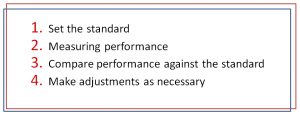
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Control is a function of management which helps to check errors in order to take corrective actions. This is done to minimize deviation from standards and ensure that the stated **goals** of the organization are achieved in a desired manner.

**What do you mean by control function?**

**control function** - an operation that **controls** the recording or processing or transmission of interpretation of data; "a **control** operation started the data processing" **control** operation.

**Types of Control**

We have reviewed that control has a specific process to follow, and that process can be executed at several stages during the execution of the gameplan.   What needs to be further explored are the types of control processes that managers have at their disposal.  The basic definition of control is that we want to make sure we are on track and to guide the plan.  Most control processes under this framework are formal mechanism, meaning management puts specific processes in place that everyone can see and track.  These would include bureaucratic and market control processes.  However, some control processes are considered informal, known as clan control.

**Bureaucratic control**is an official policy or rule implemented in the organization that is derived from the legitimate authority of the manager.  Bureaucratic controls would include examples such as requiring daily reports on progress or inventory reconciliations.  It could include establishing sales revenues projections, and implementing reward systems around this metric.  It would include establishing protocols regarding the safety of heavy equipment operation or floor manufacturing at a factory.  Many of these safety processes are established by governmental organizations such as OSHA or the EPA.

**Market control**is the use of external information to serve as a standard or metric against which to measure internal progress.  Consider the following example.  The marketing firm of an organization has designed a new product and the goal is to garner 15% market penetration in the first year.  Prior to launching the product, they decide to bring in a consumer focus group to provide feedback on the design.  This feedback compels the team to make some minor tweaks prior to product launch.  This team has used an external element, that being the opinions of consumers, to make sure they progress towards their goal of a successful launch.  Finance and trading organizations regularly used external controls around which to make decisions on which assets to divest, and in which assets to invest.   This would include a trading strategy that establishes a standard that if the price of oil falls 25%, the company should liquidate their position in commodities to minimize losses.

**Clan control**consists of any form of informal influence that an organization has on an individual that directs them toward the goals of the organization.  Clan control can derive from the cultural values and beliefs of the organization that influence behavior.   Clan control can also be a more direct influence in the form of peer pressure.  Consider the example of an organization that places high value on integrity.  Jane is an accounting professional within the organization that refuses to violate a small section of the tax code in an area where the language of the tax code is gray.  She decides to act on the conservative side and behave with integrity because she knows that her decision aligns with the personal values of her team leader, and if her integrity were questioned, she would be less esteemed by her peers.  One final note on clan control is that it can wield either a positive or a negative influence on members of the organization.

**Too Much Control?**

There is a final aspect of the control process that needs to be explored.  At what point does a manager put too many control mechanisms in place.  There is a range of control mechanisms that can be used – too few and the manager would not be successfully monitoring or guiding progress, too many and the employees will feel like they are being micromanaged.  Research shows that a manager that uses too few controls limits creativity, innovation, and organizational learning (Bligh, Kohles, & Yan, 2018).  This makes sense if the manager’s main role is guiding the progress.  Members of the organization don’t have the guidance and feedback that foster these ideals.  A manager that puts too many control processes in place exposure the organization to lower levels of commitment, higher turnover, and more job stress among members of the organization (Bozeman, et al., 2001).

A manager has to appropriately balance the use of too much control and not enough control.  If we return to Socrates and the Sordite’s Paradox, we can see that the extremes probably lead to negative outcomes.  There is a gray area that managers might consider a reasonable level of control.  Figure 8.2 shows this range of control.

