a negative effect on their business. The probability of attending both SPD-based seminars and webinars, based on the current sample, is $p = .63$. Only 49% of registered vendors responded to the survey question about the ease of navigating the webpage, but 100% said they found what they were looking for.

RQ5: What percentage of bidding have you done in the past? How frequently will future bidding from you with state government? How satisfied are you with the bidding process?

All but one registered vendor reported placing bids with state agencies, departments, or with a college or university. Half of the registered vendors said they planned to submit bids in the future and half said they did not have current plans to submit future bids. Most registered vendors reported that they were satisfied with the process of soliciting state bids

RQ6: How do the business qualifications differ between registered vendors and nonvendors?

The only difference was leadership: nonvendors reported significantly less leadership skill than registered vendors did.

Summary

This research was generated from data based on a primary source. These results are a compilation of a descriptive statistics design data statistics generated from activities and analyzed. This study reported vendor's data and statistics from registered businesses attempting to transact business with the Georgia state government. Some of Georgia's state departments provide programs designed to help small and minority businesses gain better access to the marketplace with particularly emphasis placed on business competition to provide contracts, equipment, goods, products, professionals, and services to state government and the University System of Georgia. For the Georgia state government to be able to provide services and carry out its function to meet the needs of the people it serves successfully, this can only occur with help from the entire business community. This research study was a review of specific activities.

The Georgia Small and Minority Business Enterprises Development Program is a mandated program began in 1982. The MBE has evolved through various governors. The state of Georgia has made many changes by its elected governors and legislators over the last 34 years. The intention of government was to create greater awareness toward increasing the ability of small and minority businesses to sell and provide contracts, contracting, professional expertise, equipment, goods, products and services for the state needs of Georgia government. There were three major questions asked and three presumptions using a variety of statistical techniques where this research tested a

participation sampling. Chapter 4 summarizes the results, analyses of these findings, and provides a description of the participants that were randomly selected in this study.

Chapter 5

Purpose and Research Questions

In this study, I researched many articles on business, economics, and trade, both locally, and statewide, as well as for adjoining states, such as the state of Tennessee (Ward, 2009) to the north and Florida to the south (Terman, 2014), all business leadership style and political influence. Doing business could be a conflict between theory and reality. Economics and supply would always drive debates over the purchase of goods and services through a collection and distribution process. It is a discussion sliced between economists on the one hand, and historians and political scientists on the other. Economics is a social science, not a hard science. A researcher may attempt to disguise the fact with graphs, equations, and computer models. Economics is filled with contrasting philosophical views of how the world of business activity should work (Hawkins, 2004).

Data and Research Overview

RQ1: What is your business status? Are you a registered vendor with state government of Georgia purchasing department?

This was a descriptive question, which was not answered with hypothesis testing. Of the $N = 108$ minority business owners who completed the survey, $n = 34$ were registered vendors with the State of Georgia.

SQ2: How frequently have you won a contract with a Georgia department or state agency?

This was a descriptive question, which was not answered with hypothesis testing. A few vendors ($n = 31$ out of 34 registered participants, 88%) had not been awarded at least one state contract, with only 3 indicating that they had received one contract awarded (12%).

RQ3: How does the number of African American women-owned businesses compare to the number of African American male-owned businesses

For this question, vendors and nonvendors were compared with a chi-square test of independence. It tested the following hypotheses:

H_01 : There is no association between vendor status and gender of the minority business owner.

H_02 : There is a statistically significant association between vendor status and gender of the minority business owner.

Results of the chi-square test of independence with the Yates correction for 2 x 2 analyses revealed a significant association between vendor status and the gender of the minority business owner, $X^2(1, 44) = 6.34, p = .012$. The null hypothesis was rejected.

RQ4: Have responses from the Georgia Minority Business Enterprise (MBE) Development Program had any impact on the bidding process from the minority business community who used the state government purchasing apparatus on a regular basis?

