

Introduction

The City of Gainesville, Florida, Office of Equal Opportunity (OEO) commissioned the Florida Survey Research Center at the University of Florida (FSRC) to study issues related to the City contracting with minority-owned businesses in Gainesville. In completing this analysis, the FSRC conducted an internet and mail survey of licensed businesses in the City of Gainesville as well as an examination of existing Census data related to people and businesses in the City.

Format of the Report

This report is divided into several sections that first present background on the research process and then present the results of the completed analysis. The report includes an Executive Summary, an overview of the results of the combined analysis. The two sections that follow provide detailed survey results, including comprehensive information on the findings with tables summarizing responses to each question. (For survey results, please note that tables indicate the total number of respondents who answered the question, which may not reflect the total number in the sample.) Section I of this report provides comprehensive analysis related to minority racial/ethnic status of business owners in the City and Section II provides comprehensive analysis related to gender status of business owners in the City.

Section III of this report presents and analyzes secondary US Census Bureau data from people and businesses in the City of Gainesville. This portion of the report is divided into several sections, grouped by topical sets of indicators which point to issues relevant to city contracting with minority-owned businesses. The goal of the secondary data analysis is to provide a concise, easily understandable summary of issues related to minority-owned businesses.

Procedure & Methodology

Surveys of Gainesville business owners were conducted by internet using the survey system of the FSRC at the University of Florida in Gainesville, when possible, and by mail (when internet contact was not possible). The population under study is licensed businesses in the City of Gainesville.

Sampling

The listed sample of licensed business owners in the City of Gainesville is publically available on the City's website¹. This list contained 6,764 entries, of which 5,717 were unique entries. Of these entries, 3,616 included contact emails and were locally-owned (businesses owned/managed by corporate entities outside the City of Gainesville were excluded) and were, thus, included in the internet survey sample; 425 locally-owned entries did not provided contact emails, but did provide mailing addresses and were included in the mail survey sample.

Internet Survey Procedures

The Florida Survey Research Center makes substantial efforts to improve response rates and reduce error from non-responses when conducting internet surveys. Non-response error may result in a bias

¹ Available at: <https://data.cityofgainesville.org/Economic-Development-Redevelopment/Active-Businesses/hk2b-em59>

because those individuals who either refuse to participate or cannot be reached to participate may be systematically different from those individuals who do complete the survey.

Our efforts to improve response rates and reduce non-response include the following²:

- ❖ Thoughtful preparation of the introductory email statement including the potential value of the survey; the importance of the respondent's opinions, perceptions, and experiences; IRB-approved informed consent information; and, characteristics that reassure respondents of FSRC legitimacy and clearly differentiate the survey invitation from spam or 'phishing' (UF letterhead and logos, FSRC contact information, transmission from a valid UF email address, direct link to survey with a URL that verifies the FSRC as the sponsoring organization, etc.);
- ❖ Introducing the questionnaire with an introductory statement on the welcome-screen that emphasizes ease of responding and provides clear instructions on how to take necessary computer actions to complete the questionnaire;
- ❖ Providing a unique user name and password for each potential respondent that limits access to only those in the sample and restricts completion to one survey per user;
- ❖ Providing an embedded direct link so that the recipient can simply click on the URL and be taken to the survey page;
- ❖ Presenting questions in a conventional format similar to paper surveys using a design (question wording, question order, question grouping, etc.) that promotes participation and full response to all questions;
- ❖ Allowing respondents the option to stop the survey, save their responses, and return to complete it at a later time;
- ❖ Sending an email reminder about a week after the initial email to those in the sample who have not completed the survey.

Pretest

Pretesting is used to identify any problems with questionnaire design, including question wording, transitions between sections of the survey, and clarity of language and concepts. Following construction and approval of the survey instrument by the County, the survey was coded and loaded into the FSRC Internet Survey system. The FSRC pretesting process began by repeated testing of the programming language to insure that the questionnaire was working properly and that all responses were properly coded. After the program was completely tested and found to be operating soundly, the FSRC conducted a pretest of the survey instruments with respondents from the sample group. Revisions were made as needed, and implementation began.

Implementation

The first step of the implementation process is loading the final version of the survey instrument into the FSRC Internet Survey system. The system helps prevent errors as it prompts the respondent to answer questions based on built-in skip patterns and eliminates out-of-range responses. This supports

² See Dillman, Don. 2000. *Mail and Internet Surveys: The Tailored Design Method*. New York, NY: John Wiley & Sons, Inc. and Gideon, Lior. 2012. *Handbook of Survey Methodology for the Social Sciences*. New York, NY: Springer.

extremely complicated questioning patterns, branching, and multiple survey designs for the same project. Data are automatically and instantaneously recorded into an ASCII database as the surveys are finished.

Contact emails were sent to all potential respondents on May 27, 2015. The email explained the research initiative, provided IRB-approved informed consent information, and included an individualized user name and password to allow respondents to log-in to the FSRC Internet System to complete the survey.

A total of 159 surveys were completed between May 27, 2015, and June 10, 2015, with reminder emails sent on June 1, and June 8, 2015.

Mail Survey Procedures

The FSRC developed the survey instrument and cover letter for the mail survey to mirror the design and content of the online survey. The instrument was designed as an eight-page booklet, a design proven to promote higher response rates, with the same questions and responses as the online survey. Survey packets contained a cover letter on FSRC letterhead explaining the purpose of the survey and the survey process, a survey booklet, and a postage-paid return envelope.

Our efforts to improve response rates and reduce non-response include the following³:

- ❖ Preparation of a packet containing a cover letter, the questionnaire (including detailed instructions explaining how to answer and return the questionnaire), and a postage-paid envelope to return the survey;
- ❖ Mailing the survey packet in a business envelope rather than a flat mail-out (to avoid confusion with advertisements and “junk” mail);
- ❖ Mailing the survey packet in a smaller business envelope to make the survey packet appear less burdensome (suggesting less of a time commitment on the part of the respondent);
- ❖ Using an outer mailing envelope that appears professional and is legitimized by official University of Florida logos, avoiding gimmicks such as envelopes in unusual shapes, sizes, and colors that may discourage respondent participation;
- ❖ Every mail survey is accompanied by a cover letter which serves as a precise, one-page introduction to the questionnaire and is legitimized by the use of official University of Florida letterhead and Institutional Review Board information and approval, and personalized with individualized salutations, dates, and signatures;
- ❖ The questionnaire is designed to be clear, concise, and esthetically pleasing to encourage respondent participation and is constructed as a four-page booklet, a design proven promote higher response rates;
- ❖ The questionnaire is organized using different sections to separate topics in an attractive and logical order. Detailed instructions are provided. Questions are adequately spaced, rather than overcrowded, with plenty of white space in between. Simple fonts are used rather than decorative lettering, and the layout and styling format remain cohesive throughout the entire

³ See Dillman, Don. 2000. *Mail and Internet Surveys: The Tailored Design Method*. New York, NY: John Wiley & Sons, Inc. and Gideon, Lior. 2012. *Handbook of Survey Methodology for the Social Sciences*. New York, NY: Springer.

questionnaire. All questions, and pages, are clearly numbered. Questions are ordered in a logical manner within groupings of similar topics. Transition statements and visual cues signal a change in topic both verbally and visually.

Pretest

Pretesting is used to identify any problems with questionnaire design, including question wording, transitions between sections of the survey, and clarity of language and concepts. Following initial construction of the survey instrument, FSRC researchers critically read each of the questions and revise as needed. After this first round of revisions, the questionnaire is shared with the client, colleagues, and other appropriate audiences. This feedback is used to determine how long the questionnaire will take respondents to complete, as well as the clarity of the questionnaire.

Implementation

A total of 425 survey packets were mailed to local businesses on May 14, 2015. Ten usable, completed surveys were returned by June 10, 2014.

Survey Instrument

The survey instrument was designed in a collaborative effort between the FSRC and the City. Initial drafts of the survey questions were reviewed by City OEO representatives for appropriateness, clarity and understandability, and topic coverage, and their feedback was incorporated into the final draft.

The survey instrument included a variety of questions about business owners' perceptions of doing business with the City, as well as detailed questions about their businesses. The specific categories of questions are as follows:

- Background on Business & Owner
 - Title
 - Years in Operation
 - Gross Revenues & Percentage of Revenues Contracted with City
 - Number of Full-Time & Part-Time Employees
 - Type of Business
 - Certifications
 - Owner's Years of Experience in Business
 - Owner's Gender
 - Owner's Race/Ethnicity
- Contracting with the City of Gainesville
 - Currently a Vendor/Supplier
 - Submitted a Bid in Past Five Years
 - Number of Bids
 - City Department for Most Recent Bid
 - Selection Criteria Posted
 - Record of Bidders Posted
 - Number of Successful Bids & Department for Most Recent Award
 - Bid as Contractor, Subcontractor, or Both

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- Reasons for Not Submitting Bids
- Provided Goods/Services below Threshold for Written Quotation
- Registered with DemandStar
- Ease or Difficulty of Doing Business with the City
- Barriers to Participating in City Procurement Opportunities
- Other Experiences while Running a Business
- Comments

Analysis

At the conclusion of the data collection, the data from the internet and mail surveys were combined into a final dataset and this file was analyzed using the SAS® data analysis system to provide the necessary output for the report. The detailed results of this analysis are presented in Sections I and II of this report.

Respondents

In total, 169 completed surveys were analyzed. The table below compares the characteristics of survey respondents (“study sample”) to Census data on Gainesville business owners.

Owner Characteristic	Study Sample	2007 Census SBO Data*
White	79.8%	86.4%
Black	8.9%	8.9%
Asian	1.8%	4.0%
Hispanic	5.3%	7.3%
“Minority”	20.3%	19.9%
Female	39.3%	32.9%
Total	N=169	N=10,281

**2007 Survey of Business Owners, US Census Bureau, Gainesville City, Florida (Classifiable businesses)*

Section I: Survey Results – Minority Status

The first section of this report examines the differences between white-owned and minority-owned businesses on several characteristics. For the analyses in this section of the report, minority-owned businesses include those businesses in which the race or ethnicity of the majority owner is one of the following: Black/African American; Asian/Pacific Islander; Native American; or, Hispanic.

Analysis of Business Characteristics

The characteristics of the businesses we examine in this section are as follows:

- Respondents' title;
- Length of time the business has operated in Gainesville;
- Business's gross 2014 revenues;
- Percentage of revenues from Gainesville and other public sector contracts;
- Average number of full-time employees;
- Average number of part-time employees;
- Business services;
- Business certifications;
- Years of experience in providing services.

Survey responses regarding each of these business characteristics were cross-tabulated by two categories of race and ethnicity—white and minority – based on the race or ethnicity of the majority owner of the company.

The goal of this analysis is to provide a description of the businesses operating in Gainesville as well as to determine if there are any significant differences between white-owned and minority-owned businesses in the City. Any differences that are identified in this analysis may be useful in explaining contracting behaviors and success in obtaining contracts from the City. For example, minority-owned businesses may be smaller than white-owned businesses, and thus, functionally excluded from certain contract bids based on capacity requirements in larger projects. Similarly, minority-owned businesses may only provide services in a limited number of areas, and thus, again, be precluded from submitting proposals for RFPs for some categories of services.

A table will be provided for each analysis along with a descriptive summary of the results in each table. In addition, a chi-square statistic will also be included to indicate if any differences between white-owned and minority-owned businesses are statistically significant. Finally, for statistically significant results, an appropriate measure of association will indicate the strength of the relationship.

Respondent Title

The first analysis examines the responses to regarding the title of the individual who completed the survey. The response options for this question are as follows: Owner; CEO/President; Manager; Financial Officer; Other. The results are presented in Table 1-1.

Table 1-1: Respondent Title by Minority Status

Title	White-Owned Business	Minority-Owned Business
Owner	68.3%	78.1%
CEO/President	19.1%	18.8%
Manager	7.9%	0.0%
Financial Officer	3.2%	0.0%
Other	1.6%	3.1%
	<i>n=126</i>	<i>n=32</i>

The results of this analysis indicate that most of the respondents for both white-owned and minority-owned businesses are similar. More than two in three (68.3%) respondents from white-owned businesses are the owner compared to roughly four in five (78.1%) respondents from minority-owned businesses. About one in five respondents from white-owned (19.1%) and minority-owned (18.8%) businesses indicated that they are either the CEO or president of the business or corporation. The chi-square statistic indicates that there are no statistically significant differences in respondent title by minority status.

