EXPLORING BLACK BUSINESS OWNERS' EXPERIENCE IN PUBLIC PROCUREMENT CONTRACTS

by

Khamillia A. Harris

Liberty University

A Dissertation [Proposal] Presented in Partial Fulfillment
of the Requirements for the Degree

Doctor of Philosophy

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[May, 2024]

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ABSTRACT

Black businesses are on the rise in the United States, and most are formed with the goal of achieving greater economic stability and positive impact on their communities. However, Black business owners often lack sufficient opportunities and access to essential resources (i.e., capital), which negatively affects their business stability efforts (Bento & Hwang, 2022). Black business owners can access procurement contracts as a unique way to access capital to grow and sustain their businesses (Chepkoit, 2018; Shelton & Minniti, 2018), yet they received 1.67% of public funds compared to 15.64% awarded to other non-minority small businesses (Choi et al., 2022; U.S. Small Business Administration, 2020). In this hermeneutic qualitative phenomenological study, the lived experience of Black business owners in pursuing public procurement contracts, and the potential impact of racism on this process, were explored. Eleven Black business owners (n=6 female, n=5 male) recruited from the Phoenix, AZ area participated in one-on-one interviews. Data were analyzed using a six-step thematic analysis process outline by Nowell et al., (2017). The majority of the participants (n=7) lacked an understanding of the public procurement program, suggesting a lack of knowledge and/or awareness of the program. Additionally, most of the participants (n=6) reported encountering negative psychological experiences (i.e., frustration, challenges) in accessing public procurement. Of these six participants, three participants reported feeling that race was a negative factor in their in their experience. Directions for future research, as well as policy and theoretical implications, are discussed.

Keywords: Black business, barriers, public procurement, racism, critical race theory, corporate responsibility to race theory

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Dedication

I dedicate this dissertation to my lovely, departed Mother Aretha Anderson. Without your love and sacrifice, I would not be the woman that I am today. Also, I dedicate this to my wife and siblings. Thank you all for supporting me through this journey.

Acknowledgments

First, I want to give God glory and honor for equipping me to fulfill such a mission. I would like to thank Dr. Gaines and Dr. Piferi for their moral and spiritual support throughout this journey. It is such a blessing to have both of you as professors and spiritual mentors. Finally, I would like to thank each participant in the study for sharing their experiences as Black business owners.

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CHAPTER 1: INTRODUCTION TO THE STUDY

Introduction

In American culture, the definition of racism has been widely disagreed upon. Without a clear definition, it is possible that cycles of racism may impact people of color and their business ventures in more covert ways. In fact, Black people are exposed to various forms of racism, whether intentionally or unintentionally (Roberts & Rizzo, 2021). Racism is defined as the actions and beliefs that systematically perpetuate unfair cycles of privilege, resources, and power (DiAngelo, 2011). The presence of systemic racism contributes to inequality in laws, healthcare, practices, policies, housing, education, employment, and access to capital and resources (Braveman et al., 2022; Gold, 2016; Hanks et al., 2018). For these reasons, Black people may have fewer opportunities, and start businesses out of necessity rather than an opportunity (State of Black Arizona, 2021). Notably, in 2022, there were approximately 3,217,500 Black-owned businesses in America. Of these businesses, they received 1.67% of the available \$559 billion in contracting dollars (U.S. Small Business Administration, 2020; Yaqub, 2023).

Owning a business can be an opportunity to build wealth and access to capital can support the business owners' growth and sustainability efforts (Robb et al., 2018). Unfortunately, access to capital may be a barrier for Black-owned businesses (Hanks et al., 2018). Without access to capital, Black-owned businesses often rely on credit cards, loans, or grants (Chepkoit, 2018; Perry et al., 2022; U.S. Small Business Administration, 2020). Consequently, without capital, it may prevent Black businesses from growing and sustaining their businesses, contributing to the economy, creating jobs, and growing their communities (Robb et al., 2018).

In addition, Black-owned and Hispanic businesses appear to receive fewer public funds than their White counterparts (Choi et al., 2022). Throughout the COVID pandemic, Black-

owned businesses received 50% lower in Paycheck Protection Program loans from banks in comparison to White-owned businesses (Atkins et al., 2021). In 2020, the U.S. Small Business Administration reported that Black-owned businesses received 1.67 % of all federal contract funding compared to 15.64 % awarded to other non-minority small businesses. As such, systemic racial barriers appear to exist in the distribution of public funding, despite Black-owned businesses ability, initiative, or access to resources (Cederberg & Villares-Varela, 2019; George, 2021; Gold, 2016). Although barriers in operating a business, and disparity in contracting, have been studied (MBDA, 2016), the impact of racism on accessing public procurement contracts has not been examined. This study used the critical race theory (CRT) and corporate responsibility to race (CRR) frameworks in an effort to explore the experience of Black business owners, specifically how racism may have impacted their experience in securing public procurement contracts.

Positionality Statement

Positionality is something that a researcher brings to a study, consciously or unconsciously. Positionality is described as a researcher's culturally ascribed beliefs and the social reality of such knowledge (i.e., race, gender) (Holmes, 2020). As such, it is important to disclose my position in conducting this study. I am a 39-year-old Black woman living in Arizona. I grew up in a single parent household with three other siblings. My family and I lived in poverty for the majority of my childhood. The first time I heard about the term race was when I was seven-years-old when a cross was burned in our front yard. Because my mother taught us to love and respect each other, and those around us, it was difficult to understand why someone would do this to us.

While in high school, race riots occurred on my campus regularly. From this, I began questioning why people behaved differently than how I was raised. After graduating high school, I began the journey of exploring myself and the world around me in hopes of learning the answer to my question. I did not find the answer during my time at Arizona State University, where I obtained a Bachelor's in Social Work, nor while studying at Grand Canyon University where I completed a Masters in Psychology. In many ways, I was still puzzled at how race and racism were defined and why people behaved differently than how I was raised.

I worked to help spread love to other people regardless of their race, gender, nationality, religion, or any other category. As a result of many of my life experiences, I started a nonprofit organization aimed at helping low-income community members become self-sufficient. After struggling to financially sustain the nonprofit, I pursued public procurement contracts. I was successful in accessing and benefiting from public procurement contracts, until I learned that my race would impact my ability to sustain the nonprofit.

As a result of my experiences, I desired to explore the experiences of other Black businesses to see if racism affected their access to securing public contracts. I am aware of the potential bias I bring to this study because of my personal experience, particularly that which surrounds race. While this would undoubtedly be helpful in guiding this study, I recognize that it may also influence my interpretation of the data.

As such, I used reflexivity to illustrate my positionality in conducting this study. The reflexive approach helps to minimize bias, explain and understand the researcher's position about the study process, and inform selected participants and readers of the study's outcome (Holmes, 2020). Therefore, my previous experiences as a Black business owner can serve as a lens to understand how racism may affect Black business owner's experiences in public procurement.

Background

This study aimed to explore Black business owners' experience with securing public procurement contracts. In this section barriers, public procurement contracts, capital, and racism was examined to better understand Black business owners' lived experiences. Then, in the following sections the problem statement, the purpose of the study, the research questions, the theoretical framework used, and the significance of this study were explained.

Black Business Barriers

Between 1982 and 2012, Black businesses faced insufficient opportunities and a lack of resources necessary for sustainable growth (Bento & Hwang, 2022). Black businesses barriers consist of inadequate qualification, experience, and compliance (Bates et al., 2017; Chepkoit, 2018; Glas & Eßig, 2018), lack of access to capital (Bento & Hwang, 2022; State of Black Arizona, 2021), and creditworthiness (Perry et al., 2022). Similarly, operating a minority-owned business led to disparities in accessing procurement contracts (MBDA, 2016), and contributed to barriers in Black businesses' ability to compete in an open market (Gold, 2016). Black business barriers to accessing public procurement and the capital market included a lack of solicitation awareness (Carlson, 2021) or fear of being denied and discriminated against (Bento & Hwang, 2022; Braveman et al., 2022). Further, despite businesses excelling, Black-owned businesses were more likely to receive fewer federal dollars when compared to similarly qualified non-minority businesses (U.S. Small Business Administration, 2020). Systemic racial barriers may exist, despite Black business owner's ability, initiative, or access to resources (Cederberg & Villares-Varela, 2019; George, 2021; Gold, 2016).

Securing Business Capital

When starting a business, access to economic resources and capital is necessary but often depends on the socioeconomic status of the business owner and their networks (Cederberg & Villares-Varela, 2019). In 2019, Garner defined capital as money, assets, and investments that generate profits for a business (Black Law Dictionary). Access to capital is a potential barrier for Black-owned businesses as some Black business owners may have difficulty accessing it (Hanks et al., 2018). Black-owned businesses may have difficulty accessing capital due creditworthiness, banking institutions availability, high interest rates, low loan amounts, hesitancy to apply for credit due to fear of denial, lack of trust in banks and fear of discriminatory practices (Baboolall et al., 2020; Bates et al., 2017; Bento & Hwang, 2022; Blount, 2021; Braveman et al., 2022; Glas & Eßig, 2018; Perry et al., 2022; State of Black Arizona, 2021; State of Black Arizona, 2022). As a result, a difference between the amounts of start-up capital available by race suggests on average, Black-owned businesses had access to over \$19,000, while White business owners had access to \$34,500 (Fairlie et al., 2020). Black-owned businesses were less likely to be approved for capital and thus, out of fear of rejection, did not apply for loans, lines of credits or other traditional forms of capital (Bates et al., 2017; Fairlie et al., 2020; Robb et al., 2018).

Public procurement

Public procurement is a budgetary government system that uses public funds to purchase goods and services for projects and programs. This happens through a cycle of bidding, contract awards, and contract management (Bates et al., 2017; Grandia & Meehan, 2017; Khan, 2018). The U.S. Small Business Administration created the public procurement contract set-aside (i.e., affirmative action or preferential) programs to ensure that funds were distributed among minorities businesses (Hawkins et al., 2018; Lewis, 2017; Marion, 2017). Recent data suggests

that 23% of businesses were registered to women and 24% were registered to minorities (U.S. Census Bureau, 2022). However, women received under 5% of contracts and minorities received under 3% (U.S. Census Bureau, 2022).

Despite the programs intention to issue more equitable contract funding, the federal government has yet to meet its pre-established goal of awarding these set percentages to eligible minority businesses (Muir et al., 2020). Black-owned businesses received \$9.2 billion out of \$559 billion in available federal contract funds (U.S. Small Business Administration, 2020). As a result, in an effort to strengthen equity for small minority businesses in federal procurement contracts, the White House plans to increase contract spending from 9.8% to 15% by 2025. For this reason, procurement contracts may be a unique way for minorities to access capital to grow and sustain their business (Chepkoit, 2018; Shelton & Minniti, 2018).

Racism

Racism in America is a complex and pervasive issue that is rooted in the legacy of slavery, Jim Crow's segregation law, and other forms of discrimination (Hanks et al., 2018).

Racism has taken on several defining ideas as a social construct, both historically and in the 21st century (Banaji et al., 2021). Social constructs are fictional ideas about people that society assigns to other people in order to oppress them. The social construction of race is the belief that race is a concept created by a particular society using phrases, literature, and ideas and that race is fabricated by the government, which ensures that there are differences in the rights and immunities between races (Baboolall et al., 2020; Shorty, 2021).

Likewise, racial construction is any spoken, graphic, or written form that perpetuates racial constructions (Delgado & Stefancic, 1998). In particular, race has not been recognized biologically but is an invention of dominant group bias, which, in turn, created race as a socially

constructed idea (Shorty, 2021). Moreover, differential racialization explores patterns of racially marginalized groups and makes race a socially constructed idea that does not apply to any racial group (Cabrera, 2018).

Critical Race Theory (CRT) identifies the social construction of race as the belief that race is a concept created by a particular society using phrases, literature, and ideas (Shorty, 2021). In this study, racism was examined in three layers: individualized, institutionalized, and systemically. Individualized racism is the first layer and is the negative reflection of thoughts, attitudes, and behaviors towards another individual because of their race (Banaji et al., 2021; Lee et al., 2020). A second layer, institutionalized racism, applies to policies or, practices in the cultural setting of an organization that aim to discriminate against a person because of their race (Banaji et al., 2021). The last layer is systemic racism, entails perpetuated forms of discrimination within a system founded on racist policies. Systemic racism is the combination of practices, policies, laws, beliefs, cognitive interpretation, attitudes, values, norms, or habits that uphold racial inequality in a society (Banaji et al., 2021; Garner, 2019).

In this study, racism is defined as the actions and beliefs that systematically perpetuate unfair cycles of privilege, resources, and power (DiAngelo, 2011). As such, racism may be linked to negative attitudes toward people of color and may be driven by the desire to maintain social hierarchies of racial inequality (Litam & Balkin, 2021). For these reasons, the basic tenets of CRT were used in this study to examine how power and privilege can oppress people of color (Logan, 2019) and how the power available to procurement organizations may influence the success or failure of Black businesses in contracting.

Critical Race Theory

Critical race theory (CRT) is an academic and legal framework that views race as a sociocultural origin for shaping social, political, and economic inequality in America (Delgado & Stefancic, 1998). There are six tenets of the formation of CRT: interest convergence, permanence of racism, social construction, differential racialization, intersectionality, and unique voices of color (Cabrera, 2018). While each CRT tenet is described in more detail in the following theoretical foundation section as it applies to this study, a brief overview follows. According to CRT, in the American culture, *interest convergence* promotes change in society, but only if it serves White people's interests (Busey et al., 2022).

Permanence of racism is the idea that race is a permanent feature of any society (Cabrera, 2018), and acts of racism occur overtly and or indirectly (Conyers & Wright Fields, 2021).

Social construction of race is the belief that race is a concept that has been created by a particular society using phrases, literature, ideas (Shorty, 2021), and/or graphics (Delgado & Stefancic, 1998). Intersectionality occurs when two or more categories of identities overlap, for example, race and gender (Delgado & Stefancic, 1998). Common categories include race, gender, class, citizenship status, last name, phenotype, accent, and sexuality (Solórzano & Yosso, 2002).

Whiteness as property is described as a fundamental property right or an asset reserved for Whiteness that is an interwoven part of America's legal system (Baboolall et al., 2020; Cabrera, 2018; Harris, 1993; Shorty, 2021). Voices of people of color suggest that people of color are experts in their own experiences and can tell stories of discrimination or address distorted information and myths (Busey et al., 2022; Delgado & Stefancic, 1998; Solórzano & Yosso, 2002).

Corporate Responsibility to Race Theory

Corporate responsibility to race (CRR) theory examines how corporations publicly communicate and practice the allocation of resources in an effort to address racism within an organization (Logan, 2019; Logan, 2021). According to the theory, corporations are part of a system that weaponized racism for profit as far back as the enslavement of people of African descent. As such, CRR theory can help with understanding the potential impact of racism on Black businesses' inclusion in procurement contracts and other corporate settings. Further, this study used the CRR framework to help explain how the tenets of the CRT are intertwined with how Black business owners' experience public procurement contracts. For example, interviewing participants can be a way to learn about their lived experiences, with the unique voices of people of color serving as a guiding principle for CRT. The CRR theory can then be applied to understand how participants experience the public procurement process because it operates like a corporation. The application of both the CRT and CRR frameworks may lead to a greater understanding of Black business owners' experience in public procurement and if racism impeded their contracting efforts.

Biblical Foundation

On the sixth day, God created man in his own image; in the image of God, he created him, male and female (i.e., Adam and Eve) (*New King James Version*, 1982, Genesis 1:27, Genesis 3). Their sin in the Garden of Eden breached God's divine plan for mankind. God extended his grace to mankind through the actions of Noah (Genesis 5) and the birth and sacrifice of Jesus Christ (John 3:16). As such, when God created mankind, he never defined race; however, it was not until later that God referenced to different languages (Genesis 11:7-8),

nations, and tribes (Revelations 7:9). In the Bible, it is clear that there is neither Jew nor Greek; neither slave nor free; neither male nor female; for you are all one in Christ Jesus (Galatians 3:28).

Since we are all a part of Christ, and created in God's image, racism and superiority amongst mankind can be a way of defying God's plan after the death and resurrection of Jesus Christ. God instructed us not to hold the faith of our Lord Jesus Christ with partiality, stating, "Have you not shown partiality among yourselves and become judges with evil thoughts?" (James 2:1, 4). God sees partiality as a form of judgment that is against God's love for us, yet God has instructed us to love each other without partiality (1982, John 13:34).

Moreover, in Luke 18:11, the Pharisee gave thanks to God for not being like other men whom he judged (*New King James Version*, 1982). Likewise, judgment and a need for superiority and a lack of knowledge can contribute to racial ideology. However, we are created in God's image, and we should not take on the role of casting judgment based on socially constructed ideas such as race. We instead are directed to "Cease to do evil, learn to do good, seek justice, rebuke the oppressor, defend the fatherless, and plead for the widows" (*New King James Version*, 1982, Isaiah 1:16–17).

Further, it is not enough to know the words race and racism, but to desire to understand the harm they cause and take action that best reflects God's love and grace for all humanity. "Therefore, whatever you want men to do to you, do also to them, for this is the law and the prophets" (*New King James Version*, 1982, Matthew 7:12). Like so, race and racism are not biblical, biological, or scientifically substantiated but are accepted terms used to maintain power, wealth, and control (Braveman et al., 2022; DiAngelo, 2011; Gold, 2016; Logan, 2019).

In sum, Jesus gave us a new commandment, "that you love one another; as I have loved you, that you also love one another" (*New King James Version*, 1982, John 13:34).

Problem Statement

Barriers for Black business owners are potentially due to a lack of access to capital, opportunities (State of Black Arizona, 2022), and resources (Fairlie et al., 2020). For instance, access to capital during the COVID pandemic revealed that Black-owned businesses received 50% lower in Paycheck Protection Program loans from banks in comparison to White-owned businesses (Atkins et al., 2021). Thus, Black-owned businesses appear to be less likely approved for capital compared to similarly situated White-owned businesses (Robb et al., 2018). As such, it seems that a key barrier Black businesses face is not related to their lack of skills, initiative, or failure to utilize resources (George, 2021; Gold, 2016). In 2022, the U.S. Census Bureau, Non-Employer Demographic Data (NES-D), and Annual Business Survey (ABS) reported that there may be over 3 million Black-owned businesses out of 33.2 million businesses in the U.S. (Yaqub, 2023). While previous studies have examined racial barriers to accessing capital and public procurement contracts independently (Bento & Hwang, 2022; Braveman et al., 2022), the intersection of the two as experienced by Black business owners has not been examined. With the evidence of racism in American society and their access to capital, Black people are less likely to achieve financial stability to support themselves, grow their businesses, and contribute to society when compared to White people (Braverman et al., 2022; Gold, 2016; Robb et al., 2018).

Purpose of the Study

The purpose of this hermeneutic qualitative phenomenological study was to explore the experience of Black business owners in securing public procurement contracts. Furthermore, if racism impacted their experience in securing public procurement contracts were examined.

Research Question(s)

Research Questions

RQ1: How do Black business owners describe their lived experience in accessing public procurement contract?

RQ 2: Has racism impacted Black business owners experience with being awarded public procurement contracts?

Assumptions and Limitations

This study assumed that participants had experienced with public procurement contracts and that the meaning of those experiences may vary. Second, the assumption is that participants answered the demographic eligibility questionnaire openly and honestly. Third, the assumption is that participants answered interview questions freely and genuinely to avoid social desirability bias.

The study may be limited by how participants define racism. Because racism can be experienced on different levels and under different circumstances, participants lived experience may be described differently. An additional limitation is my personal experience as a Black business owner who has experienced racism in procurement contracting. This would be mitigated as much as possible by writing about all thoughts, feelings and areas of bias throughout

the research process, which is known as reflective journaling (Korstjens & Moser, 2018).

Reflective journaling allowed me to document and minimize my bias; resulting in the participants' meaning and understanding of their experiences in securing public procurement contracts being highlighted through the study's findings.

Another limitation of the study was the purposive sampling method used to self-select participants that met the study inclusion criteria. Using the purposive sampling method may introduce researcher bias, and errors in interpreting participants meaning of their lived experience (Nikolopoulou, 2022). Furthermore, the method of recruiting participants that met the inclusion criteria but may decline to participate in the study (i.e., lack of availability). In conclusion, assumptions and limitations may influence the understanding of the research outcome.

Theoretical Foundations

The theoretical frameworks of critical racial theory (CRT) and corporate responsibility to racial theory (CRR) were used to better understand the lived experiences of Black business owners in securing public procurement contracts, and to specifically examine if racism impacted their experience in securing these contracts. In the 1970s, the founders of CRT grew concerned that the passage and slow implementation of civil rights could perpetuate oppression and may reveal racism to be a central, systemic, issue in society (Bell, 1992a, Bell, 1992b, Bell, 1995; Busey et al., 2022). CRT focuses on achieving equality by addressing forms of oppression in social structures such as capitalism (Moschella, 2022).

