

MANAGEMENT AND BLACK PEOPLE: THE THEORY B

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ABSTRACT. A well managed Black worker can give the best results in every field of endeavor. As the world integrates into a single monolithic entity, a singular management theory is fast evolving and Black workers are now found everywhere on the globe and must work with people of diverse racial backgrounds. Though a lot of people do not know how to cope with Black people, the potentials of Black workers can be harnessed with a set of techniques and management tools which can be incorporated conveniently into all organizations.

JEL: D85, J53, M12, M54

Keywords: management, Black, worker, technique, tool, organization

For many decades, the world relied on disintegrated sets of management principles based on national and ideological trends. Over the years, as the world unifies to move in a single direction, most organizations and managers have switched to Plan B that tends to bring all the positive aspects of different management principles together to settle for the best management idea. This change to Plan B has given management a new face that is likely to be in place for a number of years to come and will change appropriately when the dynamics of economies and societies change.

Theory B is a theory based on Economic, Social and other Benchmarks. Theory B talks about management by meeting requirements. By meeting these standards, there is the further satisfaction of all stakeholders through the optimum combinations of all constituent parts of the organization.

Theory B defines management and attempts to put down what management does. It is a universal definition with a technical feature

of management that can be varied to provide the best results for workers of all races. With this flexibility to alteration, Theory B has the potential of being used to mobilize the best results in a wide diversity of work environments.

1. Theory B: The Universal Definition of Management for the Post 2000 CE ERA

Under Theory B, management is seen as a group of people in an organization given the duty and authority by the owners to incorporate all activities of the organization and regulate affairs with the technical arts and science of decision making and authorization for the maximization of returns and benefits for all stakeholders of the organization.

The major features of Theory B management are:

- a. Incorporation
- b. Technical
- c. Maximization

A. Incorporation

When management realizes that there is the need for a particular activity in attaining the goals of the organization, they include it in the affairs of the organization to attain the goals at hand. Incorporation here means bringing various departments, services and components of an organization to work to satisfy the purpose for which the organization was formed. This calls for management to use certain technical skills from the discipline of management that can be put to play to get the best results from incorporation.

Since organizations take inputs from the environment and process them into outputs that will benefit the society, all human resources, machinery and technology that would be used must be brought together in the most efficient and effective manner to yield the highest results that would benefit all direct and remote stakeholders of the organization's operations.

In this era, there is a minimum level of components that all organizations have in order to stay in operation in the competition that comes with current global economies. Some of these components can be in-house or outsourced. These required components

are described in organizations with terms like functional units or departments are:

1. Finance
2. Production
3. Marketing
4. Human Resource
5. Information Technology
6. Research and Development
7. Other Services

Finance

This component in modern management is meant to seek the maximization of economic inputs from the minimum output possible. It touches on obtaining and using working capital, capital investment, cost and management accounting and internal control.

Obtaining and using working capital entails the raising and managing of funds for the running of the day to day activities and affairs of the organization. This is in competition with capital investment where the funds of the organization are channeled into external long-term investment packages. Due to the sensitivity of finance issues, management seeks to give this duty to qualified professionals.

Cost and management accounting entails the estimation of future costs and comparison with earlier costs of the organizations to aid planning and decision making in the organization.

Under the finance component, management has the duty of putting in place a structure that would eliminate error and fraud in financial reporting and the use of cash. In doing this, management needs to segregate duties and amongst other things have a good procurement system.

Production

This is the part of the organization that produces the main goods or provides the main services for which the organization was set up. The main link this component has with management is to provide specifications and production guidelines within the laws of the nation. Management has to supervise and control to eliminate waste and promote the use of efficient technology.

Marketing

Every organization needs to sell its products speedily to get income that would finally be matched with cost to uncover the profits. The customers of any business are the driving force of the organization and major financiers of its activities. The wider the net of customers a business has, the greater its prospects of making more profits. The Marketing component of a business is to enhance the image of the organization commercially to the outside world to increase the customer base of the organization by attracting more people with potential demand to exchange money for the products of the organization.

Since marketing is now a tool for competition, it is prudent to have a team of workers in an organization with knowledge of marketing to plan advertisement policies to improve the taste for the organization's resources in society.

Human Resource

This is a specialized component that outlines and administers the procedures for the most efficient utilization of the potentials of the workers of the organization. It is this component that investigates how best to recruit and select workers and also mobilizes current workers to produce the best resources with maximum job satisfaction.

Information Technology

This section of organizations is concerned with the management of information systems and information technology. Information system has more to do with the procedures and arrangements for the collection, classification, storage, retrieval and distribution of information. Information technology on the other hand deals with the equipment used to take up, store and transmit information.