Length of Time Business has Operated in Gainesville

The next analysis examines the length of time that the business has been operating in the City of Gainesville. The response options for this question are as follows: Less than one year; 1 to 5 years; 6 to 10 years; 11-15 years; 16-20 years; More than 20 years. The results of this analysis are presented in Table 1-2.

Table 1-2: Length of Time Business has Operated in Gainesville by Minority Status

Length of Time	White-Owned Business	Minority-Owned Business
Less than 1 year	9.5%	12.5%
1 to 5 years	19.8%	25.0%
6 to 10 years	12.7%	18.8%
11 to 15 years	11.1%	9.4%
16 to 20 years	7.9%	9.4%
More than 20 years	38.9%	25.0%
	<i>n=126</i>	<i>n=32</i>

The length of time that the responding businesses have been operating in Gainesville is very similar for white-owned and minority-owned businesses. We might, for example, surmise that white-owned businesses would have been operating for a longer period of time; the survey results indicate that this is not the case. For example, about one in ten (9.5%) white-owned businesses have been operating for less than one year compared to one in eight (12.5%) minority-owned businesses. One in five (19.8%) white-owned businesses have been operating in Gainesville from one to five years while one in four (25.0%) of minority-owned businesses have done so. The chi-square statistic indicates that there are no statistically significant differences in the length of business operation by minority status.

Business Revenues for 2014

The next analysis examines the businesses’ gross revenues for the year 2014. The response options for this question are as follows: Less than \$50,000; \$50,000 to \$100,000; \$100,001 to \$300,000; \$301,000 to \$500,000; \$500,001 to \$1 million; More than \$1 million. The results of this analysis are presented in Table 1-3.

Table 1-3: Business Revenues for 2014 by Minority Status

Revenues	White-Owned Business	Minority-Owned Business
Less than \$50,000	31.0%	43.8%
\$50,000 to \$100,000	10.3%	3.1%
\$100,001 to \$300,000	11.1%	28.1%
\$300,001 to \$500,000	6.4%	6.3%
\$500,001 to \$1 million	15.1%	3.1%
More than \$1 million	18.3%	9.4%
Not sure/Prefer not to answer	7.9%	6.3%
	<i>n=126</i>	<i>n=32</i>

There are significant differences between gross revenues for 2014 for white-owned and minority-owned businesses; white-owned businesses are more likely to have higher revenues than minority-owned businesses. Nearly one in three (31.0%) white-owned businesses, compared to roughly two in five (43.8%) minority-owned businesses, had revenues less than \$50,000 in 2014. One in three (33.4%) white-owned businesses had revenues in 2014 greater than \$500,000 compared to only about one in eight (12.5%) minority-owned businesses. The difference in business revenues by minority status is statistically significant ($\chi^2=11.78, p=.04^4$), fairly weak ($\tau_c=-0.13$), and negative, indicating that minority-owned businesses have lower revenues than white-owned businesses.

A subsequent question asked the respondent to indicate what percentage of these revenues was earned from contracted projects in the City of Gainesville. The results indicate that very few of the respondents have revenues from contracts with the City of Gainesville. More than four in five white-owned businesses (86.5%) and minority-owned businesses (81.3%) did not receive any revenue from contracts with the City of Gainesville.

⁴ Although tables include responses of “not sure” and “prefer not to answer,” all statistical calculations, including chi-square and measures of association, exclude these values.

Full-Time Employees

The next analysis examines the number of full-time employees on the company’s payroll. The response options for this question are as follows: 0 employees; 1 to 5 employees; 6 to 10 employees; 11 to 20 employees; 21 to 30 employees; 31 to 40 employees; 41 to 50 employees; More than 50. The results of this analysis are presented in Table 1-4.

Table 1-4: Number of Full-Time Employees by Minority Status

Number of Employees	White-Owned Business	Minority-Owned Business
None	35.7%	21.9%
1 to 5	36.5%	53.1%
6 to 10	11.9%	15.6%
11 to 20	9.5%	6.3%
21 to 30	2.4%	3.1%
31 to 40	0.8%	0.0%
41 to 50	0.0%	0.0%
More than 50	3.2%	0.0%
	<i>n=126</i>	<i>n=32</i>

A substantial percentage of both white-owned and minority-owned businesses do not have many full-time employees. More than one in three (35.7%) white-owned businesses do not have any full-time employees compared to about one in five (21.9%) minority-owned businesses. While more than one in three (36.5%) white-owned businesses have only one to five employees, more than half (53.1%) of the minority-owned businesses do so. The chi-square statistic indicates that there are no statistically significant differences in the number of full-time employees by minority status.

Part-Time Employees

The next analysis examines the number of part-time employees on the company’s payroll. The response options for this question are as follows: 0 employees; 1 to 5 employees; 6 to 10 employees; 11 to 20 employees; 21 to 30 employees; 31 to 40 employees; 41 to 50 employees; More than 50. The results of this analysis are presented in Table 1-5.

Table 1-5: Number of Part-Time Employees by Minority Status

Number of Employees	White-Owned Business	Minority-Owned Business
None	46.8%	43.8%
1 to 5	41.3%	40.6%
6 to 10	7.1%	6.3%
11 to 20	2.4%	6.3%
21 to 30	0.8%	0.0%
31 to 40	0.0%	0.0%
41 to 50	0.8%	3.1%
More than 50	0.8%	0.0%
	<i>n=126</i>	<i>n=32</i>

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The results indicate that white-owned and minority-owned businesses have very similar numbers of part-time employees. Nearly half (46.8%) of the white-owned businesses more than two in five (43.8%) minority-owned businesses do not have any part-time employees. About two in five (41.3%) white-owned businesses and minority-owned businesses (40.6%) have one to five part-time employees. The chi-square statistic indicates that there are no statistically significant differences in number of part-time employees by minority status.

Type of Business

The next analysis examines the category of businesses that are operated by the respondents. The response categories are developed from the North American Industry Classification System (NAICS), the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. The possible responses are as follows:

- Architectural/Engineering Services;
- Concessions;
- Construction;
- Construction-related Services;
- Commodities/Goods;
- Design/Engineering Services;
- Educational Services;
- Equipment/Supplies;
- Professional, Scientific, or Technical Services;
- Support Services;
- Transportation;
- Other.

The results of this analysis are presented in Table 1-6.

Table 1-6: Type of Business by Minority Status

Type of Business	White-Owned Business	Minority-Owned Business
Architectural/Engineering Services	3.2%	3.1%
Construction	7.9%	3.1%
Construction-Related Services	6.4%	3.1%
Commodities/Goods	18.3%	18.8%
Design/Engineering Services	6.4%	9.4%
Educational Services	4.8%	3.1%
Professional, Scientific, or Technical Services	33.3%	31.3%
Support Services	4.0%	6.3%
Transportation	0.0%	6.3%
Other	12.7%	12.5%
Not sure/Prefer not to answer	3.2%	3.1%
	<i>n=126</i>	<i>n=32</i>

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The two most frequently identified categories of businesses are “Commodities/Goods” and “Professional, Scientific or Technical Services.” White-owned and minority-owned businesses have a similar percentage of respondents for each of these two categories. Nearly one in five white-owned (18.3%) and minority-owned businesses (18.8%) provide “Commodities and Goods.” Similarly, one in three white-owned (33.3%) and minority-owned (31.3%) businesses provide “Professional, Scientific, or Technical Services.” The chi-square statistic indicates that there are no statistically significant differences in type of business by minority status.

Additionally, about one in eight white-owned (12.7%) and minority-owned (12.5%) businesses identified as “Other” types of businesses. Among the other types of businesses are the following: automobile sales and service, restaurants, and housing.

Business Certifications

The next analysis examines the different types of business certifications held by the respondents. The possible types of certifications are as follows:

- Small Business Enterprise (SBE);
- Minority Business Enterprise (MBE);
- Woman Business Enterprise (WBE);
- Disadvantaged Business Enterprise (DBE);
- Hubzone;
- 8(a) Business Development;
- Other.

The results are presented in Table 1-7.

Table 1-7: Types of Certification by Minority Status

Type of Certification	White-Owned Business	Minority-Owned Business
Small Business Enterprise (SBE)	18.3%	34.4%
Minority Business Enterprise (MBE)	1.6%	34.4%
Woman Business Enterprise (WBE)	6.3%	9.4%
Disadvantaged Business Enterprise (DBE)	0.0%	9.4%
Hubzone	0.8%	15.6%
8(a) Business Development	0.0%	3.1%
Other	7.1%	0.0%
	<i>n=126</i>	<i>n=32</i>

**Note: Respondents could choose more than one type of certification.*

The results indicate that the minority-owned businesses that responded to the survey are more likely to hold one of these certifications than the white-owned businesses. Approximately one in three minority-owned businesses are certified small business enterprises (34.4%) compared to about one in five (18.3%) white-owned businesses. About one in three minority-owned businesses are certified minority business enterprises (34.4%); about one in ten (9.4%) are certified woman business enterprises or

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certified disadvantaged business enterprises; about one in six (15.6%) are Hubzone certified; and one (3.1%) is an 8(a) Business Development enterprise.

Years of Experience

The next analysis examines the years of experience the business owner has in the company's line of business. The response options for this question are as follows: Less than one year; 1 to 5 years; 6 to 10 years; 11-15 years; 16-20 years; More than 20 years. The results of this analysis are presented in Table 1-8.

Table 1-8: Years of Experience by Minority Status

Years of Experience	White-Owned Business	Minority-Owned Business
Less than 5 years	9.5%	12.5%
6 to 10 years	7.9%	15.6%
11 to 15 years	7.1%	6.3%
16 to 20 years	8.7%	12.5%
More than 20 years	65.1%	53.1%
Not sure/Prefer not to answer	1.6%	0.0%
	<i>n=126</i>	<i>n=32</i>

Minority-owned business owners are somewhat more likely to have fewer years of experience in their company's business line than white-owned business owners—though this difference is not statistically significant. One in eight (12.5%) minority-owned businesses have less than five years of experience compared to only about one in ten (9.5%) white-owned businesses. About one in six (15.6%) minority-owned business owners have from one to five years of experience compared to fewer than one in ten (7.9%) white-owned business owners. White business owners are somewhat more likely to have more than 15 years of experience in their business line (73.8%) than minority owners (65.6%).

Contracting with the City of Gainesville

This section examines the experiences white-owned and minority-owned businesses have had in contracting with the City of Gainesville.

Current Vendor Status

The first question in this section asked if the company is currently a vendor or supplier for the City of Gainesville. The results are presented in Table 1-9.

Table 1-9: Current Vendor Status by Minority Status

Current Vendor / Supplier	White-Owned Business	Minority-Owned Business
Yes	17.7%	16.1%
No	74.2%	77.4%
Not sure	7.3%	6.5%
Prefer not to answer	0.8%	0.0%
	<i>n=126</i>	<i>n=32</i>

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The results are similar for white-owned and minority-owned businesses – few of the respondents currently work for the City. About one in six white-owned (17.7%) and minority-owned (16.1%) businesses are currently vendors/suppliers for the city of Gainesville. There are no statistically significant differences in current vendor status by minority status.

Submitted a Bid in the Previous Five Years

The next question about contracting experience asked the respondents if they submitted a “bid, proposal, quotation, or statement of qualifications” to the City the past five years. The results are presented in Table 1-10.

Table 1-10: Bid by Minority Status

Bid	White-Owned Business	Minority-Owned Business
Yes	16.7%	21.9%
No	75.4%	75.0%
Not sure	6.4%	3.1%
Prefer not to answer	1.6%	0.0%
	<i>n=126</i>	<i>n=32</i>

Again, the results are similar for both white-owned and minority-owned businesses. Few of the respondents have submitted a bid, proposal, or quotation, or statement of qualifications to the City in the past five years. About one in six white-owned (16.7%) and about one in five minority-owned (21.9%) businesses submitted bid, proposal, quotation or statement of qualifications to the City of Gainesville in the past five years. There are no statistically significant differences in bid submission by minority status.

Number of Bids Submitted in the Previous Five Years

The next question asked *those respondents who did submit a bid* in the previous five years to indicate the number of bids, proposals, quotations, or statements of qualifications they submitted. The results are presented in Table 1-11.