CRT was birthed during a struggle that encouraged people of color to express their lived experiences with racism (Bell, 1992a, Bell, 1992b, Bell, 1995; Busey et al., 2022). Oftentimes

CRT tenets were applied in studies differently, which allows CRT to transcend outside of educational and legal references (Shorty, 2021). As such, CRT may not be reduced to a fixed and constrained definition, but it allows for a flexible analysis of the social structure of race and institutionalized and systemic racism that reproduces the intent to control people of color (George, 2021). Therefore, CRT tenets are important for understanding the lived experience of Black business owners in securing public procurement contracts. Moreover, to examine if racism impacted their experience in securing public procurement contracts. This study explored Black-owned business experiences with the following tenets:

The first CRT tenet is *permanence of racism*, which described race as being a permanent feature of society and suggests that acts of racism occurs overtly and or indirectly (Cabrera, 2018; Conyers & Wright Fields, 2021). Racism exists as systems of beliefs, practices, and policies that are based on race, and function to serve the interests of those in power, notably those with historical power (Garner, 2019; Grasser & Jovanovic, 2022). For these reasons, in this study, the impact of racism was explored through overt or indirect individualized, systemic, or institutionalized levels of racism.

Individualized racism represents negative thoughts, attitudes, and behaviors expressed towards a person because of their race (Banaji et al., 2021; Lee et al., 2020). For instance, procurement officers may use stereotypes, prejudgment, bias, or blatant discrimination in awarding or denying contracts. While institutionalized racism includes the policies, practices, and cultural settings of an organization that aim to discriminate against people because of race (Banaji et al., 2021). For instance, the method of marketing available contracts by publication may specifically target a precise demographic population and/or by refusing to promote qualified people of color to leadership positions.

Systemic racism is the combination of practices, policies, laws, beliefs, cognitive interpretation, attitudes, values, norms, or habits that uphold racial inequality in a society (Banaji et al., 2021; Garner, 2019). Discrimination in contract awards and utilization may be a direct impact of systemic racism. For instance, the benefits that being awarded a procurement contract may be restricted by the words used within the Terms and Conditions to interpret the policy on utilization (i.e., "as needed basis" or "not guaranteed"). In addition, the making and enforcement of a contract and or the evaluation process may lead to opportunities for abuse of power. For instance, procurement officials' perceptions, interests, bias, and/or willingness to commit fraud may alter the outcome of contracts awards (Blount & Li, 2020; Graycar, 2019; Landale et al., 2017; Rustiarini et al., 2019a; Rustiarini et al., 2019b). Likewise, qualification measures used in awarding contracts may be a direct impact of systemic racism. For instance, disqualifying minority businesses from contract awards based on unsusceptible perceptions of policies on "capacity", "facility availability", and or "low fee for service rates". Therefore, systemic racism may be a barrier experienced by Black business owners in accessing procurement and would differ from the experiences and stories told by White people (Cabrera, 2018).

The second CRT tenet explored is *intersectionality*, where two or more categories of ones' identity overlaps due to the racializing inferiority of race, gender, class, citizenship status, last name, phenotype, accent, and/or sexuality (Delgado & Stefancic, 1998; Solórzano & Yosso, 2002). Intersectionality may be observed based on how procurement agencies solicit, evaluate, award, and utilize Black-owned businesses owned by women (or any other double-minority).

The third CRT tenet in this study is *whiteness as property*, observed as an interwoven part of America's legal system and as a fundamental property right or an asset reserved for Whiteness. For instance, Plessy v. Ferguson, a U.S. Supreme Court case that ruled, the 'separate

but equal' doctrine was constitutional. Whiteness of property may be found in Brown v. Board of Education, another widely known U.S. Supreme Court case ruling that segregating children in a public school based on race was unconstitutional. Almost sixty years later, the Brown v. Board of Education ruling helped reverse the decision in Plessy v. Ferguson (Baboolall et al., 2020; Cabrera, 2018; Harris, 1993; Shorty, 2021). In 2023, however, the U.S. Supreme Court ruled that affirmative action in higher education was unconstitutional; in turn, may render the positive impact of Brown v. Board of Education ineffective (Kamarck et al., 2023).

Another landmark case in the U.S. Supreme Court is Comcast v. National Association of African American Owned Media (NAAAOM). NAAAOM claimed that Comcast refused to contract with NAAAOM because of the owner's race. In 2020, the U.S. Supreme Court ruled that NAAAOM should have pleaded and proved that had it not been for the owner's race (the but for test) Comcast would have awarded NAAAOM the contract. However, in early 2021, NAAAOM and Comcast settled out of court for an undisclosed amount, and NAAAOM obtained three contracts with Comcast.

Another case in the Arizona Federal 9th Circuit Court of Appeals filed by Millia Promotional Services et al. claims that the Arizona Department of Economic Security et al. racially discriminated in the making and execution of their contracts as observed in 42 U.S.C 1981 (a)(b), and the District court judge erred in defining and weighing the sufficiency of the evidence that only a jury could conclude. Similarly, another case emerged when a White woman, the founder of Ultima Service Corporation, sued the U.S. Department of Agriculture and the U.S. Small Business Administration (SBA), claiming that the use of a rebuttable presumption to prioritize minority groups in contracts violated the Fifth Amendment's guarantee of equal protection (Ultima Service Corporation v. U.S. Dept. of Agriculture, 2023). Ultima did not meet

the SBA 8(a) program qualifications and, in turn, filed suit claiming the 8(a)-program discriminated on the basis of race (Ultima Service Corporation v. U.S. Dept. of Agriculture, 2023). Unfortunately, the court agreed, stating that the "rebuttable presumption of social disadvantage" violated the Due Process Clause of the Fifth Amendment of the U.S. Constitution (Ultima Service Corporation v. U.S. Dept. of Agriculture, 2023). Consequently, any person applying for the 8(a) programs must now complete a social disadvantage narrative to prove they experienced a social and economic disadvantage that has impacted their business to be considered for the program (U.S. SBA, 2023b; Ultima Service Corporation v. U.S. Dept. of Agriculture, 2023).

Nevertheless, the tenets of the CRT appear to be prevalent in these cases, as courts have made similar rulings against the rights of people of color by retaining White people's interests and privilege in contracting. In 2019, Logan suggested that some court decisions may be due to systemic racism, with the court's reputation for weaponizing race to ensure protection, privilege, wealth, and power remain with White people. It appears that if the courts ignore the law to ensure White people's interests, it may lead to punishing people of color (Baboolall et al., 2020). As such, it may be possible that the interpretation of the law and the tolerance of race discrimination claims may demonstrate the privilege of asserting whiteness as property.

Lastly, property rights in contracting may be reinforced by the power and privilege afforded to the majority population in the United States. Specifically, Black people are potentially at a greater disadvantage because of racial discrimination in laws, practices, policies, income, housing options, healthcare, education, experience, and access to capital and resources throughout their natural lives (Braveman et al., 2022; Gold, 2016; Grasser & Jovanovic, 2022; Hanks et al., 2018; Martin & Lakins, 2022). The role of racism may be a barrier in laws, policies,

and practices that may then differentiate who has access to power, privileges, opportunities, and resources (DiAngelo, 2011; Garner, 2019; Grasser & Jovanovic, 2022; Logan, 2019; Logan, 2021).

The fourth CRT tenet is *interest convergence*, described as any progression for Black people are contingent on serving White people's interests (Busey et al., 2022). For example, the White House announced plans to increase contract spending for small minority businesses from 9.8% to 15% by 2025 (White House, 2021). In a society where systemic racism exists, those in the majority may be reluctant to share recourses, and power reserved for them (Martin & Lakins, 2022). As a result, Black people may be excluded from accessing and benefiting from the contracting rights and information available to White businesses. Black businesses accounted for only 1.67% of all procurement contracts compared to 15.64% of other non-minority small businesses (U.S. Small Business Administration, 2020). In 2022, there were 3.24 million registered Black businesses in America, however, Black businesses received only \$9.2 billion out of the \$559 billion available in federal contract funding (U.S. Small Business Administration, 2020; Yaqub, 2023). Hence, contract awards, solicitation awareness, evaluation, utilization, and remedies sought (if denied contracts) were explored to better understand the lived experience of Black business owners in public procurement contracting.

The final tenet of CRT can be referred to as either *storytelling*, *counter-storytelling*, *narrative*, or *the unique voices of people of color*. In the past, mistakes when studying minority populations may have contributed to systemic racism (APA, 2021; Sithas et al., 2021), which may have silenced the lived experiences of Black people. The contributors to CRT established legal storytelling to accomplish two things: to tell one's own story of discrimination and to address majoritarian tales and myths (Delgado & Stefancic, 1998). Majoritarianism stories are

described as natural tales told of everyday lives created by those who are racially privileged and strive to misrepresent and silence the experiences of people of color (Solórzano & Yosso, 2002). As such, people of color are likely experts in telling the stories of discrimination in their lives and can address distorted information and myths (Busey et al., 2022; Delgado & Stefancic, 1998; Solórzano & Yosso, 2002). In essence, the experience of racism requires people of color to express this reality because their stories would likely differ from White people's (Cabrera, 2018). This study explored the lived experience of Black business owners in securing public procurement contracts, specifically if racism impacted their experience in securing public procurement contracts.

Procurement is a process that uses public funds to purchase goods and services, thereby connecting business owners with resources within the national supply chain through contracts (Global Legal Group, 2022; Grandia & Meehan, 2017; Khan, 2018). To accomplish this, procurement uses a source selection method to recruit and evaluate businesses by issuing solicitations, then verifying the qualifications, experience, and cost of potential businesses (Glas & Eßig, 2018; Hawkins et al., 2018; Landale et al., 2017). The Small Business Administration is tasked with ensuring growth opportunities, contracts awareness, training, sustainable resources, and access to capital for small and disadvantaged businesses (Black, 1986; Small Business Act, 2022).

However, it appears that the procurement process may operate like a corporation in terms of hiring and awarding contracts. For instance, in 2022, research on the occupation of procurement managers revealed that 78.2% were White compared to 11.5% identifying as Black (U.S. Bureau of Labor Statistics, 2022). Research on procurement operations suggests that racial discrimination, bias, and the procurement officer's likeness to accept bribes or commit fraud may

significantly impact the source selection process (Banaji et al., 2021; Blount & Li, 2020; Graycar, 2019; Landale et al., 2017; Rustiarini et al., 2019a; Rustiarini et al., 2019b). For these reasons, it may be possible for organizations to lay the groundwork for diversity or perpetuate the vicious cycles of prejudice that may lead to discrimination and reduced opportunities for people of color (Anglim et al., 2019).

To better understand the potential impact procurement may have on Black businesses access to contracts, this study used the corporate responsibility to race (CRR) theory to raise awareness to how race may be a factor in public procurement contracting. CRR is a new theory developed from other theories in public relations, race, corporate social responsibility, corporate personhood, and critical race theory (Logan, 2019; Logan, 2021). CRR links corporations and race through affirmative action, equal employment, diversity inclusion initiatives, and philanthropic efforts to support minority businesses and communities. CRR suggests corporations can communicate in five ways to dismantle racism: 1) by drawing attention to racism; 2) by focusing on the consequences of racism and lightening its complexities; 3) by advocating for racial justice and equality; 4) by publicizing a desire to improve race relations to achieve a more just and harmonious society; and 5) by prioritizing the needs of society over profit. As such, the CRR analytic lens can bring awareness to how corporations support or hinder racial equity in contracting. Although the CRR has not been empirically tested, this study may provide a lens to understanding the procurement process and the need to raise awareness about the potential impact of racism on Black people in procurement contracts.

Furthermore, this study has biblical implications for a better understanding of the spiritual warfare that race, and racism may manifest. In the Bible, God created all living things but on the sixth day, God created man in his own image) (*New King James Version*, 1982,

Genesis 1:27, Genesis 3). Because sin was birthed during this time, it became mankind's way of dividing God's perfect plan for his creation (*New King James Version*, 1982, Genesis 3). God extended his grace on mankind to correct this position of sin once and for all through the birth and sacrifice of Jesus Christ (John 3:16). As such, when God created mankind, he never defined race; however, it was not until later that God referenced different languages (Genesis 11:7-8), nations, and tribes (Revelations 7:9). Yet, racism and a need for superiority amongst mankind has become a way of defying God. "God instructed us not to hold the faith of our Lord Jesus Christ with partiality, stating, "Have you not shown partiality among yourselves and become judges with evil thoughts?" (James 2:1, 4). God sees partiality as a form of judgment that is against God's love for us, yet God has instructed us to love each other without partiality (1982, John 13:34). As such, partiality in accessing knowledge, being it may be true and right, may cause people to perish (Hosea:46).

Moreover, judgment, a need for superiority and a lack of knowledge can contribute to racial ideology. As such, God created all things, and we should not take on the role of casting judgment based on socially constructed ideas such as race and racism. We instead are directed to "cease from doing evil, learn to do good, seek justice, rebuke the oppressor, defend the fatherless, and plead for the widows" (*New King James Version*, 1982, Isaiah 1:16–17). Further, it is not enough to know the terms race and racism, but to the desire to understand the harm these terms cause and take action that best reflects God's love and grace for all humanity. "Therefore, whatever you want men to do to you, do also to them, for this is the law and the prophets" (Matthew 7:12). In sum, race and racism are not biblical, biological, or scientifically substantiated but are accepted terms used to maintain power, wealth, and control (Braveman et al., 2022; DiAngelo, 2011; Gold, 2016; Logan, 2019).

Definition of Terms

The following is a list of definitions of terms that are used in this study.

Black Business Barriers - include insufficient qualification, experience, and compliance (Bates et al., 2017; Chepkoit, 2018; Glas & Eßig, 2018), policies and procedures (Carlson, 2021), access to capital (Bento & Hwang, 2022; State of Black Arizona, 2021), creditworthiness (Perry et al., 2022; State of Black Arizona, 2021), accessing resources (Cederberg & Villares-Varela 2019; State of Black Arizona, 2022), solicitation awareness (Carlson, 2021) and, fear of discrimination in some form (Bento & Hwang, 2022; Braveman et al., 2022).

A Minority business- is a business composed of minority individuals that account for at least 51% of the daily operations of a business (National Minority Supplier Development Council, 2022).

Public procurement— is a budgetary government system that uses public funds to purchase goods and services for public projects and programs, which requires a cycle of bidding, contract awards, and contract management (Global Legal Group, 2022; Grandia & Meehan, 2017; Khan, 2018).

Racism- is a system of beliefs, practices, and policies based on race that functions to serve the interests of those in power notably, those with historical power (Garner, 2019; Grasser & Jovanovic, 2022).

 Individualized racism is the negative reflection of thoughts, attitudes, and behaviors towards another because of their race (Banaji et al., 2021; Lee et al., 2020).

- Institutionalized racism is applied in policies, practices or in the cultural setting of an organization that aims to discriminate against a person because of their race (Banaji et al., 2021).
- **Systemic racism** is perpetuated forms of discrimination within a system founded on racist policies, systemic racism is the combination of practices, policies, laws, beliefs, cognitive interpretation, attitudes, values, norms, or habits that uphold racial inequality (Banaji et al., 2021; Garner, 2019).

White Fear- is the reluctance to share resources, and power that refers to the United States' founding principles of morality and values (Martin & Lakins, 2022) (i.e., whiteness as property).

Whiteness- is a dimension of racism created to elevate White people over people of color in America (DiAngelo, 2011).

Significance of the Study

This research focused on the lived experiences of Black business owners and the ways in which racism may affect their chances of obtaining public procurement contracts. Given the evidence of racism in American society, barriers to Black businesses' access to capital may make it less likely for them to support themselves, grow their businesses, and contribute to society (Braverman et al., 2022; Gold, 2016; Robb et al., 2018). This study applied the theoretical frameworks of critical race theory (CRT) and corporate responsibility to race (CRR) theory to better understand the experiences of Black business owners in securing public procurement contracts. Specifically, the tenets of CRT can help others understand facets of racism; while CRR theory addressed the role that procurement (as an organization) can play in combating racism (Logan, 2019; Logan, 2021). In essence, the results of this study may shed light on if

procurement contracts are a unique way for minorities to obtain capital to grow and sustain their businesses (Chepkoit, 2018; Shelton & Minniti, 2018).

Through data and analysis, this study could enrich the existing literature by gaining insight into how some Black-owned businesses express barriers to public procurement and the strategies they use to maintain their operations in Arizona. If Black-owned businesses are not benefiting from public procurement opportunities, there may be a need to explore if public procurement solicitation, policies, regulations, or personnel should change to strengthen relations with Black-owned businesses. As a result of this study, government, and state procurement personnel may gain insight into how Black-owned businesses experience racial barriers to accessing public procurement. In addition, future researchers may explore other theories and strategies that Black-owned businesses use to secure public procurement contracts.

Summary

In Chapter 1, the study described an overview of barriers to Black businesses and potential impact that racism could have on obtaining public procurement contracts. Racism can systematically perpetuate unfair cycles of privilege, resources, and power (DiAngelo, 2011), in this case through public procurement and access to capital. Black people may be less likely to obtain equal advantages when compared to White people (Braveman et al., 2022; Bento & Hwang, 2022; Gold, 2016). As such, while research on business barriers and public procurement contracts is well established, there is a gap in the literature on the expressed accounts of racism in Black business owner's ventures to secure public procurement contracts as a form of capital.

Research concluded that Black-owned businesses face barriers to accessing capital (Hanks et al., 2018). As such, a lack of access to capital prevents Black businesses from growing and sustaining their businesses, contributing to the economy, creating jobs, and growing their

communities (Robb et al., 2018). On the other hand, despite disparities in contracts, contracts are a unique way for minorities to access capital to grow and sustain their businesses (Chepkoit, 2018; MDBA, 2016; Shelton & Minniti, 2018). In 2020, Black-owned businesses received 1.67% of all federal contract funding when compared to 15.64% awarded to other non-minority small businesses (U.S. Small Business Administration).

In this chapter, the tenets of CRT brought to light the facets of racism, while CRR theory highlighted the role procurement (as an organization) can play in combating racism when contracting with Black businesses. Chapter 2 provides a review of existing literature on Black businesses, securing capital, public procurement, racism, the problem statement, the purpose of the study, the research questions, the theoretical frameworks, and the significance of this study. Then, in Chapter 3, the research method and design of the study and how the study was conducted are explained in detail. In Chapter 4, details of the study's findings are interpreted, leading to the conclusion of the study in Chapter 5.

CHAPTER 2: LITERATURE REVIEW

Overview

In this study, racism is described as a system of prejudiced beliefs, practices, and policies created to serve the interest of some of those historically known to possess power (Grasser & Jovanovic, 2022). Racism may play a role in the actions and beliefs that systematically perpetuate unfair cycles of privilege, resources, and power (DiAngelo, 2011), ultimately contributing to inequality in laws, healthcare, practices, policies, housing, education, employment, and access to capital and resources (Braveman et al., 2022; Gold, 2016; Hanks et al., 2018). For these reasons, Black people may be more likely to start a business out of need rather than opportunity (State of Black Arizona, 2021). Still, starting a business can provide the opportunity to build wealth (Hanks et al., 2018). In 2022, a report found that there were 33.2 million businesses in America, and only 3.24 million were Black-owned (Yaqub, 2023).

Another study found that minorities access to public procurement contracts are limited when compared to non-minority businesses (MBDA, 2016). In 2020, Black-owned businesses received 1.67% of all federal contract funding compared to 15.64% awarded to other non-minority small businesses (U.S. Small Business Administration). Black business owners' access to procurement contracts can be a form of access to capital without taking on debt. However, prior studies have found that procurement bias, discrimination and contract underutilization are inevitable barriers in contracting (Bates et al., 2017; Blount & Li, 2020; Carlson, 2021; MBDA, 2016).

Systemic racial barriers may exist in accessing public funding, despite Black-owned businesses' abilities, initiatives, or access to resources (Cederberg & Villares-Varela, 2019; George, 2021; Gold, 2016). Prior studies found that operating a business requires access to

capital, which may become a barrier to Black-owned businesses' growth and sustainability efforts (Hanks et al., 2018; Robb et al., 2018). Without access to capital, Black-owned businesses may rely on high interest credit cards, or loans, and may be unable to grow and sustain their business, contribute to the economy, create jobs, and develop communities (Bates et al., 2017; Chepkoit, 2018; Robb et al., 2018; U.S. Small Business Administration, 2020).

While disparity in accessing capital and public procurement contracts has been observed in prior research, none has yet explored the lived experiences of Black business owners, specifically to examine if racism impacted their experience in securing public procurement contracts. This study applied the critical race theory (CRT) and corporate responsibility to race (CRR) frameworks in an effort to explore the experiences of Black business owners with the goal of examining ways racism may have impacted their experience in securing public procurement contracts. This chapter explored potential barriers faced by Black-owned businesses, public procurement contracts, capital, racism's potential impact, and the chosen theoretical framework for this study. In addition, this chapter reviewed laws and civil cases that may help inform businesses, the government, and state procurement agencies on actions that may reduce racial inequality in public procurement contracts.

Description of Search Strategy

To ensure that the literature reviewed was relevant to this study, I searched for keywords in Google Scholar, Liberty Jerry Falwell Library: racism, effects of racism, barriers, access to capital, Black business, procurement contracts, and critical race theory. Then, I searched each keyword and selected results that were peer-reviewed articles published between 2017 and 2023. After studying critical race theory, I learned about corporate responsibility to race theory, which

may contribute to the rationale for this study. Then, I conducted Biblical research using word study online at the Bible Gateway website and identified scripture on race, racism, judgment, and fairness as they relate to the topic of this study. I found that depending on the version of the Bible that the terms may not be present. After I located applicable scriptures according to the keyword search above, I chose to use the New King James Version. Then I read each scripture to ensure its appropriateness for this study's biblical foundation.

