AN EMPIRICAL EXAMINATION OF MANAGERIAL COMPETENCIES AMONG BLACK WOMEN ENTREPRENEURS AND BLACK WOMEN CORPORATE EXECUTIVES*

Joe Singer
University of Missouri - Kansas City

ABSTRACT

The new economic reality of the 1990's is clearly the notable entrepreneurial pursuits of women business owners in general and black women entrepreneurs in particular. This paper reports on the managerial competencies and perceived skill development needs of black women entrepreneurs and contrasts their profile with black women corporate managers. Managerial competencies were assessed through the use of the "Leadership Competency Inventory" (LCI). The LCI provides feedback on 55 competencies arranged in four categories: (1) Socio-Economic Environment of Business, (2) Technical and Operational Methods, (3) Human Resource and Interpersonal Communication Skills, and (4) Vision and Environmental Co-Alignment Scanning Abilities. Upon testing for significance, the conclusions indicate that a relatively different and distinct competency profile exists and illustrates the developmental needs for black women managers anticipating stepping off the corporate track in favor of the entrepreneurial alternative. As for black women entrepreneurs, they continue to display mixed perceptions of their skills and abilities with some areas identified as very weak and others very positively viewed.

INTRODUCTION

Aspiring black women entrepreneurs and corporate businesswomen have always faced numerous unique barriers, even when compared to other minority group members. Yet, experts anticipate a continuing growth trend for black women's labor force participation; reaching a 65 percent net growth rate through the year 2000 (Brand, 1988) and representing 5.6 percent of jobs (Hudson, 1987). Ironically, the black women's successes in the 1980's, particularly the corporate beneficiaries of desegregation, have created a rift between women in professional and managerial jobs and those black women entrepreneurs who are among the fastest growing segment of the small business formation population (Reskin & Roos, 1990). This may contribute to diminishing the number of black women who have been leaving their corporate employers in large numbers to seek the entrepreneurial alternative (Morrison, White, & Van, 1987). One challenge that the

remainder of the 1990's will bring both occupational groups is to create a united political-economic basis for demanding enhanced gender and race equity. Such a basis should be keyed to transcending the economic barriers and disproportionate institutional support between the more and less favored black businesswomen.

The possibility for building effective socio-economic coalitions supportive of the training, positioning and development needs of black women, rests with a clearer understanding of the managerial competencies, styles and motive profiles of black women entrepreneurs and black corporate businesswomen. (Diffley, 1983). The newest emerging group of modern black women entrepreneurs is most likely to be small business owners with prior corporate business experience, a strong need to be independent, and a self-empowered will to succeed. (Birley, 1989, Brush & Hisrich, 1988). Often identified in the literature as the "second generation" modern women entrepreneur, (Gregg, 1985), this new source of black small businesswomen comes to the challenge often prepared with technical operative knowledge and managerial planning skills, a network of contacts and a 1990's orientation to creating a customer (Drucker, 1986) through inventing new markets (Sekaran & Leong, 1992). Having utilized her previous corporate managerial environment as a skills and competency building incubator (Cooper & Dunkelberg, 1987), she seeks the entrepreneurial alternative to bridging the occupational and career queueing gaps, in order to reach for newly emerging opportunities in today's fresh approaches to the global marketplace.

If women business owners are truly the fastest growing "new breed of entrepreneurs" (Moriya, Judd, & File, 1988), then understanding the competencies and skills necessary to make the transition from the corporate to entrepreneurial environment would be of considerable value (Rosener, 1989). Although numerous research studies have examined the women entrepreneur (Hisrich, 1986), very little attempt has been made to isolate the characteristic skills, problems and perceptions of the black women entrepreneurs.

OBJECTIVES

The purpose of this paper is (1) to examine the managerial orientations and competencies of black women entrepreneurs compared to black businesswomen holding executive and managerial positions in large corporations, as well as (2) to explore the developmental needs of both groups in order to enhance the survival and growth of minority firms and inform management assistance consultants and educators regarding developmental factors among the largest potential pool of future black women entrepreneurs.

The failure of legislators, administrators, and the feminist movement to address the working concerns of black women is currently receiving political attention and engendering widespread discussion in white women's organizations (Glenn, 1992). Although racial ethnic scholars have attempted research focusing on racial ethnic women in relation to family, community and labor force participation, those studies have not explicitly recognized the specific competencies of black women in the two fastest growth fields of employment; professional and managerial occupations (especially small business formation).

Clearly, a necessary next step is to understand and develop a theoretical and conceptual framework for analyzing the socio-economic competencies and occupational development needs at the interaction of race and gender stratification within the process of entrepreneurship. Hopefully a starting point for developing such a theoretical framework would appear to lie in the

assessment of contrasting business skills and abilities among black women entrepreneurs and corporate managers. Such information should assist small business development educators and administrators in formulating minority business assistance strategies.

RESEARCH DESIGN

Following the suggestions of P.J. Hoffman (1960), Mitchell & Beach (1977) and Michael J. Stahl (1986), that a behavioral decision theory modeling approach (see Stahl, 1983, pp. 775-789) be used to study managerial competencies, a skills inventory assessment approach was developed. An advantage of such an approach is that scores based on the action-oriented behavior of subjects as reported by superiors, peers and subordinates can be combined with subject's self-reports of their perceived competencies. The research design therefore presents a rigorous experimental testing methodology (a triple replicate of a 2 x 2 x 2 full factorial) with regression analysis of each subject's perceived managerial competencies. The clear advantage of such a cross-scoring approach is that testing for nonsignificant regression equations highlights inconsistent data. Then errors in the separate data set models can be compared with the errors in the model run on the full sample.