Table 1-11: Number of Bids Submitted by Minority Status

Number of Bids	White-Owned Business	Minority-Owned Business
1	28.6%	0.0%
2	19.1%	28.6%
3	4.8%	28.6%
4	4.8%	0.0%
5	14.3%	0.0%
10	0.0%	14.3%
12	4.8%	0.0%
Not sure	19.1%	28.6%
Prefer not to answer	4.8%	0.0%
	<i>n=21</i>	<i>n=7</i>

Of the seven minority-owned businesses that submitted proposals in the past five years, four of these businesses submitted only two or three proposals. Ten of the 21 white-owned businesses that

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submitted proposals submitted only one or two proposals in the past five years. There are no statistically significant differences in number of bids submitted by minority status.

City Departments that Received Bids

The survey also asked the respondents who have submitted bids in the past five years to identify the City of Gainesville department to which they submitted their most recent bid, proposal, quotation, or statement of qualifications. These businesses are listed below.

Department	White-Owned Business	Minority-Owned Business
GRU	5	2
CRA	1	1
Facilities Procurement	1	0
Parks and Recreation	0	1
Homeless Park	0	1
Purchasing Department	2	0
RTS	1	0
Fleet Management	1	0
Insurance	0	1
Animal Services	1	0
Parking	1	0
Public Works	1	0
Shands Care	0	1
Not sure	7	0
	<i>n=21</i>	<i>n=7</i>

Bidding Process

The survey asked these respondents several questions regarding the bidding process. Specifically, the survey asked the respondents if the selection criteria for their most recent bid were posted publicly and if the list of bidders for their most recent bid, proposal, or quotation was posted publicly. The results for these two features of the bidding process are presented in Tables 1-12 and 1-13.

Table 1-12: Selection Criteria Posted Publicly by Minority Status

Criteria Posted	White-Owned Business	Minority-Owned Business
Yes	52.4%	28.6%
No	9.5%	28.6%
Not sure	38.1%	42.9%
	<i>n=21</i>	<i>n=7</i>

Table 1-13: Record of Bidders Posted Publicly by Minority Status

Bidders Posted	White-Owned Business	Minority-Owned Business
Yes	47.6%	28.6%
No	9.5%	28.6%
Not sure	42.9%	42.9%
	<i>n=21</i>	<i>n=7</i>

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What is most notable about the results to these questions is that many of the respondents were not aware of whether the selection criteria and list of bidders were posted publicly. About two in five white owners (38.1%) and minority owners (42.9%) did not know if the selection criteria for their most recent bid, proposal, quotation, or statement of qualifications was posted publicly and a similar percentage of both groups (42.9%) were not aware of whether the record of bidders was posted publicly.

Still, more than half (52.4%) of the white-owned businesses and more than one-quarter (28.6%) of the minority-owned businesses were aware that the selection criteria were posted. Nearly half (47.6%) of the white-owned and more than one-quarter (28.6%) of the minority-owned businesses were aware that the record of bidders for their most recent bid was posted publicly.

There are no statistically significant differences in responses to either question by minority status.

Number of Contracts Awarded

The survey also asked respondents who submitted a bid to the City of Gainesville how many of these submissions resulted in an awarded contract. The results are presented in Table 1-14.

Table 1-14: Number of Contracts Awarded by Minority Status

Number of Contracts	White-Owned Business	Minority-Owned Business
None	42.9%	42.9%
1	28.6%	0.0%
2	0.0%	0.0%
5	4.8%	0.0%
8	4.8%	0.0%
Not sure	19.1%	57.1%
	<i>n=21</i>	<i>n=7</i>

About two in five (42.9%) white-owned and minority-owned businesses indicated that none of the bids they submitted resulted in a contract award. More than one-quarter (28.6%) of these white-owned businesses were awarded one contract with the City. About three in five (57.1%) of these minority-owned businesses could not recall if they were awarded any contracts from the City.

Below is a list of the City department that awarded the most recent contract.

Department	White-Owned Business	Minority-Owned Business
GRU	4	0
CRA	1	0
RTS	1	0
Animal Services	1	0
Public Works	1	0

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Status when Bidding

The next question ask the businesses that submitted bids to the City in the past five years if they most typically bid as the Prime Contractor, Subcontractor or both Prime and Subcontractor. The results are presented in Table 1-15.

Table 1-15: Status when Bidding by Minority Status

	White-Owned Business	Minority-Owned Business
Prime Contractor	57.1%	42.9%
Subcontractor	14.3%	0.0%
Both	19.1%	14.3%
Not sure	9.5%	42.9%
	n=21	n=7

Nearly three in five (57.1%) white-owned businesses and about two in five (42.9%) minority-owned businesses most typically submit bids as the Prime Contractor. About one in five (19.1%) white-owned businesses and about one in seven (14.3%) minority-owned businesses typically submit bids as both the contractor and subcontractor. More than two in five (42.9%) minority-owned businesses could not recall their typical bidding status.

Assistance from City to Submit Bid

The next question in the survey asked businesses that submitted bids to the City in the past five years if they were given assistance from the City when needed during the bidding process. The results are presented in Table 1-16.

Table 1-16: Received Assistance when Needed by Minority Status

Received Assistance	White-Owned Business	Minority-Owned Business
Yes	19.1%	14.3%
No	52.4%	71.4%
Not applicable	23.8%	14.3%
Not sure	4.8%	0.0%
	n=21	n=7

More than half (52.4%) of the white-owned businesses and nearly three-quarters (71.4%) of the minority-owned businesses indicated that they did not receive assistance from the City when needed during the bidding process. About one in five (19.1%) white-owned and about one in seven (14.3%) minority-owned businesses who have applied for bids and needed assistance did receive assistance. There are no statistically significant differences in responses by minority status.

Why Businesses have not Submitted Bids

The next question asked *those respondents who did not submit a bid* in the previous five years to indicate why their company has not submitted a bid, proposal, or statement of qualifications to contract work with the City of Gainesville in the last five years. These responses are categorized and presented below.

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Reason	White-Owned Business	Minority-Owned Business
No requests for the types of services provided by business	48	5
Not familiar with the process / Not aware of requests	13	4
Bidding process is too difficult	7	1
Other (too small, too new, etc.)	6	2
Not sure	16	6
Prefer not to answer	10	1

Provided Goods or Services below \$2,000

The survey also asked if the business provided any goods or services to the City that were less than the \$2,000 threshold required for a written quotation in the past five years. The results are presented in Table 1-17.

Table 1-17: Provided Goods or Services below \$2000 Threshold by Minority Status

	White-Owned Business	Minority-Owned Business
Yes	9.5%	15.6%
No	78.6%	75.0%
Not sure	9.5%	9.4%
Prefer not to answer	2.4%	0.0%
	<i>n=126</i>	<i>n=32</i>

Very few of the businesses provided goods or services to the City that were under the \$2,000 threshold for a written quotation. About one in ten (9.5%) white-owned businesses and approximately one in six (15.6%) minority-owned businesses provided goods or services to the City under \$2,000. There are no statistically significant differences in provision of goods or services below \$2000 by minority status.

Registration with DemandStar

The survey asked the businesses if they are registered with DemandStar to appear on the City's vendor list and receive automated bid notifications from the City. The results appear in Table 1-18.

Table 1-18: Registered with DemandStar by Minority Status

	White-Owned Business	Minority-Owned Business
Yes	8.7%	21.9%
No	71.4%	62.5%
Not sure	17.5%	12.5%
Prefer not to answer	2.4%	3.1%
	<i>n=126</i>	<i>n=32</i>

Again, very few of the businesses are registered with DemandStar. Less than one in ten (8.7%) white-owned businesses and about one in five (21.9%) minority-owned businesses are currently registered with Demand Star. There are no statistically significant differences in DemandStar registration by minority status.

Ease or Difficulty of Doing Business with the City of Gainesville

The next section of the survey asked respondents to assess a series of five statements regarding the ease or difficulty of doing business with the City of Gainesville using a scale from 1 to 5, where 1 is “very easy” and 5 is “very difficult.” The items in this series relate to situations that may encourage or detract from submitting bids with the City. As such, these questions should provide valuable information regarding perceptions of the ease or difficulty of doing business with Gainesville. Those respondents who may have no experience with being a City vendor or submitting a bid could respond by checking the “Not sure” category. The results are presented in Tables 1-19A – E.

Table 1-19A: Finding Procurement Procedures by Minority Status

	White-Owned Business	Minority-Owned Business
1 (Very Easy)	3.2%	9.4%
2	5.6%	6.3%
3	8.7%	3.1%
4	8.7%	12.5%
5 (Very Difficult)	4.0%	34.4%
Not sure	59.5%	31.3%
Prefer not to answer	10.3%	3.1%
	<i>n=126</i>	<i>n=32</i>

Only about one in eight (12.7%) white-owned businesses indicated that “finding the City’s procurement procedures” was difficult, compared to nearly half (46.9%) minority-owned businesses. The difference in assessing the ease or difficulty of finding procurement procedures by minority status is statistically significant (chi-sq=12.95, p=.01), moderate (tau-c=0.32), and positive, indicating that minority-owned businesses rate the process as more difficult (higher on the scale) than white-owned businesses.

Table 1-19B: Finding Information about Bid Notifications for Large Projects by Minority Status

	White-Owned Business	Minority-Owned Business
1 (Very Easy)	5.6%	6.3%
2	4.8%	0.0%
3	5.6%	12.5%
4	3.2%	6.3%
5 (Very Difficult)	4.8%	25.0%
Not sure	65.9%	50.0%
Prefer not to answer	10.3%	0.0%
	<i>n=126</i>	<i>n=32</i>

Only about one in ten (8.0%) white-owned businesses indicated that “finding information about bid notifications for large purchases/projects (over \$50,000)” was difficult, compared to about one in three (31.3%) minority-owned businesses. When respondents who were unsure or preferred not to answer are removed from the analysis, there are no statistically significant differences by minority status.

Table 1-19C: Finding Information about Bid Notifications for Small Projects by Minority Status

	White-Owned Business	Minority-Owned Business
1 (Very Easy)	7.1%	6.3%
2	4.8%	0.0%
3	4.8%	9.4%
4	2.4%	3.1%
5 (Very Difficult)	5.6%	40.6%
Not sure	64.3%	40.6%
Prefer not to answer	11.1%	0.0%
	<i>n=126</i>	<i>n=32</i>

Only about one in ten (8.0%) white-owned businesses indicated that “finding information about bid notifications for small purchases/projects (under \$50,000)” was difficult, compared to about two in five (43.7%) minority-owned businesses. The difference in assessing the ease or difficulty of finding bid notifications for small projects by minority status is statistically significant (chi-sq=12.07, p=.02), strong (tau-c=0.48), and positive, indicating that minority-owned businesses rate the process as more difficult (higher on the scale) than white-owned businesses.

Table 1-19D: Obtaining Bid Documents by Minority Status

	White-Owned Business	Minority-Owned Business
1 (Very Easy)	5.6%	9.4%
2	4.8%	0.0%
3	5.6%	6.3%
4	4.0%	12.5%
5 (Very Difficult)	3.2%	25.0%
Not sure	66.7%	46.9%
Prefer not to answer	10.3%	0.0%
	<i>n=126</i>	<i>n=32</i>

Less than one in ten (7.2%) white-owned businesses indicated that “obtaining bid documents” was difficult, compared to about two in five (37.5%) minority-owned businesses. The difference in assessing the ease or difficulty of obtaining bid documents by minority status is statistically significant (chi-sq=9.33, p=.05), moderate (tau-c=0.39), and positive, indicating that minority-owned businesses rate the process as more difficult (higher on the scale) than white-owned businesses.

Table 1-19E: Completing Bid Documents by Minority Status

	White-Owned Business	Minority-Owned Business
1 (Very Easy)	4.0%	3.1%
2	2.4%	0.0%
3	8.7%	9.4%
4	3.2%	9.4%
5 (Very Difficult)	4.0%	21.9%
Not sure	67.5%	56.3%
Prefer not to answer	10.3%	0.0%
	<i>n=126</i>	<i>n=32</i>

Less than one in ten (7.2%) white-owned businesses indicated that “completing bid documents” was difficult, compared to about one in three (31.3%) minority-owned businesses. When respondents who were unsure or preferred not to answer are removed from the analysis, there are no statistically significant differences by minority status.