Review of Literature

Business Ownership in America

The history of entrepreneurship has been stable for decades and seen as a career opportunity for individuals, which in turn has made business ownership an important part of sustaining the economy (Reynolds & Curtin, 2010). The choice to pursue business ownership is an opportunity to build wealth (Hanks et al., 2018). However, setting up a business requires a few steps and investments, which can be problematic for some. As such, the process for starting a business in America consists of ten simple steps: benchmark your competition, set up a business plan, access funding, set up a location, identify a business structure or type, select an available business name, register the business at the federal or state level, apply for tax IDs, apply for licenses or permits, and open a business bank account (U.S. Small Business Administration, 2023a).

In addition, the opportunity to start a business is available to anyone interested in becoming self-employed. In fact, small business ownership (businesses with fewer than 500 employees) accounted for 99.9% of all businesses in America (U.S. Small Business Administration, 2018). During the COVID pandemic, there were 5.4 million new business

applications filed (U.S. Chamber of Commerce, 2021). Prior to the pandemic, almost 40% of all new businesses created were minority owned (Bates et al., 2017). A recent study found that there were 33.2 million businesses in America, and only 3.24 million were Black-owned (Yaqub, 2023).

Subsequently, the COVID pandemic brought to light concerns about how federal funds were distributed amongst qualifying businesses, resulting in unequal access to funding for Black and other minority businesses when compared to non-minority businesses (Choi et al., 2022). For instance, a study found that Black-owned businesses received 50% lower in Paycheck Protection Program loans from banks in comparison to White-owned businesses (Atkins et al., 2021). Likewise, a report on the number of businesses closed due to the pandemic revealed that Black businesses suffered a loss of 41% of their businesses when compared to 17% of White businesses (Fairlie, 2020). As a result, barriers for some Black businesses may prevent them from growing and sustaining their businesses, contributing to the economy, creating jobs, and growing their communities (Robb et al., 2018). Hence, to better understand what barriers exist, the following section examined prior literature on Black business barriers.

Black Business Barriers

The ability to set up a business in America consists of a ten-step process and paying associated fees (U.S. Small Business Administration, 2023a). However, Black-owned businesses may encounter race-based barriers that can place them at a disadvantage (Blount & Li, 2020). Specifically, Black people are at a greater disadvantage because of racial discrimination in laws, practices, policies, income, housing options, healthcare, education, experience, and access to capital and resources throughout their natural lives (Braveman et al., 2022; Gold, 2016; Grasser & Jovanovic, 2022; Hanks et al., 2018; Martin & Lakins, 2022). Likewise, the role of racism can

be a barrier in business, as laws, policies, and practices often differentiate who has access to power, privileges, opportunities, and resources (DiAngelo, 2011; Garner, 2019; Grasser & Jovanovic, 2022; Logan, 2019; Logan, 2021). To illustrate this point, the following sections highlight previous research on Black businesses that may provide a better understanding of the types of challenges Black businesses may face.

While there is a significant amount of research centered on barriers to accessing capital, a study reviewed Black businesses over a ten-year period and found barriers existed surrounding insufficient opportunities and a lack of access to essential resources (Bento & Hwang, 2022). Additionally, the size of a business is related to the availability of resources and business capabilities, which affect their activities, performance, capacity, and value of the contracting qualifications (Flynn, 2017). On the other hand, Black-owned businesses face barriers to accessing capital due to their creditworthiness, banking institutions availability, high interest rates, low loan amounts, and hesitancy to apply for credit due to fear of denial, lack of trust in banks, and fear of discriminatory practices (Baboolall et al., 2020; Bates et al., 2017; Bento & Hwang, 2022; Blount, 2021; Braveman et al., 2022; Glas & Eßig, 2018; Perry et al., 2022; State of Black Arizona, 2021; State of Black Arizona, 2022). However, Black business owners' ability, initiative, or access to resources may not reduce the impact of systemic racism. Researchers have suggested that systemic racial barriers may still exist because the lingering inequalities in access to wealth in America differ by race (Fairlie et al., 2020; George, 2021; Gold, 2016; Perry et al., 2022).

Therefore, the history of systemic racism may continue to impact Black families' abilities to create and accumulate wealth when compared to White families (Perry et al., 2022). Black-owned businesses are less likely to be approved for capital and thus, out of fear of rejection, do

not apply for loans, lines of credit, or other traditional forms of capital (Bates et al., 2017; Fairlie et al., 2020; Robb et al., 2018). Likewise, there is a difference between the amounts of start-up capital available between race groups. Black-owned businesses gain access on average \$19,000 in start-up capital, while Whites business owners average \$34,500 (Fairlie et al., 2020). Additionally, research shows that banks distributed and denied high amounts of Paycheck Protection Program (PPP) funding; in turn, Black businesses received 50% lower in PPP loans from banks in comparison to similarly situated White-owned businesses (Atkins et al., 2021; Baboolall et al., 2020). As a result, a lack of access to capital may prevent Black businesses from growing and sustaining their businesses, contributing to the economy, creating jobs, and growing their communities, which in turn forces them to rely on personal credit cards to fund their businesses (Chepkoit, 2018; Perry et al., 2022; Robb et al., 2018; U.S. Small Business Administration, 2020).

Similarly, Black businesses barriers may consist of inadequate access to resources to gain capital and secure procurement market opportunities (Bates et al., 2017; Gold, 2016; Robb et al., 2018). Disparities studies in accessing procurement contracts revealed that there are consistent barriers to Black businesses' ability to compete in an open market (Gold, 2016; MBDA, 2016). For instance, procurement bias, discrimination, and/or altered contract utilization may be an inevitable barrier to accessing procurement contracts (Bates et al., 2017; Blount & Li, 2020; Carlson, 2021). Moreover, research has shown that access to procurement markets may be an opportunity for people of color to access capital to grow and sustain their businesses (Chepkoit, 2018; Shelton & Minniti, 2018). In 2022, there were 33.2 million registered Black businesses in America, however, Black businesses received \$9.2 billion out of the \$559 billion available in federal contract funding (U.S. Small Business Administration, 2020; Yaqub, 2023). Notably,

there are plans to increase contract spending for small minority businesses, which is expected to grow from 9.8% to 15% by 2025 (White House, 2021). As such, access to resources and capital can be vital for business success (Bates et al., 2017).

Therefore, Black businesses looking to secure procurement contract opportunities should familiarize themselves with common types of contract barriers. First, Black businesses experience barriers to navigating procurement, which can lead to a lack of understanding of procurement opportunities, procedures, and experience requirements (Carlson, 2021; Saastamoinen et al., 2017). Specifically, research suggests that a lack of qualifications, skills, human capital, and industry types may be barriers for Black businesses (Bates et al., 2017; Carlson, 2021; Cederberg & Villares-Varela, 2019; Chepkoit, 2018; Glas & EBig, 2018; Saastamoinen et al., 2017; Talal et al., 2019). Notably, Black-owned businesses are primarily found in health care and social assistance; professional, scientific, and technical services; administrative support and waste management services; construction; and transportation and warehousing industries (Baboolall et al., 2020). In 2021, Black-owned businesses comprised 30% of health care and social assistance businesses in Arizona (Black State Arizona, 2021). In 2023, approximately 100 Black-owned businesses are registered in the retail and apparel industries (State of Black Business Report 3.0 GPEC, 2023). Moreover, industry types appear to play a significant role in the success and sustainability efforts of some businesses.

Additionally, training, socioeconomic status, and social networking are factors that may contribute to barriers to Black businesses' success (Blount & Li, 2020; Cederberg & Villares-Varela, 2019; Sithas & Surangi, 2021). As such, a lack of training and perceptions of resource limitations and practical skills create a barrier to participating in public procurement (Saastamoinen et al., 2017). The competition from non-minority businesses may perceive the

existence of Black businesses as a threat to their ability to contract, may lead to reverse discrimination (Bates et al., 2017). The last common barrier to contract research has revealed that the role of procurement agency perceptions, interests, biases, and/or willingness to commit fraud may alter the outcome of contract awards and contribute to contract underutilization rates (Blount & Li, 2020; Carlson, 2021; Graycar, 2019; Landale et al., 2017; Rustiarini et al., 2019a; Rustiarini et al., 2019b). However, previous research has not pointed to any specific identifiable barriers to accessing public procurement, this may indicate these barriers are systemic (Flynn & Davis, 2016).

Furthermore, Black-owned businesses may be able to overcome barriers and thrive beyond 5 years through increasing capabilities and resources, initiating a strategic plan, and establishing trusting relationships to enhance public contracting opportunities (Barnes, 2019; Flynn, 2017). Black businesses can succeed if they have competent and skilled owners (leaders), invest in and control debt, access capital, and access market opportunities (Bates et al., 2017). Yet, it is possible that without racism, Black people can have more opportunities to accumulate wealth, create jobs, develop communities, and sustain their businesses (Hanks et al., 2018; Robb et al., 2018). However, the concern of accessing capital, resources, and procurement opportunities remains a barrier, but it can be reduced if the organizations act to fulfill their commitments in support of Black people and their businesses (Baboolall et al., 2020; Bates et al., 2017; Cederberg & Villares-Varela, 2019; State of Black Arizona, 2021).

Public procurement as Capital

In this section, the background of procurement was explained, as are the data and laws of studies that expand on procurement as a form of capital and the potential barriers Black businesses may encounter. Since the late 1960s, the government has utilized procurement

contracting to assist minority businesses (Bates et al., 2017). Public procurement uses public funds to purchase goods and services for public projects and programs (Global Legal Group, 2022; Grandia & Meehan, 2017; Khan, 2018). This happens, through a cycle of bidding, contract awards, and contract management (Bates et al., 2017; Grandia & Meehan, 2017; Khan, 2018). In addition, public procurement strives to ensure that its objectives are consistent with procurement practices, including economy, efficiency, fairness, and integrity (Blount, 2021; Keulemans & Van de Walle, 2017; Roman, 2017). To achieve these goals, the government enacted the Small Business Act of 1953, which established the U.S. Small Business Administration (SBA) agency (Small Business Act, 2022). The SBA is charged with providing growth and sustainable resources to minority and disadvantaged businesses (Black, 1986; Small Business Act, 2022).

As such, the SBA created the public procurement contract set-aside (affirmative action) program, which ensures that a set percentage of the municipal, county, federal, and state public procurement contracts are annually awarded (5%) to women and (3%) to minority businesses (Hawkins et al., 2018; Lewis, 2017; Marion, 2017; Rehman, 2016). Recent data found that 23% of businesses are registered to women and 24% are registered to minorities; however, women received under 5% of contracts and minorities received under 3% (U.S. Census Bureau, 2022). On the contrary, the federal government has not met its pre-established goal of awarding a set percentage of contracts to eligible minority businesses (Muir et al., 2020). However, a new plan reveals that the opportunity to level the playing field for minority small businesses in accessing contracts will increase spending from 9.8% to 15% by 2025 (The White House, 2021).

Furthermore, the policies and strategies used for implementing public procurement contracts are explored specifically in various studies. For example, a study examined the effectiveness of public procurement as a policy tool and concluded that public procurement

lacked strategic maturity when faced with critical issues as to how it measures its impact and accomplishments (Grandia & Meehan, 2017). Public procurement systems could increase awareness and reduce fraud if they adopted the same strategic processes as the private sector (Guarnieri & Gomes, 2019).

The policies used in public procurement contract are sometimes ignored and not used as a policy tool to create markets to address societal needs (Grandia & Meehan, 2017). For instance, public procurement may enhance policies to accurately describe the needs of society to increase employment rates, employ people with disabilities, ensure equal pay, and support small businesses (Grandia & Meehan, 2017). Without effective procurement policies, it may place Black businesses at an economic disadvantage because of how complex the public procurement process can be. Notably, the internal policies themselves may not be widely understood by procurement officials because of frequent changes, which in turn, makes it difficult for procurement officials to actively implement changes or measure their success (Grandia & Meehan, 2017).

Black-owned businesses can become familiar with the laws governing how procurement agencies operate by examining how source selection methods are used to award contracts. Source selection methods require a lengthy review process that includes the prior performance of the business applying, the cost per transaction to fulfill the contract, trade-offs, and the benefit's value (Glas & Eßig, 2018; Hawkins et al., 2018; Landale et al., 2017). Some research on the effectiveness of procurement officers suggests that the role of its officers is significant in the source selection process and often includes their bias and the officer's likeness to accept bribes or commit fraud (Blount & Li, 2020; Graycar, 2019; Landale et al., 2017; Rustiarini et al., 2019a; Rustiarini et al., 2019b). As such, corruption occurs in public procurement contracting on

a grand scale, drawing attention to how corruption is manipulated politically and embedded institutionally (Gnoffo, 2021; Graycar, 2019).

Moreover, CRT argues that racism is a contributing barrier to inequality and is an organizational structure of power anchored in White privilege (Logan, 2019; Logan, 2021). For instance, when an organization incorporates supplier diversity programs in contracting, it improves its brand image, fosters innovation, and adaptability, and reduces its risk (Sordi et al., 2022). If not, organizations are at risk of civil lawsuits. Similar to the struggle observed during the implementation of the Fourteenth Amendment, equal rights under the law may be under attack concerning protecting people of color in contracting. According to 42 United States Code §1981 (equal rights under the law),

- "(a) All persons within the jurisdiction of the United States shall have the same right to make and enforce contracts and to the full and equal benefit of all laws and proceedings for the security of persons and property as is enjoyed by White citizens.
- (b) Make and enforce contracts, which includes the making, performance, modification, and termination of contracts and the enjoyment of all benefits, privileges, terms, and conditions of the contractual relationship.
- (c) The rights protected by this section are protected against impairment by nongovernmental discrimination and impairment under color of State law" (Justia Law, 2016).

Both the Fourteenth Amendment and 42 United States Code §1981 legal terminology reflect how to protect people of color and leveling the playing field for all. However, violations may occur in protecting people of color's interests in securing contracts (see Millia Promotional Services et al v. Arizona Department of Economic Security et al; Comcast v. National

Association of African American Owned Media). Any progression of equality in support of people of color is diluted to suit the interests of corporations and some White people (Logan, 2019). Likewise, "racial realism" advances White people in the law because the courts ignore the law to ensure White people's interests, which leads to punishing people of color (Baboolall et al., 2020). As such, some of these court decisions may be due to systemic racism, where courts are known to weaponize race to ensure protection, privileges, wealth, and power remain with White people (Logan 2019).

Furthermore, another study found that established suppliers of contracts face unwelcome competition from minority businesses, which leads to claims of reverse discrimination (Bates et al., 2017). For instance, some lawsuits claim set-aside programs violate the equal protection clause of the United States Constitution; however, these claims only surfaced when there was a possible disadvantage or unwanted competition (i.e., Adarand Constructors v. Pena, 1995; Associated General Contractors of America vs. City of Atlanta, 1984; Bates, 2015; City of Richmond v. J.A. Croson, 1989; Rice, 1992; Rice, 1999; Ultima Servs. Corp. v. U.S. Dept of Agric, 2023; Zehrt, 2009). Subsequently, Black people are less likely to obtain advantages from laws, policies, and practices in accessing capital and resources when compared to equally qualified White people (Bates et al., 2017; Braveman et al., 2022; Gold, 2016; Hanks et al., 2018).

However, if Black businesses can access procurement contracts, it can be a unique way to access capital to grow and sustain their businesses (Chepkoit, 2018; Shelton & Minniti, 2018).

According to the Black Law Dictionary, the term capital is defined as money, assets, and investments that generate profits for a business (Garner, 2019). Studies examined why Black people have financial barriers in business and concluded that Black people are less likely to be

approved for capital and do not apply out of fear of being denied (Bates et al., 2017; Fairlie et al., 2020; Robb et al., 2018). In such a case, other studies found that Black people struggle with accessing capital, as some have it and others cannot get access to it (Hanks et al. 2018).

Also, access to economic resources and capital is critical but is dependent on the socioeconomic status of the business owner and their networks (Cederberg & Villares-Varela, 2019). Relatively, statistics on economic equality have also hinted at racism being a contributing factor to the 19.5% of Black people living in poverty compared to 8.2% of White people (U.S. Census Bureau, 2020). Likewise, there are differences between the amounts of start-up capital available by race and on average, Black-owned businesses have access to around \$19,000, while Whites business owners have access on average \$34,500 (Fairlie et al., 2020).

The COVID pandemic became a barrier to all businesses, but it revealed how racism hindered access to resources and capital for Black businesses (Baboolall et al., 2020). In addition to Black businesses' known barriers, the added lack of trust in banks became apparent with the statistics on how banks distributed and the high denial rates of Paycheck Protection Program (PPP) funding (Baboolall et al., 2020). In fact, another study noted a disparity in access to PPP loans and concluded that Black businesses received 50% lower PPP loans from banks in comparison to White-owned businesses (Atkins et al., 2021). As a result, a lack of access to financial resources to start and sustain a business forced Black people and other people of color to rely on credit cards, loans, or grants to sustain their businesses (Chepkoit, 2018; Perry et al., 2022; U.S. Small Business Administration, 2020). Unfortunately, debt does not advance equality but instead may lead Black people to continue to struggle as racism plagues American society. Martin Luther King Jr. said during his interview with NBC:

"It's all right to tell a man to lift himself by his own bootstraps, but it is cruel jest to say to a bootless man that he ought to lift himself by his own bootstraps. And many Negroes, by the thousands and millions, have been left bootless ... as the result of a society that deliberately made his color a stigma." (Jiles, 2021)

Racism

In this section, racism is defined using three layers to describe types of racism and the impact racism may have on Black people. Also, this section explored how racial power and privilege are used to oppress people of color. Since the passing of the Civil Rights Act of 1866 (revised in 1964, and in 1991), the rights of Black people have been delayed or denied (Martin & Lakins, 2022). Studies examined why and concluded that racism in America is a complex and pervasive issue that is deeply rooted in the legacy of slavery, Jim Crow's segregation law, and other forms of discrimination (Hanks et al., 2018).

Like so, racism is a contributing element in the making and enforcement of laws, policies, and practices; in turn, racism replicates a distinction of who is able to access power, privilege, opportunity, and resources (DiAngelo, 2011; Garner, 2019; Grasser & Jovanovic, 2022; Logan, 2019; Logan, 2021). For instance, redlining, mass incarceration, and environmental racism contribute to the policies that hinder Black people from possibly securing the American dream (Hanks et al., 2018). Various studies have found that the effect of racism disproportionately and systemically oppresses access to equality in income, housing options, access to health, education, and experiences throughout their natural lives (Grasser & Jovanovic, 2022; Hanks et al., 2018; Martin & Lakins, 2022).

Racism has taken on several defining layers as a social construct, both historically and in the 21st century (Banaji et al., 2021). As such, social constructs are made-up ideas about people

and are based on how society assigns these ideas to other people. For instance, assuming that Black people are untrustworthy, thieves, liars, lazy, uneducated, etc. Presently, racism is described as a system of prejudiced beliefs, practices, and policies created to serve the interests of some of those historically known to possess power (Grasser & Jovanovic, 2022). Racism is observed through the actions and beliefs that systematically perpetuate unfair cycles of privilege, resources, and power (DiAngelo, 2011). As such, racism is linked to negative attitudes toward people of color and is driven by the desire to maintain social hierarchies of racial inequality (Litam & Balkin, 2021).

Various studies have differed in how they define race and racism; however, racism is still linked to issues of power and ideology (Logan, 2021). As such, this study used three layers to describe racism: individualized, systemic, and institutionalized. The first layer of racism is individualized (interpersonal) racism. Individualized racism is described as the negative thoughts, attitudes, and behaviors expressed towards another person because of their race (Banaji et al., 2021; Lee et al., 2020). For example, believing in White supremacy, stereotyping, making racist jokes, etc. Therefore, all individuals who live within a racist system are enmeshed in its relations, which means that all people are responsible for either perpetuating or transforming that system (DiAngelo, 2011).

The second layer of racism is systemic racism. One study concluded that systemic racism leads to a form of discrimination that persists in systems based on racist practices, policies, laws, beliefs, cognitive interpretations, attitudes, values, norms, or habits that support racial inequality (Banaji et al., 2021). For instance, the Jim Crow laws were established in support of White supremacy, which caused the segregation of White people and Black people (Ruef & Grigoryeva, 2018). Also, one study found that a common example of systemic racism is

observed in biased hiring practices, as people of color face discrimination throughout the hiring process and are less favored compared to White applicants (Triana et al., 2021). Furthermore, these types of race-based experiences are considered forms of racial microaggressions, which are verbal and nonverbal attacks that are systematically led by institutionalized forms of racism in support of White supremacy (Pérez Huber & Solórzano, 2015).

The last layer of racism is institutionalized racism. Namely, institutionalized forms of racism can be found in the policies, practices, and cultural settings of an organization that aims to discriminate against a person because of their race (Banaji et al., 2021). As such, Black people are less likely to obtain advantages in housing, education, employment, healthcare, criminal justice, access to capital, resources, and economic benefits when compared to White people (Grasser & Jovanovic, 2022; Hanks et al., 2018; Martin & Lakins, 2022). Yet, organizations may not be exempt from the perpetuation of racism and, in turn, can become allies for equality and inclusion. For example, the American Psychological Association publicly confirmed its participation in perpetuating racism and issued an apology to people of color for its role in contributing to systemic racism (APA, 2021).

