

PRINCIPLE OF MANAGEMENT

LESSON 7: CONTROLLING

by Airin Abdul Ghani Faculty of Industrial Management airin@ump.edu.my



Lesson Description

Aims

To provide an understanding of controlling function in management

- Expected Outcomes Student should be able to:
 - Describe the purpose of control
 - Illustrate the control process
 - Discuss the types of control



- References
 - i. Robbins, Stephen P., And Mary Coulter (2016). "Management, Global Edition" 13/E, Prentice Hall
 - ii. Griffin, Ricky (2016). "Fundamental of Management" 8/E, South-Western
 - iii. <u>https://commons.wikimedia.org</u>

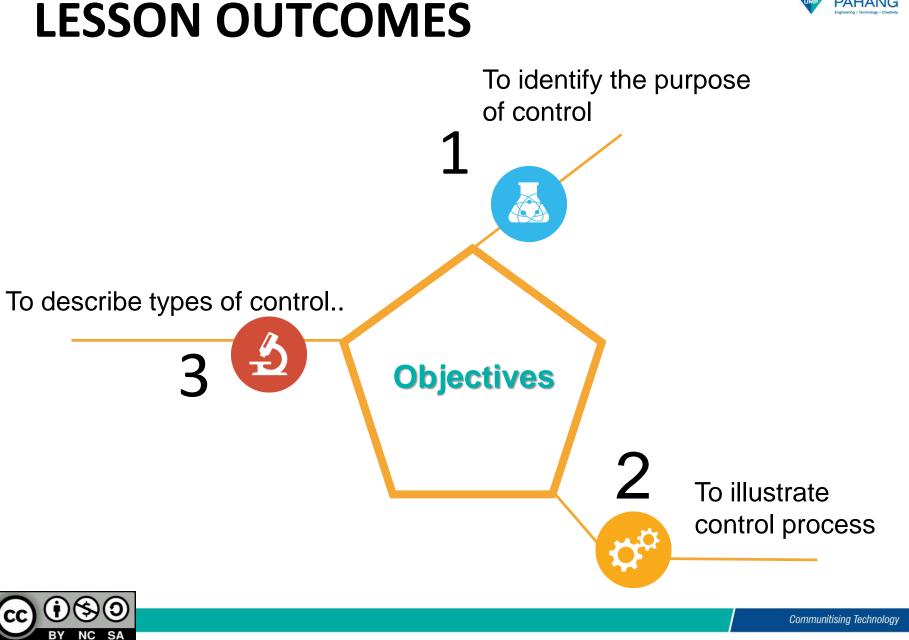


Lesson Content

- 1. Purpose Of Control
- 2. Control Process
- 3. Types Of Control







Purpose of Control



Preventing the accumulation of mistake

Managing with organizational complexity

Eliminating costs



Control Process

The 3 steps in The Control process:





Step 1: Measuring Actual Performance

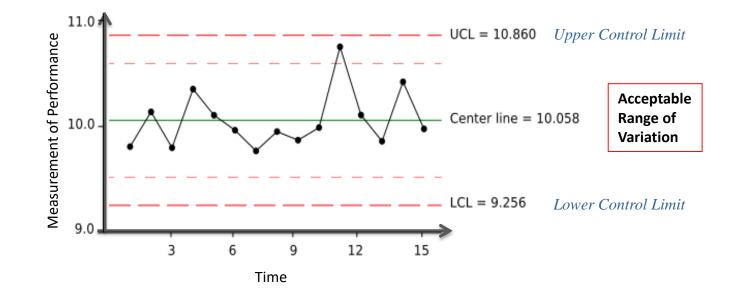
4 Approaches to measure performance





Step 2: Comparing Actual Performance versus Standard

- Determines the variation in performance.
- Performance: Actual against standard.
- This performance should be acceptable range of variation.





Step 3: Taking Managerial Action

Three possible course of managerial action can be taken by managers to correct the performance:

- 1. When the actual performance is within the acceptable range of variation; managers can DO NOTHING.
- 2. Immediate corrective action
 - Manager make corrective actions on instance soon as a problem is detected.
 - This enable to get the work back on track.
- 3. Basic corrective action
 - Corrective actions taken after an investigation on how performance swerved.
 - Manager should identify the cause of deviation to ensure the right course of action is taken to correct the performance.



Step 3: Taking Managerial Action

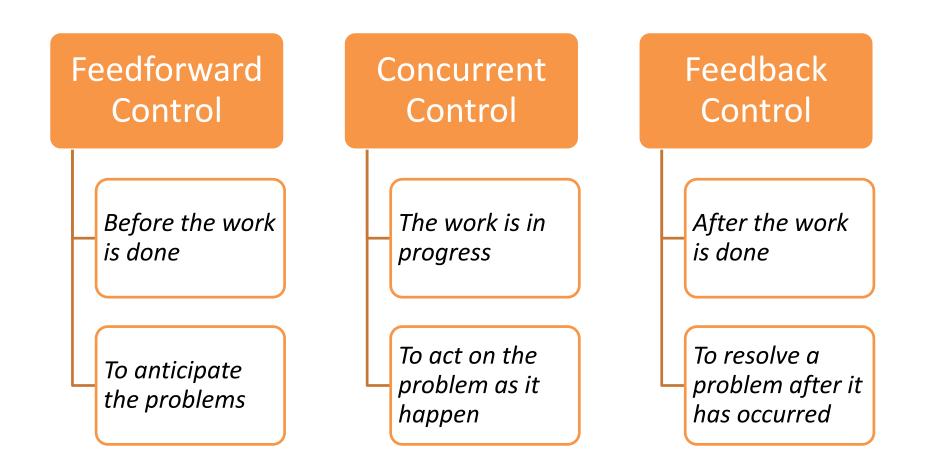
1. Do Nothing. Maintain the status quo

2. Immediate Corrective Actions

- Manager make corrective actions on instance soon as a problem is detected.
- This enable to get the work back on track.
- 3. Basic Corrective Action
- Corrective actions taken after an investigation on how performance swerved.
- Manager should identify the cause of deviation to ensure the right course of action is taken to correct the performance.



Types of Control





Conclusion of Lesson

• Conclusion #1

Controlling function intent to ensure organization to adapt to environment changes, prevent from making mistakes, managing the firm complexity and intricacy and eliminate unnecessary costs.

• Conclusion #2

There is a three-step control process that start with measure of actual performance, compare the measures against standard, and taking managerial corrective actions when needed.

• Conclusion #3

The three steps in the control process are measuring performance, comparing the actual performance against standard and taking action top correct the performance