The basic function of the Information Technology department is to plan and organize activities in an organization pertaining to the technology for the storage, use and transmission of information. Information is crucial for organizations and the Information Technology department provides a source of competitive advantage for an organization because of the improvements a good information system can bring to an organization.

Research and Development

This is a sub unit of an organization that mainly studies the current trends of production, marketing, human resource plan and technology mainly through observation and then experimentation to produce newer and more efficient systems. Research and development is usually undertaken as a component in large organizations whilst it is outsourced by other smaller organizations.

Other Components

This includes any other activity or service rendered in an organization and due to its peculiarity does not form part of the main components. Such components are made to stand as a component of the organization if it is vital to the organization or have high costs of running. For example in a military training institution, feeding or canteen services become a major service.

On the other hand, management has to bring together cost of other petty activity centers to incorporate their activities to the overall benefit of the organization. Examples of such petty components are security and maintenance.

B. Technical

The management of every organization is required to use certain the arts and science in authorization and the discipline of management to utilize authority for the highest and best results. The technical aspect of management is an art because it requires a large extent of subjectivity and use of discretion in decision making and this can be improved by personal development geared towards perfection in the art. It is a science because aspects of management can be observed, tested and certified based on empirical facts.

Since management holds authority from owners of the organization, they have the duty of ensuring that appropriate orders are given for workers to engage in activities within the right scope to satisfy the current and futures needs of the organization. This is done by forming a framework within which the organization must operate and then insisting on the people working within those parameters.

Also, unique to management is the formation of a social atmosphere where workers and all other stakeholders can interact legally

to provide optimum results. This social responsibility touches on economic rewards, leadership, personal interaction administering of justice and human resource plans to workers of the organization and to the society, environmental sustainability and legality of operations.

The technical requirement of management can be defined as providing the highest and best results within the highest possible production capacity of the components of the organization. Therefore the role of management is to combine components of the organization that will provide the highest and best economic, social and other benchmarks unique to the organization that can be possibly attained.

Management is therefore meant to provide a larger volume of returns from which all stakeholders of the organization can get the highest satisfaction. In doing this, management has to bring all the human resources together no matter their origin to provide the best results for the organization.

Management, in satisfying their technical requirement has to plan, enforce the plans and monitor results. In doing this, management has to gather data and information and plan for the organization. Management has to transpose the corporate plan to objectives for the components of the business and provide the necessary requirements for achieving the objectives. As the units continue to work to meet these objectives, management has to monitor results to ensure its conformity to standards.

The technical component demands management to get the best out of the human resources available. In other words, the technical content has to be varied to provide a system of management that can mobilize the best results of every social and racial group within the organization. It is therefore an area most multinational businesses must be concerned with.

C. Maximization

As management brings together the components of an organization together, they have the responsibility of maximizing results. This has two facades and they are;

1. Providing Maximum output from the resources of the organization
2. Providing Maximum satisfaction for all the stakeholders of the organization

Combination of Resources

Maximum output from the resources of the organization involves the provision of the highest and best results within the capacity of the organization and also finding new ways to produce within unattainable regions. Management therefore has to use the technology available to produce the highest outcomes that are possible.

Management in its planning, implementation and monitoring process has to consider ways that will produce the highest economic and social returns for the organization as a whole and also eliminate activities that increase cost unnecessarily. In doing this, management has to discourage waste and encourage more economic methods of running the organization.

Aside this, management also has the duty of expanding the organization's base to be able to produce a larger output from which all the stakeholders will be able to get more. This involves the use of more efficient resources and a venture into levels of production that were previously thought to be unattainable.

Satisfaction of Stakeholders

Organizations are primarily set up to extract inputs from the environment, process them and give back out to society. In this process, many entities are affected in diverse ways. The work of management also involves maximizing satisfaction for all such entities.

Traditionally, these are the most common stakeholders in most organizations:

1. Owners
2. Environment
3. Society
4. Workers
5. Customers
6. Investment Agencies
7. Government Agencies

On careful analyses, one will notice that the first three set of stakeholders *viz* owners, society and workers are involved in the combination of inputs from the environment to commence the production process. The production process is actively undertaken by the workers of the organization in question. Again, when the product

of the organization comes out, customers patronize it and this has implications on the Environment and Government Agencies. These stakeholders also have detailed characteristics.

Owners

These are the contributors of the initial capital of the organization. They include shareholders, entrepreneurs and members of social organizations. For the owners of businesses, their main motive is economic in nature. Management has the role of providing them with economic returns like increases in earnings per share and dividends. In organizations of a social nature, the expectations of the owners are to get the highest social returns and any other benchmark as it may be.