Notably racism is not universally defined in research, which can lead to the continuation of various forms of discrimination that negatively impact people of color (Sithas & Surangi, 2021). As such, studies have explored ways to measure the impact of racism using quantitative methods. For instance, one study explored the impacts of racism using an integrated ecological momentary assessment to explain the daily diary experience of discrimination and found it to be reliably associated with poorer mental health (Potter et al., 2019). Another study measured racism using the Bayesian concept, which is the belief that it is logical to discriminate against people based on known racial stereotypes, while concluding that racism is associated with

negative feelings toward minorities and a desire to maintain racially unequal social hierarchies (Litam & Balkin, 2021).

Even more, racism moves people of color to a lower status based on unsubstantiated beliefs about an inherent weakness, enslavement, and they are subjected to cruelty either consciously or unconsciously (Braveman et al., 2022; Gold, 2016). Racism fuels stigmas, which cause discrimination by exercising power over a person (Grasser & Jovanovic, 2022). Discrimination is the mistreatment of a person or group of people based on a stereotype or a characteristic (Potter et al., 2019). Therefore, racism, discrimination, and stigma are intertwining effects that are individually, structurally, and or institutionally adopted (Grasser & Jovanovic, 2022).

Critical Race Theory

One study described critical race theory (CRT) as an academic and legal framework that views race as a sociocultural origin for shaping social, political, and economic inequality in America (Delgado & Stefancic, 1998). Rooted in legal studies, CRT is an interdisciplinary approach that encourages a variety of analyses and interpretations of how race and racism operate (Logan, 2021). In the following sections, we explored CRT as one of the theoretical frameworks in this study to better understand the lived experiences of Black business owners in securing public procurement contracts. Specifically, if racism impacted their experience in securing public procurement contracts. The section begins with a historical overview of CRT. Because prior studies on CRT tenets' have been described differently over time, only the tenets applicable to this study were detailed in the following sections and chapters.

The history of CRT began in the 1970s as a critique of color blindness within Critical Legal Studies, then adopted into the field of education, and was later added to a legal framework

that referred to the invention of race as a *social culture* intended to oppress people of color (Cabrera, 2018; Delgado & Stefancic, 1998; Shorty, 2021). The founders of the CRT viewed racism as a central issue in laws and in society after concern arose with the slow passage and implementation of civil rights, which singled out the likelihood of oppression continuing (Busey et al., 2022). Thus, the Civil Rights Movement and CRT addressed indirect and subtle forms of racism experienced by people of color (Rehman, 2016).

In 1989, CRT gained a sense of organization by hosting its first annual workshop that focused on the liberation of human beings from slavery, which suppresses ideologies rooted in social structures such as capitalism (Delgado & Stefancic, 1998; Moschella, 2022). CRT has grown to extend beyond academics and legal studies to become a framework used to analyze and change the foundational and cultural factors society uses against minorities (Shorty, 2021). CRT has become an original framework for addressing the complicated history of race in America (Baboolall et al., 2020). Moreover, CRT may not be reduced to a fixed and constrained definition; it allows for a flexible analysis of the social structure of race and institutionalized and systemic racism that reproduce the intent to control people of color (George, 2021).

CRT can be explored through various tenets of formation, i.e., social construction, racism is normal, interest convergence, differential racialization, intersectionality, and unique voices of color (Cabrera, 2018). However, other researchers have extended these tenets to include the permanence of racism and Whiteness as property (Cabrera, 2018). The CRT has also been conceptualized as consisting of seven tenets: permanence and centrality of racism; race is a social construction; interest convergence principle; intersectionality and anti-essentialism; storytelling and counter-storytelling; commitment to social justice; and transdisciplinary approaches to scholarly research (Busey et al., 2022). CRT tenets can also be described as a

social construction of race, interest convergence, intersectionality, racial realism, and Whiteness as property (Baboolall et al., 2020). CRT tenets have been applied in studies differently, which allows CRT to transcend away from educational and legal references (Shorty, 2021). As such, the next section described what CRT tenets are before leading into how some of the CRT tenets can be applied to this study to explore the lived experiences of Black business owners in securing public procurement contracts.

A founding contributor to CRT was Derrick Bell, who suggested that the passage of civil rights was an example of interest convergence that only occurred in favor of White people's self-interest (Delgado & Stefancic, 1998). To illustrate this point, in 1954, the historic Brown v. Board of Education civil rights case resolved the segregation of Black and White students in public schools declaring racial segregation was unconstitutional, and the Supreme Court agreed (Bell, 1980). Bell suggested the Brown v. Board of Education was an example of interest convergence, as Blacks achieve racial equality only when it converges with the interests of Whites (Bell, 1980).

Further interest convergence can be found in the enactment and enforcement of the Fourteenth Amendment. Section one of the Civil Rights Act of 1866 defined citizens in the likeness of the 14th Amendment of the U.S. Constitution, which was intended to reinforce the legal rights of freed Black people, the right to due process of the law, and/or of equal protection of the law (Zuckert, 1992). However, the intended progression of equality under the 14th Amendment included corporations, which in turn caused a delay in protecting newly freed Black people (Logan, 2019).

The legal advancements and setbacks illustrated by Bell suggest that affirmative action is a form of interest convergence (Baboolall et al., 2020), that has recently received renewed

attention. In 2023, the U.S. Supreme Court overturned the positive effects of affirmative action. In this ruling, the consideration of race in higher education admission was considered to be unconstitutional; however, the legacy admission (i.e., family affiliation and/or alumni of an institution) which predominately favors White students were not addressed (Students for Fair Admissions, Inc. v. President and Fellows of Harvard College, 2023). Similarly, interest convergence is prevalent in lawsuits that highlight racial inequality in the context of laws and contracting interests.

In 2020, Comcast v. National Association of African American Owned Media (NAAAOM) was brought before the Supreme Court. NAAAOM claimed that Comcast refused to contract with NAAAOM because of the owners' race (African American). In 2020, the Supreme Court ruled that NAAAOM would need to plead and prove that Comcast would have arrived at the same conclusion despite NAAAOM's leadership race. As a result of public interest, the case was sent back to the 9th Circuit Court, but later settled out of court in favor of NAAAOM's contracting interest.

Another case surrounding racial discrimination in contracts was filed in 2018, by Millia Promotional Services et al. (MPS), a nonprofit organization founded and operated by an African American, woman. MPS argued that the Arizona Department of Economic Security et al. racially discriminated in the making and execution of their contracts, violating their rights and benefits in contracting. In 2023, the District court ruled against MPS which forced MPS to file an appeal in the 9th Circuit Court. MPS noted that the District court erred by incorrectly weighing the sufficiency of the racial discrimination evidence, and that only a jury could conclude a fact. While the case is still pending, it appears that the contractual rights, benefits, and privileges

available for people of color may be problematic if they impede the comfort level of some White people.

For instance, a lawsuit filed by a White woman, the founder of Ultima Service

Corporation, sued, claiming that the U.S. Small Business Administration (SBA) 8(a) program
use of a rebuttable presumption prioritized minority groups in contracts violated the Fifth

Amendment's guarantee of equal protection (Ultima Service Corporation v. U.S. Dept. of

Agriculture, 2023). Although the SBA 8(a) program provides socially and economically

disadvantaged minorities with direct access to set-aside or preferential government contracts,

Ultima did not qualify for the program (U.S. SBA, 2023b). Ultima has held a sole-source

contract, and it has generated more than \$37 million in revenue since 2015 but record suggest

she was not satisfied with sharing these contracts with people of color. Unfortunately, the court

agreed, stating that the "rebuttable presumption of social disadvantage" violated the Due Process

Clause of the Fifth Amendment of the U.S. Constitution (Ultima Service Corporation v. U.S.

Dept. of Agriculture, 2023).

As such, the tenets of the CRT appear to be prevalent in these cases, as courts have made similar rulings against contracting rights of people of color by preserving White people's interests. As such, interest convergence and whiteness as property may help explain why commitment to social justice became another tenet of CRT. A commitment to social justice aims to abolish racism, sexism, and poverty while empowering minority groups (Solórzano & Yosso, 2002). Also, a commitment to social justice causes resistance to the liberal approach to racial inequality by insisting on the need for radical and fundamental change (Cabrera, 2018). As such, justice brings some people together while injustice divides people, leading to the suppression of dignity and respect through deliberate unfair treatment, practices, and outcomes (Le et al., 2021).

Next, the study explored the *permanence of racism* as another tenet of CRT. Racism is not equal to the meaning of race but has intertwining effects (Perez Huber et al., 2021). The permanence of racism is a widespread, permanent feature of society. It is a constant act of racism that occurs either overtly or implicitly (Cabrera, 2018; Conyers & Wright Fields, 2021). Also, the permanence of racism applies to the political domain (Busey et al., 2022). For instance, Bell said the permanence of racism refers to "racial realism", which advances White people in the law because courts ignore the law to ensure White people's interests, which in turn punishes people of color (Baboolall et al., 2020). For this reason, Black people are less likely to benefit from laws and policies in education, employment, healthcare, housing, and access to capital and resources in comparison to White people (Braveman et al., 2022; Gold, 2016; Hanks et al., 2018).

The third tenet of CRT is the *social construction of race*. The social construction of race is described as the belief that race is a concept created by a particular society using phrases, literature, and ideas and that race is fabricated by the government, which ensures that there are differences in the rights and immunities between races (Shorty, 2021; Baboolall et al., 2020). Likewise, *racial construction* is any spoken, graphic, or written form that perpetuates racial constructions (Delgado & Stefancic, 1998). In particular, race has not been recognized biologically but is an invention of dominant group bias, which, in turn, created race as a socially constructed idea (Shorty, 2021). Moreover, *differential racialization* explores patterns of racially marginalized groups and makes race a socially constructed idea that does not apply to any racial group (Cabrera, 2018).

Another tenant of CRT is *intersectionality*, which is an aspect of two or more categories of identities that overlap (Delgado & Stefancic, 1998). Intersectionality is racialized oppression that consists of common categories including race, gender, class, citizenship status, last name,

phenotype, accent, and sexuality (Solórzano & Yosso, 2002). Also, intersectionality applies to national origin and sexual orientation that interact in different settings (Shorty, 2021). Intersectionality occurs through connections across different layers of society and is jointly used to oppress some while asserting privilege over others (Baboolall et al., 2020). Furthermore, intersectionality is linked to the social construction of race, which can lead to the reinforcement of oppression and suppress the lived experiences of people of color (Cabrera, 2018).

Similarly, anti-discrimination laws intersect with people based on race and gender; as such, Black women may not benefit from such laws (Delgado & Stefancic, 1998). To put this into perspective, as noted earlier, the federal cases filed by a Black man, a Black woman and a White woman who all reported racial discrimination in exercising their rights to contracts (see Comcast v. National Association of African American Owned Media, Millia Promotional Services et al. v. Arizona Department of Economic Security et al., and Ultima Servs. Corp. v. U.S. Dept of Agric). As such, contracting programs serve more White women when compared to people of color (Gold, 2016). Thus, intersectionality can be observed as a potential barrier to Black-owned businesses' accessing contracts because of the overlapping of race, gender, and other characteristics.

The next tenet of CRT is *whiteness as property*, which is described as whiteness, a dimension of racism created only to place White people above people of color (DiAngelo, 2011). Whiteness as property exists as an intangible identity that is consistent with White supremacy, which assumes whiteness is a dominant privilege (Cabrera, 2018). Further, whiteness as property adds to attributes of privilege that White people are naive to and may not recognize (Shorty, 2021). While racism is deeply entrenched in America, whiteness is an asset reserved for White people (Shorty, 2021). As such, whiteness as property is a fundamental property right or an asset

reserved for whiteness that is an interwoven part of America's legal system (Baboolall et al., 2020; Cabrera, 2018; Harris, 1993; Shorty, 2021). Therefore, people of color cannot claim to be White to gain the same benefits and privileges as noted in Plessy v. Ferguson (Harris, 1993).

A study concluded that White people are unaware of the benefits and privileges afforded to them because of racism (Solórzano & Yosso, 2002). CRT describes racism as an entrenched social norm that encourages the omnipresence and insensibility of whiteness (Logan, 2021). For this reason, some Black people are less likely to obtain the same advantages when compared to White people (Grasser & Jovanovic, 2022; Hanks et al., 2018; Martin & Lakins, 2022). Still, whiteness as property requires recognizing the power of white privilege in the creation of stories about race (Solórzano & Yosso, 2002). So, there may be a need to identify the lived experience of Black people because whiteness as property contributes to the regulation and practices of racial inequality, which in turn, serves to leave systemic racism, and white supremacy unquestioned and problematic (Cabrera, 2018).

Streaming from the first published Black newspaper in America aligns with the last tenet of CRT that says: "We wish to plead our own cause; too long have others spoken for us" (Freedom's Journal, 1827). Correspondingly, storytelling, counter-storytelling, narrative, and the unique voices of people of color are established tenets of CRT used to voice the lived experience of a person of color. As such, the contributors to CRT established legal storytelling to accomplish two things: to tell one's own story of discrimination and to address majoritarian tales and myths (Delgado & Stefancic, 1998). Majoritarianism stories are described as natural tales told of everyday lives created by those who are racially privileged and strive to misrepresent and silence the experiences of people of color (Solórzano & Yosso, 2002). Historically, this can be

applied in the legal field, which tells the story in a way that says discrimination is not real unless it is intentionally proven (Delgado & Stefancic, 1998).

In the past, mistakes when studying minority populations may have contributed to systemic racism (APA, 2021; Sithas et al., 2021). In essence, counter-storytelling is another CRT term used to describe the objective of opposing narratives about reality by exposing alternative perspectives of racialized power and its associated privilege (Conyers & Wright Fields, 2021). Counter-storytelling has several forms: personal stories, a narrative that tells another person's story, and composite stories used to pull data to understand the racialized, sexualized, and class experiences of people of color (Solórzano & Yosso, 2002). Counter-storytelling can be effective because it tells the story of the lived experience of people of color, which in turn makes them knowledgeable experts (Busey et al., 2022). However, the experience of racism requires people of color to express this reality because their stories would likely differ from White people's (Cabrera, 2018). Therefore, storytelling and counter-storytelling align with the power of emphasizing the importance of hearing the voices of people of color (Shorty, 2021).

In the same fashion, the United States' past and present approaches to addressing race issues have caused more damage or regression (Conyers & Wright Fields, 2021). For instance, the more CRT is discussed, the angrier White people become (Martin & Lakins, 2022). Still, CRT is a necessary theory used to confront disinformation about America's history of racism. CRT may help others understand how racism perpetuates systems and institutions by identifying the need to review the fairness of laws and policies to ensure access to resources for all people. Additionally, CRT is an important framework for understanding how White privilege and racism may continue to shape our society and limit opportunities for Black people. Therefore, unique voices of people of color are a primary tenet used in this study to explore the lived experience of

Black business owners, and to specifically examine if racism impacted their experience in securing public procurement contracts.

Corporate Responsibility to Race Theory

To better understand the potential impact procurement may have on Black businesses' access to contracts, this study used the corporate responsibility to race (CRR) theory to raise awareness to how race may be a factor in contracting. CRR is a new developing theory founded from other theories on public relations, race, corporate social responsibility, corporate personhood, and critical race theory (Logan, 2019; Logan, 2021). CRR links corporations and race through affirmative action, equal employment, diversity inclusion initiatives, and philanthropic efforts to support minority businesses and communities. CRR suggests corporations can communicate in five ways to dismantle racism: 1) by drawing attention to racism; 2) by focusing on the consequences of racism and reducing its complexities; 3) by advocating for racial justice and equity; 4) by publicizing a desire to improve race relations to achieve a more just and harmonious society; and 5) by prioritizing the needs of society over profit. As such, this study applied the CRR theory as an analytic lens to bring awareness to how procurement as a corporation supports or hinders racial equality in contracting. Although the CRR has not been empirically tested, this study may provide a perspective for understanding the procurement process and bringing awareness to the potential impact of racism on the inclusion of Black people in procurement contracts.

While drawing from the CRT theory, corporations have been involved with America's race relations through slavery, enforcement of Black Code law, and exclusion of Black people under the Jim Crow law. For instance, slaves were deemed as property, if they became ill or died, slave owners filed insurance claims under "loss of property" to be compensated for their

loss (Logan, 2019). As such, slaves were not considered a person, but a nonperson, a property, commodities, or money which was used to either pay a debt or leased to settle debts. Black slaves were forced to contribute to building America's economy without recognition or reparations. Black slaves' contributions were termed as "free labor" and were used to build streets, bridges, railroads, houses and to maintain private plantations. The free labor approach to using slaves became a sustainable opportunity for corporations to profit from Black labor, as Black people could not profit from the labor rendered under the Black Code law. In sum, the labor, sales, and profits aspect of corporations are linked to America's relationship with race (Logan, 2019).

Additionally, race and corporation are linked through affirmative action, equal employment opportunities, diversity initiatives, and philanthropy efforts to support minority businesses and communities (Logan, 2019). Corporations address racism by targeting Black people as a primary marketing approach to gain profits (Logan, 2019). For example, following the murder of George Floyd in 2020, the event prompted corporations (i.e., Bank of America, JP Morgan, etc.) to donate to and profit from the social justice movement by pledging millions in the form of mortgage loans or investments (Jan et al., 2021). Another example, of CRR is reflected in the publication by the American Psychological Association (APA), which issued an apology to people of color for their contribution to systemic racism (2021). The APA is a trusted psychological science research tool in the United States, which in turn has contributed to society on key issues and has since implemented race-neutral changes in support of combating racism (APA, 2021).

Another point worth noting is CRT and CRR theories are not workplace diversity and inclusion initiatives, but instead hold corporations and their leaders accountable for their

participation in creating a just community and equitable workforce (George, 2021; Logan, 2019; Logan, 2021). Organizations with diversity and inclusion initiatives must diversify their leadership while making a conscious effort to change the values and perceptions of current leaders (Feeney & Camarena, 2021). Corporate gatekeepers initiate racial structures and influence others, which highlights how corporations maintain their hierarchies and processes (Ray, 2016). Like so, simply checking the box on employing minorities and implementing diversity training does not fix the attitudes and behaviors in a corporation (Robinson et al., 2020).

In the same way, workplace diversity can be assessed as a two-edged sword, one side promotes originality and innovation, while the other stimulates discrimination (Bader et al., 2018). Still, organizations can lay the groundwork for diversity in the workplace or perpetuate the vicious cycles of prejudice that lead to discrimination and reduced opportunities (Anglim et al., 2019). While diversity enhances organizational resilience, critical changes and preparations for future events require common-sense problem-solving, and the ability to reassess and learn from serious events (Duchek et al., 2019).

Nevertheless, race, property, and value are linked with racial ideology, and CRR theory, which examines how corporations publicly communicate and practice the allocation of resources in efforts to address racism (Logan, 2019). CRR is a corporate discourse that utilizes resources to address racial tension by clarifying the practice of racial oppression, and privilege, and expressing racial issues to increase public awareness in support of a fair, equal, and pleasant society (Logan, 2019). Essentially, corporations contribute to the same system that weaponizes racism for profit, therefore, there is a need to examine the CRR theory within the context of this study (Logan, 2021).

For these reasons, the CRR theory is valuable in this study as it can be used to bring awareness to how corporations are fighting against racial barriers (Logan, 2019; Logan, 2021). CRR theory suggests that, given that corporations profit from racial oppression, there is a need to explore how they communicate and allocate resources to address racial tension, oppression, and privilege in order to raise public awareness. This study applied the theoretical frameworks of both CRT and CRR to better understand the experiences of Black business owners in securing public procurement contracts. Specifically, the tenets of CRT can help others understand facets of racism in the procurement contracting process; while the CRR theory addresses the role that procurement (as an organization) can play in combating racism (Logan, 2019; Logan, 2021). In essence, the results of this study may shed light on the lived experiences of Black business owners in contracts, and if racism impacted their experience in securing public procurement contracts.

Biblical Foundations of the Study

On the sixth day, God created man in his own image, in the image of God he created him; male and female (*New King James Version*, 1982, Genesis 1:27). The Bible makes it plain that there is neither Jew nor Greek, there is neither slave nor free, there is neither male nor female; for you are all one in Christ Jesus (*New King James Version*, 1982, Galatians 3:28). As such, race and racism are not biblical, biological or scientifically substantiated, but American's insist on embracing these terms to maintain power, wealth, and control (Braveman et al., 2022; DiAngelo, 2011; Gold, 2016; Logan, 2019). However, the bible reveals to us how God sees partiality, as such judgments are against God's love for us, and we are directed to love each other without partiality (*New King James Version*, 1982, John 13:34). God has instructed us to "not

hold the faith of our Lord Jesus Christ, with partiality; have you not shown partiality among yourselves, and become judges with evil thoughts?" (*New King James Version*, 1982, James 2:1,4).

These scriptures highlight how insignificant race is to God and the importance of not judging each other with partiality. Believers of God are reflection of him, and we should not take on the role of playing God by casting judgment of cleanness and sinfulness based on the uncertainty of a socially constructed idea such as racism. According to the book of Matthew 7:12, which says, "Therefore, whatever you want men to do to you, do also to them, for this is the law and the prophets" (*New King James Version*, 1982).

