Unit 5

CONTROLLING

definition

- According to H.Koontz and O'Donnell, "controlling is the measuring and correcting of activities of subordinates to ensure that events conform to plans".

Planning-control relationship

Definition

- According to Koontz and O'Donnell, "planning and control are inseparable – the siamese twins of management. Unplanned actions cannot be controlled, for control involves keeping activities on course by correcting deviations from plans. Any attempts to control without plans would be meaningless since there is no way any one can tell whether he is going, where he wants to go- the task of control, unless first he knows where he wants to go- the task of planning. Planning thus furnishes the standards for control'.

Objectives of controlling

- To make plans effective
- To make sure that organizational activities are consistent
- To make organizations effective
- To make organizations efficient
- To provide feedback on project status
- To aid in decision-making
- To apply corrective measures
- To gain maximum cooperation of human resource

- To maximize the utilization of material and machines
- To fix responsibility
- To motivate employees
- To make decentralization possible
- To establish coordination among objectives, resources, and efforts
- To face the changing environment
- To check various undesirable activities

Nature of controlling

- Managerial control is a pervasive function
- Controlling is a dynamic/continuous process
- Control leads to post-mortem of past events
- Control is forward looking
- Control is action-oriented
- Involves measurement
- It is universal
- Linked with other functions of management

Process of controlling

- Setting objectives
- Establishing standards
- Measuring performance
- Comparison of actual performance with standards
  i. Finding extent of deviations
  ii. Identifying causes of deviations
- Correcting deviation

Importance of controlling

- Controlling helps in achieving the objective
- Efficient use of resources
- Facilitates decision-making
- Improves employee morale
- Helps in achieving better coordination
- Helps in better planning

Types of control

- Based on elements
  1. Strategic control
  2. Operational control
- Based on the stages
  1. Feed forward control
  2. Concurrent control
  3. Feedback control

Prerequisites of effective controlling

- Feedback
- Objective
- Suitability
- Prompt reporting
- Forward looking
- Pointing out exceptions
- Intelligible
- Suggest remedial action
- Motivation
- Understandable and economical
- Control by functions and factor
- Strategic points control
- Flexible
- Indicative as well as suggestive
- Correct action at correct time

Controlling techniques

- Budgetary control

Definition:

According to Terry, "budgetary control is a process of comparing the actual results with the corresponding budget data in order to approve accomplishments or to remedy differences by either adjusting the budget estimates or correcting the cause of the difference."

types of budgets for control

- Functional budgets
- Master budgets
- Capital and revenue budgets
- Flexible budgets
- Performance budgets
- Zero-base budgets

Advantages of budgetary controlling

- Future thinking
- Setting detailed plans
- Defines areas of responsibility
- Basis for performance appraisal
- Other advantages

Problem in budgetary control

- Over budgeting
- Overriding enterprise goals
- Hiding inefficiencies
- Causing inflexibility

Types of Non budgetary control

- Cost control
- Purchase control
- Maintenance control
- Quality control

Cost control

Steps involved in designing process of cost control system

Step1:establishing norms

Step2:appraisal

Step3:corrective measures

Importance of cost control

- Better utilization of resources
- To prepare for meeting a future competitive position
- Reason price for the customers etc….

Purchase control

Importance :

- Continuous availability of materials
- Purchasing of right quantity
- Purchasing of right quality
- Economy in purchasing
- Works as information centre
- Development of business relationship
- Finding of alternative source of supply
- Fixing responsibilities

Quality control

Definition:

According to Alford and Beatty, "Quality control may be defined as that industrial management technique or group of techniques by means of which products of uniform acceptable quality are manufactured".

Innovation management

Meaning :

‘Innovation … is generally understood as the introduction of a new thing or method … Innovation is the embodiment, combination or synthesis of knowledge in original, relevant, valued new products, processes or services.

INNOVATION CYCLE

Innovation management is the process of managing innovations, that is, ideas, in organisations through the stages of the innovation cycle.

Application

- Innovation is relevant in any organisation and can be applied in a number of different ways.
- **Product/service innovation** – introducing new goods or services that are new or substantially improved. This could include improvements in functional use, convenience or technical capabilities.
- **Process innovation –** implementing new or significantly improved production or delivery methods.
- **Business model innovation** – changing the way business is done, for example, EasyJet, Dell computers and global outsourcing.

