
Control And Its Process

Introduction

- Controlling is an important function of management. It is the process that measures current performance and guides it towards some predetermined objectives
- The modern concept of control envisages a system that not only provides a historical record of what has happened to the business as a whole but also pinpoints the reasons why it has happened and provides data that enable the manager to take corrective steps, if he finds he is on the wrong track.

DEFINITION

- According to George R Terry - "Controlling is determining what is being accomplished i.e., evaluating the performance and if necessary, applying corrective measures so that the performance takes place according to plans."
- In the words of Haynes and Massie - "Fundamentally, control is any process that guides activity towards some predetermined goal. The essence of the concept is in determining whether the activity is achieving the desired results".

STEPS IN CONTROL PROCESS

1. Establishing standards.
2. Measuring and comparing actual results against standards.
3. Taking corrective action.

Establishing Standards

- The first step in the control process is to establish standards against which results can be measured.

- The standards the managers desire to obtain in each key area should be defined as far as possible in quantitative terms.
- Standards expressed in general terms should be avoided.

Standards need to be flexible in order to adapt to changing conditions.

Measuring and Comparing actual Results against Standards

- Measurement of performance can be done by personal observation, by reports, charts and statements.

- If the control system is well organised, quick comparison of these with the standard figure is quite possible.
 - A quick comparison of actual performance with the standard performance is possible, if the control system is well organised.
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Taking Corrective Action

- After comparing the actual performance with the prescribed standards and finding the deviations, the next step that should be taken by the manager is to correct these

deviations.

- Corrective action should be taken without wasting any time so that the normal position can be restored quickly.
- These steps must be repeated periodically until the organizational goal is achieved.

ESSENTIALS OF EFFECTIVE CONTROL SYSTEMS

1. *Suitable*: The control system should be appropriate to the nature and needs of the activity. In other words, control should be tailored to fit the

needs of the organisation.

Timely and Forward Looking: The feedback system should be as short and quick as possible. If the control reports are not directed at future, they are of no use as they will not be able to suggest the types of measures to be taken to rectify the past deviations.

2. *Objective and Comprehensive:* The control system should be both, objective and understandable. Objective controls specify the expected results in clear and definite terms and leave little room for argument by the employees.
3. *Flexible:* The control system should be flexible so that it can be adjusted to suit the needs of any

change in the environment. A sound control system will remain workable even when the plans change or fail outright. It must be responsive to changing conditions.

4. ***Economical:*** Economy is another requirement of every control system. The benefit derived from a control system should be more than the cost involved in implementing it.

5. ***Acceptable to Organisation Members:*** The system should be acceptable to organisation members. When standards are set unilaterally by upper level managers, there is a danger that employees will regard those standards as unreasonable or unrealistic and that would be demotivating.

6. ***Motivate People to High Performance:*** A control system is most effective when it motivates people

to high performance.

7. ***Corrective Action:*** Merely pointing of deviations is not enough in a good control system. It must lead to corrective action to be taken to check deviations from standard through appropriate planning, organizing and directing.
8. ***Reflection of Organisation Pattern:*** Organization is not merely a structure of duties and function, it is also an important vehicle of control. In enforcing control the efficiency and the effectiveness of the organisation must be clearly brought out.
9. ***Human Factor:*** A good system of control should find the persons accountable for results, whenever large deviations take place. They must be guided and directed if necessary.
10. ***Direct Control:*** Any control system should be designed to maintain direct contact between the controller and controlled. Even when there are a number of control systems provided by staff specialists, the man at the first level is still important because he has direct knowledge of performance.
11. ***Focus on Strategic Points:*** A good system of control not only points out the deviations or exceptions but also pinpoints them

where they are important or strategic to the operations.

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