Society

Organizations are set up to serve the society. In doing so, they have to do it within the legal and moral codes of the society they find themselves in. In this current time, organizations are under greater pressure to keep a positive image with the society. This gives management the duty of giving back something to the society. This also has effects on the customer base of the organization and its tax burden.

Workers

The main burden of workers is to gain wages and salaries for their labor. The largest proportion of the expenditure of most organizations is spent on paying workers. This makes them a crucial entity in most organizations. Aside the economic demands of workers, management has to provide the social and motivational needs of the workers in the work environment

Customers

As the world declines towards a consumer-sovereign system, the benefits of customers must be put on a high pedestal. Customers are the main financiers of businesses and they must be given the maxi-

mum satisfaction and care as they may need. Aside this, they must also be given value for their monies.

Environment

Most organizations extract inputs from the society and process it. During these activities, the environment is affected. With the increase in the concern for the environment, many Green Groups have been formed to promote sustainable use of the earth's resources. Management has to see to it that in the process of extracting inputs and processing it, the standards required of them to ensure sustainability are not exceeded.

Investment Entities

These are organizations that provide investment and other credit facilities. Management has to decide on how much to put into these organizations for future economic rewards or how much to borrow from such organizations to increase their capital base. They include banks and organizations listed on the stock market.

Government Agencies

The main government agencies most organizations have to work with are the tax authorities. Organizations have to contribute to the running of the nation within which they find themselves in and this is done through taxation. Nations in turn provide security and other services for the economy that the organization has the right to benefit from. Aside the tax authority, there are local governments, which are mainly socially inclined and the standard boards.

In all these management has to come up with decisions that would satisfy all stakeholders as and when appropriate. In satisfying these stakeholders, management has to look at one or more of three aspects which they must provide. These aspects are:

- a. Economic
- b. Social
- c. Any other Benchmarks (AOB)

Economic issues are mostly about how to draw a line between groups. In most cases, management has to deal with two major stake-

holder groups; Profit Based Groups and Expenditure Based Groups. Profit Based Groups are those stakeholders who benefit directly from higher profits. Typical examples are owners and tax agencies. On the contrary, Expenditure Based Groups are those stakeholders who benefits from the organization constitute a reduction to profits. This is mainly made up of workers and other investment options.

These two groups have conflicting interests for the sharing of the economic returns of the organization. When the Profit Based Groups gain more, the Expenditure Based group loses some of their benefits.

This gives management the duty of satisfying each of these groups economically with the view of giving them the maximum returns for their inputs to with their technical insight into the discipline of management. On the other hand it is the duty of management to improve production for the organization as a whole.

Social issues are also contested in a similar manner. In organizations, there are the Social Activists who seek to create social harmony in aspects that the organization may have to work with and there is the Non-Socialist group which has interests that can be achieved at the expense of social desires of other stakeholders.

At the beginning of operations the interests of these two groups are the same because there is the need for an amount of social commitment to begin operations. This is born out of the fact that every organization is formed to solve a problem in society, so for an organization to be formed there should be an element of social advancement in their objectives.

As the operations of the organization increases, the interest of the Non-Socialists increases in a similar proportion with that of the Social Activists. However, after some time, as the interest of the Non-Socialist is changed to other desires which are usually economic in nature and this is always at the expense of the Social Activists, interest fall sharply. In other situations, where the interests of the Social Activists are put ahead of the Non Socialists, there is a continued increase in their interest at the expense of the Non-Socialists whose interest are pursued in a less than proportionate manner.

In individual organizations where the activities are different, there may be other benchmarks that are peculiar to a given organization due to its unique nature. The stakeholders of the organizations have different reactions to all these different benchmarks.

Management is therefore required to maximize expected returns to each of these stakeholder groups to reflect on them individually. This is done by decision making that affects their regulation of affairs within the organization. Management therefore comes up with a verdict that would satisfy all the parties with any form of interest in the organization. They draw the lines and apportion the good of the organization to all the parties with interests in the organization's affairs.

2. Theory B: The Solution to the Black Question

The Technical Aspect of management can be varied to mobilize and extract the best from the potentials of people of all races by understanding and utilizing their beliefs, values, cultures and ideas. This means that the Technical Management Function can be reshaped and modified to get the best out of people of a given race after investigating and understanding aspects of their culture and history that makes them behave the way they do. This is to say that the Technical Function of Management can be modified to get the best out of Arabs, Blacks, Chinese, Indians, Japanese, Jews, Latinos, Whites and as a matter of all the races of the world.