Although instrument test-retest reliabilities are not a focus of this study, the average test-retest reliability for principal advisor/boss samples was .86, for self-reports .84 and for peer/subordinate .81. The test-retest reliability coefficient for the composite managerial competence measures for all samples averaged .72. Keep in mind that such reliability coefficients are considerably higher than the often employed McClelland's (1965) TAT instrument (.30).

Data Collection

Obtaining an accurate assessment and comparison of black women entrepreneurs' managerial competencies with black corporate businesswomen managers, was a difficult undertaking. To locate entrepreneurs and businesswomen for this study, a number of sources were employed. These included

- National Directory of Minority-owned Business Firms (1992)
- The Directory of Women Entrepreneurs (1991)
- National Minority Business Directory (1990)
- The Women's Business Initiative, Inc. (Association)
- The Society of Women Engineers (Association)
- Women in Management Division of the American Academy of Management (Association)
- The Network of Women in Business Directory (1990)
- National Association of Family Business Directory (1992)

An initial stratified random sampling plan was employed to identify and select a proportionate number of black women entrepreneurs and black businesswomen executives who would consent to study participation. From these two groups a final sample was constructed to balance business type, geographic location, business size, duration, and industry.

Data for this study were obtained on each of the 55 (5 = High; 1 = Low) competency components from the participating entrepreneur and manager, her closest business advisor or her immediate superior, and from four to six "observers" equally split at the peer and subordinate

levels. In every case, the participants were to select people who were very important to them in doing their job and on the basis of "people whose opinion you value."

Each participant selected for the study was provided with a complete set of questionnaires (coded), instructions and postage paid return envelopes in order to preserve the confidentiality of the assessment process.

The 55 managerial competencies (see the Appendix to this paper) assessed by each group provided the following data sets:

1. The participant entrepreneur and corporate manager established the most "Important Competencies" for her job and identified their most critical areas for improvement ("Needed Improvement"). Complete data sets were assembled for 88 entrepreneurs and 102 businesswomen executives or managers.
2. For black women entrepreneurs, a principal business advisor (mentor) or board chairperson provided feedback on competencies "Important" to the job and "Needs for Improvement." The same set of questionnaires was received for participating black businesswomen managers.
3. The selected "Observers" perceptions of important managerial competencies and need for improvement, included 348 survey instruments for participating entrepreneurs and 520 questionnaires, returned for participating corporate businesswomen.

Research Hypotheses

The hypothetical constructs developed for this research effort are a first attempt at identifying creative development strategies for scholars, practitioners, and small business consultants, who, based upon the suggestions in the literature, believe that in order to succeed, entrepreneurial owner-operators need a broad and balanced spectrum of managerial competencies. In addition, it has been pointed out, time and again, that most corporate black businesswomen move, quit-working, or pursue their independent business because they perceive themselves discriminated against, thwarted and harassed in their careers, even by other women (Nkomo, 1988). Yet, by their achievements, skills, creativity and talents, they represent the largest pool of potential black women entrepreneurs in the history of our nation. Paying heed to the managerial competencies and needs for improvement among these two groups of minority women, is an essential, necessary and sufficient condition for the continuing success of entrepreneurial organizations in the United States and abroad. Therefore, based upon theory and previous research, the following hypotheses were developed:

Hypotheses 1: Black women owner-operator entrepreneurs will exhibit a significant difference in managerial competencies when compared to black businesswomen corporate executives or managers; on the competencies perceived as "Important".

Hypotheses 2: Black women owner-operator entrepreneurs will exhibit a significant difference when compared to black businesswomen corporate executives or managers, in the perceptions of "Need for Improvement" as evaluated by their own self-assessments, their principal business advisors, or immediate superiors, and "observers" selected at peer and subordinate organizational levels.

Based upon years of experience in teaching minority businesswomen programs, a number of sub-hypotheses are possible relative to motivational characteristics, value systems and personality types. Expectations are that entrepreneurs will perceive Part I and Part IV dimensions of significantly higher importance than their advisors and observers. On the other hand, black corporate businesswomen managers will be highly task focused (Part II) and truly interested in human resource management issues (Part III).

SURVEY RESULTS

Respondents to the leadership competencies inventory were presented a five point scale upon which to indicate both major (5) and minor (1) importance and developmental needs for improvement. The compiled data is presented in the following tables and ranked by the magnitude of difference between entrepreneurs and corporate managers. After first testing each data set for homogeneity of variance, Student "T" tests (as modified by the Kendell Tau statistic) were applied to examine significance in group means at the .01 (**) and .05 (*) levels. In addition, although all observations were employed, only the significant data for the upper and lower quartiles are presented. High priority and low priority development needs are also indicated by other study participants.

Table 1 summarizes the highest and lowest quartile dimensions of managerial competencies considered important (unimportant) by the participating black women entrepreneurs and their counterpart black businesswomen corporate managers. At a .01 level of significance, women entrepreneurs ranked profit management and control and monitoring, as the most important success skills along with competitor awareness and skill in managing creativity (.05 levels). Of least importance and significantly different than corporate businesswomen managers (.01) were legal requirements and organizational blending. Not surprisingly, group process skills and conflict resolution abilities were ranked higher (significantly different at the .05 level) by black corporate businesswomen executives.

In examining the highest quartile, which includes the greatest relative comparative importance selections by entrepreneurs, it should be noted that 70 percent of the competencies represent Part I and II dimensions or the "mechanics" of management (skills) rather than the "humanics" (process abilities) or dimensions from Parts III and IV).

