Controlling managerial function



- Controlling is the process of monitoring , comparing , and correcting work performance
- An effective control system ensures that activities are completed in ways that lead to the attainment of goals.
- Three different types of control have been identified; market control , bureaucratic control and clan control and.

- Market control- an approach to control that emphasizes the use of external market mechanisms to establish the control standards.
- Price competition and relative market share.

- Bureaucratic control- an approach to control that emphasizes organizational authority and relies on administrative rules , regulations polices and procedures.
- Based on strict hierarchical mechanisms

- Clan control- an approach to control in which employee behavior is regulated by the organizational culture.
- Norms , traditions , rituals beliefs and other aspects of organizational culture.
- Dependent on the individual and the group to identify appropriate and expected behaviors and performance measures.

Features of control

- Controlling is an end function
- Controlling is a continuous process
- Controlling guides behavior
- Controlling is a persuasive function
- Controlling allows the organization to cope with uncertainty
- Controlling prevents crises
- Controlling standardizes outputs
- Controlling appraises employees’ performance
- Controlling updates plans
- Controlling protects an organization’s assets
- Control is the final link in the functional chain of management

Why control?

- It is the only way managers know whether organizational goals are met and if not the reason why?
- As the final step in managerial process it provides the critical link back to planning
- Employee empowerment
- To protect the organization and its assets.

The control process

- A three step process including measuring actual performance , comparing actual performance against a standard , and taking managerial actions.
- Measuring
- Comparing
- Taking managerial actions

Measuring

- Common sources of information for measuring performance are

1. Personal observation
2. Statistical report
3. Oral reports
4. Written reports

- Please discuss the advantages and disadvantages of each sources.

COMPARING

- Determines the degree of variation between actual performance and the standards.
- Need to determine the acceptable range of variation.

Taking action

- Correct actual performance
- Revise the standards

Tools for control

- Control implemented before an activity begins , during activity and after the activity is completed.
- Feedforward control(anticipates problems)/concurrent control(corrects problems as they happen)/feedback control(corrects problem after they happen).

Requirenments for effective control system

- Controls must be understandable
- Flexible
- Economical
- Objective
- Selective
- Reflect organizations structure and need
- Lead to corrective action