Moreover, the book of Romans chapter two speaks to the very foundation of this study. "Therefore, you are inexcusable, O man, whoever you are who judge, for in whatever you judge another you condemn yourself; for you who judge practice the same things. But we know that the judgment of God is according to truth against those who practice such things. And do you think this, O man, you who judge those practicing such things, and doing the same, that you will escape the judgment of God? Or do you despise the riches of His goodness, forbearance, and longsuffering, not knowing that the goodness of God leads you to repentance? But in accordance with your hardness and your impenitent heart you are treasuring up for yourself wrath in the day of wrath and revelation of the righteous judgment of God, who "will render to each one according to his deeds": eternal life to those who by patient continuance in doing good seek for glory, honor, and immortality; but to those who are self-seeking and do not obey the truth, but obey unrighteousness—indignation and wrath, tribulation and anguish, on every soul of man who does evil, of the Jew first and also of the Greek; but glory, honor, and peace to everyone

who works what is good, to the Jew first and also to the Greek. For there is no partiality with God (*New King James Version*, 1982, Romans 2:1-11).

Summary

In Chapter 2, I explored in detail existing literature on Black businesses, securing capital, public procurement, racism, the problem statement, the purpose of the study, the research questions, the theoretical frameworks, and the significance of this study. This chapter laid the groundwork on the history of racism, using the CRT and CRR frameworks to examine racism and known barriers to Black businesses obtaining public procurement contracts. Conversely, race and racism are not biblical, biologic, or scientifically substantiated but are used to maintain power, wealth, and control (Braveman et al., 2022; DiAngelo, 2011; Gold, 2016; Logan, 2019). Specifically, racism is a social construct said to be fabricated and used to enforce control over others (Baboolall et al., 2020; Delgado & Stefancic, 1998; Shorty, 2021). The Bible reminds us of how God sees partiality, as such judgments are against God's love for us, and he has shown us how we are to love each other without partiality (*New King James Version*, 1982, John 13:34). Moreover, in Chapter 3, the research method and design of the study and how the study was conducted are explained in detail. In Chapter 4, details of the study's findings are interpreted, leading to the conclusion of the study in Chapter 5.

CHAPTER 3: RESEARCH METHOD

Overview

In this qualitative phenomenological research, the purpose was to explore the experience of Black business owners, specifically if racism impacted their experience in securing public procurement contracts. Prior research has suggested that Black-owned businesses are prone to encountering various barriers to operating a business, but there remains a gap in the research on how racism impacts Black-owned businesses' access to public procurement contracts, resulting in fewer Black businesses securing federal and state contract dollars (U.S. Small Business Administration, 2020). Thus, the objective of the present study was to better understand the meaning of the experience as expressed by Black business owners. This chapter described the importance of using the hermeneutic qualitative phenomenology approach to answer the research questions. Further, the chapter described the proposed research methodology, design, participant recruitment plan, research procedures, interviewing method, data collection, and analysis procedures to ensure the outcome is reliable and valid.

Research Questions

Research Questions

RQ1: How do Black business owners describe their lived experience in accessing public procurement contract?

RQ 2: Has racism impacted Black business owners' experience with being awarded public procurement contracts?

Research Design and Methodology

This study used a phenomenological qualitative research design in order to better understand the lived experiences of Black business owners with the public procurement process. Qualitative research methods explore participants' meaning and experience (Ramsook, 2018), collect and analyze participants' responses to research questions (Wolff et al., 2019), and generate deep meaning and understanding of phenomena based on the meaning of the data collected from interviews, surveys, images, or other methods (Lester et al., 2020). Furthermore, phenomenology is a method for describing the meaning of phenomena by exploring the people who experienced the phenomena being studied (Neubauer et al., 2019). A phenomenon is a practical understanding of the nature of human lived experience and the world as lived and understood from a particular historical position to interpret intentionality and intersubjectivity (Suddick et al. 2020). In this study, the phenomena studied is the lived experience of Black business owners, and their experience in securing public procurement contracts.

There are two types of qualitative research methods: transcendental and hermeneutic phenomenology. In this study, the hermeneutic method was adopted as it focused on the participants' experiences and the researcher's interpretation of those experiences (Neubauer et al., 2019; Suddick et al., 2020). The hermeneutic phenomenological approach was used to understand participants' experiences, investigate a phenomenon, and interpret the phenomenon (Ramsook, 2018). As such, the hermeneutic phenomenological approach was used in this study to maintain participants' unique voices and develop an in-depth understanding of their experience as Black business owners in securing public procurement contracts. The participants' experiences, and the meaning of these experiences are explored and analyzed to establish commonalities and differences among the shared phenomena.

Researchers who use a hermeneutic phenomenological design can unknowingly influence the study; however, using reflexive journaling can help to decrease their bias (Korstjens & Moser, 2018) and increase the reliability and validity of the study's outcome. As such, my personal experience as a Black business founder, resident of Arizona, and public procurement contractor required that I remain open to gaining a better understanding of the phenomenon by setting aside as much as possible of my prior experience with the phenomenon and focusing on what participants communicate. Also, researchers should examine their own bias and how it affects the participants responses (Korstjens & Moser, 2018). For this reason, reflective journaling allowed me to document and minimize my bias; resulted in the participants' meaning and understanding of their experiences in securing public procurement contracts being highlighted through the study's findings.

Participants

In this qualitative study, I used the purposeful sampling method to intentionally select eight to twenty participants who can provide information about the phenomenon and who can contribute to the development of meaning based on their reported experiences as Black business owners. Purposeful sampling is helpful for identifying and selecting participants to help render in-depth data as it relates to the phenomenon being explored (Palinkas et al., 2013). The participants met the following inclusion criteria (1) 18 years of age or older, self-identified as (2) Black, (3) a business owner with a business registered in Arizona, and (4) a resident of Arizona. Participants who met the inclusion criteria were scheduled for an interview at a mutually agreed-upon time and location. Interviews were audio/video recorded and held at the participants' office

or at a public meeting space. In the event that a participant was unable to meet in person, Google Meets or a phone call was utilized.

This study's setting was specific to the state of Arizona. The purpose of selecting this location was due to the growing population of Black people in businesses. In 2010, the Black population in Maricopa County accounted for over 260,000, or 5%, which increased to 5.9% in 2020 (U.S. Census Bureau, 2023). There are 1,019 Black-owned businesses in Greater Phoenix, which is the largest city within Maricopa County, Arizona (Perry et al., 2022; State of Black Arizona, 2022). This location allowed access to a significant number of Black-owned businesses to participate in this study.

Study Procedures

Before carrying out data collection in this study, all study procedures were evaluated and approved by the Institutional Review Board at Liberty University. In an effort to protect the participants in the study, participants signed an informed consent document indicating their voluntary participation and understanding of any study risks. Participants personally identifiable information, and study data, were protected by using pseudonyms and securing their responses, and all related documents, electronically on a password-protected USB drive stored at the primary researcher's residence.

Potential participants were identified online through five Facebook Groups, Black-Owned Phoenix, Being Black in Phoenix Recharged, Phoenix Black Owned Business Network, Black Women of Arizona, Arizona Black Owned, and the BlaxFriday website (https://blaxfriday.com/). These two methods were chosen to recruit potential participants because the platforms are already established and developed in support of Black businesses.

Upon approval from the group facilitator(s), the recruitment flyer was uploaded as a post on the group's main page, allowing all members the same opportunity to participate (see Appendix A, Recruitment Flyer). The post included a Google Form link to solicit demographic information from interested group members, a brief overview of the study, and instructions for potential participants to click on the Google Forms link to provide more information. The Google Form gathered participants' name, email address, informed consent and answers to the four 'yes-or-no' based inclusion questions (see Appendix B, Demographic Eligibility Questionnaire; Appendix C, Informed Consent Form).

The demographic eligibility questionnaire asked each participant the following questions:

- Are you 18 years of age or older?
- Do you self-identify as Black/African American?
- Are you a business owner registered with the state of Arizona?
- Are you a resident of Arizona?

Participants who answered no to all the questions, or who did not provide their email address were excluded from the study. Participants who met the study inclusion criteria and signed the Informed Consent form were sent an email to coordinate a time and location to conduct their interview.

Prior to conducting the interview, participants were given as much time as needed to ask any questions regarding the Informed Consent. Participants interviewed online or in person had the same options and can access the Informed Consent form within the Google Forms link. The informed consent forms were used to ensure participants could make an informed choice regarding their participation in the study, which is voluntary and holds minimal risk. All

informed consent forms were scanned, downloaded and stored on a password-protected USB drive stored at the primary researcher's residence.

Upon accessing the informed consent form, participants were provided with the purpose of the study, the possible benefit of participating, and the choice to include their email address to enter the \$50 Amazon e-Gift Card raffle. Each participants' email address was written on a separate piece of paper, shaken and one winner drawn, and contacted at the email address provided. Participants who did not win were sent an email thanking them for their participation.

Potential participants were also located through the BlaxFriday website under the Black Business Directory subpage. Businesses with a phone number/email address provided in the directory were called and emailed the recruitment flyer (see Appendix A: Recruitment Flyer. The body of the email mirrored the text for the post to the Black-Owned Phoenix, Being Black in Phoenix Recharged, Phoenix Black Owned Business Network, Black Women of Arizona, and Arizona Black Owned Facebook group listed above, and the same procedures were utilized for potential participants who filled out the Google Form.

The number of participants in a phenomenological study can range from 6 to 10 (Sarfo et al., 2021). In this study, I aimed to interview eight to twenty participants who meet the inclusion criteria. The final number of participants is determined once no new information is obtained (i.e., data saturation) (Moser & Korstjens, 2018; Sarfo et al., 2021). Therefore, the target sample size of participants for this study is sufficient and would provide an opportunity to recruit additional participants if data saturation is not met.

The hermeneutic circle was used to conduct the data analysis in this study (Neubauer et al., 2019). The hermeneutic circle consists of four parts: the whole, contextualization, the part, and defining (Okoko et al., 2023). Neubauer and colleagues' (2019) hermeneutic

phenomenological circle was used to conduct data analysis to interpret participants experiences. They suggested steps to include the following: (1) Read all participants' transcripts, (2) Reflective writing, (3) Re-read all participants transcripts, (4) Transcribe all participants' experiences, (5) Reflective writing, (6) Re-read all participants transcripts, (7) Explore patterns of meaning (i.e., identifying units or common themes) and (8) Continue working on parts of meaning to develop a new understanding of the whole.

Interviews were conducted in a 1:1 setting and lasted around 30-60 minutes. To ensure participants' responses were captured correctly, all interviews were audio recorded using Google Live Transcribe (Adeoye-Olatunde & Olenik, 2021), which was a cost-effective artificial intelligence used to transcribe audio recordings. In the event that the initial recording device malfunctions, a voice recording app on a phone was used and interviews were transcribed by hand. After transcription, responses were read and organized into common themes according to Neubauer et al. (2019). Any personal identifying information was extracted from the transcripts and replaced with pseudonyms to ensure confidentiality.

Instrumentation and Measurement

Interviews

To gain a better understanding of participants' lived experiences, their experience should be heard in their own words. To do so, I asked open-ended, semi-structured interview questions to cultivate a trusting connection necessitating the understanding of participants' feelings, opinions, and experiences (Mack et al., 2005). Open-ended interview questions were developed to learn more about the participants' lived experience with securing public procurement contracts (see Appendix D: Interview Questions). Participants were asked probing questions when

necessary to gather more in-depth information on the answers they gave in order to gain a better understanding of their lived experience.

Trustworthiness

To ensure the reliability/validity if this study, Lincoln and Guba (1985) recommended a framework to establish trustworthiness. Trustworthiness consists of four elements: credibility, confirmability, dependability, and transferability that are necessary to ensure that a study's data and interpretation support the significance and value of the study (Bloomberg & Volpe, 2015; Nowell et al., 2017). Each element of trustworthiness is described below.

Credibility equal to internal validity, which reflects the methods used to ensure trustworthiness in qualitative studies and assures the researcher correctly captures and interprets the true value of the study (Korstjens & Moser, 2018). Each participant was interviewed using an audio recording device or virtually, participants' responses may not be audibly clear from the recording for transcription, which would require obtaining clarification on what was stated.

Additionally, member checking enhances data credibility by allowing participants to review and provide feedback on research findings and interpretations, thereby satisfying confirmability (Korstjens & Moser, 2018). In this study, member checking was used to ensure participants described experience were accurately transcribed. Each participant was emailed a summary after the data was analyzed, to which participants were asked to add clarifications, corrections, or delete incorrect transcriptions of their statements.

Another element of establishing trustworthiness is dependability, described as stability in the data collected over time (Korstjens & Moser, 2018). Thus, dependability ensured that the outcome of the study can be repeated using the same participants, coding, and other strategies

(Forero et al., 2018). An audit trail was used to log detailed descriptions of all the related research data, decisions made during the study analysis and collection process, and all relevant research materials used.

Transferability required providing details of how the study was conducted with the intent that it can be replicated using the same or different populations and settings (Korstjens & Moser, 2018). In this study, details of the setting, participants' behavior, experiences, and procedures were documented throughout the study. Also, a reflective journal was used to document all preconceived bias, thoughts and feelings during the data analysis process can increase the accuracy of the data analysis and interpretation, which is known as reflective journaling (Korstjens & Moser, 2018). These analysis methods used in this study, were helpful to explore the experience of Black business owners, and determining if racism may have potentially impacted their experience in securing public procurement contracts.

Ethical Issues

Various ethical issues can arise that make it difficult to conduct qualitative research. To this end, I obtained approval from Liberty University's Institutional Review Board (IRB) before beginning this study. Beyond the procedures outlined above, during the study, I set up a separate, secure, email account used only for the study to ensure the confidentiality of the participants and myself. Participants' data was securely recorded and stored at my residence on my password-protected USB drive, which only I have access to. To ensure confidentiality, participants' names and company information were removed from the interview transcripts and replaced with codes to protect and secure their information. Participants were not exposed to any additional risks that they had not already experienced in their daily lives. Another ethical issue that may arise during this study pertains to data collection. As a researcher, I avoided misleading participants, which

was achieved by building rapport and disclosing the intent of the study. Three years after the conclusion of the study, all research data and participants' information would be destroyed.

Data Analysis

The hermeneutic phenomenological approach was used to understand each participants' experience (Neubauer et al., 2019) in the procurement process. In this study, the CRR framework was used to explain how the tenets of the CRT are intertwined with racism and how they may impact Black business owners' experiences with accessing public procurement contracts. For example, interviewing participants can be a way to learn about their lived experiences, with the unique voices of people of color serving as a guiding principle for CRT, and CRR was applied to understand how participants experience public procurement because the process it follows aligns with other corporations' operation procedures.

The procedures used in this study to conduct the data analysis incorporated the hermeneutic circle and thematic analysis. The hermeneutic circle was used to better understand the parts that inform the whole (Neubauer et al., 2019). Thematic analysis was used to generate common words, phrases, and experiences into meaning units based on how participants described their lived experiences. I followed the six phases to conducting inductive thematic analysis as recommended by Nowell et al., (2017) (1) awareness of self and data collected; (2) developing codes; (3) identifying themes; (4) reviewing themes; (5) defining themes; and (6) writing up the findings. Thematic analysis was helpful for examining different perspectives, similarities, and unanticipated responses from participants (Nowell et al., 2017). As a result, relevant traits of the phenomenon emerged. This study followed these six steps and removed irrelevant themes, then finalized common themes according to the interview questions. Finally,

the common themes were organized by the research question. These analysis methods used in this study, were helpful to explore the experience of Black business owners, and determined if racism impacted their experience in securing public procurement contracts.

Delimitations, Assumptions, and Limitations

This qualitative hermeneutic phenomenological study includes delimitations, assumptions, and limitations. The delimitations in this study consisted of not considering the age of the Black business as tenure and experience which may be contributed to the barriers of minority businesses (Bates et al., 2017; State of Black Arizona, 2022). Another delimitation consisted of the geographic location, as the study did not include other Black-owned businesses outside of Arizona. Also, the amount of time necessary to fully explore the meaning of participants' lived experiences was lengthy. For example, the social construct of racism was explored using open-ended, semi-structured interview questions that allowed participants to openly express their experiences.

This study assumed that participants had experience in public procurement contracting and that the meaning of those experiences varied. Second, the assumption was that participants answered the demographic eligibility questionnaire openly and honestly. Third, the assumption was that participants answered the interview questions freely and genuinely to avoid social desirability bias.

The study was limited by how participants define racism. Because racism can be experienced on different levels and under varied circumstances, participants' lived experience was described differently. An additional limitation was my personal experience as a Black business owner who has experienced racism. This was mitigated as much as possible by writing

about all thoughts, feelings and areas of bias throughout the research process, which is known as reflective journaling (Korstjens & Moser, 2018). Reflective journaling allowed documenting and minimizing my bias, allowing the study to be based on the participants' meaning and understanding of the phenomenon and not my assumptions.

Another limitation of the study was the purposive sampling method used to self-select participants that met the study inclusion criteria. Using the purposive sampling method may introduce researcher bias, and errors in interpreting participants meaning of their lived experience (Nikolopoulou, 2022). Furthermore, another limitation in the study may be due to the method of recruiting participants as some participants that met the inclusion criteria declined to participate in the study (i.e., lack of availability). In conclusion, assumptions and limitations may influence the understanding of the research outcome.

Summary

In this chapter, I discussed the relevant research methodology as it related to my hermeneutic phenomenological study on exploring the lived experiences of Black business owners in securing public procurement contracts. Furthermore, if racism impacted their experience in securing public procurement contracts. I then explained the study's participants' recruitment strategy, procedures, data analysis, and delimitation, assumptions, and limitations. In Chapter 4, I will present the study's findings on participants' lived experiences, barriers, racism, and experience with public procurement contract. Chapter 5 will describe the study's conclusions and suggestions for future research on Black businesses in public procurement.

CHAPTER 4: RESULTS

Overview

The purpose of this qualitative hermeneutic phenomenological study was to explore the lived experience of Black business owners in securing public procurement contracts, specifically, if racism impacted their experience in securing public procurement contracts. This chapter provides the setting, demographic, and overview of the participants in the study, as well as participant quotes and themes supported by the study findings. This study used the six-step thematic analysis to establish a greater understanding of Black business owners experience in public procurement (Nowell et al., 2017). Data collected through interviewing 11 participants were analyzed into two main themes: (a) negative psychological perceptions, and (b) misunderstanding of public procurement. The chapter concludes with a summary of the study findings. The study results are guided by two research questions:

RQ1: How do Black business owners describe their lived experience in accessing public procurement contract?

RQ2: Has racism impacted Black business owners experience with being awarded public procurement contracts?

Descriptive Results

This study's setting was specific to the state of Arizona. The purpose of selecting this location was due to the growing population of Black business ownership in Arizona. In 2010, the Black population in Maricopa County accounted for over 260,000, or 5%, which increased to 5.9% in 2020 (U.S. Census Bureau, 2023). There are 1,019 Black-owned businesses in Greater Phoenix, which is the largest city within Maricopa County, Arizona (Perry et al., 2022; State of

Black Arizona, 2022). Utilizing the several Facebook groups (Black-Owned Phoenix, Being Black in Phoenix Recharged, Phoenix Black Owned Business Network, Black Women of Arizona, Arizona Black Owned) and the BlaxFriday website, a total of 432 Black business owners were identified and contacted, 19 completed the online questionnaire, and eight participants were excluded because they completed the questionnaire but failed to complete the one-on-one interview. These online groups allowed access to a significant number of Black-owned businesses to participate in this study. The final number of participants was determined once no new information was obtained from the interviews (i.e., data saturation) (Moser & Korstjens, 2018; Sarfo et al., 2021). Therefore, this study's findings reflect the lived experiences of 11 participants who met the inclusion criteria and completed the one-on-one interview.

Demographics

Each participant was purposely selected to participate in this study. The inclusion criteria for this study required participants to answer yes to the following questions: Are you (1) 18 years of age or older, (2) self-identified as Black, (3) a business owner with a business registered in Arizona, and (4) a resident of Arizona. Each participant gave consent to the study and attended the one-on-one in-depth open-ended interview at the mutually agreed time. Using the Google Meet platform, each interview lasted between 60 and 90 minutes and was audio/video recorded and transcribed. Participants personal identifiable information was replaced with pseudonyms to ensure confidentiality throughout this study.

Each participant was asked the same questions throughout the interview and a few additional probing questions to ensure all responses were relevant to the interview questions. Each interview was initiated with proper greetings and appreciation for their participation. Following the introduction, each participant was asked about how they came to start their

business. This provided participants with an opportunity to describe their experience, industry type, amount of time in business and how starting a business made them feel. Participants reported their business types aligned with apparel (n=2), social/human services (n=4), transportation (n=1), commercial real estate (n=1), agricultural farming (n=1), and consulting (n=2). Participants length of time in business ranged from 2 months to 18 years and averaged 6.5 years. The table below provides the specific demographics for each participant using their assigned pseudonyms followed by an overview of each participant selected in the study.

Table 1

Participants Demographics

Assigned Code	Age	Gender	Industry	Existence
P1	40-50	Male	Commercial Real Estate	6 Years
P2	30-40	Male	Human Services	8 Years
P3	30-40	Female	Transportation	2 Months
P4	60-70	Female	Human Services	15 Years
P5	30-40	Female	Apparel	3 Years
P6	50-60	Female	Human Services	7 Years
P7	30-40	Female	Technology	5 Years
P8	40-50	Male	Apparel	3 Years
P9	50-60	Male	Agriculture	18 Years
P10	60-70	Female	Consulting	2 Years
P11	60-70	Male	Consulting	5 Years

Participants

Participant 1

Participant 1 is the first participant of the study, age 40–50 years old, is a male artist with twenty years of event planning and coordination. For the last six years, he successfully transitioned his skills and experience into creating a commercial real-estate event and co-

working space designed to support the success of all businesses of color. He credits his prayer and faith walk for his success.