Of critical importance to any business person is feedback relative to what "competencies" their immediate supervisor or principal business advisors (mentors) consider most important to doing a good job. Table 2, reports the assessments of business advisors and the bosses of participating corporate managers. In comparison with corporate businesswomen managers, seven competencies, including 1.02 - profit management, 4.10 - managing creativity, 2.11 - control and monitoring, and 1.03 - cost and cost control, exhibit significant difference, while 1.06 - competition awareness, 3.07 - personnel/staffing and 4.11 - entrepreneurship are significant at the .05 level. Again, among the thirteen highest ranked competencies, eight out of thirteen represent the "blocking and tackling" on mechanics of operating a business. The mentors of participating corporate managers regarded 1.01 -monetary conditions, 1.08 -organizational culture and 4.05 - sense of timing as more critical areas of managerial competency.

Table 1

Participant's Selections: Important Competencies

Item #	Dimension Description	Entrepreneur	Manager	Signif.
	(Lowest Quartile)			
1.12	Legal Requirements	2.9850	3.5033	**
1.07	Impact	2.5110	3.0438	*
4.04	Organizational Blending	3.7210	4.1315	**
1.01	Monetary Conditions	2.2888	2.7037	*
3.14	Group Process Skills	3.7200	4.0645	*
3.02	Resolving Conflicts	3.9535	4.2840	NS
4.14	Policy Formulation / Implementation	3.2500	3.5598	NS
1.09	Internal Structure and Operation	4.2631	4.5750	NS
1.08	Organizational Culture	3.8370	4.1157	NS
1.04	Business Conditions	3.1167	3.3733	NS
3.09	Performance Management	4.2248	4.4728	NS
4.05	Sense of Timing	3.8761	4.1158	NS
2.09	Time Management	4.3800	4.5092	NS
	(Highest Quartile)			
1.05	Customer / Client Awareness	4.3025	4.2167	NS
2.08	Delegation	4.4965	4.3878	NS
2.07	Implementation	4.6901	4.5750	NS
4.13	Managing Change	4.0310	3.8943	NS
4.11	Entrepreneurship	3.7598	3.6227	NS
4.12	Risk Taking	3.8373	3.6567	NS
1.11	Social and Political	2.5583	2.3472	NS
2.12	Proposal Preparation	3.4883	3.1805	NS
1.06	Competition Awareness	3.2947	2.9423	*
3.07	Personnel / Staffing	4.0698	3.6737	NS
4.10	Managing Creativity	4.2248	3.6738	*
1.02	Profit Management	4.6989	4.1448	**
2.11	Control and Monitoring	4.5103	3.9557	**

Table 2

Business Advisor / Mentor Selections: Important Competencies

Item #	Dimension Description	Entrepreneur	Manager	Signif.
	(Lowest Quartile)			
1.01	Monetary Conditions	2.2392	2.6768	**
1.08	Organizational Culture	2.5613	2.9644	*
1.07	Impact	3.5067	3.8965	NS
2.14	Information Management	3.7618	4.1510	NS
4.05	Sense of Timing	3.8618	4.2510	*
4.14	Policy Formulation / Implementation	3.0895	3.4525	NS
1.12	Legal Requirements	3.1302	3.4353	NS
4.07	Problem Solving	3.6992	3.8778	NS
3.14	Group Process Skills	4.3497	4.5068	NS
1.10	International Awareness	3.8618	4.0137	NS
4.13	Managing Change	1.9922	2.1430	NS
1.11	Social and Political	2.1953	2.3132	NS
3.11	Stress Management	3.8212	3.9287	NS
	(Highest Quartile)			
2.08	Delegation	3.8620	3.6567	NS
2.04	Objective Setting	4.4715	4.1837	NS
1.05	Customer / Client Awareness	4.7155	4.3878	NS
4.03	Resource Blending	4.5528	4.1498	NS
3.09	Performance Management	4.7155	4.3027	NS
2.12	Proposal Preparation	3.6178	3.1973	NS
4.11	Entrepreneurship	4.1870	3.7417	*
3.07	Personnel / Staffing	4.1870	3.6905	*
1.03	Cost and Cost Control	4.6342	4.1328	**
2.11	Control and Monitoring	4.8008	4.2993	**
1.06	Competition Awareness	3.4147	2.7725	*
4.10	Managing Creativity	4.2683	3.5203	**
1.02	Profit Management	4.7355	3.9847	**

The participating women entrepreneurs and corporate managers, in this study, were asked to distribute and equal number of assessment questionnaires (at the peer and subordinate levels) to "observers" whose opinions were valuable to them in doing their jobs. These observers were to be in a position to judge which managerial competencies are of critical importance to the manager and entrepreneur and what improvements or developmental needs they would recommend.

While the identification of important competencies, as reported by the participants and their mentors demonstrated some similarity, the data provided by selected observers clearly displays a highly discriminate difference in importance, as shown in Table 3.