Table 1-19F: Average Rating of Ease or Difficulty of Various Aspects of Doing Business with the City, Overall and by Minority Status

	Overall Sample	White-Owned Business	Minority-Owned Business
Finding procurement procedures	3.41	3.16	3.86
Finding bid notifications (large projects)	3.25	2.87	3.88
Finding bid notifications (small projects)	3.35	2.77	4.21
Obtaining bid documents	3.17	2.76	3.82
Completing bid documents	3.39	3.04	4.07

Table 1-19F presents the average scores for the overall sample, white-owned businesses, and minority-owned businesses on the scale from one to five – higher scores indicate greater difficulty. The results indicate that, of those who provided a rating, minority-owned businesses were more likely than white-owned businesses to find these five aspects of doing business with the City difficult.

Barriers to Procurement Opportunities

The survey next asked a series of twelve questions regarding possible barriers companies may face in efforts to participate in the City’s procurement process. Respondents were asked to indicate whether each item has been a barrier for their company. The results are presented in Table 1-20.

Table 1-20: Barriers to Procurement Opportunities by Minority Status

	White-Owned Business	Minority-Owned Business
Pre-qualification requirements	9.3%	22.2%
Bonding requirements	8.8%	11.5%
Cost of bidding or proposing	9.3%	10.7%
City contract insurance requirements	4.9%	18.5%
Bid specifications too rigid	5.3%	21.4%
Not enough time to prepare bid package or quote	7.1%	9.1%
Not enough information received for City solicitations	22.1%	34.6%
Not enough knowledge of City policies/procedures	41.2%	42.3%
Lack of experience/Previous experience requirements	15.2%	29.2%
Lack of personnel	16.5%	7.7%
Scope of services/quantity of commodity too large	9.2%	3.7%
Obtaining working capital/Financing*	8.0%	28.6%

Reflects only those respondents who indicated the experience was applicable to their business.

**Indicates a statistically significant difference between responses based on minority status.*

The results of this analysis indicate that there are some barriers that are more likely to impact minority-owned businesses, and some that generally affect both white-owned and minority-owned businesses. The barriers to procurement opportunities with the City that are more likely to be a barriers for minority-owned businesses than white-owned businesses are as follows:

- Pre-qualification requirements;
- City contract insurance requirements;
- Bid specifications are too rigid;
- Lack of experience/Previous experience requirements;
- Obtaining working capital/financing.

The difference between white-owned and minority-owned businesses for the last barrier, “Obtaining working capital/financing,” is especially striking. Only about five percent (8.0%) of the white-owned businesses indicated that obtaining working capital was a barrier for their company participating in City procurement opportunities compared to more than one-quarter (28.6%) of the minority businesses. The difference in responses is statistically significant (chi-sq=8.65, p=.03) and moderate (Cramer’s V=0.29).

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In addition, there are some barriers to the procurement process with the City that appear to affect both white-owned and minority-owned businesses:

- Not enough information received for City solicitations;
- Not enough knowledge of City purchasing policies and procedures;
- Lack of experience/previous experience requirements.

It is important to note that the barrier that affects the highest percentage of both white-owned and minority-owned businesses is “not enough knowledge of City purchasing policies and procedures.”

Other Business Experiences

The final series of eight questions asked the respondents about other situations they may have encountered while running their business. Several of these questions specifically seek information regarding certain practices that may be considered discriminatory. This series of questions differs from the previous section in that it does not specifically relate to doing business with the City of Gainesville. These aspects of doing business are as follows:

- Provided a bid/quote for a product or service, but never received a response;
- Were pressured to lower the price of the bid or quote;
- Were paid less than the amount negotiated for payment for goods and services;
- Were asked to subcontract on a project just to meet bid requirements for small, minority or women-owned business;
- Were removed from a business arrangement with a vendor after the agreement was implemented;
- Provided a service or commodity, but payment was substantially delayed;
- Provided a service or commodity but never received payment;
- Felt like your company was held to a different standard than other businesses in your industry.

The results are presented in Table 1-21.

Table 1-21: Other Business Experiences by Minority Status

	White-Owned Business	Minority-Owned Business
Provided bid/quote, never received a response	36.0%	50.0%
Pressured to lower the price of a bid/quote	23.2%	16.0%
Paid less than negotiated amount for goods/services	20.9%	9.1%
Asked to subcontract to meet SBE, MBE, WBE requirements	7.4%	4.0%
Removed from business arrangement after agreement*	1.4%	7.7%
Payment substantially delayed for provided goods/services	25.4%	29.2%
Never paid for provided goods/services	18.1%	20.0%
Felt company was held to a different standard than others*	9.6%	40.9%

Reflects only those respondents who indicated the experience was applicable to their business.

**Indicates a statistically significant difference between responses based on minority status.*

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The most noticeable and statistically significant difference is for the question regarding being held to a different standard than other businesses. While one in ten (9.6%) white-owned businesses felt that they were held to a different standard than other businesses in their industry, four in ten (40.9%) minority-owned businesses believed that they were held to a different standard. The difference in responses is statistically significant ($\chi^2=11.92$, $p<.01$) and moderate (Cramer's $V=0.35$).

Minority-owned businesses were also more likely than white-owned businesses to indicate that they were removed from a business arrangement with a vendor after the agreement was implemented. Almost none (1.4%) of the white-owned businesses agreed with this statement compared to nearly one in ten (7.7%) of the minority-owned businesses. The difference in responses is statistically significant ($\chi^2=11.38$, $p<.01$) and moderate (Cramer's $V=0.34$).

Section II: Survey Results – Gender

The second section of this report examines the differences between men-owned and women-owned businesses on several characteristics. For the analyses in this section of the report, women-owned businesses include those businesses in which the gender of the majority owner is female.

Analysis of Business Characteristics

The characteristics of the businesses we examine in this section are as follows:

- Respondents’ title;
- Length of time the business has operated in Gainesville;
- Business’s gross 2014 revenues;
- Percentage of revenues from Gainesville and other public sector contracts;
- Average number of full-time employees;
- Average number of part-time employees;
- Business services;
- Business certifications;
- Years of experience in providing services.

Survey responses regarding each of these business characteristics were cross-tabulated by the two categories of gender. The goal of this analysis is to provide a description of the businesses operating in Gainesville as well as to determine if there are any significant differences between men-owned and women-owned businesses in the City. Any differences that are identified in this analysis may be useful in explaining contracting behaviors and success in obtaining contracts from the City.

Respondent Title

The first analysis examines the responses to regarding the title of the individual who completed the survey. The response options for this question are as follows: Owner; CEO/President; Manager; Financial Officer; Other. The results are presented in Table 2-1.

Table 2-1: Respondent Title by Gender

Title	Men-Owned Business	Women-Owned Business
Owner	65.2%	78.8%
CEO/President	21.4%	16.7%
Manager	7.9%	3.0%
Financial Officer	4.5%	0.0%
Other	1.1%	1.5%
	<i>n=89</i>	<i>n=66</i>

The titles for most of the respondents for both men-owned and women-owned businesses are fairly similar. About two in three (65.2%) respondents from men-owned businesses are the owner compared to roughly four in five (78.8%) respondents from women-owned businesses. About one in five respondents from men-owned (21.4%) and one in six from women-owned (16.7%) businesses indicated

that they are either the CEO or president of the business or corporation. The chi-square statistic indicates that there are no statistically significant differences in respondent title by gender.

Length of Time Business has Operated in Gainesville

The next analysis examines the length of time that the business has been operating in the City of Gainesville. The response options for this question are as follows: Less than one year; 1 to 5 years; 6 to 10 years; 11-15 years; 16-20 years; More than 20 years. The results of this analysis are presented in Table 2-2.

Table 2-2: Length of Time Business has Operated in Gainesville by Gender

Length of Time	Men-Owned Business	Women-Owned Business
Less than 1 year	6.7%	15.2%
1 to 5 years	19.1%	24.2%
6 to 10 years	11.2%	15.2%
11 to 15 years	13.5%	10.6%
16 to 20 years	9.0%	6.1%
More than 20 years	40.6%	28.8%
	<i>n=89</i>	<i>n=66</i>

The length of time that the responding businesses have been operating in Gainesville is similar for men-owned and women-owned businesses. Although, on average, men-owned businesses have been operating for a longer period of time the survey results do not indicate a statistically significant difference by gender. While about one in four (25.8%) men-owned businesses have been operating for five years or less compared to two in five (39.4%) women-owned businesses. Two in five (40.6%) men-owned businesses have been operating in Gainesville for more than 20 years while about one in four (28.8%) women-owned businesses have done so.

Business Revenues for 2014

The next analysis examines the businesses' gross revenues for the year 2014. The response options for this question are as follows: Less than \$50,000; \$50,000 to \$100,000; \$100,001 to \$300,000; \$301,000 to \$500,000; \$500,001 to \$1 million; More than \$1 million. The results of this analysis are presented in Table 2-3.

Table 2-3: Business Revenues for 2014 by Gender

Revenues	Men-Owned Business	Women-Owned Business
Less than \$50,000	18.0%	54.6%
\$50,000 to \$100,000	7.9%	10.6%
\$100,001 to \$300,000	15.7%	10.6%
\$300,001 to \$500,000	10.1%	3.0%
\$500,001 to \$1 million	16.9%	9.1%
More than \$1 million	24.7%	4.6%
Not sure/Prefer not to answer	6.7%	7.6%
	<i>n=89</i>	<i>n=66</i>

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There are significant differences between gross revenues for 2014 for men-owned and women-owned businesses; men-owned businesses are more likely to have higher revenues than women-owned businesses. Approximately one in five (18.0%) men-owned businesses, compared more than half (54.6%) of women-owned businesses, had revenues less than \$50,000 in 2014. About two in five (41.6%) men-owned businesses had revenues in 2014 greater than \$500,000 compared to only about one in eight (13.7%) women-owned businesses. The difference in business revenues by gender is statistically significant ($\chi^2=30.12$, $p<.001$), strong ($\tau_c=-0.49$), and negative, indicating that women-owned businesses have lower revenues than men-owned businesses.

A subsequent question asked the respondent to indicate what percentage of these revenues was earned from contracted projects in the City of Gainesville. The results indicate that very few of the respondents have revenues from contracts with the City of Gainesville. About four in five men-owned businesses (82.0%) and nearly all women-owned businesses (92.4%) did not receive any revenue from contracts with the City of Gainesville.

Full-Time Employees

The next analysis examines the number of full-time employees on the company's payroll. The response options for this question are as follows: 0 employees; 1 to 5 employees; 6 to 10 employees; 11 to 20 employees; 21 to 30 employees; 31 to 40 employees; 41 to 50 employees; More than 50. The results of this analysis are presented in Table 2-4.

Table 2-4: Number of Full-Time Employees by Gender

Number of Employees	Men-Owned Business	Women-Owned Business
None	19.1%	51.5%
1 to 5	47.2%	31.8%
6 to 10	15.7%	9.1%
11 to 20	12.4%	1.5%
21 to 30	1.1%	4.6%
31 to 40	1.1%	0.0%
41 to 50	0.0%	0.0%
More than 50	3.4%	1.5%
	<i>n=89</i>	<i>n=66</i>

Significant differences exist in the number of full-time employees for men-owned and women-owned businesses. While one in five (19.1%) men-owned businesses do not have any full-time employees, about half (51.5%) of women-owned businesses have no full-time employees. Although approximately one in five (18.0%) men-owned businesses have more than ten employees, less than one in ten (7.6%) women-owned businesses do so. The difference in full-time employees by gender is statistically significant ($\chi^2=24.32$, $p<.001$), moderate to strong ($\tau_c=-0.34$), and negative, indicating that women-owned businesses have fewer full-time employees than men-owned businesses.

Part-Time Employees

The next analysis examines the number of part-time employees on the company's payroll. The response options for this question are as follows: 0 employees; 1 to 5 employees; 6 to 10 employees; 11 to 20

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employees; 21 to 30 employees; 31 to 40 employees; 41 to 50 employees; More than 50. The results of this analysis are presented in Table 2-5.