*Figure 8.2  A Range of Control*

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The balance between too much and too little is a complex one.   More difficult yet, some employees might need more control, and others might need less control.  Let’s explore that idea.  On the right side of the control range, you might put more control mechanisms in place for employees who are new to the job.  They are not experienced in the task that needs to be completed, so you need to monitor their performance so that you can give them feedback.  The right side might include an employee who is engaged in a dangerous task such as operating heavy equipment, or flying an airplane.  Think of all the checklists even experienced commercial pilots go through before turning on the aircraft.  Each of these steps are control processes (lights and indicators showing avionics, mechanical performance, etc.).  On the right side of the range might also include those who are making decisions with serious consequences such as profitability.  For example, a company sending in a bid on a major project worth millions of dollars might have extra oversight to make sure the bid is done properly.  The more serious the consequences, the more to the right on the control range the manager should consider.   Finally, the right side of the control range should also be used when the task is brand new to the organization.  Think about the response to 9/11, corona virus, or a mass shooting.  How an organization responds to these events is one they have never experienced.  Any strategy to deal with these situations might warrant more control processes to ensure its success.  On the left side of the range you might put someone performing routine tasks or those that would result in low consequences if done incorrectly.  On the left side would also include monitoring the performance of individuals who have proven themselves through previous performance.   Monitoring their behavior or guiding their work would give them the feeling of micromanagement.

**Process of Controlling**

Definition: Control is a primary goal-oriented function of management in an organisation. It is a process of comparing the actual performance with the set standards of the company to ensure that activities are performed according to the plans and if not then taking corrective action.

Every manager needs to monitor and evaluate the activities of his subordinates. It helps in taking corrective actions by the manager in the given timeline to avoid contingency or company’s loss.

Controlling is performed at the lower, middle and upper levels of the management.

**Features of Controlling**

An effective control system has the following features:

It helps in achieving organizational goals.

Facilitates optimum utilization of resources.

It evaluates the accuracy of the standard.

It also sets discipline and order.

Motivates the employees and boosts employee morale.

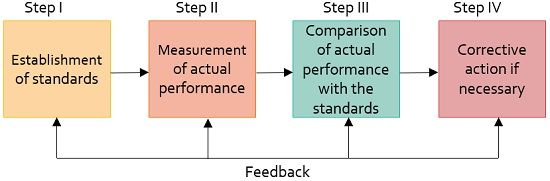
Ensures future planning by revising standards.

Improves overall performance of an organization.

It also minimises errors.

Controlling and planning are interrelated for controlling gives an important input into the next planning cycle. Controlling is a backwards-looking function which brings the management cycle back to the planning function. Planning is a forward-looking process as it deals with the forecasts about the future conditions.

**Process of Controlling**



Control process involves the following steps as shown in the figure:

steps of control

**Establishing standards:** This means setting up of the target which needs to be achieved to meet organisational goals eventually. Standards indicate the criteria of performance.

Control standards are categorized as quantitative and qualitative standards. Quantitative standards are expressed in terms of money. Qualitative standards, on the other hand, includes intangible items.

**Measurement of actual performance:** The actual performance of the employee is measured against the target. With the increasing levels of management, the measurement of performance becomes difficult.

Comparison of actual performance with the standard: This compares the degree of difference between the actual performance and the standard.

**Taking corrective actions**: It is initiated by the manager who corrects any defects in actual performance.

Controlling process thus regulates companies’ activities so that actual performance conforms to the standard plan. An effective control system enables managers to avoid circumstances which cause the company’s loss.

**Types of control**

There are three types of control viz.,

**Feedback Control:** This process involves collecting information about a finished task, assessing that information and improvising the same type of tasks in the future.

**Concurrent control:** It is also called real-time control. It checks any problem and examines it to take action before any loss is incurred. Example: control chart.

**Predictive/ feed forward control:** This type of control helps to foresee problem ahead of occurrence. Therefore action can be taken before such a circumstance arises.

In an ever-changing and complex environment, controlling forms an integral part of the organization.

Advantages of controlling

Saves time and energy

Allows managers to concentrate on important tasks. This allows better utilization of the managerial resource.

Helps in timely corrective action to be taken by the manager.

Managers can delegate tasks so routinely chores can be completed by subordinates.

On the contrary, controlling suffers from the constraint that the organization has no control over external factors. It can turn out to be a costly affair, especially for small companies.