Table 3

Observer's Selections: Important Competencies

Item #	Dimension Description	Entrepreneur	Manager	Signif
	(Lowest Quartile)			
1.10	International Awareness	2.4870	3.1708	**
4.04	Organizational Blending	2.8675	3.4850	**
1.12	Legal Requirements	2.9102	3.5070	**
4.14	Policy Formulation / Implementation	2.9103	3.3150	**
1.04	Business Conditions	2.6858	3.0490	**
1.07	Impact	2.4783	2.8308	**
1.01	Monetary Conditions	3.7565	3.9847	*
1.08	Organizational Culture	4.1623	4.3532	*
3.14	Group Process Skills	1.9862	2.1655	NS
1.11	Social and Political	3.8333	4.0025	NS
4.09	Vertical Communication	2.8757	2.9932	NS
3.11	Stress Management	3.3592	3.4627	NS
4.08	Lateral Communication	2.3143	2.3688	NS
	(Highest Quartile)			
3.07	Personnel / Staffing	4.1968	4.0872	NS
2.11	Control and Monitoring	4.7495	4.6378	NS
4.10	Managing Creativity	3.8170	3.6955	NS
2.12	Proposal Preparation	4.7495	4.6268	NS
2.09	Time Management	4.3955	4.2720	NS
1.03	Cost and Cost Control	4.7063	4.5648	*
3.09	Performance Management	4.3265	4.1500	NS
2.03	Decision Making	3.1952	2.9970	NS
1.05	Customer / Client Awareness	4.4042	4.1980	*
1.06	Competition Awareness	4.0587	3.8027	**
3.10	Development / Coaching	4.5078	4.2350	**
2.10	Budget Management	4.0328	3.6733	**
1.02	Profit Management	3.9910	3.5727	**

Observers of black women owner-operator entrepreneurs identifies eight competencies at significantly lower critical importance; three-fourths of which are dimensions defined in Part I (socio-economic environment) of the assessment questionnaire. They rated competencies in the areas of sound financial management control, as well as, a strong marketing orientation to customer and competitor, as the highest priority skills and abilities. One significant competency (.01 level) that had not appeared before was the development and coaching of employees.

Turning now to managerial competencies which are identified as areas for "needed improvement", Tables 4, 5, and 6, summarize the participant's, mentor's and observer's selections.

Table 4

Participant's Selections: Areas for Needed Improvement

Item #	Dimension Description	Entrepreneur	Manager	Signif
	(Lowest Quartile)			
3.01	Managing Motivation	2.7558	3.6501	**
2.08	Delegation	3.0917	3.6167	**
1.07	Impact	2.9845	3.3503	*
3.04	Effective Listening	3.0233	3.3673	*
1.10	International Awareness	2.8295	3.1463	*
3.06	Effective Presentation	2.8297	3.1295	NS
3.12	Information Sharing	3.1395	3.4353	NS
2.13	Organizing Systems and Structures	3.2945	3.5545	*
4.03	Resource Blending	3.0620	3.2993	NS
4.10	Managing Creativity	3.0233	3.2483	NS
4.05	Sense of Timing	3.0232	3.2485	NS
1.12	Legal Requirements	3.2945	3.5033	NS
4.06	Problem Perception	2.7520	2.9422	NS
	(Highest Quartile)			
1.05	Customer / Client Awareness	3.4108	3.3503	NS
2.02	Problem Analysis	3.5658	3.5033	NS
2.10	Budget Management	3.1017	3.0272	NS
3.03	Empathic Response	3.1395	3.0612	NS
3.05	Influencing	3.2945	3.2143	NS
1.02	Profit Management	3.0233	2.9422	NS
2.11	Control and Monitoring	3.0620	2.9762	NS
4.04	Organizational Blending	3.6820	3.5885	NS
4.13	Managing Change	3.6822	3.5373	*
2.04	Objective Setting	3.5272	3.3163	*
1.06	Competition Awareness	3.2170	2.8862	*
3.10	Development / Coaching	3.7322	3.3327	**
4.14	Policy Formulation / Implementation	3.5043	3.0631	**

Participating entrepreneurs appear to believe that they need little improvement in 3.01 - managing motivation and 2.08 - delegation, for which they exhibit a significant difference (.01) when compared to women managers. Yet, they seem to recognize a need to improve their employee coaching and development skills. Other areas of significance in terms of improvement needed include 4.14 - policy formulation and implementation (.01), 1.06 -competition awareness, 2.04 -objective setting and 4.04 -organizational blending or the systematic balancing of tasks.

Both the mentors (Table 5) and observers (Table 6) tend to agree that controlling costs (1.03, 2.10, 2.11) and competitor/customer/client awareness are critical areas for needed improvement.

Two dimensions that have not previously received high priority rankings. 4.01 -networking (.01) and 4.05 - sense of timing, show up as mentor selections for improvement and observers give time management a high order of priority for needed improvement.

Table 5

Business Advisor / Mentor Selections: Areas for Needed Improvement

Item #	Dimension Description	Entrepreneur	Manager	Signif
	(Low Priority)			
3.03	Empathic Response	2.6830	3.1293	*
3.13	Differentiating Individuals	2.8862	3.2993	*
3.01	Managing Motivation	2.6017	3.0102	*
3.11	Stress Management	3.2113	3.5713	NS
2.14	Information Management	2.7235	3.0782	*
3.02	Resolving Conflicts	2.6830	2.9932	NS
	(High Priority)			
1.03	Cost and Cost Control	3.0082	2.8062	NS
3.10	Development / Coaching	3.0488	2.8232	NS
4.05	Sense of Timing	3.4553	3.2143	NS
1.06	Competition Awareness	3.4187	3.1086	*
1.05	Customer / Client Awareness	3.5833	3.2230	**
4.01	Networking	3.6857	3.3081	**

Tables 7 and 8 simply present the top priority competency ranking (rather than comparatively addressed as in the previous tables) as provided by study entrepreneurs and corporate managers. Both groups of participants give primary weight to Part II, technical and operational skills (40 percent and 50 percent respectively) with the corporate managers displaying a stronger association to human resource management and interpersonal communication skills (Part III), 40 percent of managerial competencies. What is perhaps more remarkable, and not necessarily unexpected, is the balance of managerial competencies selected by entrepreneur owner-operators.

