

Essay on management functions controlling functions

[Business](#), [Management](#)



The four steps involved in the controlling function of management are essential because they help measure the accomplishment against set standard as well as correction of deviation for the achievement of an organization's goals. Steps should be followed to make sure that everything conforms to the set standards. For the control function to aid in predicting any deviation before it actually occurs, the four steps should be followed (Akrani, 2010). They therefore help in checking the progress towards attaining set goals and objectives and to correct deviation. Basically, these steps when followed help provide information helpful in monitoring and measuring an organization's performance towards accomplishing set goals and objectives.

Good understanding of the various ratios used by accountants and managers is important to the control function since they offer consistent and complete information pertinent for measuring an organization's performance towards accomplishing set goals and objectives. Ratios from either balance sheet or income statement help monitor organization's plans and programs progress. Such ratios help provide information helpful in monitoring financial activities and resources. For instance, understanding of liquidity ratios help measure ability of generating cash, profitability ratios help measure how effective profits are generates, debt ratios measures how the organization is leveraged or pay debts, and understanding of activity ratios help measure efficiency with which the organization uses its assets.

Of the five management functions, controlling function will experience the most dramatic changes in the next decade. The exceptional growth in transnational and multinational operations, changes in technology as well as

business globalization are likely to influence mode of performance measurement, i. e. standard performance establishment, actual performance measurement, comparison of actual with standard performance to establish the deviation as well deviation correction (Akrani, 2010). Besides, computers will be used to gather and store information basically for control reasons. Organizations will be able to measure an employee's performance using the computers.

Management function likely to have the least amount of change is however the planning functions. Planning is essential for designing future course of operation in advance. Managers will still be helpful in deciding what to do, how to do it as well as when it should be done so that predetermined objectives are achieved. Managers will still be needed to plan for the future of an organization. In effect, non human and human resources will still be planned so that they are effectively utilized to avoid risks, uncertainties and wastages that may crop due to advancement in technology.

Reference

Akrani, G. (2010). Management Functions and Process, Management Thought. Retrieved at <http://kalyan-city.blogspot.com/2010/06/management-functions-process-management.html>