

Unit 2 part 2

Business



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Controlling Process and Strategic Management Affiliation Controlling and strategic planning The controlling function of management entails four steps. First, the manager does establish the necessary standards that should be maintained. Standards do act as a measure mechanisms against which one does achieve the goals. The entire standards are calculated with reference to the outputs. Standards may exist in the form of time, costs and expenditures, incomes, productivity and profitability. Secondly, the next step involves performance measurement. The step entails doing a comparison between what has been accomplished and the initial intended goals. Several tools can aid in performance management. Such tools include strategic control points, overall income, the expenses incurred, product quality and human resource issues.

Next, the manager does compare the actual performance with the expected performance. Every set standard must have the final unit that should be achieved. The unit to be achieved must be specific, measurable, actual, and realistic and time bound. Finally, after the deviations are established, the manager comes up with the ideal steps to correct all the deviations. A corrective action plan is drawn up. All the team members should be aware of the control process to enable them work as a team and with one voice (Seal & Mattimoe, 2014).

Understanding the controlling process remains an essential component in strategic management. It does ensure that everything that do happen occur in the right way at the stipulated time. All the controls laid in a firm ensures that all the objectives are clear, and the necessitated resources are available to achieve the objectives in good time. Additionally, it declines wastage of resources. Feedback controls aid in improving the plans since the areas of <https://assignbuster.com/unit-2-part-2/>

weakness are detected easily. In the end, it improves the efficiency and effectiveness of the organization, acting as a basis of future operations.

Reference

Seal, W., & Mattimoe, R. (2014). Controlling strategy through dialectical management. *Management Accounting Research*.