Having identified the critical managerial competencies for success, women entrepreneurs seek help in improving their 2.09 - time management skills, 4.13 - change management abilities and their 1.05 - customer/client awareness strategies (Table 9) employment development and coaching and organizational blending are among their top five identified needs for improvement.

Black women corporate managers share three areas of need improvement (Table 10): 2.09 - time management, 4.13 - managing change and 2.02 -problem analysis with participating entrepreneurs. However, delegation, management of motivation, and managing performance represent areas of needed improvement that they also regard as critical managerial competencies in their careers.

Table 6

Observer's Selections: Areas for Needed Improvement

Item #	Dimension Description	Entrepreneur	Manager	Signif
	(Low Priority)			
3.03	Empathic Response	2.3057	2.6275	**
1.08	Organizational Culture	2.8325	3.0780	*
1.01	Monetary Conditions	2.7462	2.9712	*
3.14	Group Process Skills	2.2625	2.4870	**
3.13	Differentiating Individuals	2.7807	2.9860	*
1.10	International Awareness	2.7893	2.9897	*
	(High Priority)			
2.09	Time Management	3.1852	2.9997	NS
4.03	Resource Blending	4.6011	4.4117	NS
2.10	Budget Management	4.3267	4.0048	*
2.12	Proposal Preparation	3.1958	2.9549	*
2.11	Control and Monitoring	4.5078	4.1989	**
1.06	Competition Awareness	4.0328	3.5431	**

Table 7

Ranking of Most Important Managerial Competencies by Black Women Entrepreneurs

Item	Dimension Description	Mean
1.02	Profit Management	4.6989
*2.07	Implementation	4.6901
*2.08	Delegation	4.4965
3.05	Influencing	4.4573
2.11	Control and Monitoring	4.5013
2.09	Time Management	4.3798
1.05	Customer / Client Awareness	4.3025
4.10	Managing Creativity	4.2248
3.07	Personnel / Staffing	4.0698
4.13	Managing Change	4.0310

Table 8

Ranking of Most Important Managerial Competencies by Black Businesswomen Managers

Item	Dimension Description	Mean
2.02	Problem Analysis	4.7960
2.01	Situation Analysis	4.6938
3.01	Managing Motivation	4.6935
3.04	Effective Listening	4.5918
*2.07	Implementation	4.5750
1.09	Internal Structure & Operation	4.5750
2.03	Decision Making	4.5578
3.09	Performance Management	4.4728
*2.08	Delegation	4.3878
3.10	Development / Coaching	4.3707

Table 9

Ranking of Most Important Needs for Improvement by Black Women Entrepreneurs

Item	Dimension Description	Mean
*2.09	Time Management	3.7340
3.10	Development / Coaching	3.7322
*4.13	Managing Change	3.6822
4.04	Organizational Blending	3.6800
*2.02	Problem Analysis	3.5658
2.04	Objective Setting	3.5272
1.03	Policy Formulation / Implementation	3.5043
2.05	Strategic Planning	3.4450
1.05	Customer / Client Awareness	3.4108
1.06	Competition Analysis	3.2170

Table 10

Ranking of Most Important Needs for Improvement by Black Businesswomen Managers

Item	Dimension Description	Mean
*2.09	Time Management	3.7245
3.01	Managing Motivation	3.6501
2.08	Delegation	3.6167
4.04	Organizational Blending	3.5885
3.11	Stress Management	3.5715
2.13	Organizing Systems & Structures	3.5545
3.09	Performance Management	3.5373
*4.13	Managing Chance	3.5373
*2.02	Problem Analysis	3.5033
1.12	Legal Requirements	3.5033

DISCUSSION

As with the case of all entrepreneurial ventures in general, a number and variety of influences can be expected to affect survival. For minority-owned firms operated by black women, Part I - socio-economic business knowledge, and Part II - technical and operational skills tend to dominate their "focused-in" approach to needed improvement and their identification of critical managerial competencies.

Although black businesswomen corporate managers agree on the significance of Part II skills, they display a more "focused-out", (Part III - human resource management and interpersonal communications skills) developmental need and critical competencies. Both the mentors and observers for each group of participants, strongly support this picture of strengths and weaknesses.

The fact that there were a number of significant differences among entrepreneurs and corporate managers, in the nature and direction of competency development, suggests that strong joint-partnership alliances may be warranted. As an example, rather than attempting to become more of a generalist (moving from Part I/II to Part III/IV in skills development), entrepreneurs could reach into a significantly large and growing pool of executive business talent among corporate businesswomen managers to form mutually beneficial co-partnerships (see Table 11). Work-role performance could be greatly enhanced without putting the survival of their firms ahead of personal time and values, while complementing creativity and offering greater potential for empowering and attracting good employees.

Table 11

Employment of Women in Managerial and Professional Occupations

Occupation	Black Women			White Women		
	1970	1980	1990	1970	1980	1990
Total Employed	3.7 MM	4.7 MM	5.1 MM	25.5 MM	26.7 MM	37.1 MM
Professional	11.0%	14.2%	21.6%	15.3%	15.1%	28.2%
Managerial	1.5%	4.7%	20.0%	3.8%	8.4%	20.9%

Source: U.S. Bureau of the Census of the Populations. 1970, 1980, 1990. Characteristics of the Population.Vol 1, Part I, U.S Summary.

Worthy of note are the consistently higher mean importance scores given by black businesswomen managers to Part II and Part III competencies, indicating that they attach greater significance to rational order and motivation strategies associated with defined objectives and job performance expectations (also, apparently producing high stress levels). Corporate management participants, for example, identify "front-end" operational management skills such as situation analysis, problem identification and decision making as the most critical competencies (Part II), while entrepreneurs stress implementation, delegation and control and performance monitoring process skills (apparently producing time management problems for them).