RQ4: pertained only to registered vendors. There were two parts to this question. The first part answered the probability that being a registered vendor with the State of Georgia had a positive effect on minority businesses, which was approximately one in three chances, $p = .36$. None of the registered vendors said that registration had a negative effect on their business. The second part of addressing RQ4 was based on the idea that

registered vendors have presumably attended some state training workshops, seminars, and/or webinars designed to improve their skills in writing and submitting bids (under whatever code the vendor is registered), skills that lead to attaining a state contract. There were two related survey questions. One was “Have you ever attended a Georgia Purchasing Seminar?” The other was “Have you spent time on a computer webinar with the Department of Administrative Services?”

The hypotheses were:

H_{01} : Here is no association between seminar attendance and webinar attendance among registered vendors.

H_02 : There is a statistically significant association between seminar attendance and webinar attendance among registered vendors.

Results of the Fisher’s test revealed a significant association between vendor status and the gender of the minority business owner, $p = .008$. The null hypothesis was rejected.

The distribution of registered vendors is illustrated in Figure 12.

RQ5: What is the past and future bidding behavior of registered vendors, and how satisfied are they with the bidding process?

This question only pertained to registered vendors. Response patterns in three survey questions were used to address this question, which was descriptive and did not test hypotheses. Results are shown in Figure # 13. Most registered vendors reported that they were satisfied with the process of soliciting state bids ($n = 24, 73\%$). The remaining 10 registered vendors (27%) found the process unsatisfying.

RQ6: How do the business qualifications differ between registered vendors and nonvendors?

Participants were asked to provide self-ratings of their business qualifications on skill, leadership, focus, new ideas, work quality, and performance. They were asked to rate themselves using a five-point scale (0 = poor, 1 = fair, 2 = average, 3 = good, 4 = excellent).

Mean self-reported ratings for each business qualification for each participant group are shown in Table 3. Means for three of the business qualifications did not differ between the two participant groups (new ideas $M = 3.86$; work quality $M = 4.00$; performance $M = 4.00$). Both registered vendors and nonvendors rated their work quality and performance as uniformly excellent. The self-ratings for new ideas were rated just under excellent on average. The other three business qualification ratings shown in Table 3 were also close in value across the two participant groups, and rated just under excellent on average as well. The sole exception was leadership among nonvendors.

Social Change and Technological Change Implication

In technological changes, respondents completed a questionnaire asking about their use of computers. Technology in this study was used at all levels, including the first introduction mail outs. The U.S. Postal Service was used when there was a defect in the sending of e-mails to the selected population. Many of the 104 respondents answered the surveys and returned their questionnaires by using computers. There were eighteen questionnaires returned by U. S. Mail. Based upon the responses, many respondents downloaded these forms, signed and completed the questionnaires, scanned the questionnaires, and returned the surveys by a computer. Several responses came via cell phones, and it appeared based upon these findings, that there were only four business

owners not using a computer. This data would infer that almost all respondents used a computer.

Governmental programs, which have been in operation over the last four decades, have targeted and challenged African American, and other small and minority business owners to continue to make progress in an increasingly diverse population. The city of Atlanta championed an Equal Economic Program by opening municipal businesses to over half of the business population previously locked out of city business due to previous discriminatory policies based on race and gender. Between 1974 and 1981, the proportion of contracts awarded to women and minorities increased substantially from 1% to 24% (Franklin, 2012, p.10). Several legislators have introduced bills to change some of the state government practices. Per Franklin (2012), the Atlanta model reversed the trend of discrimination against women and African American business owners and sought to empower those business owners as employers, taxpayers, civic leaders, and charity givers by contributing their time and talent to many causes in politics, social affairs, and community life.

Recommendations for Further Action

As our population grows, education and technology create new challenges to all especially person with limited resources. African American business owners not falling into the top 1% of business ownership continue to struggle to actively contract with state government procurement. Some suggestions to ameliorate this include the state reducing requirement or assisting smaller contractors with their bonding needs. Other small businesses do not possess the experience of being long-standing government contractors.

At the end of the survey, participants were asked to add any open-ended comments they had for improving the registered vendor system. Their comments, in Table 3, fell into seven categories. The greatest number of open comments pertained to minority goals. The second largest number of comments pertaining to improving the bidding process is in Table 3.