Table 2-5: Number of Part-Time Employees by Gender

Number of Employees	Men-Owned Business	Women-Owned Business
None	39.3%	56.1%
1 to 5	49.4%	28.8%
6 to 10	6.7%	7.6%
11 to 20	2.3%	4.6%
21 to 30	0.0%	1.5%
31 to 40	0.0%	0.0%
41 to 50	1.1%	1.5%
More than 50	1.1%	0.0%
	<i>n=89</i>	<i>n=66</i>

Men-owned and women-owned businesses have very similar numbers of part-time employees. About two in five (39.3%) men-owned businesses and more than half (56.1%) of women-owned businesses do not have any part-time employees. Half (49.4%) of men-owned businesses and nearly three in ten (28.8%) women-owned businesses have one to five part-time employees. The chi-square statistic indicates that there are no statistically significant differences in number of part-time employees by gender.

Type of Business

The next analysis examines the category of businesses that are operated by the respondents. The response categories are developed from the North American Industry Classification System (NAICS), the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. The possible responses are as follows:

- Architectural/Engineering Services;
- Concessions;
- Construction;
- Construction-related Services;
- Commodities/Goods;
- Design/Engineering Services;
- Educational Services;
- Equipment/Supplies;
- Professional, Scientific, or Technical Services;
- Support Services;
- Transportation;
- Other.

The results of this analysis are presented in Table 2-6.

Table 2-6: Type of Business by Gender

Type of Business	Men-Owned Business	Women-Owned Business
Architectural/Engineering Services	6.7%	0.0%
Construction	11.2%	1.5%
Construction-Related Services	6.7%	1.5%
Commodities/Goods	15.7%	22.7%
Design/Engineering Services	6.7%	7.6%
Educational Services	1.1%	9.1%
Professional, Scientific, or Technical Services	31.5%	34.9%
Support Services	3.4%	4.6%
Transportation	1.1%	1.5%
Other	12.4%	13.6%
Not sure/Prefer not to answer	3.4%	3.0%
	<i>n=89</i>	<i>n=66</i>

The two most frequently identified categories of businesses are “Commodities/Goods” and “Professional, Scientific or Technical Services.” Men-owned and women-owned businesses have a similar percentage of respondents for each of these two categories. Notable differences, however, are seen for “Architectural/Engineering Services” – six (6.7%) of the men-owned firms, but none of the women-owned; “Construction” – about one in ten (11.2%) men-owned firms, but just one (1.5%) women-owned firm; and, “Educational Services” – about one in ten (9.1%) women-owned businesses, but just one (1.1%) men-owned firm. The difference in type of business by gender is statistically significant (chi-sq=18.49, p=.03) and moderate (Cramer’s V=0.35).

Additionally, about one in eight men-owned (12.4%) and women-owned (13.6%) businesses identified as “Other” types of businesses. Among the other types of businesses are the following: automobile sales and service, restaurants, and housing.

Business Certifications

The next analysis examines the different types of business certifications held by the respondents. The possible types of certifications are as follows:

- Small Business Enterprise (SBE);
- Minority Business Enterprise (MBE);
- Woman Business Enterprise (WBE);
- Disadvantaged Business Enterprise (DBE);
- Hubzone;
- 8(a) Business Development;
- Other.

The results are presented in Table 2-7.

Table 2-7: Types of Certification by Gender

Type of Certification	Men-Owned Business	Women-Owned Business
Small Business Enterprise (SBE)	27.0%	12.1%
Minority Business Enterprise (MBE)	10.1%	4.5%
Woman Business Enterprise (WBE)	N/A	15.2%
Disadvantaged Business Enterprise (DBE)	2.2%	1.5%
Hubzone	2.2%	6.1%
8(a) Business Development	0.0%	0.0%
Other	5.6%	4.5%
	<i>n=89</i>	<i>n=66</i>

**Note: Respondents could choose more than one type of certification.*

Approximately one in four (27.0%) men-owned businesses are certified small business enterprises compared to one in eight (12.1%) women-owned businesses. About one in ten (10.1%) men-owned businesses are certified minority business enterprises compared to about one in twenty (4.5%) women-owned businesses. Only about one in seven (15.2%) women-owned businesses in the sample are certified woman business enterprises. Approximately two percent of both men- and women-owned businesses are certified disadvantaged business enterprises; while two percent of men-owned firms are Hubzone certified, six percent of women-owned firms are HUBzone certified.

Years of Experience

The next analysis examines the years of experience the business owner has in the company’s line of business. The response options for this question are as follows: Less than one year; 1 to 5 years; 6 to 10 years; 11-15 years; 16-20 years; More than 20 years. The results of this analysis are presented in Table 2-8.

Table 2-8: Years of Experience by Minority Status

Years of Experience	Men-Owned Business	Women-Owned Business
Less than 5 years	5.6%	16.7%
5 to 10 years	7.9%	12.1%
11 to 15 years	6.7%	7.6%
16 to 20 years	11.2%	9.1%
More than 20 years	67.4%	53.0%
Not sure/Prefer not to answer	1.1%	1.5%
	<i>n=89</i>	<i>n=66</i>

Women-owned business owners are somewhat more likely to have fewer years of experience in their company’s business line than men-owned business owners—though this difference is not statistically significant. One in six (16.7%) women-owned businesses have less than five years of experience compared to only about one in twenty (5.6%) men-owned businesses. Male business owners are somewhat more likely to have more than 15 years of experience in their business line (78.6%) than female owners (62.1%).

Contracting with the City of Gainesville

This section examines the experiences men-owned and women-owned businesses have had in contracting with the City of Gainesville.

Current Vendor Status

The first question in this section asked if the company is currently a vendor or supplier for the City of Gainesville. The results are presented in Table 2-9.

Table 2-9: Current Vendor Status by Gender

Current Vendor / Supplier	Men-Owned Business	Women-Owned Business
Yes	22.7%	7.8%
No	68.2%	85.9%
Not sure	9.1%	4.7%
Prefer not to answer	0.0%	1.6%
	<i>n=89</i>	<i>n=66</i>

Men-owned businesses were more statistically likely to be vendors or suppliers for the City than women-owned businesses. While about one in five (22.7%) men-owned businesses were currently vendors/suppliers for the city of Gainesville, only about one in ten (7.8%) women-owned businesses were currently vendors/suppliers. The difference in current vendor status by gender is statistically significant (chi-sq=6.49, p=.01), weak to moderate (tau-b=0.22), and positive, indicating that women-owned businesses were less likely to be current vendors than men-owned businesses.

Submitted a Bid in the Previous Five Years

The next question about contracting experience asked the respondents if they submitted a “bid, proposal, quotation, or statement of qualifications” to the City the past five years. The results are presented in Table 2-10.

Table 2-10: Bid by Gender

Bid	Men-Owned Business	Women-Owned Business
Yes	25.8%	6.1%
No	67.4%	86.4%
Not sure	5.6%	6.1%
Prefer not to answer	1.1%	1.5%
	<i>n=89</i>	<i>n=66</i>

Men-owned businesses were more statistically likely to have submitted a bid to the City in the past five years than women-owned businesses. While one in four (25.8%) men-owned businesses have submitted a bid, proposal, quotation, or statement of qualifications to the city of Gainesville in the past five years, only about one in twenty (6.1%) women-owned businesses have done so. The difference in submitting a bid by gender is statistically significant (chi-sq=10.33, p=.001), weak to moderate (tau-b=0.27), and positive, indicating that women-owned businesses were less likely to have submitted a bid in the past five years than men-owned businesses.

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Number of Bids Submitted in the Previous Five Years

The next question asked *those respondents who did submit a bid* in the previous five years to indicate the number of bids, proposals, quotations, or statements of qualifications they submitted. The results are presented in Table 2-11.

Table 2-11: Number of Bids Submitted by Gender

Number of Bids	Men-Owned Business	Women-Owned Business
1	21.7%	25.0%
2	21.7%	25.0%
3	13.0%	0.0%
4	4.4%	0.0%
5	13.0%	0.0%
10	4.4%	0.0%
12	4.4%	0.0%
Not sure	17.4%	25.0%
Prefer not to answer	0.0%	25.0%
	<i>n=23</i>	<i>n=4</i>

Of the four women-owned businesses that submitted proposals in the past five years, one submitted only one proposal and one submitted only two proposals. Ten of the 23 men-owned businesses that submitted proposals submitted only one or two proposals in the past five years.

City Departments that Received Bids

The survey also asked the respondents who have submitted bids in the past five years to identify the City of Gainesville department to which they submitted their most recent bid, proposal, quotation, or statement of qualifications. These businesses are listed below.

Department	Men-Owned Business	Women-Owned Business
GRU	4	2
CRA	2	0
Facilities Procurement	1	0
Parks and Recreation	1	0
Homeless Park	1	0
Purchasing Department	2	0
RTS	0	1
Fleet Management	1	0
Insurance	1	0
Animal Services	1	0
Parking	1	0
Public Works	1	0
Shands Care	1	0
Not sure	6	1
	<i>n=23</i>	<i>n=4</i>

Bidding Process

The survey asked these respondents several questions regarding the bidding process. Specifically, the survey asked the respondents if the selection criteria for their most recent bid were posted publicly and if the list of bidders for their most recent bid, proposal, or quotation was posted publicly. The results for these two features of the bidding process are presented in Tables 2-12 and 2-13.

Table 2-12: Selection Criteria Posted Publicly by Gender

Criteria Posted	Men-Owned Business	Women-Owned Business
Yes	47.8%	50.0%
No	17.4%	0.0%
Not sure	34.8%	50.0%
	<i>n</i> =23	<i>n</i> =4

Table 2-13: Record of Bidders Posted Publicly by Gender

Bidders Posted	Men-Owned Business	Women-Owned Business
Yes	43.5%	50.0%
No	17.4%	0.0%
Not sure	39.1%	50.0%
	<i>n</i> =23	<i>n</i> =4

What is most notable about the results to these questions is that many of the respondents were not aware of whether the selection criteria and list of bidders were posted publicly. About one in three male owners (34.8%) and half of female owners (50.0%) who have bid did not know if the selection criteria for their most recent bid, proposal, quotation, or statement of qualifications was posted publicly and a similar percentage of both groups (39.1%, 50.0%) were not aware of whether the record of bidders was posted publicly.

Still, approximately half (47.8%) of the men-owned businesses and half (50.0%) of the women-owned businesses that have bid were aware that the selection criteria were posted. About two in five (43.5%) men-owned and half (50.0%) of the women-owned businesses that have bid were aware that the record of bidders for their most recent bid was posted publicly.

There are no statistically significant differences in responses to either question by gender.

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Number of Contracts Awarded

The survey also asked respondents who submitted a bid to the City of Gainesville how many of these submissions resulted in an awarded contract. The results are presented in Table 2-14.

Table 2-14: Number of Contracts Awarded by Gender

Number of Contracts	Men-Owned Business	Women-Owned Business
None	47.8%	25.0%
1	17.4%	50.0%
5	4.4%	0.0%
8	4.4%	0.0%
Not sure	26.1%	25.0%
	<i>n=23</i>	<i>n=4</i>

Roughly half (47.8%) of the men-owned businesses and a quarter (25.0%) of the women-owned businesses indicated that none of the bids they submitted resulted in a contract award. Of men-owned businesses that bid, one in six (17.4%) were awarded one contract and about one in ten (8.8%) were awarded five or more contracts with the City. Two of the four (50.0%) women-owned businesses that bid were awarded one contract.

Below is a list of the City department that awarded the most recent contract.

Department	Men-Owned Business	Women-Owned Business
GRU	3	1
CRA	1	0
RTS	0	1
Animal Services	1	0
Public Works	1	0

Status when Bidding

The next question ask the businesses that submitted bids to the City in the past five years if they most typically bid as the Prime Contractor, Subcontractor or both Prime and Subcontractor. The results are presented in Table 2-15.

Table 2-15: Status when Bidding by Gender

	Men-Owned Business	Women-Owned Business
Prime Contractor	52.2%	75.0%
Subcontractor	8.7%	25.0%
Both	21.7%	0.0%
Not sure	17.4%	0.0%
	<i>n=23</i>	<i>n=4</i>

About half (52.2%) of men-owned businesses that have bid and three-quarters (75.0%) of women-owned businesses that have bid most typically submit bids as the Prime Contractor. About one in ten (8.7%) men-owned businesses and about one in four (25.0%) women-owned businesses typically submit

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bids as the subcontractor. One in five (21.7%) men-owned businesses that have bid most typically submit bids as both the Prime Contractor and Subcontractor.