One remarkable finding is the perception of both groups of participants regarding their most critical areas for improvement. Corporate management participants identify delegation, time management and system organizational skills as improvement needs. Women entrepreneurs, on the other hand, recognize the need to develop problem analysis, objective setting and strategic planning ("front-end") skills. Once again, these findings clearly show how well the study participants complement each other as potential team players.

CONCLUSION

The exploratory research results presented in this paper serve to suggest that a unique interaction of race and gender is a viable, challenging, and rewarding area of research that has been generally ignored in the women manager and entrepreneurship literature. Clearly, educators and organizational development consultants interested in understanding the status of women in organizations and owner-operated firms must begin to recognize that the study of both race and gender is a key pivotal point in establishing, developing, and advancing educational programs and government policies to enhance that status.

As for the first hypothesis proposed in this study, that black women owner-operator entrepreneurs will exhibit a significant difference in managerial competencies when compared to black businesswomen corporate executives or managers, the results are clear. Overall, entrepreneurs hold those components of leadership relatively more important that are "focused-in" and "focused-on" task performance. There were significant differences in concern for profit management and control and monitoring skills. Therefore, the first hypothesis was well supported.

55

The second hypothesis proposed that black women owner-operator entrepreneurs will exhibit a significant difference when compared to black businesswomen corporate executives or managers, in the perceptions of "need for improvement" as evaluated by their own self-assessments, their mentors, and "observers" selected at the peer and subordinate levels. The data provides some relative support for this view, but with mixed results. Entrepreneurs self-select employee coaching and development along with policy formulation and implementation skills as most critical. Yet, their mentors and observers identify customer and competitor analysis, as well as, a need for greater networking.

Black businesswomen corporate managers fared much better in their self-selections relative to mentors and observers. Their areas for improvement include resource blending, monitoring and control and the ever present problem of time management. Overall, therefore, the second hypothesis was supported, but not well supported.

Perhaps the greatest surprise, although not posed as an hypothesis, was an intuitive expectation that entrepreneurs will perceive Part I and Part II dimensions of significantly higher importance, as well as, developmentally needed, in concurrence with their advisers and observers, and that black corporate businesswomen managers will be highly task focused (Part II) and truly interested in human resource management issues (Part III). Study results demonstrate that entrepreneurs, in a relative sense, regard Part I and Part II as most important competencies and areas of developmental need. Black women managers showed a strong concern for Part II and Part III skills and abilities. Thus, both groups exhibit minimal concern for "big picture", Part IV abilities. Those associated with organizational vision, mission and environmental co-alignment issues. While this might be easily explained for entrepreneurs, it may suggest that organizations place black women managers in highly visible, showcase type jobs without external job challenges or future mobility. Nevertheless, black women managers and entrepreneurs need to maintain more proactively in defining their own criteria of success.

In the final analysis, the findings and implications of this study must be evaluated within the context of its design and methodology. Although further specific entrepreneur case study research would reveal more micro-specific competencies and developmental needs, interesting observations and conclusions have been made in this study that should serve as a clear basis for further research.

Previous research, it seems, has produced only generalizations about black women entrepreneurs that serve to obscure differences in how they perceive themselves within the context of managerial competencies and especially the patterns of knowledge they regard as critical to their development. Only by continuing to study black women entrepreneurs' and black business-women corporate managers' experiences, can we afford a unique opportunity for understanding the effects and particular developmental needs associated with race and gender.

REFERENCES

Birley, S. (1989). Female Entrepreneurs: Are They Really Any Different. *Journal of Small Business*, 21(1), 32-87.

Brand, H. (1988, August). Productivity and Employment: the 1988 International Symposium. *Monthly Labor Review*, 3, 32-33.

Brush, C. G., & Hisrich, R. (1988). Women Entrepreneurs: Strategic Origins Impact on Growth. In Kirchoff (Ed.), *Frontiers of Entrepreneurship Research*, (p. 612). Wellesley, MA: Babson College.

Cooper, A. C., & William, C. D. (1987). Entrepreneurial Research: Old Questions, New Answers and Methodological Issues. *American Journal of Small Business*, 11(3), 11-23.

Diffley, J. H. (1983). Important Business Competencies for the Women Entrepreneur. *Business Education Forum*, 37(1), 31-33.

Drucker, P. F. (1986). *Innovation and Entrepreneurship*. New York, NY: Harper & Row Publishers.

Glenn, E. N. (1992). Racial Ethnic Women's Labor. In R. L. Blumberg (Ed.), *Gender, Family, and Economy* (pp 173-201), Newbury Park, NJ: Sage Publications.

Gregg, G. (1985). Women Entrepreneurs: the Second Generation. *Across the Board*, 22(1), 10-18.

Hisrich, R. (1986). The Woman Entrepreneur: Characteristics, Skills, Problems, and Prescriptions for Success. In D. Sexton & R. Smilor (Eds) *The Art and Science of Entrepreneurship* (pp. 61-84). Cambridge, MA: Ballinger.

Hoffman, P. J. (1960). The Paramorphic Representation of Clinical Judgement. *Psychological Bulletin*, 57, 116-132.

Hudson Institute (1987). *Workforce 2000: Work and Workers for the 21st Century*, Indianapolis, IN: Author.

McClelland, D. C. (1965). N Achievement and Entrepreneurship: a Longitudinal Study. *Journal of Personality and Social Psychology*, 1, 389-392.

Mitchell, T.R., & Beach, L.R. (1977). Expectancy Theory, Decision Theory, and Occupational Preference and Choice. In M.F. Kaplan & S. Schwartz (Eds.), *Human Judgement and Decision Process in Applied Settings*, New York: Academic Press.