Business relationship management consists of knowledge, skills, and behaviors (or competencies) that foster a productive relationship between a service organization such as department in governments as human resources, information technology, finance or an external provider, and their business partners. Business relationships and business is distinct from enterprise relationship management and customer relationship management. Business relationship are derived from self-confidence and devising a contact system to ensure that not too much time passes before connecting with your contacts who are buyers and government purchasers. It is of larger scope than a liaison that aligns business with your market strength, by making the relationship personal, proactive, listening more than talking, and encouraging feedback (Dahl, 2011).

Methods and Procedures

This researcher used descriptive methodology, surveys, and questionnaires of data collected from African Americans owned businesses in Atlanta. I used a statistical method by first collecting the data, based upon three hypotheses. Hypothesis # 1: Participants reported higher bidding information from the Georgia procurement process. Hypotheses # 2: Participants bidding may result in some increased sales to state departments needing goods, services, contracts, and equipment. Hypothesis # 3: The

overall activities increased in registration, and bidding (RFPs) on offers from state government among African American vendors.

This researcher studied a limited activity of African American business owners, included a letter of permission to conduct the study from the appropriate administrator at a university, and met the requirements of the National Institute of Health. In a qualitative study, a letter of invitation and a signed consent form from all adult participants is included, and a letter of permission from parents if minors are involved. Data collection instruments are included. Some institutions require a CV at the end.

Random samples were used for data collected from a verified population and validation and recording before the analysis took place. Software packages such as SPSS Version 23 and R were used. Most respondents in this study were aware of the purchasing needs of state government. Most African American business owners were not registered and have never attended a workshop, seminar or reviewed a webinar to gain additional insight of bids or RFPs related to government purchasing. The data collected represented actual numbers of activity or lack of activity interrelated to Georgia's government procurement system.

Suggestions for Further Research

This study provided insight on the relationships to the programs offered by the State of Georgia Minority Business Enterprise Development Program's Impact on African American Businesses in Atlanta. Some qualitative question arose from open-ended question on business perception and comments on the bid process of state government. Several qualitative studies were examined such as Ward (2009), Terman (2014), Bates (2014), and Richtermeyer (2002), who all studied minority business

contracting with state governments and larger corporations. The research literature by Richtermeyer (2002) and Franklin (2012) suggested that extensive support is needed among certain ethnic groups.

A lived experience outside of a statistical study may add broader insight and prove helpful based upon the open-ended questioning. Grounded theories on successful contracted awardees are always informative, educational and offer insight into character, qualification, and drive. A study of the procurement agencies and agents may provide further insights such as the Terman (2014) study on Florida, which provided further insight on the influence of political official policy on state procurement agents.

There are several studies conducted by legal firms contracted to do disparity studies in various states mentioned by Terman (2014). These studies related to the federal government and the Georgia Department of Transportation by connecting the participation of minorities and women in race and gender conscious programs of GDOT's DBE Program. This study evaluated the contracting environment in the marketplace to ensure that GDOT was not a passive or active participant in past or present discrimination (Griffin & Strong, P.C., 2015).

The findings in this study does not compare to other research on small and minority business contracting and procurement with state government. Georgia has a bid competitive system, except for federal dollars received by both the Georgia Department of Transportation and the Department of Education. This research looks at the Georgia Business Enterprise Program impact on Atlanta's African American business owners. Georgia, under its State Purchasing Division, establishes competitive statewide contracts for a variety of products, services, and equipment. Contracts can be reviewed for

convenience, but contracts are classified. The state contracts include commodities that are of widespread use to people such as office furniture, motor vehicles, temporary staffing, building supplies, and other commodities and services. These contracts are classified as mandatory or convenient.

Per the USSBA record, there are 28 million small and minority business in the United States accounting for 54% of all business sales, 55% of all employees, 66% of all new jobs, and 50% of space use have a tremendous impact on the economy. Since 1990, as big business eliminated 4 million jobs and small businesses added 8 million new jobs. Small businesses in the United States have increased by 49% since 1982. The small business sector is growing rapidly. While corporate America has been “downsizing,” the rate of small business “start-ups” has grown, and the rate for small business failures has declined (USSBA, 2016). The business of small and African American businesses shall continue to undergo scrutiny and research in business schools and when a new niche in the market arises, it will undergo examination by someone who sees a phenomenon.

