



Highlights of [GAO-04-451](#), a report to the Committee on Small Business and Entrepreneurship, U.S. Senate

# SMALL AND DISADVANTAGED BUSINESSES

## Most Agency Advocates View Their Roles Similarly

### Why GAO Did This Study

The Small Business Act is one of several laws designed to enhance the participation of small and disadvantaged businesses in federal procurement—a market that reached more than \$200 billion in fiscal year 2002. Section 15(k) of the act requires that all federal agencies with procurement powers establish an Office of Small and Disadvantaged Business Utilization (OSDBU) and specifies eight functions that OSDBU directors are responsible for carrying out in their roles as advocates for small businesses. GAO surveyed OSDBU directors at 24 agencies to obtain information on the extent to which the respondents (1) viewed the functions listed in section 15(k) as functions of their offices, (2) viewed other potential activities as OSDBU duties, and (3) saw potential challenges to carrying out their functions.

### What GAO Found

At least 19 OSDBU directors, or almost 80 percent, said that they viewed five of the eight functions identified in section 15(k) as their duties. A smaller majority of OSDBU directors (from 13 to 17) viewed the remaining three functions as responsibilities of their offices. However, the extent to which respondents said they carried out these functions varied. Directors who did not view all of the functions as responsibilities of their offices provided explanations. For example, the OSDBU directors at the Departments of the Army and the Navy explained that their role is one of developing policy for small business programs at their agencies.

Most of the OSDBU directors responded that they also viewed functions other than those listed in section 15(k) as their responsibilities. These functions included outreach activities, such as holding meetings and hosting conferences for small businesses and trade associations, and reviewing plans for how prime contractors would use small businesses as subcontractors. A much smaller number of respondents reported that they viewed participating in their agencies' procurement process as one of their duties.

While most OSDBU directors reported experiencing few challenges in carrying out their responsibilities, some reported challenges in three areas—lack of influence in the procurement process, limited budgetary resources, and lack of adequate staffing levels.

### Survey Results from 24 OSDBU Directors on Section 15(k) Functions

Section 15(k) functions	Number of OSDBU directors viewing function as a current duty
Supervisory authority over personnel with the duties and functions of OSDBU	22
Working with agency acquisition officials to revise procurement strategies for bundled contract requirements to increase small business participation	22
Attempting to identify solicitations that involve bundling of contract requirements	21
Assisting small businesses to obtain payments from your agency	20
Facilitating small business participation as subcontractors to bundled contracts	19
Assisting small businesses to obtain payments from prime contractors	17
Reviewing individual acquisitions for small business contract awards	17
Assigning a small business technical advisor	13

Source: GAO analysis of survey data.

[www.gao.gov/cgi-bin/getrpt?GAO-04-451](http://www.gao.gov/cgi-bin/getrpt?GAO-04-451).

To view the full product, including the scope and methodology, click on the link above. For more information, contact David G. Wood at (202) 512-8678 or [woodd@gao.gov](mailto:woodd@gao.gov).