Participant 2

Participant 2 is the second participant in this study, age 30–40 years old, is a male, with fifteen years of experience in the music industry. In the last eight years, he transitioned his skills and experiences into developing a human service organization focused on mentoring Black fathers and young men. He credits his motivation for succeeding in business to also applying lessons learned from working in corporate America.

Participant 3

Participant 3 is the third participant in this study, a 30-40-year-old female, experienced in behavioral health and nonmedical transportation. She recently launched her private transportation services for active adults aged 55- years and older. She credits the motivation for starting this business to her experience in caring for her departed mother.

Participant 4

Participant 4 is the fourth participant in this study, age 60–70 years old, is a female with fifteen years of experience in the nonprofit industry. She credits her desire for providing human services to help solve problems experienced by women of various backgrounds.

Participant 5

Participant 5 is the fifth participant in this study, age 30–40 years old, and is a female who has transferred her hobbies over the last three years into a way to empower women from different backgrounds through creating various apparel using urban arts, crafts, and scholarships. She credits her past experiences and passion for supporting others to business her success.

Participant 6

Participant 6 is the sixth participant in this study, age 50–60 years old, and is a female, licensed clinical psychologist with seven years of business experience in human services. She credits her experience in the military and school background to her success in business.

Participant 7

Participant 7 is the seventh participant in this study, age 30–40 years old, and is a female with five years of business experience in assistive technology services. She credits her motivation for starting her business to her parent's career and her exposure to working with people with various disabilities.

Participant 8

Participant 8 is the eight participants in this study, age 40-50-year-old, and is a male who has started a t-shirt apparel business out of need for larger sized urban clothes. He credits the COVID 19 pandemic as his motivation for starting his business.

Participant 9

Participant 9 is the ninth participant in this study, age 50-60 years old, and is a male. For the last eighteen years, he has operated an urban farm in a poverty-stricken community to ensure people had access to fresh fruits and vegetables. He credits his past mentor and his upbringing to his ability for success in the agricultural urban farming industry.

Participant 10

Participant 10 is the tenth participant in this study, aged 60-70 years old, and is a female. For the past two years, she has transferred her prior experience as a civil trial attorney, international trade consultant, and city council analyst to providing international trade and

consulting services for other businesses. She credits her past experiences for business to her success as a business consultant.

Participant 11

Participant 11 is the last participant in this study, aged 60-70 years old, and is a male. In the last five years, he has provided corporate-level consulting for mid to large-size corporations. He credits his and his wife's experience in corporate America for the motivation and success of his corporate level business consulting services.

Study Findings

This section detailed the data analysis strategies used in this study, as well as the results of this study by aligned themes that emerged with the initial research questions. Each interview was audio and video recorded and transcribed by Google Live Transcribe (Adeoye-Olatunde & Olenik, 2021). As such, all data in this study were drawn from participants' transcripts to capture verbatim accounts of their experiences. Transcripts were manually analyzed line by line to guide the identification of codes used to develop relevant themes. Using thematic analysis permitted authentic examination of different perspectives, similarities, and unanticipated responses from participants (Nowell et al., 2017). Following the recommendation for carrying out an inductive thematic analysis, this study applied the following steps:

- Identified and simplified words and phrases into broad codes; the number of codes were significant and required revising and deleting irrelevant codes that did not address the interview questions and research questions.
- Reviewed and grouped codes then placed them into categories; required revision and deletion of irrelevant categories.

- The final list of categories, was used to identify themes derived from participants voiced experience which described the meaning of each theme.
- Organized the most common themes by the number of participants who described their lived experience with securing public procurement contracts.
- To ensure accuracy of participants experience, duplicate words, filler words and grammatical errors were corrected or deleted. For example, some participants stated "gonna", which was changed to "going to".
- Each participant was emailed a summary after the data was analyzed, to which
 participants were asked to add clarifications, corrections, or delete incorrect transcriptions
 of their statements. Member checking enhanced the data credibility by allowing
 participants to review and provide feedback on research findings and interpretations,
 thereby satisfying confirmability (Korstjens & Moser 2018).

Research Question Findings

Each participant was asked to describe their experience in accessing public procurement contracts. Two main themes emerged from their experiences: negative psychological perceptions and misunderstanding of public procurement. Also, within the two themes, two subthemes were identified: complication in procurement process and lack of knowledge. Each theme was derived from the different experiences and perceptions of Black business owners in accessing public procurement contracts. The study results are outlined in the following sections.

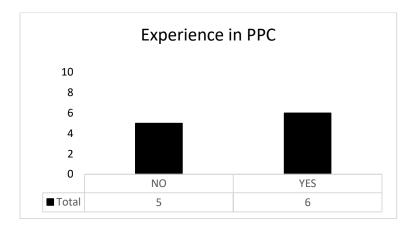
Research Question 1: Lived Experiences of Black Business Owners in Public Procurement

The first research question guiding this study was: How do Black business owners describe their lived experience in accessing public procurement contracts.

During the one-on-one interview, each participant was asked whether they had experience with public procurement contracts (see Figure 1). Five of the 11 participants reported not having experience with public procurement contracts, while six participants reported having experience. Drawing from all participants' described experiences, two themes emerged: negative psychological perceptions and misunderstanding of public procurement.

Figure 1

Experience with Public Procurement Contracts (PPC)



Note. *N*=11

Theme 1: Negative Psychological Perceptions of Public Procurement Contracts

In this study, participants expressed their lived experiences, interactions and perceptions to gain greater insight on Black-owned businesses experience in public procurement contracts. This theme aligns with the first research question: How do Black business owners describe their lived experience in accessing public procurement contracts? In this study, most of the participants (n=6) reported encountering negative psychological experiences in accessing public procurement. In the section below are six of the eleven participants quotations of their lived experiences, interactions and or perceptions of public procurement.

Participant 2, in this study perceived public procurement contracts as just another "loophole to get funding." He further stated that "I think it's probably a trust thing because some organizations have come to the table and have not provided what they initially agreed to. Which make things a little sketchy for the next." Another participant, Participant 3 stated, "It is frustrating when the information isn't there in or the market? I feel like some markets are monopolized." Participant 4 expressed that, "The procurement process is much messier than it needs to be and is not welcoming to smaller businesses that are trying to get access to capital. They don't let you know at all and if you ask for that information they don't ever tell you. They kind of run you around until you forget about it." Likewise, Participant 10 indicated that her experience with public procurement was derived from her attempt to secure a grant issued under a state contract. She expressed that, "I never saw anything or received anything on [the] application but then [it was awarded] and in looking at the last names. It was probably some insider trading. We live in America and that's the norm."

Similarly, Participant 7 expressed that, "[she] had an experience that would have taken a couple of weeks ended up taking six months". She described experiencing "hurdles, unnecessary pushback, unclear communication with different answers from different people within the same department." She further stated, "when things [were] rectified, it had already affected my health. I experienced great anxiety, and it was very disheartening. Then one of the comments that was made to me was: "Wow, I'm surprised you're still going like you really didn't stop." It's like what did you expect me to stop, and obviously the answer is yes, which is really scary and sad. It definitely at the time made me feel defeated, going through the process." Participant 9 described his experience of securing seven contracts. He expressed that, "I'm not considered as somebody that you want to succeed. I'm not concerned, I'm a descend of a slave man who was told that they

couldn't read. And now I'm not only reading but I'm excelling in the strategies of maybe what [they are] not. So, how dare [I] actually be the predominance of people who give money out to the world. I'm not going to get anything other than what I get? It's humbling."

In this study, most participants with experience described feeling frustration in their dealing with public procurement. Participants without contract experience also expressed their perspectives of the procurement program. As such, a theme of negative psychological perception and subtheme of complication in procurement process emerged in terms of how participants viewed public procurement contracts (see Table 2).

 Table 2

 Negative Psychological Perception Theme Development

Theme	Subtheme	Codes	Code Definition	Code Description	Reference
Negative Psychological Perception	Complication in procurement process	Frustrating, Challenging, Insider Trading, Disheartening, Monopolized, Fear, Messy, Pushback, Run around, Loophole, Hesitation, Intimidating, Humbling, Not welcoming, Unclear communication	Discussion of how participants described their experience with public procurement contracts	Most participants experience with public procurement contracts were negative, while one participant described their experience as positive.	P2, P3, P4, P7, P9, P10

Sub-Theme 1: Complication in Procurement Process

This sub-theme aligns with Research Question One: How do Black business owners describe their lived experience in accessing public procurement contract? In this study, despite their capabilities, and resourcefulness, participants described various barriers to accessing public

procurement contracts. Four of the eleven participants described experiencing unclear communication on how to access and navigate contract opportunities, insufficient technical support and delayed processing of contract applications. When asked to describe her experience, Participant 4 expressed that, "The application process is so involved, [with] no technical assistance outside of their deadline. They do not let you know at all if you ask for information." Similarly, Participant 7 indicated that she experienced delays and unclear communication from the procurement department personnel. She expressed that, "[she] had experiencing hurdles, unnecessary pushback, and unclear communication with different answers from different people within the same department".

Another participant in the study, Participant 10 expressed having a similar experience with procurement. She indicated that her attempt to reach the appropriate department handling the contract she desired, resulted in her being excluded from receiving vital information on the contract. She stated, "I had to go through five different offices to find the right people. That should not be. They said they would get back to me with the information. I have not heard from them yet." Likewise, Participant 3 expressed frustration in navigating access to procurement opportunities. She indicated that, "It is frustrating because the need is there, but I cannot get my foot in the door. We have the members. We have the clients but cannot secure the contract."

Participants in this study, confirmed what prior literature indicate are barriers in contracting. Black businesses experience barriers to navigating procurement (Carlson, 2021; Saastamoinen et al., 2017). Specifically, research indicates that a lack of qualifications, skills, human capital, and industry types may be barriers for Black businesses (Bates et al., 2017; Carlson, 2021; Cederberg & Villares-Varela, 2019; Chepkoit, 2018; Glas & EBig, 2018; Saastamoinen et al., 2017; Talal et al., 2019).

Theme 2: Misunderstanding of Public Procurement

Research suggests that Black business barriers in procurement maybe caused by a lack of understanding procurement opportunities, procedures, and experience requirements (Carlson, 2021; Saastamoinen et al., 2017). This theme aligns with the first research question: How do Black business owners describe their lived experience in accessing public procurement contract? In this study, the majority of the participants (n=7) lacked an understanding of the public procurement program. For some experienced participants, also reported a lack of understanding of the procurement process, suggesting a lack of knowledge of the procurements accessibility and compatibility. In the section below, all participants understanding of public procurement were used to develop the sub-theme: lack of knowledge.

Sub-Theme 2a: Lack of Knowledge

Participants in this study described a lack of knowledge and/or awareness of the procurement program. Below are seven quotations derived from participants expressing their understanding of public procurement.

A participant indicated he had three-days of experience with public procurement at the time of the study. Participant 1 expressed that, "My experiences [is] all of three days old because I just was actually asked by a member of the city diversity department to apply so that [my company] can be a vendor." He further expressed that he lacked knowledge of public procurement by stating that, "for me it is like if I were able to know what to do, a lot of folks do not even know that procurement contracts exist. How are you going to find something, if you do not know it exists, unless you just randomly stumble into it." Similarly, Participants 8 expressed that he did "not have the knowledge of where to go to get it and how to apply for it". He further

stated, "it is not something that you can walk into the store, and it is sitting on a shelf for you to pick it up."

Furthermore, other participants in this study reported not having experience or not being aware of how public procurement contracts may align with their business type. When asked to described his experience with public procurement, Participant 2 expressed that, he had "less than beginner [experience], because [he] held a few conversations surrounding it, but [had] not explored that option just yet." In his experience, Participant 11 expressed that, "I have not done it for my business. I have not done a lot of it, but I work very closely with all of the economic development directors to make sure that more contracts are going to minority entrepreneurs. But I just have not had to do it for myself because the kind of work I do would not come through a procurement contract." Also, Participant 5 expressed a lack of knowledge of public procurement and how it applied to her business. She stated that, "I do not have experience per se in public procurement contracts. I do not think that my business necessarily involves contracts."

Despite having prior experience, Participant 4 expressed that, "[she] did not have enough knowledge of the [procurement] process or enough collaboration with the technical people." Another participant indicated that she lacked knowledge of how to apply for contracts, resulting in her paying a third party to apply for contracts on her behalf. She stated, that having "knowledge is power". She further stated, "Had I known that I had [access to] all these set aside contracts, I would not have taken advantage of pulling on all this debt by getting a doctorate degree." In this study, participants identified procurement as a resource for gaining capital, but reported feeling forced to overcome challenges in order to pursue these opportunities. As such, a theme of misunderstanding of public procurement and subtheme of lack of knowledge emerged in terms of how they accessed public procurement contracts (see Table 3).

 Table 3

 Misunderstanding of Public Procurement Theme Development

Theme	Codes	Subtheme	Code Definition	Code Description	Reference
Misunderstanding of Public Procurement	Do not know it exist, Do not know how to access it, Lack of knowledge	Lack of knowledge	Discussion on how participants' access public procurement contracts.	Most participants were not aware of public procurement contracts, while a lack of knowledge was the primary findings.	P1, P2, P4, P5, P6, P8, P11

Research Question 2: Racism in Public Procurement Contracts

This last research question, "Has racism impacted Black business owners experience with being awarded public procurement contracts?" was also explored by the participants. Their experiences and findings are presented below.

In this study, three of 11 participants discussed race as a factor that impacted their experience with being awarded public procurement contracts. One of the participants perceived that there was a bias toward African Americans in saying, "I think there is always an underlying bias when it comes to African Americans. They are not really excited to open the doors for us." Participant 7 further described her various challenges to accessing a procurement contract, and that this experience affected her health causing her "great anxiety and feeling defeated through the procurement process". Participant 7 expressed that, a comment made to her by a procurement personnel was: "Wow, I'm surprised you're still going like you really didn't stop." It's like what did you expect me to stop, and obviously the answer is yes, which is really scary and sad. It definitely at the time made me feel defeated, going through the process."

Similarly, Participant 9 believed that he had to withstand the challenges of being awarded contracts because he was a Black man. He expressed, "It is why me as a Black person am constantly told that I try to be so strong that I am not put into my place. However, this is a clear ideology and an indication of why people get put into their place. They do not have anywhere to go because of a lack of fairness. So predominantly for me race is a factor now." Despite having qualifying experience, Participant 10 expressed that, there are low expectations placed on Black Americans in Arizona. She stated after relocating to Arizona she experienced a "culture shock, because she learned that White people did not expect Black people to have a lot of experience. She further stated, "They're more accepting of foreign-born people having that experience than they are Black Americans." While most of the participants did not discuss race as a possible factor in accessing public procurement contracts, of the six participants who had experience in public procurement, three did report that they thought race was a factor in the public procurement process.

Evidence of Quality

Trustworthiness

This study applied the Lincoln and Guba (1985) framework to establish trustworthiness. Trustworthiness consists of four elements: credibility, confirmability, dependability, and transferability that are necessary to ensure that a study's data and interpretation support the significance and value of the study (Bloomberg & Volpe, 2015; Nowell et al., 2017). Each element of trustworthiness was addressed and described in more detail in the following sections. Trustworthiness is guided by answering the question of whether the finding can be trusted (Korstjens & Moser, 2018). The first element in establishing trustworthiness was credibility.

Credibility is similar to internal validity and indicates that the researcher correctly captured and interpreted the data in the study (Korstjens & Moser, 2018). For instance, when I interviewed participants using an audio recording device or virtually, participants' responses may not be audibly clear from the recording for transcription, which would require obtaining clarification on what was stated.

Additionally, this study used member checking, to include participants described experience were accurately transcribed. Each participant was emailed a summary after the data was analyzed, to which participants were asked to add clarifications, corrections, or delete incorrect transcriptions of their statements. For example, Participant 10's transcript incorrectly captured her experience as a city council member. Through member checking, the participant provided feedback to correct her title as a city council analyst. Therefore, member checking enhances data credibility by allowing participants to review and provide feedback on research findings and interpretations, thereby satisfying confirmability (Korstjens & Moser, 2018).

Moreover, triangulation is a type of research strategy that uses different data sources to ensure the reliability and validity of research findings (Moon, 2019). To accurately capture participants' lived experiences, different sources were used to gather information to better understand the phenomenon. Spending sufficient time during each, ensured participant lived experience was heard thoroughly understood. By following Lincoln and Guba's recommendations, this study gained credibility. This was achieved through in depth on-on-one open ended interviews with participant to collect rich data on their lived experience, meeting the criteria for triangulation (Nowell et al., 2017). Lincoln and Guba's credibility recommendation,

which consists of spending additional time with participants, researchers' data collection, and data collection triangulation (Nowell et al., 2017).

Another element of establishing trustworthiness is dependability. Additionally, dependability means stability in the data collected over time (Korstjens & Moser, 2018). Thus, dependability ensured that the outcome of the study can be repeated using the same participants, coding, and other strategies (Forero et al., 2018). An audit trail was used to log detailed descriptions of all the related research data, decisions made during the study analysis and collection process, and all relevant research materials used (see Appendix F). The audit trail provides a visual guide of the actions taken and decisions made, which can be used to repeat this study.

Likewise, transferability describes in detail participants' behaviors and experiences to make them meaningful to other readers and in different settings. Transferability required details of how the study was conducted with the intent that it can be replicated using the same or different populations and settings (Korstjens & Moser, 2018). Thus, documenting in detail the setting, participants' behavior, experiences, and procedures that were used throughout the study.

Using a reflective journal to document all preconceived bias, thoughts and feelings during the data analysis process can increase the accuracy of the data analysis and interpretation, which is known as reflective journaling (Korstjens & Moser, 2018) (see Appendix G). Before and after conducting interviews, I logged my understanding of the participants' described experiences, along with any related questions that came to mind. For example, Participant 1, I wrote "if the Black woman never reached out to Participant 1, would this same opportunity have been publicly available and accessible to him, specifically?" As such, both the audit trail and reflective journal helped to conduct triangulation, which ensured the validity and credibility of

the study findings. Therefore, credibility, confirmability, dependability, and transferability ensured the study's data and interpretation supported the significance and value of the study (Bloomberg & Volpe, 2015; Nowell et al., 2017).

Summary

In this chapter, data from a qualitative hermeneutic phenomenological study were analyzed to explore the lived experience of Black business owners in securing public procurement contracts, specifically, if racism impacted their experience in securing public procurement contracts. The chapter described the participants, the process for collecting data and the presentation of the findings. After analyzing data from 11 participants, the results revealed that most of the participants (n=6) reported encountering negative psychological experiences in accessing public procurement. The majority of the participants (n=7) lacked an understanding of the public procurement program, suggesting a lack of knowledge of the program. Additional findings indicate that only three participants reported race was a factor in obtaining public procurement contracts. In chapter 5, the key findings are described and interpreted in connection to prior studies, the application of this study contribution to research on this topic, biblical foundation, implications, limitations, future research recommendation and concluding statement of the study.

CHAPTER 5: DISCUSSION

Overview

Black businesses may experience a greater number of barriers centered around the poor allocation of resources, access to capital and contracting opportunities, which may hinder their sustainability efforts (Bento & Hwang, 2022; Chepkoit, 2018; Gold, 2016; Fairlie et al., 2020; MDBA, 2016; Shelton & Minniti, 2018; State of Black Arizona, 2022). Previous research suggests that a lack of training, and perceptions of resource and practical skills limitation, create a barrier to participating in public procurement as a means of obtaining capital (Saastamoinen et al., 2017). The purpose of this qualitative study was to explore the lived experience of Black business owners in securing public procurement contracts and to determine their perceptions of how racism impacted their experience in securing public procurement contracts. The study was guided by two research questions:

RQ1: How do Black business owners describe their lived experience in accessing public procurement contract?

RQ2: Has racism impacted Black business owners' experience with being awarded public procurement contracts?

This chapter provided a summary of the study results from one-on-one interviews with eleven Black business owners. Interviewing participants cultivated a trusting connection necessary to understand the participants' feelings, opinions, and experiences (Mack et al., 2005). The data collected was analyzed using thematic analysis, following the six-step process recommended by Nowell et al. (2017). Two themes emerged from this process. The research questions addressed can enhance the understanding of Black business owners access to and perception of public procurement as a means to establishing capital for their businesses. In this

chapter, the key findings are described and interpreted in connection with prior studies, as well as a discussion of this study's contribution to existing research on this topic. Finally, understanding of the biblical foundation, potential implications of the study, limitations, and future research recommendations are discussed.