Black people tend to be unpopular with managers because they are seen to be without potential. However, Black people are replete with great wisdom, strength, ideas and faithfulness just like people of all other races. With a very appropriate Technical content of managerial conduct, all these things will come out of the Black Worker. Black people can best be managed to be the best they by the modifications in the Technical aspects for Theory B – the Theory for the Black worker. The principles that must be fused into a Theory B to extract the best results from the Black worker are as follows:

1. ECONOMIC ASPECTS

- i. Provision of Highest Economic Rewards
- ii. Improvement of Organizational Output
- iii. Appropriate Economic Provisions for The Black Worker
- iv. Increasing the Earning Capacity of the Black Worker

2. SOCIAL ASPECTS

- i. Creation of an organizational culture
- ii. Social Concern for Black Employee

- iii. Creation of Informal Groups
- iv. Creation of a Non-discriminatory Work Environment

3. HUMAN RESOURCE PLANNING ASPECTS

- i. Involvement in Decision Making
- ii. Flexibly specialized Careers
- iii. Slow Evaluation but with Quick promotion
- iv. Impersonality of Rules

ECONOMIC ASPECTS

These call on managers of Black workers to be prudent in areas pertaining to rewards for Black labor. The main aspects to be watched closely here to touch on are the issues of pays and salaries and other deductions from the pay of Black workers

Provision of Highest Economic Rewards

Most Black people live in poor economic conditions, relative to people in other races around them. Due to this, Black people have been generally marginalized economically. As a result of that, Black people have a genuine need for more economic benefits. Unlike people of other races which began the journey by setting their own milestones and achieving them at their own pace, Black people have often targets that other people have already reached.

Black targets are often set on individual levels and they are mainly meant to produce riches as quickly as possible with minimal risks to bridge all gaps that exist between them and others. In most cases, Black workers' targets are attainable by gaining a social and self esteem image similar to that of others. Chasing these needs require economic backing.

As a manager, to get the uttermost and in-depth co-operation of Black workers, there is the need for continuous flow from a long-standing economic reward schemes. Failure to do so as a manager will shatter the dream of most Black workers and further hinder their performance.

Improvement of Organizational Output

Since providing the highest economic rewards to the Black worker ranks high on the list, management has to put measures in place to ensure the highest outputs. This is done by employing the most efficient and effective method of production. Managing Black people means working hard to see to the bodily shift of the economic curve of an organization. This makes it compulsory for organizations to use the best science and philosophy of work all the time. This makes the Black worker see a progression in his life which makes it clear to him that his efforts are yielding results. If management does not progress in this wise, Black workers are likely to see their efforts as fruitless.

Appropriate Economic Provisions for Black Worker

Special provisions must be made to aid the Black workers to satisfy other security needs like social security, pensions and *ex gratia*. Pay deduction is a must in every organization. As expected, every deduction is to the benefit of the worker or society. However, this should not reduce the purchasing power of the Black worker drastically because it could reduce morale and make it difficult to gain his co-operation.

Improvement of Earning Capacity

For best results, the earning capacity of a Black worker must be improved through training. It is possible to train the Black worker no matter how impossible it may see.

One interesting observation of everyone who critically studies a Black Community is that the more erratic a Black person is from the onset, the more efficient he becomes after continued efforts. The worst thing you could do in training a Black worker is to give up! Just bear with him to the end and his efforts will compensate for all the wrongs. The best Black people are those on the streets causing fights, crimes and doing drugs. Their situation simply arose because the people to train them gave up on them a little too early.

SOCIAL ASPECTS

To harness the best potentials in Black workers, management needs a philosophy and an organizational culture that would ensure his fullest co-operation. In doing this, management needs a system that would:

1. Improve work attitudes;
2. Ensure the adherence to company rules and working practices;
3. Improve productivity on the job.

In the Black world, managers can get these things through a very social approach. All other means they attempt to use is likely to fail.

Social Understanding and Concern for the Black Worker

The Black worker produces best when his manager or leader has a genuine concern for him socially². Since most Black people are scattered into small groups with each group having its own mentality, it pays to understand each one of them. An educated Black African who shares a fence with an uneducated African has a thinking mannerism that is very different from the uneducated one.

It is therefore a disaster to generalize social issues about Black people. There is more diversity amongst Blacks than all other races combined. Most single Black countries around the globe with a population of over 15 million have more languages than Europe as a continent! These languages are so different that you could be speaking one language and not have the slightest idea of what your neighbor from the next village is saying in his own language. Logically, there are as many social groupings and ideologies as languages in the Black communities and they have been further modified by the different mixtures due to socio-cultural osmosis.