Research Conclusions

This study represents new data in a specific area dealing with the bid process of the Georgia purchasing system and its impact on African American business owners in Atlanta. The population responded to survey questions and offered some open-ended comments at the end of the questionnaires. The African American business owners in Atlanta have a positive outlook and self-awareness. They are well-trained with almost all having college degrees in their respective area of focus with some as second and third generation business owners. Some of the most successful business owners are second-generation architecture contracting and engineering companies whose firms generate

millions of dollars annually and hire many employees. These businesses make great contributions to the economic and social well-being of the community.

Many questions arise and puzzle African American business owners as to why Georgia does not do more in business contracting with African American firms. Georgia's responsibility is to provide needed information to minority businesses on how to conduct business with various state agencies (Harris, 1985). Webb (2014) explained that the benefits have the potential to "contribute to a thematic" awareness of how a Minority Business Enterprise can become a part of the organization's core purchasing strategies (Webb, 2014). This study has collected data and the results point to registration effectiveness through the Georgia DOAS assistance program in education and information of the purchasing system through awareness seminars, webinars, and outreach activities to African American business owners since 1982.

When programs have been instituted for four decades since 1982 (or 34 years in Georgia) and the small percentage of contracts to African American business owners is less than 8% in an area where African American owned represent 26.1% of all businesses, there is an issue. The statistics demonstrate a less than desirable outcome with the expenditure of input and the goal of increasing dollars and sale contracts to the African American business community. A review of the data from the United States Census Bureau reports that New York had 204,032 black-owned businesses and accounted for 10.6% of the nation's black-owned businesses, followed by Georgia, with 183,874 black-owned businesses (9.6 percent) and Florida, with 181,437 (9.4 %) (U.S. Census Bureau, 2002-2007, revised May 19, 2016).

Georgia had more Black or African American-owned firms in 2012 than any other state (256,848), followed by Florida (251,216). The Atlanta metro area had more Black or African American-owned firms (176,245) in 2012 than any other metro area besides the New York metro area (250,890; U.S. Department of Commerce, 2015)

State legislatures must consider the changes taking place. The data and news from the Census Bureau underscores the rapid growth in minority-owned firms. Yet, considerable disparities remain between their revenue and nonminority companies in our economy. The Minority Business Development Agency (MBDA) is “committed to eliminating disparities” in access to capital and contracts so that minority businesses may fully participate in the economy. The review of the literature presented in this research lends credence to findings some legislature or legal avenue to achieve greater percentages, goals, and set-asides to achieve a small degree of parity in contracting business with Georgia. Only when there are federal dollars in education and transportation do minorities and African Americans have a greater percentage of dollars being contracted with minority businesses.

Finally, desired changes and outcomes are not always reflected in the theory. Some have said that ideas are clean, but our history is rugged. Successful implementation introduces a desired result. Desired changes can occur smoothly and quickly and remove causes of implementation failure. The leadership who introduced the program must now lead to take a further step toward a desired result of equal access. Strategies and resources placed into programs and mandates require direct implementation, sometimes by leaders, both elected and appointed. Implementation may work best when policymakers, leaders, and managers are faced with new technologies and an increasing population of new

entrepreneurs continuing to increase and to contribute to economic prosperity for everyone.

There is a time for strategic changes to occur. There are always cycles in business and politics to make smooth and easy changes that continue to create public value and order as a prelude to future strategies. Leadership at the state level, beginning with the executive branch, legislators, and department leaders should focus on whether the intended results achieved, whether the desired outcome occurs, or whether the program should be abandoned if it is ineffective and not achieving the desired results. I believe that another step should be taken after the review of the disparity studies and information from business owners in Atlanta.