Summary of Findings

Black business owners encounter barriers as they pursue opportunities for starting and sustaining a business including a lack of resources (Fairlie et al., 2020), solicitation awareness (Carlson, 2021), and access to capital and opportunities (State of Black Arizona, 2022). Securing public procurement contracts is a unique way to access capital to grow and sustain a business (Chepkoit, 2018; MDBA, 2016; Shelton and Minniti, 2018). However, for Black business owners, similar barriers may be encountered as they pursue contracting opportunities. This hermeneutic qualitative phenomenological study explored the experiences of Black business owners in securing public procurement contracts to determine the potential impact of racism may have had on their experiences. In this study, both Critical Race Theory (CRT) and Corporate Responsibility to Race (CRR) theories were used as theoretical frameworks for this study in an effort to understand Black business owners' experiences in procurement. Data was collected from interviewing participants (N=11) and analyzed using the thematic analysis six-step process established by Nowell et al. (2017). Two main themes emerged from their voiced experiences: negative psychological perceptions and misunderstanding of public procurement. Also, within these themes, two subthemes were identified: complication in procurement process and lack of knowledge.

This study revealed that Black business owners are unaware of public procurement as a means for obtaining capital. Further, for the limited number who do pursue procurement funds, they experience more challenges than expected. Most of the participants (n=6) reported encountering negative psychological experiences in accessing public procurement derived from the complexity of the program. Additionally, the majority of the participants (n=7) lacked an understanding of the public procurement program, suggesting a lack of knowledge of the program. Additional findings indicate that, of the six participants with experience in public procurement, three participants reported race was a factor in obtaining public procurement contracts. The findings from this study provided insight on these participants' experiences and should aid others in understanding potential barriers in securing public procurement contracts.

Discussion of Findings

This qualitative phenomenological study explored Black business owners' experiences in securing public procurement contracts to determine the potential impact of racism on their experiences. After interviewing participants one-on-one, their experiences were transcribed and analyzed following the six-step thematic analysis recommended by Nowell et al. (2017). Each interview was analyzed, and then coded into common categories that guided the development of the themes.

Research Question 1: Lived Experiences of Black Business Owners in Public Procurement

The first research question explored how do Black business owners describe their lived experience in accessing public procurement contracts. Participants in the study described various challenges to accessing public procurement. Each participants experience was unique, as were their perceptions of public procurement. For instance, while most participants reported a lack of

knowledge, some expressed negative emotions and thoughts surrounding public procurement. As a result, two primary themes emerge from the data analysis: misunderstanding public procurement and negative psychological perceptions amongst Black business owner. These findings are described and are interpreted by theme in the following sections.

Misunderstanding of Public Procurement.

The majority of participants expressed unfamiliarity surrounding public procurement, suggesting a lack of knowledge and/or awareness of the program. Participants indicated this lack of awareness was attributed to their belief that information on public procurement contracts was non-existent and not compatible with their business type. Participants, both those with and without experience in public procurement, described not being aware of how to access contract opportunities. It appears that participants' lack knowledge of public procurement may stem from the expectation to utilize financial resources already available to them (e.g., accruing debt or exhausting savings). All of the participants reported using personal credit, income from employment, or other forms of debt or collateral to grow and sustain their business. This means that participants were not fully aware of how procurement operates, or they did not see procurement as an option for accessing capital through the issuing of contracts. As such, it appears that a lack of information about public procurement contracts is a barrier to these participants.

These findings add to existing literature on understanding Black business barriers to securing public procurement contracts and capital (Braveman et al., 2002; Gold, 2016; MBDA, 2016; Robb et al., 2018). For example, when Black business owners are not aware of how they can financially benefit from securing contracts as a form of capital, they may, in turn, receive fewer public dollars (Choi et al., 2022). Because Black businesses lack sufficient opportunities

and access to essential resources (i.e., procurement), it may, in turn, stagnate their business growth and stability efforts (Bento & Hwang, 2022). In this study, participants described the lack of access to information on how to enter into the public procurement program. These findings also verified the perception of Black business owners that available resources in their communities were limited. This lack of understanding of procurement opportunities, procedures, experience requirements, and resources likely creates a barrier to participate in public procurement (Carlson, 2021; Saastamoinen et al., 2017).

Ultimately, if Black business owners are unable to access information on public procurement, they cannot benefit from the financial gain associated with securing public procurement contracts. Increasing awareness of these types of programs may prove essential to decreasing the racial wealth gap. In order to decrease the racial wealth gap, Black businesses would have to secure the same level of revenue as White businesses (Baboolall et al., 2020). As such, increasing awareness of publicly funded programs to Black business owners could help in decreasing this gap.

Negative Psychological Perceptions of Public Procurement Contracts.

The second theme that emerged from this study surrounds the negative psychological perceptions that participants reported regarding the public procurement process. Because public procurement is described as a budgetary government system, it uses public funds to purchase goods and services through contracts (Bates et al., 2017; Grandia & Meehan, 2017; Khan, 2018). As a government entity, it is expected that any qualifying individual or corporation can become a supplier of those goods or services.

In this study, nearly half of the Black business owners expressed negative psychological perceptions with accessing public procurement contracts. The participants described negative

feelings in their pursuit of public procurement contracts, such as frustration, challenged, disheartening, not welcoming, fear, messy, pushback, run around, loophole, hesitation, intimidating, and humbling. Additionally, some participants perceived their experience in securing public procurement contracts to be riddled with concerns of monopolized and insider trading, unnecessary delays, and intentional miscommunication. It seems that when participants embarked on securing a public procurement contract, they were, in turn, met with various forms of resistance. Participants perceived their encounters with securing public procurement contracts as emotionally daunting. Those participants who did have procurement contracts were resilient in their efforts to secure contracts, however the remaining participants were stagnated by the complexities of accessing and or navigating procurement, if they even tried at all. For these reasons, the procurement process could be perceived as lacking fairness with regards to minority business owners due to concerns about how they were treated in the process.

These findings are similar to a study of how minority suppliers perceive larger purchasing organizations (i.e., public procurement). Blount (2020) found that perception of large purchasing organizations was unjustifiable and deceitful, and in turn, implied interactions were motivated by corruption due to not enforcing procedure fairly. Participants in this study perceived their experiences with the public procurement process to be colluded, confusing, and rife with delayed and/or inaccurately conveyed information.

Also, these findings are supported by existing research on the ineffectiveness of procurement policies and implementation plans. Grandia & Meehan (2017) suggest that some procurement policies are ignored and not used as a policy tool to create markets to address societal needs. Similarly, some participants in this study described their perception of the public procurement process to include receiving conflicting information from different people within

the same department. Without effective procurement policies, it may place Black businesses at an economic disadvantage because of how complex the public procurement process can be. Some participants' perceptions suggested that the policies, plans, programs, and objectives may not be understood by procurement officials. Notably, the internal policies themselves may not be widely understood by procurement officials because of frequent changes, which in turn, makes it difficult for procurement officials to actively implement changes or measure their success (Grandia & Meehan, 2017).

Procurement practices are conducted with integrity to ensure that objectives are fair, efficient and consistent with the economy (Blount, 2021; Keulemans & Van de Walle, 2017; Roman, 2017). However, in this study, participants perceived public procurement as another loophole to funding that is monopolized and rife with insider trading practices. As such, steps should be taken to change the perspective of Black business owners on public procurement contracts. For instance, procurement personnel can ensure equal access to power, privileges, and opportunities, as well as resources and the effectiveness procurement of policies to ensure seamless engagement with all businesses (Blount, 2021; DiAngelo, 2011; Grandia & Meehan, 2017; Grasser & Jovanovic, 2022; Logan, 2019; Logan, 2021; Keulemans & Van de Walle, 2017; Roman, 2017).

Research Question 2: Racism in Public Procurement Contracts.

Participants were also asked how racism impacted their experience with being awarded public procurement contracts. Racism is a system of beliefs, practices, and policies based on race that functions to serve the interest of those in power notably, those with historical power (Garner, 2019; Grasser & Jovanovic, 2022). Because racism is complex and has several layers to its identity, oftentimes it is misunderstood (Hanks et al., 2018; Banaji et al., 2021). In the United

States, those in power are traditionally those of White/Caucasian descent. For this reason, Black business owners may be exposed to various forms of racism, rather intentionally or unintentionally. As experts in telling their stories of such encounters, the Black business owners who participated in this study are in a unique position to help shed light on how racism may be a barrier to understanding public procurement contracting process.

On the surface, it appears that racism was not an impeding factor on participants experience with being awarded public procurement contracts as only three participants expressed race as a perceived issue in their experience. However, when considering that only six of the participants total had experience in public procurement, those three experiences may become more salient. Those participants believed that their experiences would have differed if they were not Black. Also, this study's findings mirror prior research on procurement officials' likeliness to commit fraud and/or accept bribes drawing on concerns of racial discrimination and bias in the source selection process (Banaji et al., 2021; Blount & Li, 2020; Graycar, 2019; Landale et al., 2017; Rustiarini et al., 2019a; Rustiarini et al., 2019b). It seems that for those participants who believed they had experienced racial bias, there were high expectations for social conformity, and low expectations of their experience and qualifications for contracting.

This may suggest that these Black business owners were at a disadvantage due to their race. In comparison to prior literature, on the whole, this study does not indicate that racism plays a significant role on Black business owners being awarded public procurement contracts. However, given the convoluted nature of these findings, additional research is needed to understand the lived experience of Black business owners, including the role racism may have on their experience in being awarded contracts.

Biblical Foundation

Two of the themes that emerged in this study, lack of knowledge and potential for racism, fit nicely within the he biblical foundation previously described in chapter two. In Hosea 4:6, scripture says "my people are destroyed for a lack of knowledge" (*New King James Version*, 1982). Many of the participants in this study described a lack of knowledge of the procurement program. Some participants managed to be awarded contracts but still expressed a lack of understanding of the procurement program. Many participants expressed that they had poor experiences with procurement, leading to negative perceptions, while some felt those encounters were race-based.

In the United States, Black people historically, and in many ways currently, have been subjected to partiality because of their skin color, which impacts their daily lives (Braveman et al., 2022; Gold, 2016; Grasser & Jovanovic, 2022; Hanks et al., 2018; Martin & Lakins, 2022). Therefore, a lack of knowledge may lead to unintentional racism that endangers the wellbeing of Black business owners, and other people of color. In the Bible, when God created mankind, man was created in His image, without race (Genesis 1:27). Later God referenced to different languages (Genesis 11:7-8), nations, and tribes (Revelation 7:9). Yet racism, and a need for superiority amongst mankind has become a way of defying God by disregarding the wellbeing of others also made in His image. Scripture provides mankind with two commandments to guide us in love, truth, morality and spirituality. "You shall love the Lord your God with all your heart, with all your soul, and with all your mind and You shall love your neighbor as yourself" (Matthew 22:36-40). However, mankind deviated from God's commandments by boastfully living as if God does not have authority, dominion, and power over His creation. Instead,

mankind has opted into creating gods for themselves, in turn, bolstering judgmental and entitled conscious behaviors such as racism.

In this study, participants expressed barriers in accessing public procurement contracts. Most participants believed if they knew more about public procurement that it would help them secure contracts as a form of capital for their businesses. However, some participants perceived their encounters with public procurement process as emotionally daunting. Three of the six participants with contract experience felt they were treated differently in their endeavors to securing public procurement contracts was because of their race. Through the words of James, "God instructed us not to hold the faith of our Lord Jesus Christ with partiality, stating, "Have you not shown partiality among yourselves and become judges with evil thoughts?" (James 2:1, 4). God sees partiality as a form of judgment that is against God's love for us all mankind, and the image that we bear, and He has instructed us to love each other without partiality (John 13:34). Yet, in this study, these participants suggest that the public procurement process may not be operating fairly in support of Black owned businesses.

Implications

Theoretical Implications

In this study, Critical Race Theory was used to interpret participants' lived experience. People of color are experts in their own experiences and can tell stories of discrimination or address distorted information and myths in ways that are unique to them (Busey et al., 2022; Delgado & Stefancic, 1998; Solórzano & Yosso, 2002). Participants' experiences in this study may contribute to understanding CRT theory, specifically for Black business owners in public

procurement contracting and procurements inclusion efforts under the Corporate Responsibility to Race (CRR) theory.

There are two tenets of CRT that this study's finding supports. The first tenet was the unique voices of people of color. Since participants were able to tell their own story, instances of discrimination were able to naturally emerge in ways unique to the Black community (Delgado & Stefancic, 1998). The participants' opportunity to share their unique experiences shed light on the barriers that Black business owners may face in their pursuit of public procurement contracts. As such, some participants felt their race was a factor in securing public procurement contracts; suggesting that racism may be a barrier in the contracting process. Because of the small number of participants who described this, however, future research is warranted.

Additionally, the CRT tenet, whiteness as property is described as a dimension of racism where White people have an intangible identity that exerts a dominant privilege (Cabrera, 2018; DiAngelo, 2011). Further, Whiteness is considered a fundamental property right or asset reserved for White people, in which Black people cannot subscribe (Baboolall et al., 2020; Cabrera, 2018; Harris, 1993; Shorty, 2021). In this study, it appears that participants' access to the public procurement program was not welcoming, which may suggest procurement as a resource reserved for the majority population. In 2020, Black businesses received \$9.2 billion of the \$559 billion available in federal contract funding, which is the equivalent of 1.67 % compared to 15.64% awarded to other non-minority small businesses (U.S. Small Business Administration, 2020; Yaqub, 2023). As such, these participants may not have had the same advantages (e.g., contract solicitation, expectation, qualification, etc.) necessary to securing public procurement contracts when compared to White people. Previous work suggests that

securing contracts is predominantly a right of non-minorities (Grasser & Jovanovic, 2022; Hanks et al., 2018; Martin & Lakins, 2022). The present participants' descriptions of misunderstanding the process and the negative emotional reactions of public procurement suggest that increasing awareness is needed to effectively engage Black business owners' future engagement with the program.

This study applied the Corporate Responsibility to Race theory as a lens to understand how the procurement system may address racism through their communication and allocation of resources (Logan, 2019; Logan, 2021). Although racism in procurement was not fully supported here, it seems that those involved in marketing procurement could aid with assisting Black businesses in overcoming barriers to accessing contracts, capital and other resources by standing on their intended commitments in support of Black businesses (Baboolall et al., 2020; Bates et al., 2017; Cederberg & Villares-Varela, 2019; State of Black Arizona, 2021). Ultimately, participants' descriptions of misunderstanding the process and the negative emotional reactions to public procurement suggest that increasing awareness is essential for Black business owners' future engagement with the program. Future research is needed to fully understand the mechanisms through which to do this successfully.

Implications for Policy

Because this study was a qualitative study and performed with a smaller sample size (N=11), the findings of this study cannot be generalized and therefore are not applicable to all Black owned businesses. However, these findings may be helpful in guiding policymakers from the federal and state levels of procurement with regard to putting into place effective policies that will ensure equal access to public procurement and support of all businesses. For example, by ensuring information on procurement is openly marketed on public platforms (e.g., Corporation

Commission Corporations Division, Secretary of State, Banking institutions, etc.) as a resource to capital for new and established businesses, this may increase Black business owners' relations with the program.

Also, publicly sharing the number of Black business owners actively involved in public procurement contracts by each state department could reveal the support, or lack thereof, for Black business owners. By observing the annual spending received compared to the projected amount of expenditures, and the utilization rate compared to non-minority businesses, public procurement officials can increase trust in the program. By recognizing the experience and ability of Black business owners, procurement officers can ensure these business owners have access to public procurement as a vital resource to overcoming economic inequality.

Sound policies that are adequately disseminated can serve as a valuable tool for businesses, from providing guidance on how to register as a vendor, selecting appropriate NAICS codes, access to procurement training and technical support, compliance, qualifications and regulations to successful secure and navigate public procurement contracts. By ensuring that these policies are clear and enforced, more Black business owners may participate in responding to solicitations and contract opportunities.

Another implication for policy is the appointing of transparent and culturally competent public procurement officials to support Black business owners' access to securing contracts. This could be done by appointing Black/African American representation in both managerial levels and on the public procurement contract evaluation committee. In the United States, Black procurement managers represent 11.5% in comparison to 78.2% of their White counterparts (U.S. Bureau of Labor Statistics, 2022). For this reason, the probability of Black business owners experiencing race-based barriers to contracting is more likely to occur and thus be a contributing

factor for disparity in contracting (Banaji et al., 2021; Blount & Li, 2020; Graycar, 2019; Landale et al., 2017; MDBA, 2016; Rustiarini et al., 2019a; Rustiarini et al., 2019b). This approach of employing procurement officials who are competent and helpful can foster healthy and trusting relationships with Black business owners and reduce systemic racism in this area.

Implications for Practice

There were also several implications that can be drawn regarding practice and the inclusion of Black business owners in public procurement. In this study, participants expressed some barriers they experienced in public procurement, specifically relating to poor communication, lack of solicitation awareness and resources, and the lack of technical support when applying for contracts. By gaining insight into the potential barriers and strengths of Black business owners, public procurement officers can increase solicitation awareness and contracting opportunities.

When procurement officers provide means to facilitate training, networking and contract opportunities specific to Black business owners, this can improve the relationship between Black business owners and public procurement officials. By connecting with and supporting Black business owners, it not only benefits the businesses themselves, but also has a positive impact on the community and economy. By ensuring access to information, public procurement programs can take steps to achieve equal access for all businesses. Moreover, Black business owners can secure mentorship, training and networking opportunities to help bridge the gap in procurement relations and reduce negative perceptions of the program.

Black business owners with experience in contracts can also become mentors to support other businesses throughout their procurement opportunities. Experienced Black business owners can offer their shared experience, knowledge, strengths, and financial contributions, which can

be a great benefit in securing public procurement contracts. If public procurement acknowledges the value that Black businesses bring, this can add to the economy by the creation of jobs, reduction of the racial wealth gap, and improvement of the community as a whole. As procurement moves towards a healthier and more conducive program operated with integrity, transparency, and diligence, then, Black businesses can be positioned to succeed. Ultimately, the inclusion of Black businesses in public procurement programs can lead to a better understanding of their experiences, and the development of healthier relationships between the business owners and the procurement officials. By increasing awareness of procurement opportunities, and providing adequate resources to navigate the process, the negative perceptions and misunderstandings of public procurement operations may be reduced.

Limitations

There are several limitations that must be considered when exploring the findings of this study. First, the findings may be limited to how participants defined racism. Because racism can be experienced on different levels, in different ways, and under different circumstances, different people may or may not define their experiences as racism. As such, the participants' lived experiences in this study were described differently and may be a result of differing opinions of what constitutes racism. An additional limitation is the researcher's personal experience as a Black businessowner who has experienced racism in various environments. Attempts to mitigate this potential limitation included writing in a reflective journal throughout the study. I wrote down all of my thoughts, feelings, and areas of bias throughout the research process referred to as reflective journaling (Korstjens & Moser, 2018). As a result, the

participants' meaning and understanding of their experiences in securing public procurement contracts were highlighted through the study's findings without my assumptions.

Another limitation of the study was the purposive sampling method and the self-selection recruitment strategy used to select participants that met the study inclusion criteria.

Using the purposive sampling method may introduce researcher bias, and errors in interpreting participants meaning of their lived experience (Nikolopoulou, 2022). Similar to above, reflective journaling was utilized to eliminate as much bias as possible when conducting the study.

Related to participant recruitment and self-selection, some participants that met the inclusion criteria for the study may have declined to participate in the study due to lack of availability or other reasons. This may limit the generalizability of the findings presented. The current findings assume that all Black business owners may have the same encounters, however existing research suggests that not all Black business owners may share the same experiences. The experiences of participants in this study were unique and varied by industry type, the length of time in business, participants' age, and location as inclusion criteria. The study sample size was also a limitation as participants were selected based on their race, age and location that guided this study. Therefore, only 11 participants were included in this study. Any businesses outside of Arizona, or those who did not identify as Black were excluded from the study. For this reason, the generalizability of these findings can be enhanced with a larger sample of Black businesses.

Lastly, this study relied on the lived experiences of participants and as such the data collected from them developed the themes used to understand this phenomenon, ultimately interpreted through the research's view of the data. Efforts were made to refrain from making assumptions by writing in a reflective journal any thoughts, feelings, or biases to ensure that

participants' experiences were correctly interpreted. Despite these efforts, the themes developed and used to understand this phenomenon may be flawed.

Recommendations for Future Research

This study aimed to explore the experience of Black business owners in securing public procurement contracts to determine if racism impacted their experience in securing public procurement contracts. The results of this study can serve as a guide for future research on understanding Black business owners and their experiences in public procurement. Although this study was limited to 11 participants, future research can extend the sample of participants to include any minorities experiencing public procurement and/or minority business owners with current contract experience. This recruitment approach may provide further understanding on the acceptance and benefits of all minorities, not just those in the Black community, in public procurement. By researching White/non-minority business owners, can scientifically examine if this is a procurement process problem or, in fact, a type of racism in the process. Efforts at understanding a wide variety of business owners' experiences in the public procurement process can help to determine if the misunderstanding and negative perceptions of the procurement process are, in fact, related to race, or simply a function of the process itself. Lastly, future researchers may consider using a different research design to explore participants' unique experiences. Using a mixed-method approach may extend our understanding of this phenomenon and allow for to measuring the impact and different perspectives based on various sociological categories (i.e., race, age, gender, education, location, and contract experience).

Key Takeaway

This study's findings revealed that most of the participants lacked understanding of public procurement, and that those with contract experience had negative psychological perceptions of public procurement. These findings demonstrate the need to increase awareness and understanding of the public procurement program among Black business owners to reduce any negative perceptions derived from a lack of knowledge. These results are important for a variety of individual including business owners, government policymakers, tax-payers, and procurement officials in order to evaluate the effectiveness of the public procurement program's goal of extending opportunities for funding to Black business owners.