- **Organisational innovation** – creating or changing business structures, practices and models.
- **Marketing innovation** – developing alternative marketing techniques to deliver improvements in price, position, packaging, product design or promotion.
- **Supply chain innovation –** improving the way that materials are sourced from suppliers or improving methods of product delivery to customers.
- **Financial innovation** – bringing together basic financial concepts. This might include credit, risk-sharing, ownership or liquidity to produce new financial services, products or ways of managing business operations. For example, financial innovation adapts to new circumstances and develops new value chains as the compliance and legislative environment evolves.

Key innovation risks

- While innovation typically adds value to an organisation, it is not without risk. Key innovation risks include:
- **Operational**
- Operational risks include failure to meet specification, costs or launch date. Damage to company reputation and brand is another potential operational risk.
- **Commercial**
- Consumer resistance and competition are examples of commercial risk.
- **Financial**
- Investment yield may be less than planned. There is also a risk that debt/equity investors become dissatisfied.

Innovation cycle with activities at each stage

STAGE	DESCRIPTI ON	ACTIVITY
1	Idea	Identify Market opportunity
2	Resource	Organize Managerial Functions
3	Investigate	Research the possibilities
4	Patent	Protect intellectual property
5	Design	Model and test it for user
6	Develop	Improve the technology
7	Make	Start protection
8	Sell	Advertise and inform people
9	Servic e	Communicate with the cusoter

Innovation funnel

- The ‘innovation funnel’ is a framework for managing innovation:
- it provides structure and discipline, and facilitates the innovation process
- it can allow faster development of innovations that drive growth
- it defines and tracks innovations according to predetermined criteria
- it provides ‘gates’ to control innovation resource decisions. This allows the passage of projects more likely to succeed by killing those more likely to fail as early as possible.

Mentoring

Mentoring Definition

- ‘To help and support people to manage their own learning in order to maximise their potential, develop their skills, improve their performance and become the person they want to be’ (Parsloe, 1992)

What is mentoring?

- Mentoring is a positive developmental partnership, which is driven primarily by the mentee. It offers a **reflective space** where the mentee can take responsibility for and discuss their development
- Its primary aim is to **build capability and self-reliance** in the Mentee
- Mentors can help **highlight issues** and to assist the Mentee in **planning** ways through them
- They can help **clarify the Mentee's perspective** while bringing an additional **impartial view** to bear on the issues
- Sometimes, when the issues are straightforward and urgent, a Mentor might offer advice or give some direction
- **Confidentiality, trust, understanding and positive expectation** are key to a successful partnership

Mentoring Is Not…

- For dealing with underperforming individuals
- Taking on the problems or work of the Mentee – a Mentor should not find themselves doing things outside the mentoring sessions for a mentee
- Promoting/sponsoring/protecting the mentee
- Intended to deal with personal issues
- Therapy
- Allowing people to moan (except maybe sometimes...)

What can Mentoring do?

Mentoring can help Mentees to:

- Address the issues and concerns of their daily working life and find solutions that work for them
- Improve their level of performance and satisfaction levels
- Understand key institutional and decision-making structures in UCD
- Build relationships with colleagues and feel part of the community
- Manage the integration of job, career and personal goals

