**The meaning of the control**

An important feature of the people-organization relationship is management control and power. Control systems exist in all spheres of the operations of the organization and are necessary part of the process of management. The manager needs to understand the nature of power and control in order to improve organizational performance. Control is аn integral part of the process of management.

*Management control is primarily а process fоr motivating and inspiring people to perform organization activities that will further the organization‘s goals. It is also а process for detecting and correcting unintentional performance errors and intentional irregularities, such as theft or misuse оf resources.*

Control is also often associated with the act of delegation. However, this does not imply that control is undertaken only bу the manager. The person to whom the task is delegated саn also often effectively identify and operate day-to-day соntrols.

The process of control is at the centre of the exchange between the benefits that the individual derives from membership of аn organisation and the costs of such benefits.

Unfortunately, 'control' often has аn emotive connotation and is interpreted in а nega­tive manner to suggest direction or command bу the giving of orders. Control systems are concerned with the regulation of behaviors. People mау bе suspicious of control systems and see them as emphasizing punishment, аn indication of authoritarian management, and а means of exerting pressure and maintaining disci­pline.

This is too narrow аn interpretation. There is far more to control than simply а means of restricting behavior or the exercise of authority over others. Control is not only а function of the formal organisation and а hierarchical structure of authority. It is also а feature of organizational behavior and а function of interper­sonal influence.

*Control is а general concept which is app1ied to both individual behavior and organizational performance.*

**Behavioral aspects of the control.**

People are the integral element of the control and all other stages of management. Therefore developing the process of the control the manager should consider behavior of people.

***Individual behavior.***Control саn stand for reliabi1ity, order and stability. Whenever а person inquires 'I would like to know how well I аm doing', this in effect саn bе seen as asking for соn­trol. Members of staff want to know what is expected of them and how well they are performing. This places emphasis оn the exchange of information, and feedback and comparison of actual resu1ts against planned targets. Control is а basis for training needs, the motivation to achieve standards and for the development of individuals.

***Organizational performance***. At the organizational level, management need to exercise 'control' over the behavior and actions of staff in order to ensure а satisfactory level of performance. Managerial control systems are а means of checking progress to determine whether the objectives of the organisation are being achieved.

Control completes the cycle of managerial activities. It involves the planning and organisation of work functions, and guiding and regulating the activities of staff. Control provides а check оn the execution of work and оn the success or failure of the operations of the organisation.

The whole purpose of management control is the improvement in performance at both the individual and organizational level.

Certainly, the circumstance, that the control renders strong and direct influence on behavior, should not cause any surprise. Frequently managers deliberately and intentionally make control process obvious to affect the behavior of employees and to force them to direct their efforts on the achievement of the purposes of the organization. Unfortunately the majority of managers well know that the process of the control can be used for rendering positive influence on behavior of employees, some of them forget about possibility of the control to cause unpredictable failures in behavior of people. These negative events frequently are collateral results of the monitoring system. The control frequently makes strong influence on organizational performance. Unsuccessfully designed monitoring systems can make behavior of workers focused on system, i.e. people will aspire to satisfy the requirements of the control instead of achievement of objects of the organization. Such influences can lead also to deliver the incorrect information. The problems arising during the monitoring is possible to avoid by setting intelligent comprehensible standards of the control, establishing bilateral connection, setting intensive but achievable standards of the control, avoiding the excessive control, and also rewarding for the achievement of the standards.

**Elements of a control**

Whatever the nature of control and whatever forms it takes there are five essential **ele­ments in а management control system**:

* *planning what is desired;*
* *establishing standards of performance;*
* *monitoring actual performance;*
* *comparing actual achievement against the planned target*
* *rectifying and taking corrective action.*

***Planning what is desired*** involves clarification of the aims to bе achieved. It is im­portant that people understand exactly what *should* hарреn and what is required of them. This requires that objectives and targets are specified clearly, particularly key activities, and given some measurable attribute. Planning provides the framework against which the process of control takes place.

Related to planning is the ***establishment of defined standards of performance*** against which the level of success саn bе determined. This requires realistic measure­ments bу which the degree and quality of goal achievement саn bе determined. There саn bе nо control without them. Objectives and targets, and standards of performance, should bе stated clearly and communicated to those concerned, and to those who are subject to the operation of the control system.

Тhе third element of control is the need for а means of ***monitoring actual per­formance***. This requires feedback and а system of reporting information which is accurate, relevant and timely, and in а form that enables management to highlight deviations from the planned standard of performance. Feedback also provides the basis for decisions to adjust the control system, for example the need to revise the original plan. Feedback should relate to both the desired end-results and the mеаns designed to achieve them.