Assistance from City to Submit Bid

The next question in the survey asked businesses that submitted bids to the City in the past five years if they were given assistance from the City when needed during the bidding process. The results are presented in Table 2-16.

Table 2-16: Received Assistance when Needed by Gender

Received Assistance	Men-Owned Business	Women-Owned Business
Yes	17.4%	25.0%
No	60.9%	50.0%
Not applicable	17.4%	25.0%
Not sure	4.4%	0.0%
	<i>n</i> =23	<i>n</i> =4

The results for men- and women-owned businesses are very similar. Three in five (60.9%) men-owned businesses and half (50.0%) of the women-owned businesses indicated that they did not receive assistance from the City when needed during the bidding process. About one in six (17.4%) men-owned and one in four (25.0%) women-owned businesses who have applied for bids and needed assistance did receive assistance. There are no statistically significant differences in responses by minority status.

Why Businesses have not Submitted Bids

The next question asked *those respondents who did not submit a bid* in the previous five years to indicate why their company has not submitted a bid, proposal, or statement of qualifications to contract work with the City of Gainesville in the last five years. These responses are categorized and presented below.

Reason	Men-Owned Business	Women-Owned Business
No requests for the types of services provided by business	25	24
Not familiar with the process / Not aware of requests	8	10
Bidding process is too difficult	5	1
Other (too small, too new, etc.)	7	5
Not sure	12	10
Prefer not to answer	7	8

Provided Goods or Services below \$2,000

The survey also asked if the business provided any goods or services to the City that were less than the \$2,000 threshold required for a written quotation in the past five years. The results are presented in Table 2-17.

Table 2-17: Provided Goods or Services below \$2000 Threshold by Gender

	Men-Owned Business	Women-Owned Business
Yes	13.5%	6.1%
No	76.4%	81.8%
Not sure	9.0%	9.1%
Prefer not to answer	1.1%	3.0%
	<i>n=89</i>	<i>n=66</i>

Very few of the businesses provided goods or services to the City that were under the \$2,000 threshold for a written quotation. About one in eight (13.5%) men-owned businesses and approximately one in twenty (6.1%) women-owned businesses provided goods or services to the City under \$2,000. There are no statistically significant differences in provision of goods or services below \$2000 by minority status.

Registration with DemandStar

The survey asked the businesses if they are registered with DemandStar to appear on the City’s vendor list and receive automated bid notifications from the City. The results appear in Table 2-18.

Table 2-18: Registered with DemandStar by Gender

	Men-Owned Business	Women-Owned Business
Yes	15.7%	6.1%
No	64.0%	77.3%
Not sure	19.1%	12.1%
Prefer not to answer	1.1%	4.6%
	<i>n=89</i>	<i>n=66</i>

Again, very few of the businesses are registered with DemandStar. About one in six (15.7%) men-owned businesses and about one in twenty (6.1%) women-owned businesses are currently registered with DemandStar. There are no statistically significant differences in DemandStar registration by gender.

Ease or Difficulty of Doing Business with the City of Gainesville

The next section of the survey asked respondents to assess a series of five statements regarding the ease or difficulty of doing business with the City of Gainesville using a scale from 1 to 5, where 1 is “very easy” and 5 is “very difficult.” The items in this series relate to situations that may encourage or detract from submitting bids with the City. As such, these questions should provide valuable information regarding perceptions of the ease or difficulty of doing business with Gainesville. Those respondents who may have no experience with being a City vendor or submitting a bid could respond by checking the “Not sure” category. The results are presented in Tables 2-19A – E.

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Table 2-19A: Finding Procurement Procedures by Gender

	Men-Owned Business	Women-Owned Business
1 (Very Easy)	4.5%	4.6%
2	5.6%	6.1%
3	12.4%	1.5%
4	13.5%	4.6%
5 (Very Difficult)	9.0%	13.6%
Not sure	46.0%	63.6%
Prefer not to answer	9.0%	6.1%
	<i>n=89</i>	<i>n=66</i>

About one in five men-owned businesses (22.5%) and women-owned businesses (18.2%) indicated that “finding the City’s procurement procedures” was difficult. When respondents who were unsure or preferred not to answer are removed from the analysis, there are no statistically significant differences by gender.

Table 2-19B: Finding Information about Bid Notifications for Large Projects by Gender

	Men-Owned Business	Women-Owned Business
1 (Very Easy)	6.7%	4.6%
2	4.5%	3.0%
3	10.1%	3.0%
4	5.6%	1.5%
5 (Very Difficult)	10.1%	7.6%
Not sure	56.2%	72.7%
Prefer not to answer	6.7%	7.6%
	<i>n=89</i>	<i>n=66</i>

Only about one in six (15.7%) men-owned businesses and one in ten (9.1%) women-owned businesses indicated that “finding information about bid notifications for large purchases/projects (over \$50,000)” was difficult. When respondents who were unsure or preferred not to answer are removed from the analysis, there are no statistically significant differences by gender.

Table 2-19C: Finding Information about Bid Notifications for Small Projects by Gender

	Men-Owned Business	Women-Owned Business
1 (Very Easy)	7.9%	6.1%
2	4.5%	3.0%
3	9.0%	1.5%
4	3.4%	1.5%
5 (Very Difficult)	11.2%	15.2%
Not sure	56.2%	65.2%
Prefer not to answer	7.9%	7.6%
	<i>n=89</i>	<i>n=66</i>

Only about one in seven (14.6%) men-owned businesses and one in six (16.7%) women-owned businesses indicated that “finding information about bid notifications for small purchases/projects

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(under \$50,000)” was difficult. When respondents who were unsure or preferred not to answer are removed from the analysis, there are no statistically significant differences by gender.

Table 2-19D: Obtaining Bid Documents by Gender

	Men-Owned Business	Women-Owned Business
1 (Very Easy)	7.9%	4.6%
2	5.6%	1.5%
3	7.9%	3.0%
4	9.0%	1.5%
5 (Very Difficult)	6.7%	9.1%
Not sure	56.2%	72.7%
Prefer not to answer	6.7%	7.6%
	<i>n</i> =89	<i>n</i> =66

Only about one in six (15.7%) men-owned businesses and one in ten (10.6%) women-owned businesses indicated that “obtaining bid documents” was difficult. When respondents who were unsure or preferred not to answer are removed from the analysis, there are no statistically significant differences by gender.

Table 2-19E: Completing Bid Documents by Gender

	Men-Owned Business	Women-Owned Business
1 (Very Easy)	4.5%	3.0%
2	2.3%	1.5%
3	13.5%	3.0%
4	6.7%	1.5%
5 (Very Difficult)	9.0%	6.1%
Not sure	57.3%	77.3%
Prefer not to answer	6.7%	7.6%
	<i>n</i> =89	<i>n</i> =66

Only about one in six (15.7%) men-owned businesses and one in ten (7.6%) women-owned businesses indicated that “completing bid documents” was difficult. When respondents who were unsure or preferred not to answer are removed from the analysis, there are no statistically significant differences by gender.

Table 2-19F: Average Rating of Ease or Difficulty of Various Aspects of Doing Business with the City, Overall and by Gender

	Overall Sample	Men-Owned Business	Women-Owned Business
Finding procurement procedures	3.41	3.38	3.55
Finding bid notifications (large projects)	3.25	3.21	3.23
Finding bid notifications (small projects)	3.35	3.16	3.61
Obtaining bid documents	3.17	3.03	3.46
Completing bid documents	3.39	3.38	3.40

Table 2-19F presents the average scores for the overall sample, men-owned businesses, and women-owned businesses on the scale from one to five – higher scores indicate greater difficulty. The results indicate that, of those who provided a rating, women-owned businesses were slightly more likely than men-owned businesses to find these five aspects of doing business with the City difficult.

Barriers to Procurement Opportunities

The survey next asked a series of twelve questions regarding possible barriers companies may face in efforts to participate in the City’s procurement process. Respondents were asked to indicate whether each item has been a barrier for their company. The results are presented in Table 2-20.

Table 2-20: Barriers to Procurement Opportunities by Gender

	Men-Owned Business	Women-Owned Business
Pre-qualification requirements	14.1%	11.4%
Bonding requirements	11.7%	6.5%
Cost of bidding or proposing	10.9%	8.3%
City contract insurance requirements	10.3%	5.3%
Bid specifications too rigid	13.6%	5.7%
Not enough time to prepare bid package or quote	9.7%	7.1%
Not enough information received for City solicitations	25.0%	29.7%
Not enough knowledge of City policies/procedures*	28.1%	61.4%
Lack of experience/Previous experience requirements*	10.6%	32.4%
Lack of personnel	12.1%	18.9%
Scope of services/quantity of commodity too large	7.9%	10.5%
Obtaining working capital/Financing	9.5%	21.6%

Reflects only those respondents who indicated the experience was applicable to their business.

**Indicates a statistically significant difference between responses based on minority status.*

The results of this analysis indicate that there are some barriers that are more likely to impact women-owned businesses, and some that generally affect both men-owned and women-owned businesses. The barriers to procurement opportunities with the City that are more likely to be a barriers for women-owned businesses than men-owned businesses are as follows:

- Not enough knowledge of City policies/procedures;
- Lack of experience/Previous experience requirements;
- Lack of personnel;
- Obtaining working capital/financing.

The difference between men-owned and women-owned businesses for the barrier, “Not enough knowledge of City policies/procedures,” is particularly notable. While about one in four (28.1%) men-owned businesses indicated that lack of knowledge of City policies/procedures was a barrier for their company participating in City procurement opportunities, three in five (61.4%) women-owned businesses said this was the case. The difference in responses is statistically significant (chi-sq=13.29, p=.004) and moderate (Cramer’s V=0.35). It is important to note that the barrier that affects the highest

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percentage of both men-owned and women-owned businesses is “not enough knowledge of City purchasing policies and procedures.”

Similarly, although just one in ten (10.6%) men-owned businesses indicated that lack of experience/previous experience requirements was a barrier for their company participating in City procurement opportunities, about one in three (32.4%) women-owned businesses said this was the case. The difference in responses is statistically significant ($\chi^2=8.23$, $p=.04$) and moderate (Cramer's $V=0.29$).

In addition, there are some barriers to the procurement process with the City that appear to affect both men-owned and women-owned businesses. The most notable of these barriers is “Not enough information received for City solicitations.” One in four (25.0%) men-owned businesses and nearly one in three (29.7%) women-owned businesses cited this as a barrier to participation in the City procurement process.

Other Business Experiences

The final series of eight questions asked the respondents about other situations they may have encountered while running their business. Several of these questions specifically seek information regarding certain practices that may be considered discriminatory. This series of questions differs from the previous section in that it does not specifically relate to doing business with the City of Gainesville. These aspects of doing business are as follows:

- Provided a bid/quote for a product or service, but never received a response;
- Were pressured to lower the price of the bid or quote;
- Were paid less than the amount negotiated for payment for goods and services;
- Were asked to subcontract on a project just to meet bid requirements for small, minority or women-owned business;
- Were removed from a business arrangement with a vendor after the agreement was implemented;
- Provided a service or commodity, but payment was substantially delayed;
- Provided a service or commodity but never received payment;
- Felt like your company was held to a different standard than other businesses in your industry.

The results are presented in Table 2-21.

Table 2-21: Other Business Experiences by Gender

	Men-Owned Business	Women-Owned Business
Provided bid/quote, never received a response	38.5%	36.7%
Pressured to lower the price of a bid/quote	25.8%	13.3%
Paid less than negotiated amount for goods/services	21.3%	11.5%
Asked to subcontract to meet SBE, MBE, WBE requirements	8.3%	3.3%
Removed from business arrangement after agreement*	1.6%	3.0%
Payment substantially delayed for provided goods/services	27.9%	25.0%
Never paid for provided goods/services	20.6%	12.5%
Felt company was held to a different standard than others	14.3%	16.7%

Reflects only those respondents who indicated the experience was applicable to their business.

**Indicates a statistically significant difference between responses based on minority status.*

Although none of the differences between men-owned and women-owned businesses are statistically significant, men-owned businesses were more likely to indicate being pressured to lower the price of a bid or quote; being paid less than the negotiated amount for goods/services; and, never being paid for provided goods/services.