Concern for People is made easier by finding out the social background of the Black worker. The commonest way of doing this is to have an ordinary and casual conversation with the Black worker to find out unconsciously about his roots. Afterwards, there is room for the building of trust by finding out more about his roots and building on interesting aspects of his background.

A Black worker who is shown social concern is willing to give everything for the betterment of his organization. He can be trusted fully and he could also trust you as a manager.

Creation of Informal Groups

Informal groupings within the organization must be encouraged³. The real image of Black people unfolds in an atmosphere where there are no stringent laws. Informal organizations must be given all the support it needs and from there the real image and nature of the Black worker can be noted and possible ways of getting the best out of him can be planned.

From informal groups also, Black people can express themselves to other leaders without the barrier of rigidity. Informal organizations can build camaraderie that can enhance the team to work to improve synergism.

Creation of a Non-discriminatory Work Environment

The organizational culture and philosophy must eliminate all forms of racial discrimination. All forms of discriminations reported must be documented and dealt with formally. The motive here is to give the Black worker a leveled playing field so that he can be the best he can possibly be. This is a two-way affair and must affect Black workers who are involved in racial abuse as well.

Racial discrimination has legal consequences and if they are not dealt with appropriately, they can land the organization into trouble. It is therefore necessary to destroy the bud in the nid by dealing with minor issues like ostracism, sniggering, racial comments and violence must be dealt with from the onset before they explode to become major issues.

Human Resource Planning Issues

The Human Resource Plan of an organization must be Black-friendly. It must not limit the Black worker but styled to improve his output. This is closely related to the Japanese integration of their work cultures into the America and global system⁴. This is done from several angles.

Involvement in Decision Making

Traditionally, decision making is a function of management. Most often, management centralizes this role and takes all decisions. To

gain the full commitment of the Black worker however, it is helpful to include him in the decision making process in one way or the other.

Involvement in decision making is necessary because the view of the Black worker is very unique and often revolutionary. If it is harnessed positively, it would reflect the activities of the organization in the form of innovations and inventions.

It is a generally accepted philosophy that anyone who is involved in the initiation would be identified with the outcome. If a Black worker takes part in a particular decision, he is likely to work hard to the completion of the tasks that are with the decision. On the other hand, if a Black worker is told what to do all the time, he is likely to interpret the commands anyway he wants to and work along those lines. This can take a negative toll on the organization's output.

Flexibly Specialized Careers

Most Black people do not choose their careers based on their passion but rather on the possible economic returns from a profession. For example a Black African would prefer to be a medical doctor because of the guaranteed job placement, prestige and regular salaries in the field. This tends to make most people end up in the wrong career. The need to bridge the economic gap between Blacks and the others is what inspires the choice of careers for most Black people.

As a manager, it is best to give the Black worker the opportunity to rethink and choose an area of specialization where the need arises. If it is possible, after selection, the Black worker should be given the chance to test all available options related to his job field. This kind of flexibility has helped a lot of Black people to find out their real talent and passions and better them. In Africa, many accounting professional end up in other areas of their organizations. This usually happens when they are made to take up other jobs to fill a temporary vacancy or deputize for their bosses.

Slow Evaluation but Quick Recognition

Many Black workers can do everything required of them under supervised conditions but when they are independent they tend to revert to the old ways. It is therefore expedient to be sure of the skills

and will of a Black worker before taking him to the next level. This means that he needs to be evaluated slowly.

On the one hand, the Black worker seems to love tangible things. He wants results for whatever he does before proceeding. This means that the structure of the organization should be tilted to an angle where there will be recognition for every major hurdle the Black worker jumps over. Thus there could be more grades created between the ranks to acknowledge an improvement in his skills. Where this is not possible, like in the army, there could be conventional positions to be set up to recognize developments the worker had undertaken.

Quick promotion could also be in the form of social recognitions like special mentions during staff meetings and other acts that will honor the Black worker. Obviously, a package that would reflect in the pocket of the Black worker who has undertaken some development is preferred to all other forms of motivation.

Impersonality of Rules

A Black worker will be most co-operative where the rules of the organization are not interpreted to favor any race at the expense of another. The rules must function without personal favor for anyone. This is procedure satisfies the legal requirement for the discouragement of racial discrimination.

However, whatever the case may be, care should be taken when drafting the rules and regulation of the organization and where possible care should be taken to include the needs of all and sundry. However, where there is the need for the rules to be enforced, management has the obligation of ensuring that they promote fairness and goal posts are not shifted to the favor of certain people rather than others.

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