Moriya, F. E., Judd, B. B., & File, K. M. (1988). Are Women Business Owners the New Breed of Entrepreneurs. In H. W. Lasher, E. Malicme, G. B. Roberts, & R. F. Scherer (Eds.), 1988 *Proceedings of the United States Association for Small Business and Entrepreneurship* (pp 84-87). Monterey, CA.

Morrison, A. M., White, R. P., & Van, V. E. (1987). *Breaking the Glass Ceiling*. Reading, MA: Addison-Wesley Publishers.

Nkomo, S. M. (1988). Race and Sex: The Forgotten Case of the Black Female Manager. In R. S. Rose & L. Laurie (Eds.), *Women's Careers: Pathways and Pitfalls* (pp. 133-147). Westport, CT: Praeger.

Reskin, B. F., & Patricia A. R. (1990). *Job Queues, Gender Queues*. Philadelphia: Temple University Press.

Rosener, J. B. (1989, August). Corporate Flight and Female Entrepreneurs: Is There a Connection. *Proceedings at the Annual Meeting of the Academy of Management*, pp 115-118.

Sekaran, U., & Frederick, T. L. (1992). *Womenpower: Managing in Times of Demographic Turbulence*. Newbury Park, NJ: Sage Publications.

Stahl, Michael J. (1986). *Managerial and Technical Motivation* (pp. 18-29). New York: Praeger.

Stahl, M. J., & Harrell, A. M. (1982). Evolution and Validation of Behavioral Decision Theory Measurement. *Journal of Applied Research*. 67(2), 744-751.

APPENDIX

Leadership Competency Inventory Self-Assessment Exercise

Part I: The Socio-Economic Environment of Business

Your knowledge and understanding about business, economic, social, organizational, and political conditions, and their impact on present and future business decision-making and performance.

1.01 MONETARY CONDITIONS -Understanding of cash flow, capital market conditions, interest rates, investments, and fiscal and monetary policies.

1.02 PROFIT MANAGEMENT -Understanding the time value of money relationship and its impact of return on capital, sales, profit margins, growth rates, return on assets/investments.

1.03 COST AND COST CONTROL -Knowledge of cost of materials, labor, facilities, commodities, and services.

1.04 BUSINESS CONDITIONS -Knowledgeable about business opportunities, growth potential, long-range forecasts, inflationary trends, and recession or growth expectations.

1.05 CUSTOMER/CLIENT AWARENESS -Sensitivity to and awareness of customers' needs, organization, systems, characteristics, climate, and personnel.

1.06 COMPETITION AWARENESS -Knowledge and understanding of competitive positions, strength, weaknesses, market share, potential, and trends.

1.07 IMPACT - Assessing the impact/influence of general business, economic, social, and political conditions on management of the internal organization.

1.08 ORGANIZATIONAL CULTURE -Understanding the organizational culture, values, standards, formal and informal norms, operating principles, stated and unstated values, folkways, and mythology.

1.09 INTERNAL STRUCTURE AND OPERATION - Understanding of both formal and informal structure and systems within the organization. Knows formal and informal hierarchy, power bases and decision makers. Knows who to work with to get things done.

1.10 INTERNATIONAL AWARENESS -Understanding of other countries social, cultural, business and political conditions and the resulting influence and impact on management of the business. Ability to effectively communicate with international customers and contemporaries.

1.11 SOCIAL AND POLITICAL -Understanding and ability to assess the impact of external social and political conditions. Ability to interface with governmental and related agencies.

1.12 LEGAL REQUIREMENTS - Knowledge of legal requirements, guidelines, restrictions, laws, and contracts, and understanding of legalimplication in management of material and human resources.

Part II: Technical and Operational Methods

This category includes the traditional technical skills and business operational skills, most of which are based on classical management science concepts. The focus is on the ongoing, day-to-day, management function.

2.01 SITUATION ANALYSIS - Ability to: Identify issues, break issues into component parts, determine priorities, set goals, define appropriate action, and recognize alternatives.

2.02 PROBLEM ANALYSIS - Ability to define problems, analyze causes, determine corrective action, and implement solutions.

2.03 DECISION MAKING - Skill of establishing criteria, gathering and reviewing information, developing alternatives, assessing risks, choosing among alternatives and choosing optimum timing for decisions.

2.04 OBJECTIVE SETTING - Skill in determining short and long-range goals, targets, and end results. Stating objectives incorporating inputs from self, boss, subordinates, clients, customers, and others.

2.05 STRATEGIC PLANNING - (Long and Medium Range Orientation) Skill in developing strategies to accomplish organizational mission. Ability to understand and articulate organization mission and plan for optimumuse of resources to accomplish mission.

2.06 TACTICAL PLANNING - (Short-Range Orientation) Skill in developing an implementation plan to meet objectives determining and sequencing activities, scheduling, seeking help, getting feedback, taking corrective or contingent action.

2.07 IMPLEMENTATION - Ability to program steps and move from plan to initiating action for accomplishment of mission and goals.

2.08 DELEGATION - Skill in appropriate sharing of authority accountability, responsibility, power and influence for meeting organizational and individual objectives.

2.09 TIME MANAGEMENT - Skill in allocation of individual and organizational time to meet individual and organizational goals.

2.10 BUDGET MANAGEMENT - Skill in establishing, negotiating, and controlling operating budget.

2.11 CONTROL AND MONITORING - Skill in effectively controlling material and human resources, projects and tasks, against plans using appropriate tools, techniques, and procedures to assess status and take required action.