Any identified barriers that prevent Black business owners' participation in the public procurement process may require action to improve the accessibility of the program to Black business owners. The awarding of contracts to Black business owners may, in turn, lead to reduced negative perceptions among businesses in the Black community. By establishing and maintaining developmental programs and culturally competent staff, it may reduce the race-based perceptions of Black business owners attempting to access procurement contracts.

Furthermore, when individuals, institutions, and systems intentionally work to dismantle racism, it can result in a higher rate of Black business owners in procurement, ultimately benefiting and contributing to the economy through successful business endeavors.

Summary

This qualitative phenomenological study aimed to explore the experiences of Black business owners in securing public procurement contracts and to determine if racism impacted their experiences. The data collection method used was open-ended one-on-one interviews with participants. Using a six-step thematic analysis, data was collected and analyzed to understand

participants' experiences (Nowell et al. 2017). Following the hermeneutic circle allowed for new understanding of participants' described experiences to emerge. This research revealed that Black business owners faced two key barriers when pursuing public procurement contracts: negative perceptions resulting from feelings of frustration and a lack of understanding of the procurement system. Participants reported barriers in finding information about public procurement contracts and felt that the contracts were often monopolized or inaccessible for their businesses. They described the feeling that the system was rigged with insider trading and intentional miscommunication within department, which was viewed as a detriment to their own business success.

In this study, participants described experiences that shed light on the need for reviewing the current efforts used to include Black business owners in public procurement. Black business owners can take steps to improve their knowledge and access to procurement by building relationships with procurement officials and seeking out training, contract opportunities and support. They can also seek out relationships with other Black business owners who have been successful at securing contracts. At the same time, government agencies, policymakers, and state procurement officials can work towards supporting Black business owners by gaining insight into the barriers they face in accessing public procurement. This may involve re-evaluating the accessibility of solicitations, increasing transparency in policies, and revising vendor qualifications and requirements.

Additionally, establishing and maintaining accessible procurement programs and hiring culturally competent staff may help to reduce barriers experienced by Black business owners.

When individuals, institutions, and systems actively work to dismantle racism, it can lead to increased sustainability for Black business owners, and increased ability for these businesses to

contribute to the economy. The experiences collected by participants in this study provide insight into the barriers encountered by Black business owners when accessing public procurement and these findings can be used to empower and educate other businesses whose voices have been silenced within the Black business community.

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APPENDIX A: RECRUITMENT FLYER

RECRUITMENT FLYER

Research Participants Needed

EXPLORING BLACK BUSINESS OWNERS' EXPERIENCE IN PUBLIC PROCUREMENT CONTRACTS

Are you a business owner who meets the following criteria?

- Are you 18 years of age or older?
- Do you self-identify as Black or African American?
- Are you a business owner registered with the state of Arizona?
- Are you a resident of Arizona?

If you answered **yes** to these questions, you are eligible to participate in this research study.

The purpose of this research study will explore the experience of Black business owners, and their experience in securing public procurement contracts. Participants that meet the criteria will be asked to engage in a 1:1 interview with the researcher lasting around 30-60 minutes. Interviews will be scheduled in-person at a mutually agreed-upon time and location and will be audio- and video-recorded.

Upon completion, participants may choose to be entered into a raffle for a chance to win a \$50 Amazon gift e-card.

If you meet the study criteria and would like to participate, please click the link provided below to complete a brief questionnaire. https://forms.gle/F3cKhM1WuReRjTEb8

A consent form is provided as the first page of the Google Form link above, which you should electronically sign prior to your interview.

Khamillia Harris, a doctoral candidate in the School of Behavioral Science, Department of Psychology, at Liberty University, is conducting this study.

Please contact Khamillia Harris, at information.

APPENDIX B: DEMOGRAPHIC ELIGIBILITY QUESTIONNAIRE

Black Business Owners' Experience in Public Procurement

Disclosure: As a student in the School of Behavioral Science, Department of Psychology, at Liberty University, I am conducting research as part of the requirements for a doctoral degree. The purpose of my research is to explore the lived experience of Black business owners' experience in securing public procurement contracts. Your answers will remain completely anonymous.

Directions: Please read each statement and answer yes or no to each statement. There are no right or wrong answers.

	o fight of wrong unawers.		
* In	* Indicates required question		
1.	Email *		
2.	What is your Full name? *		
Do I qualify to participate in this study? You are invited to participate in a research study. Taking part in this research project is voluntary. Please take time to read this entire form and ask questions before deciding whether to take part in this research. To participate, you must answer "yes" to the following questions: If you do not meet the criteria, unfortunately, you will not be able to participate at this time.			
3.	Are you 18 years of age or older? *		
	Mark only one oval.		
	Yes No		

4.	Do you self-identify as Black or African American? *
	Mark only one oval.
	Yes
	◯ No
5.	Are you a business owner registered with the state of Arizona? *
	Mark only one oval.
	Yes
	No
6.	Are you a resident of Arizona? *
	Mark only one oval.
	Yes
	◯ No

7.	Please provide your Full Name & Date *
8.	The researcher has my permission to audio and video-record me as part of my * participation in this study
	Mark only one oval.
	Yes No
9.	Do you want to be included in the \$50 Amazon raffle? *
	Mark only one oval.
	Yes
	○ No
	Demographic Questions
10.	How old are you? *
11.	What is your gender? *
	The researcher will email you to coordinate a time and location for your interview.

APPENDIX C: INFORMED CONSENT FORM

Title of the Project: EXPLORING BLACK BUSINESS OWNERS' EXPERIENCE IN PUBLIC PROCUREMENT CONTRACTS

Principal Investigator: Khamillia Harris, doctoral candidate, Liberty University

Invitation to be Part of a Research Study

You are invited to participate in a research study. To participate, you must be 18 years or age or older, self-identify as Black or African American, be a business owner registered with the state of Arizona and be a resident of Arizona.

Taking part in this research project is voluntary. Please take time to read this entire form and ask questions before deciding whether to take part in this research.

What is the study about and why is it being done?

The purpose of this research study is explore to the experience of Black business owners in securing public procurement contracts. The aim of this study specifically focuses on understanding the lived experiences, barriers and strategies Black business owners use to secure public procurement contracts.

What will happen if you take part in this study?

If you agree to be in this study, I will ask you to participate in a one-on-one, in-person or virtual (if requested), audio/video recorded interview lasting around 30-60 minutes. The interview will be guided by 14 questions about your experience in securing public procurement contracts. The information you would like to provide may also be added to the interview data.

How could you or others benefit from this study?

Participants may feel a sense of contributing to the greater good by sharing their experiences as their experiences may help future Black business owners in similar situations.

Benefits to society include helping to provide a better understanding of Black business owners' experience in securing public procurement contracts, which may lead to the development of strategies to support Black businesses sustainability through the public procurement contract system.

What risks might you experience from being in this study?

The risks involved in this study are minimal, which means they are equal to the risks you would encounter in everyday life.

How will personal information be protected?

The records of this study will be kept private. Published reports will not include any information that will make it possible to identify a subject. Research records will be stored securely, and only the researcher and research advisor (Dr. Stacey Gaines, _______) will have access to the records. Data collected from you may be shared for use in future research studies or with

other researchers. If data collected from you is shared, any information that could identify you, if applicable, will be removed before the data is shared.

- Participant responses will be kept confidential through the use of pseudonyms. Interviews will be conducted in a location where others will not easily overhear the conversation.
- Data will be stored on a password-locked computer and may be used in future presentations. After three years, all electronic records will be deleted.
- Interviews will be recorded and transcribed. Recordings will be stored on a password locked computer for three years and then erased. Only the researcher and her advisor will have access to these recordings.

How will you be compensated for being part of the study?

Participants who desire will be entered into a drawing for a \$50 Amazon gift card for participating in this study. The winning participant will be sent an e-gift card to the email address provided by the participant.

Is study participation voluntary?

Participation in this study is voluntary. Your decision whether or not to participate will not affect your current or future relations with Liberty University. If you decide to participate, you are free to not answer any question, or withdraw at any time, without affecting those relationships.

What should you do if you decide to withdraw from the study?

If you choose to withdraw from the study, please inform the researcher at the email address/phone number included in the next paragraph. Should you choose to withdraw, data collected from you will be destroyed immediately and will not be included in this study.

Whom do you contact if you have questions or concerns about the study?

The researcher conducting this study is Khamillia Harris. You may ask any questions you have now. If you have questions later, **you are encouraged** to contact her at ______. You may also contact the researcher's faculty sponsor, Dr. Stacey Gaines at ______.

Whom do you contact if you have questions about your rights as a research participant?

If you have any questions or concerns regarding this study and would like to talk to someone other than the researcher, **you are encouraged** to contact the Institutional Review Board, 1971 University Blvd., Green Hall Ste. 2845, Lynchburg, VA 24515 or email at irb@liberty.edu.

Disclaimer: The Institutional Review Board (IRB) is tasked with ensuring that human subjects research will be conducted in an ethical manner as defined and required by federal regulations. The topics covered and viewpoints expressed or alluded to by student and faculty researchers are those of the researchers and do not necessarily reflect the official policies or positions of Liberty University.

Your Consent

By signing this document, you are agreeing to be in this study. Make sure you understand what the study is about before you sign. You will be given a physical copy of this document for your

the study after you sign this document, you can contact the study team using the information provided above.
I have read and understood the above information. I have asked questions and have received answers. I consent to participate in the study.
☐ The researcher has my permission to audio and video-record me as part of my participation in this study.
Printed Subject Name
Signature & Date

records. The researcher will keep a copy with the study records. If you have any questions about

APPENDIX D: INTERVIEW QUESTIONS

Initial Opening Questions

- 1) How did you come to start a business?
- 2) Can you describe what past experience(s) led you here?
- 3) What type of business do you have?
- 4) How long have you been in business?
- 5) Can you tell me about how that made you feel?

Questions exploring access to capital:

- 1) What has been your experience with accessing capital?
- 2) Can you tell me about how that made you feel?
- 3) What additional resources and/or strategies have you used to access capital?

Questions examining public contract experience:

- 1) What is your experience with public procurement contracts?
 - **Probing Questions:**
 - a) What was that like for you?
 - b) Why do you think that was?
 - c) Can you tell me about how that makes you feel?
- 2) What additional resources have you used to access contracts?
- 3) What additional strategies have you used to access contracts?

Questions explores the meaning of their experience with barriers in business:

- 1) Did you experience any form of barriers in operating your business?
 - **Probing Questions:**
 - a) If yes, what are they?
 - b) What was that like for you?
 - c) Why do you think that was?
 - d) Can you tell me about how that makes you feel?
- 2) What strategies would you recommend to other Black-owned business to be successful in overcoming barriers in business?
- 3) What resources would you recommend to other Black-owned business to be successful in overcoming barriers in business?

Closing Question:

Are there any additional experiences in your life that you think have contributed to your experience with operating a business in securing public procurement contracts?

APPENDIX E: IRB APPROVAL LETTER

LIBERTY UNIVERSITY. INSTITUTIONAL REVIEW BOARD

September 27, 2023

Khamillia Harris Stacey Gaines

Re: IRB Approval - IRB-FY23-24-311 EXPLORING BLACK BUSINESS OWNERS' EXPERIENCE IN PUBLIC PROCUREMENT CONTRACTS

Dear Khamillia Harris, Stacey Gaines,

We are pleased to inform you that your study has been approved by the Liberty University Institutional Review Board (IRB). This approval is extended to you for one year from the following date: September 27, 2023. If you need to make changes to the methodology as it pertains to human subjects, you must submit a modification to the IRB. Modifications can be completed through your Cayuse IRB account.

Your study falls under the expedited review category (45 CFR 46.110), which is applicable to specific, minimal risk studies and minor changes to approved studies for the following reason(s):

7. Research on individual or group characteristics or behavior (including, but not limited to, research on perception, cognition, motivation, identity, language, communication, cultural beliefs or practices, and social behavior) or research employing survey, interview, oral history, focus group, program evaluation, human factors evaluation, or quality assurance methodologies. (NOTE: Some research in this category may be exempt from the HHS regulations for the protection of human subjects. 45 CFR 46.101(b)(2) and (b)(3). This listing refers only to research that is not exempt.)

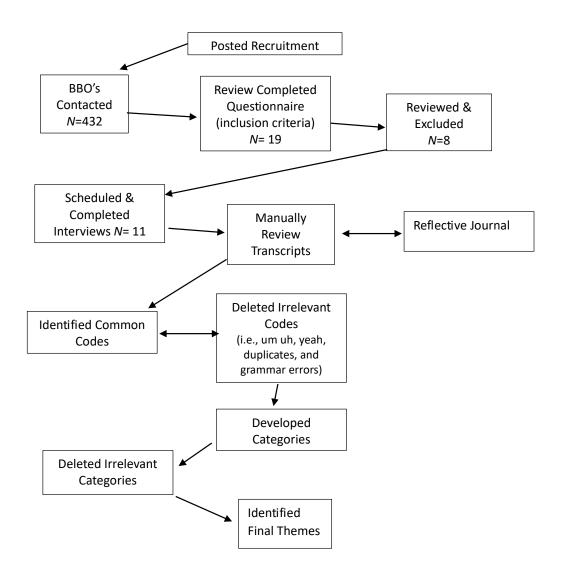
For a PDF of your approval letter, click on your study number in the My Studies card on your Cayuse dashboard. Next, click the Submissions bar beside the Study Details bar on the Study Details page. Finally, click Initial under Submission Type and choose the Letters tab toward the bottom of the Submission Details page. Your stamped consent form(s) and final versions of your study documents can be found on the same page under the Attachments tab. Your stamped consent form(s) should be copied and used to gain the consent of your research participants. If you plan to provide your consent information electronically, the contents of the attached consent document(s) should be made available without alteration.

Thank you for your cooperation with the IRB, and we wish you well with your research project.

Sincerely,

G. Michele Baker, PhD, CIP Administrative Chair Research Ethics Office

APPENDIX F: AUDIT TRAIL



APPENDIX G: REFLECTIVE JOURNAL

- 1. 10/10/23 Virtual Meeting: Researchers bias: It is uncommon for any random business to be offered a public procurement contract without going through the proper vetting process. As such, Participant 1 expressed his only awareness of this contract opportunity occurred by connecting with a Black woman who is a member of the city of Scottsdale-Diversity and Equity department. If the Black woman never reached out to Participant 1, would this same opportunity have been publicly available and accessible to him, specifically?
- 2. 10/16/23 Virtual Meeting: Researchers bias: Participant 2, is aware of public procurement contracts but has not taken the steps to move forward to gain access to contracts, in turn, is reliant on community and self-funding efforts as he is often denied grant opportunities. Participant 2 believes that his experience and understanding of access to contracts as another loophole and that his race has negatively impacted his business funding ventures. What happens to your business if you cannot financially cover the cost?
- 10/27/23 Virtual Meeting: Researchers bias: Participant 3 is aware of public procurement contracts and in her experience she described monopolized contracts, which negatively impacts her business ventures for funding.
- 4. 11/1/23 Virtual Meeting: Researchers bias: Participant 4 is aware of public procurement contracts but has struggled for years to be awarded. Although she does not specially state race as a contributing factor to her denied funding opportunities, she instead discounts her lack of access to information and connection to people.
- 11/4/23 In-person Meeting: Researchers bias: Participant 5 does not have experience and therefore does not know how to access capital and contracts to support her business ventures. She is a good example of why this study is vital.
- 6. 11/27/23 Virtual Meeting: Researchers bias: Participant 6 has experience with public procurement contracts but does not know how to apply for them herself. What happens if there are renewal changes within the contract, what will she do then?
- 7. 11/27/23 Virtual Meeting: Researchers bias: Participant 7 has experience with public procurement contracts and has become aware of how racial bias has impacted her access and benefits to contracts. If she were white, would her experience be the same?
- 11/4/23 In-Person Meeting: Researchers bias: Participant 8 does not have experience and therefore does not know how to access contracts to support his business ventures. P8 is a good example of why this study is vital.
- 9. 1/11/24 Virtual Meeting: Researchers bias: Participant 9 does have experience with contracts and equates his race and gender in operating his business as a social barrier, yet he continues to thrive, which is amazing!
- 10. 1/17/24 Virtual Meeting: Researchers bias: Participant 10 is aware of contracts but has not been successful in securing contracts for her business. She expressed concern with race factoring in her experience of operating her business. What are you willing to do to ensure a smooth process the next go round?
- 11. 1/18/24 Virtual Meeting: Researchers bias: Participant 11 is aware of contracts but does not believe they apply to his type of business. His willingness to help others is amazing, however, he is aware that contracting opportunities for people of color is still a social issue. P11 P8 is a good example of why this study is vital.

APPENDIX H: SAMPLE TRANSCRIPT

Researcher

Perfect. All right. First starters, let's talk about how you came to start your business.

Participant 11

So I guess I own more than one business. So I'll keep everything focused on a singular business. I started the business in 2019, incorporated in 2019.because my wife who has a, you know, decades-long career in the corporate space, and myself as an entrepreneur, saw a deep need for better collaboration in the workplace. We saw a deeper need for understanding of the individuals that comprise a workforce. And so we started to explore different analytic aspects that track that. So we looked at disks, we looked at Myers-Briggs, looked at Colby, we looked at predictive index. We actually started with disk, and we were certified practitioners of disk, and then we discovered predictive index and realized it was far better aligned with how we viewed the workplace and how we thought we could impact it. And so we started a business at that time. kind of just on the idea of, you know, better work, better world. You know, if someone got to bring their true self to work we believed and the science has proven that they're more likely to provide discretionary effort to their employer. Come in early, stay late, focus on the outcome, not the task, and we've been very successful with it ever since we started.

Researcher

That's awesome. And I know you kind of described a little bit of what led you into this.

can you describe maybe like a specific incident, excuse me, that led you to where you are now?

Participant 11

You know, well, I'm going to answer. There's a couple of ways to answer that. So we'll start with, you know, basically it was made it clear that there was a glass ceiling within that firm. And it was, at the time, the largest benefits continuing firm in the state of Arizona. And they've made it pretty clear that there was a glass ceiling that though there could be pay increases in bonuses, there was never soing to be a promotion. And we had experienced that with

different employers in that space for her because she'd get to a point and the insurance industry is still heavily dominated by older white males, so she'd hit this one point and then her promotions and her elevation would stagnate. And so she'd go somewhere else and she'd bring this new value to new company and she would elevate that company and same thing. So after two or three times and she's worked with every one of major, major benefits consulting firms in the country, after two or three times of that, we realized how much those companies were losing value because she had far more to give and to share. But at the point that you realize you're no longer going to be acknowledged for your contribution, it started with showing up right on time, leaving right on time, taking every day of her vacation, taking every day of sick leave and all those things. And we realized that was probably happening everywhere in the country. And so that's really what did it for us, knew my wife at that point had not been an entrepreneur. I had pretty much always been an entrepreneur. But when we saw that deep need for better connection between employers and employees, we knew we were on to something. So that's really what launched our business was dissatisfaction, to give you an example, if you're familiar with Richard Branson, he is the leader behind the Virgin brand. Virgin Airlines used to be Virgin Records, mean, multi billionaire. And he's he has said before. Um. vou know. I. this is not my first business. Um. I have started businesses, acquired businesses, with businesses, sold businesses, and even brokered the sale of businesses. So I've been doing something in this realm for nearly 40 years. Um. so, so for me, it's exciting. Um, it was even more exciting as, as I watched my wife, a first-time entrepreneur, really, really zoning on the, all of the benefits that come with entrepreneurship, the, the, the freedom, um, the responsibility, right? There's a freedom to make all your own decisions. There's a responsibility to live with every one of those decisions. There's no one, there's no backstop, There's no one who covers for you. There's no, you know, there's no employee. You can say, Hey, they, they, it was their fault. None of that. Um, but it was, it has been really exciting. I would say this is probably one of my most important things. lies the same thing. She goes, I don't care what it takes for this business to succeed, I'm never going to work for someone else again, And I think that commitment is what it takes for any entrepreneur to succeed is they have to realize this is not for us. It was never a side hustle. It was never a let's test it out and see. I think in entrepreneurship as in many things, you have to really commit. You have to make the decision that you're going to commit. And sometimes that commitment is looking at signals that you might be going down a wrong path and you adjust it. But I think entrepreneurship is the job. It isn't what your business does. It's really, are you an entrepreneur? For me, the widget is irrelevant, I know how to run companies. I don't care what they sell. It doesn't matter because there are some basics that make every business succeed if you follow those basics. And so that's where I'm really good. My wife is really good on the creative side, the management of people's side, I'm a great leader, I'm a horrible manager, I can lead companies to really amazing things. I can't manage the people to get them there. My wife is brilliant at managing the people so that between what I design as a leadership strategy alongside my life and what she can do to manage the people to get us there is I think the key to

Researcher

That's awesome. That's very inspirational too just so you I'm you more questions that are specifically focused on your experience in accessing capital as well as your barriers that you've encountered and then your experience in accessing public procurement contracts. So you just kind of know which direction we're going, for the first topic, let's explore your experience in accessing capital. When it comes to you know obviously funding and starting your business what was that experience like for you?

Participant 11

Well so. I'm gonna if you don't mind I'm gonna separate those things there's funds to start a business and there's accessing capital. okay it is my opinion that if someone needs to borrow money to start a business they're already in a hole. Because at that point