

# Leading and controlling slp

Business



**ASSIGN  
BUSTER**

Control Control One's organization, which is a group of convenience stores, is an example where there are different controlling functions implemented in order for the organization to perform well. These organizational controls include financial controls, quality controls, inventory controls, bureaucratic controls and behavioral controls. As with any control system, one's organization has set up objectives and goals with regards to the expected financial performance of the company. At the beginning of the year, budgets are made to allocate the resources of the organization and to determine the expenses and revenues expected for the year. Expenses such as salaries, rent, communication expenses, etc. are assigned amounts so that the store does not go over the budgets. Budgets are used by the stores for planning and as a control mechanism (CliffsNotes. com, n. d.). The budgeting process followed by one's organization is the bottom-up budgeting where the lower level managers make a budget then it is reviewed and adjusted by top management (CliffsNotes. com, n. d.). After the budgets are finalized, at the end of the year the actual figures are compared with the budgets. A discussion is then made to determine the reasons for major discrepancies. Aside from budgeting, another form of financial control in one's organization is the financial audit. The audit is done internally and externally to make sure that the generally accepted accounting principles were followed in making the company's financial statements to protect the various stakeholders of the corporation. This review of performance of the company is a detective type of control because it " detects undesirable acts" (Ucop. edu, n. d.). Another important type of control practiced by one's organization is the quality control. Being a convenience store, the quality of the products sold is very important for the company; thus, a quality control department was set <https://assignbuster.com/leading-and-controlling-slp/>

up to assure the clients that all products sold have gone through quality control. Inventory control is another control function within one's organization. It is the store's policy that the products that it carries must always be available at all times. A reorder level has been identified which means that if the inventory of a certain product has reached the said level, then orders for the product must be made. This prevents situations where a customer comes in the store, wanting to purchase a product only to find out that it is out of stock. It is therefore necessary that inventory control is implemented by the store because it says something about its reliability. Aside from the above mentioned controls present in one's organization, another important control function practiced is the bureaucratic control. "Bureaucratic controls stem from lines of authority and this authority comes with one's position in the organizational hierarchy" (Referenceforbusiness.com, n. d.). Although the chain of command is followed in the company, the store manager is also allowed some flexibility with regards to the amount of inventory of certain products that must be carried. This is because some areas require more of a certain product than in other store branches. However, bureaucratic control is practiced with regards to policies on hiring, salaries and pricing. Another important form of control practiced by one's organization is behavioral control. This control is manifested in the employee manual which outlines the policies and procedures that must be followed by each personnel of the organization. As in any control mechanism, standards are set regarding how each employee should behave within the company. The department responsible for this control function is the human resources department. It makes sure that all employees know the rules of the company. Some of the control measures undertaken by the department

<https://assignbuster.com/leading-and-controlling-slp/>

include performance appraisals, disciplinary programs, observations, and training and development assessments (CliffsNotes. com, n. d.). The store managers are responsible for monitoring their own staff with regards to following the policies of the company. If any employee deviates from the rules, they are reprimanded by the store manager, who in turn reports to the human resources department the misdemeanor committed. The human resources department will then give the appropriate punishment for the employee. Behavioral controls are crucial because the performance of the employees affect the overall performance of the company (CliffsNotes. com, n. d.). In any organization, controls are important to ensure that the company functions effectively. Failure to control the systems, procedures and people within the organization can prove to be very detrimental to its performance. Establishing controls however does not mean that people in the organization are placed in straight jackets. Any control system must be flexible enough to allow employees some leeway in making appropriate decisions which they think will benefit the organization. References

CliffsNotes. com. (n. d.). Organizational control techniques. Retrieved May 28, 2012, from cliffnotes. com: [http://www. cliffsnotes. com/study\\_guide/Organizational-Control-Techniques. topicArticleId-8944, articleId-8928. html](http://www. cliffsnotes. com/study_guide/Organizational-Control-Techniques. topicArticleId-8944, articleId-8928. html)

Referenceforbusiness. com. (n. d.). Management control. Retrieved May 28, 2012, from referenceforbusiness. com: <http://www. referenceforbusiness. com/management/Log-Mar/Management-Control. html>

Ucop. edu. (n. d.). Understanding internal controls. Retrieved May 28, 2012, from ucop. edu: <http://www. ucop. edu/ctlacct/under-ic. pdf>