2.12 PROPOSAL PREPARATION - Skill in preparing and documenting proposals, bids, grants, or recommendations for internal or external review and response.

2.13 ORGANIZING SYSTEMS AND STRUCTURES - Skill in establishing organizational structure, relationships, responsibilities, systems, procedures, and charters to meet organizational needs.

2.14 INFORMATION MANAGEMENT -Knowledge of and access to relevant management information. Use and understanding of communication systems, hardware and software systems, and applicable management information systems.

Part III: Human Resource and Interpersonal Communication
Your effectiveness as a manager or small business owner-operator depends to a large degree on the undertaking of and responses to human behavior. This category includes competencies of an interpersonal nature, especially as they relate to instilling productive behaviors in the working environment.

3.01 MANAGING MOTIVATION - Knowledge and understanding of motivational drives of self and others. Ability to develop and maintain a motivated work group by appropriate management of rewards, recognition, coaching, participation, delegation, assignments, and developmental opportunities.

3.02 RESOLVING CONFLICTS - Skill in recognition, confrontation, and resolution of disputes, disagreements, differing opinions, conflict, and personality clashes at both the individual and group level.

3.03 EMPHATIC RESPONSE - Ability to maintain personal objectivity while providing understanding and sensitivity to others and enhancing others' self-esteem. Putting yourself in the other person's place.

3.04 EFFECTIVE LISTENING - Skill in accurately hearing what others are saying and providing others with verbal and non-verbal clues that they are being heard. Receptiveness to inputs and feedback from others.

3.05 INFLUENCING - Effectiveness in influencing the behavior and receptiveness of others, including subordinates, peers, superiors, clients, and customers.

3.06 EFFECTIVE PRESENTATION - Ability to present ideas to others clearly and persuasively.

3.07 PERSONNEL/STAFFING - Skill in recruitment, interviewing, selection, and placement of personnel.

3.08 COMPENSATION - Knowledge of compensation practices and internal and external rates and levels.

3.09 PERFORMANCE MANAGEMENT - Skill in evaluating performance against job expectations; identifying motivational and skill strengths and deficiencies; providing ongoing informal and periodic formal feedback on consequence of both good and poor performance.

3.10 DEVELOPING/COACHING - Skill in providing direction and feedback, advice, training, job opportunity, and relational interfaces to develop employees for proficiency in current assignment and potential future roles in the organization.

3.11 STRESS MANAGEMENT - Understanding the nature of stress and stressors. Skill in managing the environment and use of coping techniques to maintain stress level of self and employees at a production level.

3.12 INFORMATION SHARING - Skill in maintaining environment of open communication to, from, and within work unit. Ability to develop climate of two-way communication about work status, goals, and visions of the future.

3.13 DIFFERENTIATING INDIVIDUALS - Ability to recognize, respect, and respond to the individuality and uniqueness of each employee. Ability to recognize and reward contributions on an individual basis, ability to maximize potential of each. Recognizing and taking effective action with problem performers.

3.14 GROUP PROCESS SKILLS - Ability to recognize and act on task and interpersonal dynamics that occur in group situations.

Part IV: Vision and Environmental Co-Alignment Scanning

Seeing the "big picture." Ability to integrate hard and soft information, to orchestrate human and material resources, to utilize rational and intuitive perceptions, to respond to organizational and individual needs, and to know when to act and when to defer action.

4.01 NETWORKING - Ability to develop and reciprocate in a network of relationships which provides information, technical expertise, political insights, etc.

4.02 INFORMATION GATHERING - Develops many and varied sources and ways of gaining needed information and has ability to integrate varied and conflicting information.

4.03 RESOURCE BLENDING - Skill in integrating group and individual competencies, motivation, experience, tasks and responsibility to provide individual and team effectiveness.

4.04 ORGANIZATIONAL BLENDING - Understands total organizational system, structure, and dynamics and effectively blends his/her work unit and its output into total.

4.05 SENSE OF TIMING - Skill in integrating a variety of information, issues, and opinions to sense potential for problems and may take preventative action before problem becomes acute.

4.06 PROBLEM PERCEPTION - Skill in integrating a variety of information, issues, and opinions to sense potential for problems and may take preventative action before problem becomes acute.

4.07 PROBLEM SOLVING - Ability to solve problems by focusing in on specific issues and information and also by finding relationships between remote but related events and data.

4.08 LATERAL COMMUNICATION - Ability to effectively communicate across the organization and beyond to achieve cooperation, coordination, collaboration, negotiation, and problem solving.

4.09 VERTICAL COMMUNICATION -Ability to communicate plans, accomplishments, requirements, and recommendations, both up and down the organization.

4.10 MANAGING CREATIVITY -Understanding specific needs of creative people. Setting the proper climate for creativity to emerge. Arousing the creative urge in others and fostering innovation.

4.11 ENTREPRENEURSHIP - Ability to create alternatives, perceive/accept and exploit new ideas, redirect resources, establish new directions, seek extraordinary results.

4.12 RISK TAKING - Skill in defining parameters of acceptable risk taking, encouraging and supporting risk taking in others, and practicing individual risk taking. May involve operating in an environment of uncertainty and ambiguity.

4.13 MANAGING CHANGE - Ability to assess current state, determine desirable future state, articulate the desired, overcome resistance, shape the political system to support the change, and provide management of the transition from the current to the desired state.

4.14 POLICY FORMULATION/IMPLEMENTATION -Ability to know, interpret, implement, establish or
modifycompany policies.

4.15 ENVIRONMENTAL SCANNING -Ability to analyze current and potential change in specific segments in order to better understand the change and its implications for strategic decision making.