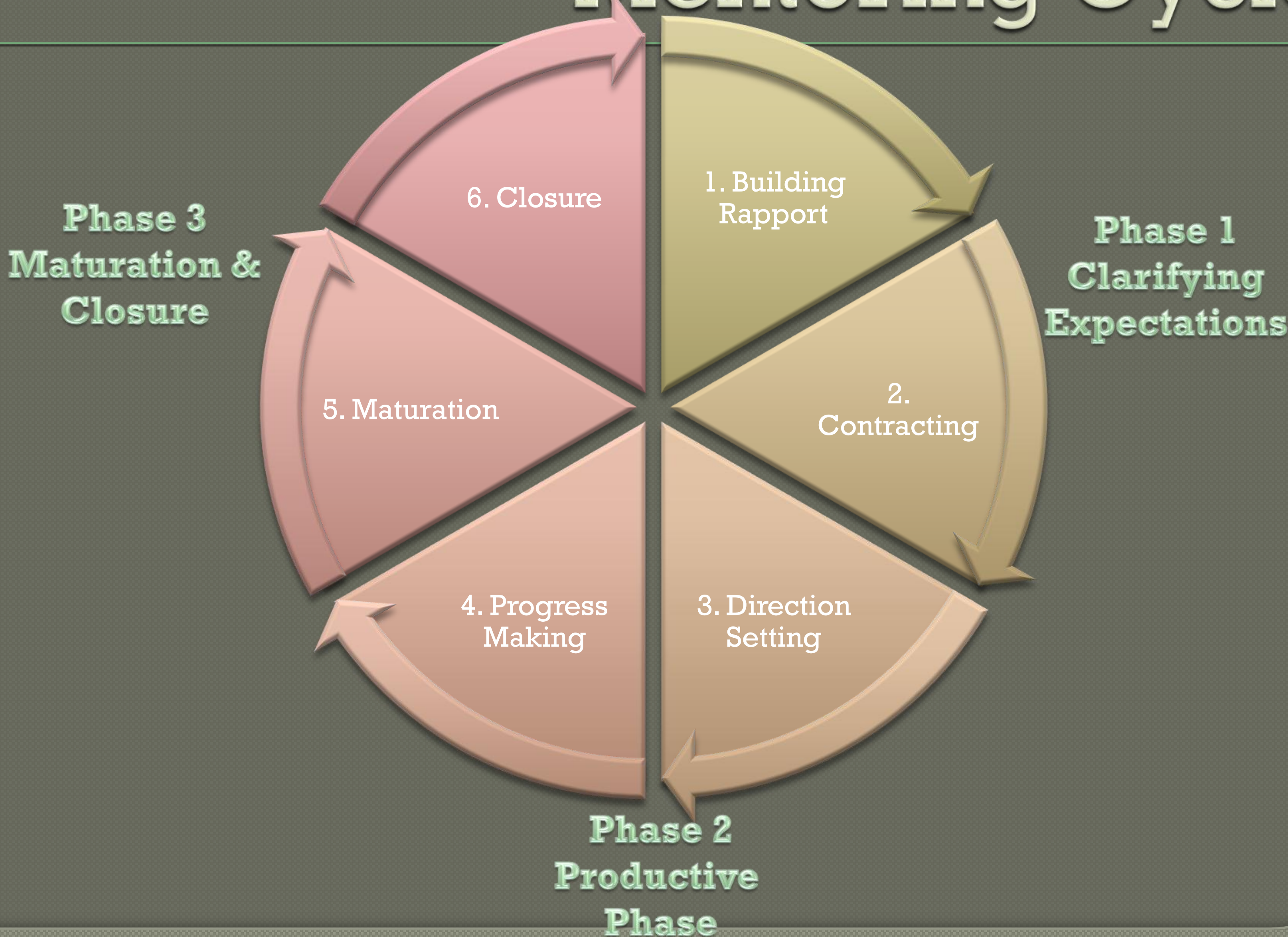
Mentoring Principles

- The Mentee drives the Mentoring agenda
- Engagement is on a voluntary basis for both the Mentor and the Mentee
- The Mentoring relationship is confidential
- Mentoring is non-directive in its approach
- It is a relationship built upon trust and mutual respect
- The Mentor empowers the Mentee to take responsibility for their own learning and career development
- The relationship places no obligation on either party beyond its developmental intent
- It is distinct and separate from the Performance Management Development System (PMDS) in UCD

Manager vs Mentor

- It is not the role of the Mentor to interfere with Mentee’s day to day activities or objectives
- The Mentee may however, wish to discuss **how** they can improve daily activities with the Mentor
- The relationship between Mentee and Mentor is confidential