In conclusion, a writer whose name is Mae Gentry wrote in the *Atlanta Journal-Constitution*, “Still, Atlanta is a place where African Americans feel comfortable, a place where they have a stake in events, politics, social and cultural activity and is the place they can call home.” (Gentry, 2002). It is my hope that in the very near future the government in Georgia will legislate per the needs of its entire population, even in areas where there is ability, a desire, and a willingness to do the business of governing and stimulating the economy in all sectors of Georgia.

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Appendix A: Demographic Questionnaire

Completion of this demographic questionnaire is significant to determine the effects of a variety of factors resulting from this study. All the records remain confidential. Any report or findings published will not include any identifying information of the person or participants in this study. Please check the following boxes, circles or lines as most appropriate.

Age Bracket

What is your age? 25 or under 26-40 41-55 56 or older

Gender: Male Female

Ethnicity

African American

Arab

Asian

Caucasian/White

Hispanic/ Latino

Native American

Other

Veteran status: Are you a veteran? Yes No

What is your primary language?

English

Spanish

French

_____ Other

What is the highest-grade level that you completed?

_____ Grammar School

_____ High School or equivalent

_____ Vocational/technical school (2 years)

_____ Some College

_____ Bachelor's degree

_____ Master's degree

_____ Doctoral degree

_____ Professional degree (MD, JD, etc.)

_____ Other

Which of the following categories best describes your primarily area of employment
(regardless of your actual position)?

_____ Agriculture, Forestry, Fishing, or Hunting

_____ Arts, Entertainment, or Recreation

_____ Broadcasting

_____ Education - College, University, or Adult

_____ Education - Primary/Secondary (K-12)

_____ Education - Other

_____ Construction

_____ Finance and Insurance

_____ Government and Public Administration

_____ Health Care and Social Assistance

- _____ Hotel and Food Services
- _____ Information - Services and Data
- _____ Legal Services
- _____ Manufacturing - Computer and Electronics
- _____ Manufacturing – Other
- _____ Publishing
- _____ Real Estate, Rental, or Leasing
- _____ Retail
- _____ Scientific or Technical Services
- _____ Software
- _____ Telecommunications
- _____ Transportation and Warehousing
- _____ Wholesale
- _____ Other

Which of the following best describes your role in industry?

- _____ Upper management
- _____ Middle management
- _____ Junior management
- _____ Administrative staff
- _____ Support staff
- _____ Trained professional
- _____ Consultant
- _____ Researcher

_____ Self-employed

_____ Other

How long have you been using the Internet?

_____ Never used it

_____ Less than 6 months

_____ 6 to 12 months

_____ 1 to 3 years

_____ 4 to 6 years

_____ 7 years or more

How frequently do you access the web from the following places?

_____ Daily Weekly Monthly Less than once a month Never

_____ From home (including a home office)

_____ From work

_____ From School

_____ From a public access (e.g. library, cybercafé, etc.)

_____ From other places

Who pays for your Internet access? (Please check all that apply.)

_____ Self/spouse

_____ Parents

_____ Work

_____ School

_____ Other

How many parents live in the home that you were raised?

_____ Single Parent

_____ One Biological Parent and one Stepparent

_____ By Grandparents

_____ One Biological Grandparent and one Step grand parent

_____ By Adopted Parents

_____ Foster Parents

_____ Others (Please identify/ clarify.)

Appendix B : No Physical Contact Assessment Questionnaire

(Did not complete any physical contact question - none face to face)

Physical Contact Assessment Questionnaire

There are no correct or incorrect answers to this questionnaire. This is an instrument asking questions pertaining to your activity regarding the State of Georgia Purchasing System.

1. Are you or members of your company familiar with the Georgia Minority Business Enterprise Program?

_____ Yes _____ Somewhat _____ No _____ Heard of the Program _____ Never heard of the Program

2. Does your business conduct any business with government?

_____ Yes _____ Sometimes _____ None _____ Never _____ Want to

3. Have you sold any products, goods, services, equipment or have you contracted with Georgia State Government?

_____ All the time _____ Once _____ None _____ Have never quoted _____ Never been successful
Sometimes

4. Is your business registered to do business with the State of Georgia Purchasing Department?

_____ Registered _____ Not registered _____ Want to register my business _____ Do not want to register

5. _____My business is a Registered Vendors_____My business is not a Registered Vendor_____ I would like my business to be registered_____I do not want my business to be registered.
6. How does your business attain business, contracts, or sell your business product?
_____ I am a retailer_____I am a wholesaler_____I am a distributor_____I sell products and goods online.
7. Have you attended a Georgia Purchasing Seminar? _____Yes,
_____Never