III. Census Data Analysis

This section of the report analyzes data for the City of Gainesville from two US Census Bureau datasets – the Survey of Business Owners (SBO) and American Community Survey Public Use Microdata Samples (PUMS). While the SBO contains data specific to businesses (and their owners), PUMS data are gathered from individuals and relate to people’s personal characteristics. Thus, analysis of SBO data make it possible to compare numbers and characteristics of white-owned and minority-owned businesses in the City, while PUMS data make it possible to compare personal characteristics of people who may or may not be business owners in the City.

SBO Data Analysis

The Survey of Business Owners (SBO) is a comprehensive dataset of information on selected economic and demographic characteristics of businesses and business owners by gender, ethnicity, race, and veteran status. It includes all non-farm businesses filing IRS tax forms as individual proprietorships, partnerships, or any type of corporation, with receipts of \$1000 or more; data are compiled by combining data collected from businesses and business owners in the SBO with data collected from the main economic census and administrative records. The SBO covers 20 industries and is collected every five years.

The data presented here are from the 2007 SBO, the most recent data available at the city level. These data reflect all businesses classifiable by gender, ethnicity, race, and veteran status – “classifiable” excludes: publicly held firms (includes corporate enterprises owned by many shareholders who hold a collective interest in the equity of the company in the form of shares of stock. Capital may be raised by selling ownership shares to the general public); foreign-owned firms (includes U.S. corporations controlled or owned by any foreign entity directly or indirectly, based on 50 percent or more of a U.S. corporation's voting stock at the end of the tax year); and not for profit businesses (establishments that indicated that all or part of their income was exempt from federal income tax under provisions of Section 501 of the Internal Revenue Service (IRS) code).

Characteristic	Gainesville, FL Population (Census 2010*)	Gainesville, FL Businesses (Census SBO 2007**)
White	64.9%	86.4%
Black	23.0%	8.9%
Asian	6.9%	4.0%
Hispanic	10.0%	7.3%
“Minority”	30.5%	19.9%
Female	51.6%	32.9%
Total	124,354	10,281

*US Census Bureau: State and County Quick Facts, Data derived from 2010 Census of Population

**2007 Survey of Business Owners, US Census Bureau, Gainesville City, Florida (Classifiable businesses)

SBO Analysis Results

Note that numbers may not always total to 100 percent as businesses can be tabulated in more than one group – the sole/majority owner may report more than one race; Hispanic is tabulated by the Census as an ethnicity, distinct from race; etc. For this dataset, the census defines “minority-owned” as a Hispanic, black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or other Pacific Islander, and/or owners of some other race not classified as “white, non-Hispanic” owning 51 percent or more of the equity, interest, or stock of the business. In the tables below, “Sales” reflects total sales, receipts, and/or value of shipments of firms with or without paid employees.

Table 3-1: Businesses Sales by Owner Characteristics

Owner Characteristic	Number of Businesses	% of Total Businesses	% of Total Sales	Sales per Business
White	8,885	86.4%	94.4%	\$491,000
Black	919	8.9%	3.2%	\$159,000
Asian	407	4.0%	2.1%	\$238,000
Hispanic	753	7.3%	4.5%	\$275,000
Minority	2,043	19.9%	9.8%	\$221,000
Female	3,387	32.9%	13.6%	\$185,000
Total	10,281	10,281	\$46,220,960,000	\$4,496,000

Of the 10,281 total classifiable businesses in the City of Gainesville, 86.4 percent had white owners while 19.9 percent had minority owners. About one in three (32.9%) Gainesville businesses had a female owner. Overall, 94.4 percent of the total sales, receipts, and/or value of shipments for Gainesville businesses were accounted for by white-owned firms, while about 10 percent was accounted for by minority-owned firms; 13.6 percent of total sales dollars were attributable to women-owned firms.

Thus, white-owned businesses accounted for a larger volume of total sales dollars than did minority-owned businesses. Even though 86 percent of all businesses were white-owned, 94 percent of all sales were from white-owned businesses, and while 20 percent of all businesses were minority-owned, 10 percent of all sales were from minority-owned businesses. Likewise, while 33 percent of all businesses were women-owned, about 14 percent of all sales were from female-owned businesses.

This difference may impact the potential capital available for business operations, as required for certain bid specifications.

Table 3-2: Businesses Employees by Owner Characteristics

Owner Characteristic	Number of Businesses	% of Total Businesses	% of Firms with Paid Employees	% of Total # of Paid Employees	Employees per Business
White	8,885	86.4%	89.0%	95.2%	10.5
Black	919	8.9%	4.7%	2.3%	4.8
Asian	407	4.0%	5.9%	2.3%	3.8
Hispanic	753	7.3%	7.5%	3.4%	4.4
Minority	2,043	19.9%	18.1%	8.1%	4.4
Female	3,387	32.9%	19.3%	17.2%	8.8
Total	10,281	10,281	2,586	25,355	9.8

Of the 2,586 businesses that had employees, 89 percent were white-owned firms, 18.1 percent were minority-owned firms, and 19.3 percent were women-owned firms. Of the 25,355 total people employed by these Gainesville businesses, 95.2 percent were employed by white-owned firms, 8.1 percent were employed by minority-owned firms, and 17.2 percent were employed by women-owned firms.

Thus, white-owned firms were slightly more likely to have paid employees than minority-owned firms – although 86 percent of all businesses were white-owned, 89 percent of all businesses with employees were white-owned and while 20 percent of all businesses were minority-owned, 18 percent of businesses with employees were minority-owned. Differences by gender are more pronounced. While 33 percent of all businesses are women-owned, just 19 percent of all businesses with employees are women-owned. White-owned firms also had a larger number of employees on the whole than minority-owned firms. Although 89 percent of all businesses with employees were white-owned, 95 percent of all employees worked in white-owned businesses, and while 18 percent of all businesses with employees were minority-owned, just 8 percent of all employees worked in businesses that were minority-owned. This difference may impact a business’s personnel levels, as required for larger bid specifications.

SBO Results by Industry

Differences between business owners may be even more pronounced in certain industries. Below, we present results of analysis of SBO data in three industry categories that are likely to contract on City services: construction, professional/scientific/technical, and wholesale trade.

Construction

Table 3-3: Construction Sales by Owner Characteristics

Owner Characteristic	Number of Businesses	% of Total Businesses	% of Total Sales	Sales per Business
White	691	90.1%	98.3%	\$852,000
Minority	126	16.4%	2.0%	\$96,000
Female*	131	17.1%	17.2%	\$785,000
Total	767		\$599,428,000	\$781,000

*Includes both female-owned and jointly (equal percentage of ownership male and female) owned businesses.

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Of the 767 total businesses classified as “construction” in the City of Gainesville, 90.1 percent had white owners while 16.4 percent had minority owners. About one in six (17.1%) Gainesville construction businesses had either a female owner or were jointly owned equally by a male and a female. Overall, 98.3 percent of the total sales, receipts, and/or value of shipments for Gainesville construction businesses were accounted for by white-owned firms, while just two percent was accounted for by minority-owned firms; 17.2 percent of total sales dollars were attributable to women-owned or jointly held firms.

Thus, white-owned construction businesses accounted for a larger volume of total construction sales dollars than did minority-owned businesses. Even though 90 percent of all construction businesses were white-owned, 98 percent of all sales were from white-owned businesses, and while 16.4 percent of all construction businesses were minority-owned, only two percent of all sales were from minority-owned businesses. This difference may impact the potential capital available for business operations, as required for certain bid specifications.

Table 3-4: Construction Employees by Owner Characteristics

Owner Characteristic	Number of Businesses	% of Total Businesses	% of Firms with Paid Employees	% of Total # of Paid Employees	Employees per Business
White	691	90.1%	99.5%	97.5%	9
Minority	126	16.4%	6.2%	2.5%	4
Female	131	17.1%	28.4%	39.7%	13
Total	767		194	1,816	9

**Includes both female-owned and jointly (equal percentage of ownership male and female) owned businesses.*

Of the 194 construction businesses that had employees, nearly all (99.5%) were white-owned firms, 6.2 percent were minority-owned firms, and 28.4 percent were women-owned or jointly held firms. Of the 1,816 total people employed by these Gainesville construction businesses, 97.5 percent were employed by white-owned firms, 2.5 percent were employed by minority-owned firms, and 39.7 percent were employed by women-owned or jointly-held firms.

Thus, white-owned firms were more likely to have paid employees than minority-owned firms – although 90 percent of all construction businesses were white-owned, 99.5 percent of all construction businesses with employees were white-owned and while 16 percent of all construction businesses were minority-owned, just 2.5 percent of businesses with employees were minority-owned. This difference may impact a business’s personnel levels, as required for larger bid specifications.

Professional, Scientific, & Technical Services

Table 3-5: Professional/Scientific/Technical Sales by Owner Characteristics

Owner Characteristic	Number of Businesses	% of Total Businesses	% of Total Sales	Sales per Business
White	1964	90.8%	95.4%	\$183,000
Minority	279	12.9%	2.5%	\$33,000
Female*	947	43.8%	32.9%	\$130,000
Total	2,162		\$375,971,000	\$174,000

*Includes both female-owned and jointly (equal percentage of ownership male and female) owned businesses.

Of the 2,162 total businesses classified as “professional, scientific, and technical” services in the City of Gainesville, 90.8 percent had white owners while 12.9 percent had minority owners. About one in five (43.8%) Gainesville professional businesses had either a female owner or were jointly owned equally by a male and a female. Overall, 95.4 percent of the total sales, receipts, and/or value of shipments for Gainesville professional businesses were accounted for by white-owned firms, while just 2.5 percent was accounted for by minority-owned firms; 32.9 percent of total sales dollars were attributable to women-owned or jointly held firms.

Thus, white-owned professional businesses accounted for a larger volume of total professional sales dollars than did minority-owned businesses. Even though 91 percent of all professional businesses were white-owned, 95 percent of all sales were from white-owned businesses, and while 13 percent of all professional businesses were minority-owned, only 2.5 percent of all sales were from minority-owned businesses. This difference may impact the potential capital available for business operations, as required for certain bid specifications.

Table 3-6: Professional/Scientific/Technical Employees by Owner Characteristics

Owner Characteristic	Number of Businesses	% of Total Businesses	% of Firms with Paid Employees	% of Total # of Paid Employees	Employees per Business
White	1964	90.8%	91.2%	94.1%	6
Minority	279	12.9%	11.6%	6.4%	3
Female	947	43.8%	27.0%	25.6%	6
Total	2,162		422	2,509	6

*Includes both female-owned and jointly (equal percentage of ownership male and female) owned businesses.

Of the 422 professional businesses that had employees, 94.1 percent were white-owned firms, 11.6 percent were minority-owned firms, and 27.0 percent were women-owned or jointly held firms. Of the 2,509 total people employed by these Gainesville professional businesses, 94.1 percent were employed by white-owned firms, 6.4 percent were employed by minority-owned firms, and 25.6 percent were employed by women-owned or jointly-held firms.

Women-owned and jointly held professional firms were less likely to have paid employees than other types of firms – although 44 percent of all professional businesses were women-owned or jointly held, just 27 percent of professional businesses with employees were women-owned or jointly held. White-owned professional firms had a larger number of employees on the whole than minority-owned

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professional firms. Although 91 percent of all professional businesses with employees were white-owned, 94 percent of all employees worked in white-owned businesses, and while 12 percent of all professional businesses with employees were minority-owned, just 6.4 percent of all employees worked in businesses that were minority-owned. This difference may impact a business’s personnel levels, as required for larger bid specifications.

Wholesale Trade

Table 3-7: Wholesale Trade Sales by Owner Characteristics

Owner Characteristic	Number of Businesses	% of Total Businesses	% of Total Sales	Sales per Business
White	142	81.6%	95.3%	\$3,443,000
Minority	78	44.8%	11.7%	\$770,000
Female*	58	33.3%	9.5%	\$837,000
Total	174		\$513,144,000	\$2,949,000

*Includes both female-owned and jointly (equal percentage of ownership male and female) owned businesses.

Of the 174 total businesses classified as “wholesale trade” in the City of Gainesville, 81.6 percent had white owners while 44.8 percent had minority owners. One in three (33.3%) Gainesville wholesale businesses had either a female owner or were jointly owned equally by a male and a female. Overall, 95.3 percent of the total sales, receipts, and/or value of shipments for Gainesville wholesale businesses were accounted for by white-owned firms, while 11.7 percent was accounted for by minority-owned firms; 9.5 percent of total sales dollars were attributable to women-owned or jointly held firms.