Mentoring Cycle



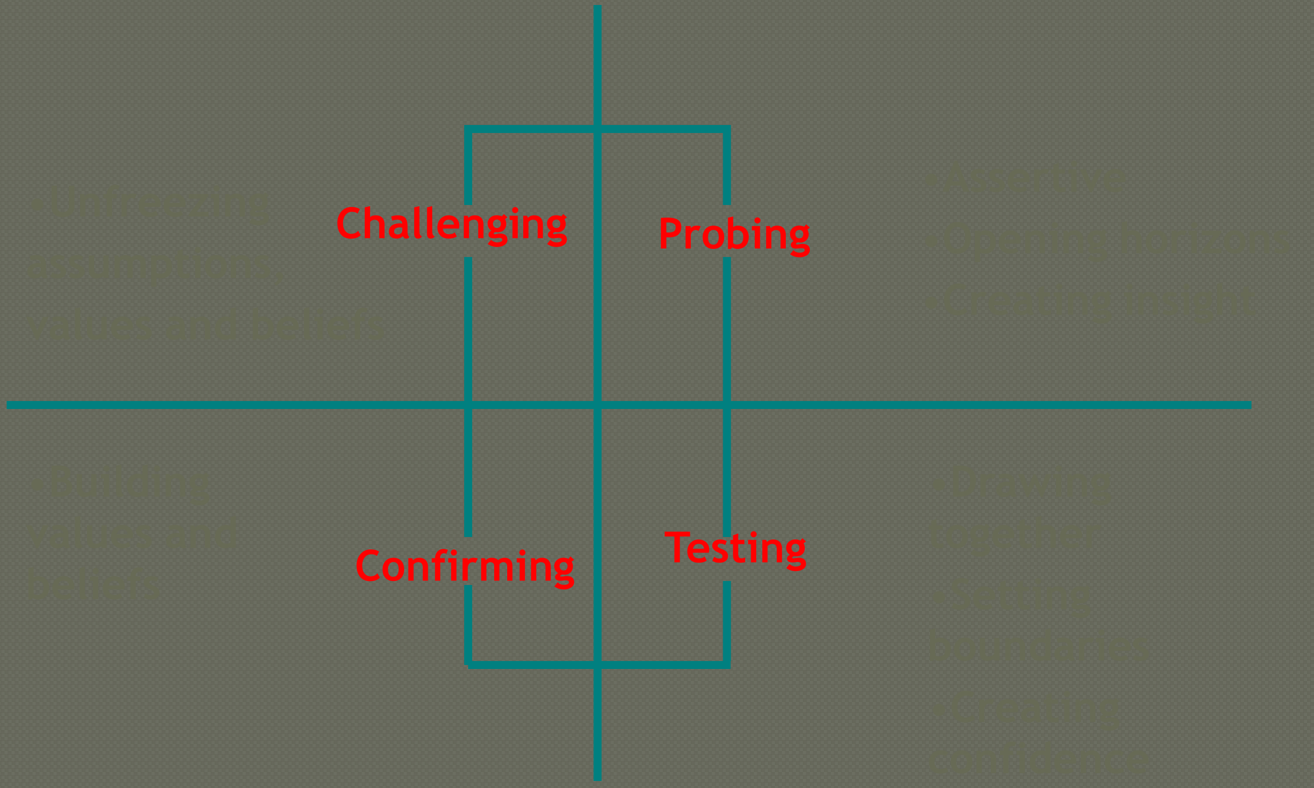
The Mentoring Cycle

1. Rapport-building:	Developing mutual trust and comfort
2. Contracting/Ground Rules:	Exploring each other's expectations of mentoring
3. Direction-setting:	Agreeing initial goals for the relationship
4. Progress making:	Experimentation and learning proceed rapidly
5. Maturation:	Relationship becomes mutual in terms of learning and mentee becomes increasingly self-reliant.
6. Closure:	Formal relationship ends, an informal one may continue

Skills Required By Mentors

- Ability to build rapport with the mentee
- Communication skills
- Feedback skills
- Questioning skills
- Listening skills
- Interpersonal skills

Questioning Styles For Mentors



How Mentors Help Others Learn

- **'The Guide'** Hands on guidance, explaining how and why; creating opportunities to learn
- **'The Challenger'** 'Making Waves'; challenging, stimulating, questioning, probing
- **'The Role Model'** Unseen, largely unfelt. The Mentee unconsciously adopts aspects of the mentor's thinking behaviours and/or style

knowledge Management Dimensions

Knowledge Management

- Knowledge management is essentially about getting the right knowledge to the right person at the right time.
- This in itself may not seem so complex, but it implies a strong tie to corporate strategy, understanding of where and in what forms knowledge exists, creating processes that span organizational functions, and ensuring that initiatives are accepted and supported by organizational members.
- Knowledge management may also include new knowledge creation, or it may solely focus on knowledge sharing, storage, and refinement

Knowledge Management dimensions

- **KM Strategy:** Knowledge management strategy must be dependent on corporate strategy. The objective is to manage, share, and create *relevant* knowledge assets that will help meet tactical and strategic requirements.
- **Organizational Culture:** The organizational culture influences the way people interact, the context within which knowledge is created, the resistance they will have towards certain changes, and ultimately the way they share (or the way they do not share) knowledge.
- **Organizational Processes:** The right processes, environments, and systems that enable KM to be implemented in the organization.

- **Management & Leadership:** KM requires competent and experienced leadership at all levels. There are a wide variety of KM-related roles that an organization may or may not need to implement, including a CKO, knowledge managers, knowledge brokers and so on. More on this in the section on KM positions and roles.
- **Technology:** The systems, tools, and technologies that fit the organization's requirements - properly designed and implemented.
- **Politics:** The long-term support to implement and sustain initiatives that involve virtually all organizational functions, which may be costly to implement (both from the perspective of time and money), and which often do not have a directly visible return on investment