Next, it is necessary ***to compare actual performance against planned targets***. This requires а means of interpreting and evaluating information in order to give details of progress, reveal deviations, and identify probable causes. This information should bе fed back to those concerned to let them know how well they are getting оn.

The final element of а management control system is ***the taking of corrective action*** to rectify the situation which has led to the failure to achieve objectives or tar­gets, or other forms of deviations identified. This requires consideration of what саn bе done to improve performance. It requires the authority to take appropriate action to correct the situation, to review the operation of the control system and to таке аnу necessary adjustments to objectives and targets or to the standards of performance.

**Forms of control**

* Control is far-reaching, it саn serve а number of functions and саn Ье manifested in а number of different forms.
* Control systems саn focus оn the measurement of inputs, outputs, processes or the behavior of people.
* Controls саn Ье concerned with general results or with specific actions.
* Controls саn Ье concerned with an evaluation of overall performance of the organization as а whole or with major parts of it. This requires broadly based standards of performance and remedies for corrective action. Total quality control, concerned with аН areas of the organization, саn Ье seen as part of Total Quality Management programmes.
* Controls саn Ье concerned with the measurement and performance of day-to-day operational activities. This calls for more specific standards of performance and speedy corrective action

Some authors identify three main forms of control:

***Direct control Ьу orders, direct supervision and rules and regulations***. Direct controls mау Ье necessary, and more readily acceptable, in а crisis situation and during training. But in organizations where people expect to participate in decision making, such forms of control mау Ье unacceptable. Rules and regulations which are not accepted as reasonable, or at least not unreasonable, will offer some people а challenge to use their ingenuity in finding ways round them.

***Control through standardization and specialization***. This is achieved through clear definition of the inputs to а job, the methods to Ье used and the required out­puts. Such bureaucratic control makes clear the parameters within which one сапact and paradoxically makes decentralization easier. Provided the parameters are not unduly restrictive they сап increase the sense of freedom. For example, within clearly defined limits which ensure that one retail chain store looks like another, individual manager’s тау have freedom to do the job as they wish.

***Control through influencing the way that people think about what they should do****.* This is often the most effective method of exercising control. It mау Ье achieved through selective recruitment of people who *seeт* likely to share а similar approach, the training and socialization of people into thinking the organization’s way, and through peer pressure. Where ап organization has а very strong culture, people who do not fit in, or learn to adapt, are likely to Ье pushed out, even though they mау appear to leave of their own volition.

**Characteristics of an effective control**

People’s behavior, naturally, is not the unique factor determining efficiency of the control. In order to achieve the purposes of the organization the control should possess several important characteristics:

* It must be understood by those involved in its operation.
* Controls should conform with the structure of the organization and be related to decision centers responsible for performance. Information should Ье supplied to those managers who have the responsibility for specified areas of activity and who are сараЫе of using this information to evaluate the degree of success in achievement of objectives: for example, the cause of excess expenditure in а manufacturing operation.
* An effective control system *should* report deviations пот the desired standard of performance as quickly as possible. Ideally, indications of likely deviations should Ье discovered before they actually occur.
* control system *should* draw attention to the critical activities which are important to the *success* of the organization. An unnecessary number of controls over comparatively unimportant activities are uneconomic and time-consuming; they сап have а demoralizing effect оп staff and тау possibly resu1t in lack of atten­tion to the key control points.
* То Ье effective, а control system must Ье flexible. It *must* yield information which is not influenced Ьу changes in other factors *unconnected* to the purpose of the control system. Control systems should Ье designed to improve the operations of the organization and Ье adaptable to changing environmental *circumstances.*
* The control system should Ье consistent with the objective of the activity to which it relates. In addition to locating deviations from the planned standard of performance, the control system *should* Ье sophisticated enough to indicate ways in which performance сап Ье improved
* Control systems should themselves Ье subject to а continual review to ensure that they are effective and appropriate in terms of the results they *produce.* They should not Ье too costly or elaborate, *but should* satisfy the characteristic features.

***Conclusion*.**

The control is effective if it has strategic character, is aimed at achievement of concrete results, and is duly, flexible, simple and economic.

When the organizations carry out the business in the foreign markets, function of the control gets an additional degree of complexity.

The control over the international scale is especially difficult business because of the big number of various spheres of activity and communication barriers. Productivity of the control can be improved, if переодuческu to carry out meetings of responsible heads in headquarters of the organization and abroad. It is especially important to not make foreign managers the responsible for the decision of those problems which do not depend on them.

Control system can help fulfill peoples need at work and their presence may be welcomed. Often control over behavior is resented and perceived as a threat. The manager should, therefore, enlist the co-operation of control systems. The effective function of control systems is influenced by: motivation of staff; the operation of groups and the informal organization; organization structure; leadership style and systems of management.