Thus, white-owned wholesale businesses accounted for a much larger volume of total sales dollars than did minority-owned wholesale businesses. Even though 82 percent of all wholesale businesses were white-owned, 95 percent of all sales were from white-owned businesses, and while 45 percent of all wholesale businesses were minority-owned, only 12 percent of all sales were from minority-owned businesses. Similarly, while 33 percent of all wholesale business were either women-owned or jointly held, only about 10 percent of total sales were from these businesses. These differences may impact the potential capital available for business operations, as required for certain bid specifications.

Table 3-8: Wholesale Trade Employees by Owner Characteristics

Owner Characteristic	Number of Businesses	% of Total Businesses	% of Firms with Paid Employees	% of Total # of Paid Employees	Employees per Business
White	142	81.6%	83.7%	93.0%	15
Minority	78	44.8%	22.5%	11.2%	7
Female	58	33.3%	18.4%	8.9%	6
Total	174		98	1,297	13

*Includes both female-owned and jointly (equal percentage of ownership male and female) owned businesses.

Of the 98 wholesale businesses that had employees, 83.7 percent were white-owned firms, 22.5 percent were minority-owned firms, and 18.4 percent were women-owned or jointly held firms. Of the 1,297 total people employed by these Gainesville wholesale businesses, 93 percent were employed by white-

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owned firms, 11.2 percent were employed by minority-owned firms, and 8.9 percent were employed by women-owned or jointly-held firms.

Thus, white-owned wholesale firms were more likely to have paid employees than minority-owned wholesale firms – although 82 percent of wholesale businesses were white-owned, 84 percent of all wholesale businesses with employees were white-owned and while 45 percent of wholesale businesses were minority-owned, 23 percent of wholesale businesses with employees were minority-owned. Similarly, while 33 percent of wholesale businesses are women-owned or jointly held, just 18 percent of wholesale businesses with employees are women-owned or jointly held. White-owned wholesale firms also had a larger number of employees on the whole than minority-owned firms. Although 84 percent of wholesale businesses with employees were white-owned, 93 percent of all employees worked in white-owned businesses, and while 23 percent of wholesale businesses with employees were minority-owned, just 11 percent of employees worked in businesses that were minority-owned. This difference may impact a business’s personnel levels, as required for larger bid specifications.

PUMS Data Analysis

In order to better understand the potential effects of minority status, ethnicity, and gender on Gainesville residents’ participation in the work force as self-employed business operators, and their earnings as a result of this participation, the FSRC analyzed disaggregated US Census data related to self-employment. The key point of these types of analyses is to determine how much of any difference in self-employment (a proxy for business ownership) is attributable to individual demographic characteristics (e.g. education, age, etc.) and how much is attributable to race, ethnicity, and/or gender. While analysis of this type of data cannot provide direct evidence of discrimination, as we cannot account for every variable that might impact business ownership (including, perhaps most importantly, whether someone wants to be a business owner), it does provide a useful information about which characteristics impact business ownership and in what ways those characteristics impact business ownership.

Drawing on previous disparity studies conducted by other researchers across multiple cities⁵, the FSRC used 2013 American Community Survey Public Use Microdata Samples (PUMS) data for the City of Gainesville to conduct statistical analyses including contingency tables, t-tests, logistic regression, and linear regression. Data reflect Gainesville residents who are 18 years of age or older and reported being part of the work force.

Some results in the tables that follow are “statistically significant,” meaning it is very unlikely that the results could have occurred by chance. The calculation of statistical significance, however, is affected by the number of observations (here, individuals) that are included – the larger the number of observations, the more likely that even small differences will be statistically significant. Because of the large number of observations in these analyses, significance should be regarded with caution and

⁵ See MGT of America studies: *Disparity Study for Miami-Dade Public Schools & City and County of Denver Minority/Women Owned/Disadvantaged Business Enterprise Disparity Study*

measures (Cramer’s V, tau-b, tau-c, regression coefficients, etc.) that account for the strength of any given relationship also should be considered.

PUMS Results

Self-Employment

The first series of analyses examines whether differences exist in participation in the work force as self-employed business operators by race, ethnicity, and gender.

Table 3-9: Self-Employment by Race

	White	Black	Asian	Other
Not self-employed	91.7%	94.4%	72.9%	99.0%
Self-employed	8.3%	5.6%	27.1%	1.0%
	(n=20,889)	(n=7,641)	(n=979)	(n=1,816)

*Chi-sq=681.14, p<.001, Cramer’s V=.147

There are statistically significant, but weak, differences in self-employment among racial groups. While more than one in four (27.1%) adult Asians in the Gainesville workforce reported being self-employed, only about one in ten (8.3%) white adult residents and one in twenty (5.6%) black adult residents in the local workforce did so.

Table 3-10: Self-Employment by Minority Status

	White	Minority
Not self-employed	91.7%	93.2%
Self-employed	8.3%	6.8%
	(n=20,889)	(n=10,436)

*Chi-sq=20.79, p<.001, tau-b=-.026

More broadly, comparing Gainesville workforce participants from all racial minority groups to those who are white, we find a small, but statistically significant difference in self-employment. While about 8 percent of white adults in the local workforce are self-employed, about 7 percent of minority adults in the local workforce are self-employed.

Table 3-11: Self-Employment by Hispanic Status

	Non-Hispanic	Hispanic
Not self-employed	92.3%	90.8%
Self-employed	7.7%	9.2%
	(n=29,645)	(n=1,680)

*Chi-sq=4.76, p=.03, tau-b=.012

As the Census currently categorizes “Hispanic/Latino” as an ethnicity rather than a racial group, analysis for this group is presented separately from that of racial minority groups. While about 8 percent of adults in the local workforce who do not describe themselves as Hispanic or Latino were self-employed,

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about 9 percent of adults in the local workforce who do self-identify as Hispanic or Latino were self-employed. This difference is statistically significant, but very weak.

Table 3-12: Self-Employment by Gender

	Male	Female
Not self-employed	89.0%	95.7%
Self-employed	11.0%	4.3%
	(n=16,464)	(n=14,861)

**Chi-sq=488.37, p<.001, tau-b=-.125*

While about one in ten (11.0%) adult men in the Gainesville workforce reported being self-employed, less than one in twenty (4.3%) adult women in the local workforce did so. This difference is statistically significant, but weak.

Table 3-13: Percentage of Self-Employed Adults in the Workforce by Demographic Characteristics

Owner Characteristic	2013 PUMS Data (Self-Employed)
White	70.9%
Black	17.5%
Asian	10.9%
Hispanic	6.3%
"Minority"	29.1%
Female	26.0%
Total	n=2,437

Summary Findings:

Thus, based on Census data, we can say that within the adult workforce in Gainesville:

- ❖ About 8 percent of the Gainesville workforce reported being self-employed
- ❖ About 7 in 10 of those who were self-employed are white
- ❖ Asians were more likely to be self-employed than members of other racial groups
- ❖ Whites were more likely to be self-employed than members of racial minority groups, overall
- ❖ Hispanics were more likely to be self-employed than non-Hispanics
- ❖ Men were more likely to be self-employed than women

Logistic regression⁶ was used to determine how much of the difference in self-employment is attributable to individual demographic characteristics (e.g. education, age, etc.) and how much is attributable to effects related to race, ethnicity, and/or gender. The logistic regression procedure determines how well a set of characteristics ("independent variables") predicts the probability of a given occurrence ("dependent variable"). This analysis examines the statistical effects of age, marital status, educational attainment, gender, minority status, and Hispanic status on probability of being self-employed.

⁶ Because the dependent variable, self-employment, is a binary, categorical variable with only two possible values (0=not self-employed, 1=self-employed), logistic regression is required, rather than linear regression.

Table 3-14: Results of Logistic Regression Analysis of Self-Employment Status

Variable	B	SE	Sig.	Exp(B)	Odds
Age	0.125	0.011	0.000	1.133	+13.3%
Age ²	-0.001	0.000	0.000	0.999	--
Marital Status (Married=1)	0.436	0.048	0.000	1.546	+54.6%
Some College (Yes=1)	-0.196	0.055	0.000	0.822	-17.8%
Bachelor’s Degree (Yes=1)	0.411	0.060	0.000	1.509	+50.9%
Graduate Degree (Yes=1)	-0.205	0.081	0.012	0.815	-18.5%
Female (Female=1)	-1.106	0.050	0.000	0.331	-66.9%
Minority (Minority=1)	0.139	0.050	0.006	1.149	+14.9%
Hispanic (Hispanic=1)	0.481	0.094	0.000	1.619	+61.9%
Constant	-6.314	0.242	0.000	0.002	--

**Table shows unstandardized coefficients; only significant variables included. Nagelkerke R-Square=.171*

Even controlling for other demographic characteristics, like level of education and age, gender remains the strongest influence on probability of being self-employed. All other things being equal, the odds of being self-employed are 66.9% lower for women than for men in the Gainesville workforce.

Controlling for other demographic characteristics, minority status is also significant, but in this case, the odds of being self-employed, holding other variables constant is 14.9% higher for members of minority groups than whites in the Gainesville workforce. Similarly, the odds of being self-employed, holding other variables constant, is 61.9% higher for Hispanics than non-Hispanics in the Gainesville workforce.

Earnings

The next series of analyses examines whether differences exist in earnings of those who are self-employed business operators by race, ethnicity, and gender.

Table 3-15: t-test Results Comparing Self-Employed Minorities and Non-Minorities on Earnings

	n	Mean	SD	t	df	Sig.
Minorities	710	\$30,151	42,996	2.72	1572	p=.007
Non-minorities	1727	\$35,696	51,656			

The results of the t-test show a statistically significant difference in the average earnings of self-employed minorities and self-employed whites (t=2.72, p=.007) in the City of Gainesville. Self-employed whites in Gainesville had higher average earnings (\$35,696) than did self-employed minorities (\$30,151).

Table 3-16: t-test Results Comparing Self-Employed Hispanics and Non-Hispanics on Earnings

	n	Mean	SD	t	df	Sig.
Hispanics	154	\$35,419	29,543	-0.348	2435	p=.728
Non-Hispanics	2283	\$33,990	50,406			

The results of the t-test show no differences in the average earnings of self-employed Hispanics and self-employed whites (t=-0.348, p=.728) in the City of Gainesville.

Table 3-17: t-test Results Comparing Self-Employed Women and Men on Earnings

	n	Mean	SD	t	df	Sig.
Women	633	\$22,120	47810	7.16	2435	p<.001
Men	1804	\$38,277	49203			

The results of the t-test show a statistically significant difference in the average earnings of self-employed women and self-employed men (t=7.16, p<.001) in the City of Gainesville. Self-employed men in Gainesville had higher average earnings (\$38,277) than did self-employed women (\$22,120).

Linear regression analysis was used to determine how much of an affect demographic characteristics (e.g. education, age, etc.) and race, ethnicity, and/or gender have on the earnings of those who are self-employed in Gainesville. Multiple linear regression allows us to “control for,” or hold constant, a set of characteristics (independent variable), to analyze the effect of any given variable on a “continuous” outcome – in this case, earnings of those who are self-employed.

Table 3-17: Results of Linear Regression Analysis of Earnings

Model	Unstandardized Coefficients	Standardized Coefficients
Married	16591.99***	.159
Age	557.48***	.144
Bachelor’s Degree	17575.49***	.151
Graduate Degree	66577.25***	.401
Disability	-17478.87***	-.107
Hispanic	-35577.42***	-.175
Minority	-5150.40*	-.047
Constant	-10265.23*	

Adjusted R²=.177

F=75.94, p<.001

N=2437

*p<.05, **p<.01, ***p<.001

The results of the linear regression on earnings shows that these seven variables, taken together, explain 17.7 percent of the variation in earnings for those who are self-employed in Gainesville. Even when controlling for age, education, marital status, and disability status, both Hispanic status and minority status remain significant explanatory factors for earnings among the self-employed. When age, education, marital status, and disability status are held constant, self-employed Hispanics earn \$35,577.42 less than self-employed non-Hispanics. When age, education, marital status, and disability status are held constant, self-employed minorities earn \$5,150.40 less than self-employed whites.