

TITLE PAGE

**THE BENEFIT OF CONTROL SYSTEM IN THE MANAGEMENT
OF AN ORGANIZATION.**

BY

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SUBMITTED TO

DEPARTMENT OF GENERAL STUDIES

SCHOOL OF SCIENCE AND SCIENCE EDUCATION

FEDERAL UNIVERSITY OF TECHNOLOGY, MINNA

**IN PARTIAL FUFILLMENT OF THE REQUIREMENTS FOR THE
AWARD OF POSTGRADUATE DIPLOMA IN BUSINESS
MANAGEMENT TECHNOLOGY.**

JULY, 2008

DECLARATION

I, Okoro, Chukwudubem Anulika declare that this project is an original work wholly done by me under the supervision of Dr (Mrs) Mogbo I. N and submitted to the General Studies Department, School of Science and Science Education, Federal University of Technology Minna, Niger State Nigeria. This work has not been submitted in partial or in whole for the award of Diploma or degree in any other institution. All work used in the preparation of this project have been fully acknowledged.


Signature -----

Date 18-7-08-----

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CERTIFICATION


This project titled "The Benefit of Control System to the Management of an Organization" by Okoro Chukwudubem Anulika meets the regulations governing the award of Postgraduate Diploma in Business Management Technology at the Federal University of Technology Minna, Niger state and is approved for its contribution to knowledge and Literary Presentation.

Signature -----  -----

Date ----- 18/7/2008 -----

Dr. (Mrs.) Mogbo I. N

PROJECT SUPERVISOR

Signature -----  -----

Date ----- 10/09/08 -----

Dr. Halima Shehu

HEAD OF DEPARTMENT

DEDICATION

This Work is dedicated to God Almighty who made everything concerning my studies and this project work to be possible.

ACKNOWLEDGEMENT

I wish to express my sincere gratitude and appreciation to my dear mother Mrs. Josephine Okoro for giving me her support and words of encouragement as well as prayers all through my studies.

I also wish to sincerely thank and acknowledge the contributions of Dr. Mogbo, my project Supervisor, who in spite of her busy schedules find time to thoroughly read, criticize and correct every aspect of this work that led to the successful completion of this project.

I must also place on record the intellectually lectures delivered by all the lecturers of the Department of Business Management Technology, Federal University of Technology Minna.

I would also like to thank all those who have directly or indirectly contributed to the successful completion of this programme, especially Dr. E.A Thompson, Miss Nkeiru Ihejirika, Mrs. Ann Eze, Mr. Maju Gimba, Mr. Charles Ndu, and Mr. Monday Ohumu.

My special Thanks goes to my friends who have also been a source of encouragement, Mr. Afam Dugwu, Miss Chekwube Nebo, Mrs. Rose Adigwe and my darling sister Miss Onyedikachukwu Okoro.

I am however indebted to my precious family for supporting me through out the course of this programme both physically and otherwise, Onyedika,

Atunegwu, Chukwuebuka, Ifunanyachukwu, and Oluebubechukwu, you all have been a source of blessing to me.

Finally, to my course mates, it has been a wonderful experience knowing you all, May the Almighty God Bless us all in our future endeavours Amen.

May the Almighty God Bless you all.

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ABSTRACT

Control System Plays a significant role in the management of an organization as this helps the managers in managing their organization in the way that will benefit the organization as well as the country. This study examines the benefits of control system in the management of the organization Raw Materials Research and Development Council and other two private business companies Federal Capital Territory Abuja.

This study relied on primary data and secondary data generated using respondents that were randomly selected from RMRDC and other two private business companies. An analysis was made with the use of simple percentage and tabulation. The finding revealed that effective implementation of control system in an organization would be able to benefit managers in the proper management of an organization. However, the researcher made useful recommendations which could help managers to achieve effective results that will benefit their organization through proper re-orientation of employees.

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF STUDY

As an organization increases in complexity, there is need for a control system for the proper coordination of the organization.

Organizational control is as a phenomenon inevitably as old as organizations. Control is an activity believed to contribute to the goal-fulfillment of the focal organization. Nowadays, a distinction is made between control of an organization by its owners- which is called corporate governance in the case of corporations and controls of the organization by management which is labeled management control.

Control is any process in which a person or group of persons or organization of persons determines, that is intentionally effects, the behaviour of another person, group, or organization.

The changing environment of organization and resultant uncertainty has brought about renewed effort for effective management and benefit to organizations. The management must now continue to search their environment to at least put it under surveillance in order to be aware of new opportunity and threats. The need for control system and performance report has become even more critical in very recent years as a result of severe economic recession. The drying up of working capital has caused excessive budget restriction even for the most vital production or management operation of many organization and manufacturing industries.

Control is taken in order to achieve some goals as put up by one who controls research and development in an organization, control is very extensive.

Most research is, however nowadays partial and of a piecemeal character, i.e. the object of research is narrowly defined to deal with one or a few aspects of control.

Raw materials Research and Development Council (RMRDC) is an agency of the Federal Government of Nigeria vested with the mandate to promote the development and utilization of Nigeria's industrial raw materials. It originated from the recommendation of a workshop on industrial matters which was organized by the Manufacturers Association of Nigeria (MAN) and the Nigerian Institute of Social and Economic Research (NISER) in July 1987, but commenced operation on February 10, 1988. It is today Nigeria's focal point for the development and utilization of the nation's vast industrial raw materials. Industrial development is one of the indices for measuring the development of nations, the survival of manufacturing industries, which are part of the nation's wealth. The exploitation and utilization of raw material is critical to the standard of living of the citizens of a nation. RMRDC is therefore very critical to the development and survival of Nigeria's industries and consequently, the standard of living of its citizens.