Have you spent time on a computer webinar with The Department of Administrative Services? _____Yes _____No

1. Are you a registered vendor with the state of Georgia? If so, how would you rate your contact with a purchasing agent of government, state colleges or agencies?
_____Very good_____ Good_____Not so good_____Bad_____Very bad
2. Please rate the following aspects of your work and preparation to solicit bids from state government? _____Very Unsatisfied _____Unsatisfied
_____Neutral _____Satisfied _____Very Satisfied
1. Professionalism - Rate the courteousness and professionalism of state Purchasing staff?
_____Very Unsatisfied
_____Unsatisfied
_____Neutral
_____Satisfied
_____Very Satisfied

2. Communication - Rate how clearly, we communicated with you during the bid process?

_____Very Unsatisfied

_____Unsatisfied

_____Neutral

_____Satisfied

_____Very Satisfied

3. Accessibility - Rate our accessibility (in person, by telephone or e-mail)?

_____Very Unsatisfied

_____Unsatisfied

_____Neutral

_____Satisfied

_____Very Satisfied

2. Responsiveness – Will you Rate the timeliness of our response to your requests

and

needs?

_____Very Unsatisfied

_____Unsatisfied

_____ Neutral
 _____ Satisfied
 _____ Very Satisfied

3. Process - Rate the purchasing process as open and fair.

_____ Yes _____ No

_____ Very Unsatisfied
 _____ Unsatisfied
 _____ Neutral
 _____ Satisfied
 _____ Very Satisfied

4. Documents - Were the project expectations clear and consistent?

_____ Yes _____ No

_____ Very Unsatisfied
 _____ Unsatisfied
 _____ Neutral
 _____ Satisfied
 _____ Very Satisfied

A. Will you participate in future state bid opportunities? _____ Yes
 _____ No _____ Undecided

Have you placed bids with state agencies, department or a university system college/university?

_____ Yes _____ No

B. In the last year, how many times have you visited the Purchasing webpages to view bid documents? Your best estimate is fine. _____ 1 to 3 times _____ 4 to 8 times

_____ Between 9 and 15 times _____ Over 15 times _____ This is my first visit to
the website

C. When visiting the Purchasing Department webpages did you find what you were
looking for? _____ Yes _____ No _____ Just browsing

D. How would you rate the Purchasing Department webpages for the following?

_____ Very unsatisfied _____ Unsatisfied _____ Neutral _____ Satisfied
_____ Very Satisfied _____ Ease of navigation _____ Ease of navigation Very
unsatisfied _____ Ease of navigation Unsatisfied _____ Ease of navigation
Neutral _____ Ease of navigation Satisfied _____ Ease of navigation Very
Satisfied

Quality of information

1. Quality of information _____ Very unsatisfied _____ Quality of
information Unsatisfied _____ Quality of information Neutral _____ Quality of
information Satisfied _____ Quality of information Very Satisfied

2. Quantity of information

_____ Quantity of information Very unsatisfied _____ Quantity of
information Unsatisfied _____ Quantity of information Neutral
_____ Quantity of information Satisfied _____ Quantity of information
Very Satisfied

RQ1: What have responses from the Georgia Minority Business Enterprise Development
Program had any impact on your bidding process from the minority business community

using the state government purchasing apparatus on a regular basis?

_____ Yes _____ No

RQ2: How has your registration with state government had any increase or decrease in minority business as a registered vendor of Georgia or has there been any impact on your doing business with the state? _____ Yes _____ No

RQ3: How much has your registration with state government as minority vendors influenced attaining contracts, providing services, and selling products, equipment and goods to state government? _____ Yes _____ no

If you have any suggestions regarding how to improve the services provided to you, please indicate your ideas below.