

CONTROLLING

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Introduction

- ▣ **Control, or controlling,** is one of the managerial functions like *planning, organizing, staffing and directing*.
- ▣ It is an important function because it helps to check the errors and to take the corrective action so that deviation from standards are minimized and stated goals of the organization are achieved in a desired manner.

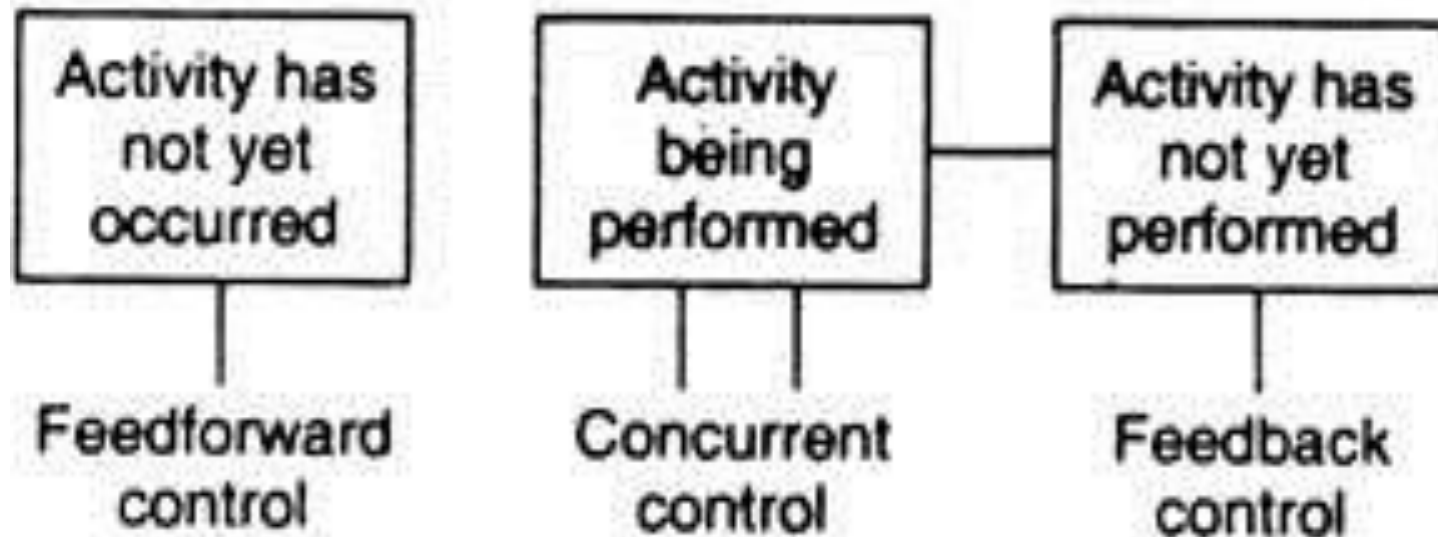
Meaning Of Controlling



- In 1916, Henri Fayol formulated one of the first definitions of control as:-


“Control of an undertaking consists of seeing that everything is being carried out in accordance with the plan which has been adopted, the orders which have been given, and the principles which have been laid down. Its object is to point out mistakes in order that they may be rectified and prevented from recurring.”

Types of Controlling



Type 1. Feed-Forward Controls

- Feed forward controls are future-directed — they attempt to detect and anticipate problems or deviations from the standards in advance of their occurrence (at various points throughout the processes).
- They are in-process controls and are much more active, aggressive in nature, allowing corrective action to be taken in advance of the problem.
- Feed forward controls thus anticipate problems and permit action to be taken before a problem actually arises.

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- Feed forward control devices are of two broad categories:
 - (1) Diagnostic and
 - (2) Therapeutic.

- Diagnostic controls seek to determine what deviation is taking (or has taken) place. The sales manager, for instance, who receives the monthly sales figures (showing sales quota results) is virtually working with a diagnostic control device. It will no doubt indicate deviations from the acceptable standard (i.e., what is wrong) but not why. Discovering the 'why' is often the most difficult part of the process.
- Therapeutic controls tell us both what and why, and then proceed to take corrective action. For example, engines having internal control system such as an engine speed governor and automatic transmission are designed to take necessary corrective actions when warranted by the conditions.

EXAMPLE

- ✘ An example of utilisation of such control can be found in case of a manager who conducts employee training using the coaching method. When, for instance, the trainee is performing the task, the manager observes him closely by standing on his side. The objective is to discover if any deviations from the intended processes take place.
- ✘ In case a deviation occurs, the manager observes it, diagnoses the reason for the incorrect technique, and corrects the deviation immediately (i.e., without any loss of time). Thus the control and correction take place during the process itself, not after a few days.

Type 2. Concurrent (Prevention) Control:

- Concurrent control, also called steering control because it allows people to act on a process or activity while it is proceeding, not after it is proceeding, nor after it is completed. Corrections and adjustments can be made as and when the need arises. Such controls focus on establishing conditions that will make it difficult or impossible for deviations from norms to occur.

- An example of concurrent control is the development by companies of job descriptions and job specifications. It may be recalled that job description identifies the job that has to be done, thus clarifying working relationships, responsibility areas, and authority relationships. It thus assists in preventing unnecessary duplication of effort (work) and potential organizational conflict.
- In a like manner job specification identifies the abilities, training, education and characteristics needed of an employee to do the work. It is control device inasmuch as it works to prevent a person who is totally unqualified and unfit from being selected for the job, thereby saving money and time, and thus precluding potential poor performance.

EXAMPLE

- ✖ Many manufacturing operations include devices that measure whether the items being produced meet quality standards. Employees monitor the measurements; if they see that standards are not being met in some area, they make a correction themselves or let a manager know that a problem is occurring.

Type 3. Feedback Controls:

- Feedback control is future-oriented. It is historical in nature and is also known as post-action control. The implication is that the measured activity has already occurred, and it is impossible to go back and correct performance to bring it up to standard. Rather, corrections must occur after the act.
- Such post-action controls focus on the end results of the process. The information derived is not utilised for corrective action on a project because it has already been completed. Such control provides information for a manager to examine and apply to future activities which are similar to the present one. The basic objective is to help prevent mistakes in the future.

EXAMPLE

- ✖ Suppose that an organization establishes a goal of increasing its profit by 12 percent next year.
- ✖ To ensure that this goal is reached, the organization must monitor its profit on a monthly basis.
- ✖ After three months, if profit has increased by 3 percent, management might assume that plans are going according to schedule.

References



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*Thank
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