Currently, the capacity utilization of many industries in Nigeria is low due to lack of raw materials and other required inputs. To improve capacity utilization, RMRDC through its numerous programmes has

been promoting new investments in the local resources based industries and encouraging existing industries to source their raw materials from within Nigeria.

A consistent pursuit of this will invariably have multiplier effects in the nation's economy in terms of new industries, more employment and increase gross domestic product (GDP).

RMRDC normally considered its investing in the research and development (R&D) of raw materials as a project that promises profitability to the nation as a whole, development of raw materials which includes agro-based raw materials and mineral-based raw materials, foreign exchange conversion management ability and the use of locally available resources and promotion of the growth of process technology and resource-based industries in Nigeria. Implementation of control system in this organization will make a positive impact in the management of this organization.

1.2 OBJECTIVES OF THE STUDY

The major objective of this study therefore, is to identify the benefits of control system in the management of the organization (RMRDC).

Other objectives of this study are listed below:

1. To find out how financial control has benefited the organization in reaching their goals in the areas of audit and budget.
2. How marketing control has helped in monitoring progress towards goals for customers satisfaction with goods, services and delivery.
3. To identify how control system has helped managers to regulate the quality of newly hired personnel as well as monitor current employee developments and daily performances.

4. To identify the various areas where computer and information technology has assisted managers in controlling access to computer databases as all organizations have confidential and sensitive information that they do not want to become a general knowledge.
5. To find out how control system has improved on research and development (R&D) as research and development is a project that promises profitability to the nation as a whole.

1.3 RESEARCH QUESTIONS

1. What are the attributes of a control system?
2. Has control system in an organization provided management with accurate information?
3. How has control system helped in the area of financial control as regards to auditing?
4. Has control system helped the management in the area of budget?
5. Is control system beneficial to marketing managers?
6. How has control system improved the management of staff?
7. Has control system being beneficial to managers in the area of computing?
8. Has control system being useful in providing information technology for the management?
9. Is control system beneficial to research?
10. How has control system improved the development of certain areas of management?

1.4 SIGNIFICANCE OF STUDY

A brain powered economy enthrones knowledge and its maximal use as a critical success factor. Hence, to be compliant, one will have to learn the 3D effect of thin king information and they are: A. pursue information, B. Gather information, C. Analyze and use information. Pursuing information is simply developing an almost natural propensity to always expect that there is always something new in the horizon that must be discovered. There must always be some new lead, a new evolving market, some new technology, a new appointment that can be leveraged on etc.

To not have, found or discover something new in view, is to be out of place in a brain powered economy. The real thing however, is not just to be in time with trends but to psychologically develop a habitual mindset that something worth leveraging on is always on the horizon. Moving on with this mindset is what necessitates the next dimension of thinking information, which is to gather information. This is not just putting pieces of gist and news together; it is more of creating a culture of fact finding which is the most lethal driver of the vehicle and it is called innovation and characterized by my acronym: M.O.D i.e. (Modernization, Originality, and Development). An individual, nation or organization that places little or no premium on Research and Development (R&D), is actually primitive and definitely not globally compliant. Please note that by R&D, I am not just talking about research; and not just about development, but also really about the extent to which we can research to establish and sustain development.

For organizations in a brain powered economy, particularly business development units must begin to advise and ensure that companies place a very large premium in recruiting resourceful knowledge professionals to help chart new courses for the organization through fact finding and research. An entire department or unit may have to be created and sustained to guarantee and to properly maximize this. The benefits are overwhelming as it helps amongst other things to be adequately prepared with just-in-time response methodologies to rise above and take advantage of the intricacies of an increasingly unpredictable marketplace, stay ahead of the competition and in the long run create a platform for an industry leader-status.

This leads us to the third dimension of thinking information. Analyzing and using information. This is simply determining COA's (courses of Actions). Pursuing and gathering information will be pointless if we are going to use the consequent results to chart necessary courses of action for the organization HR units that will see to the establishment and sustenance of a R&D unit of seasoned knowledge professionals, then top management will ensure that every other units (communicating their problems, threats, they envisage and hope to avert opportunities they hope to build and leverage on etc) use their findings maximally as processed tools for the benefit of the organization.

1.5 OPERATIONAL DEFINITION OF TERMS

1. CONTROL:

This can be defined as the act of limiting, restricting or managing an organization.

2. SYSTEM:

This is an organized way, set of ideas or theories or a particular way of getting things done.

3. ORGANIZATION:

An organization is a social arrangement which pursues collective goals, controls its own performance and has a boundary separating it from its own environment.

4. BENEFIT:

This can be defined as whatever promotes prosperity, adds value, advantage or profit to something.

5. MANAGEMENT:

This is the act of directing and controlling a group of people for the purpose of coordinating and harmonizing the group towards accomplishing a goal beyond the scope of individual effort.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 INTRODUCTION

In this chapter, effort was made to review these issues, financial controls, financial audits, budget controls, marketing controls, human resource controls, computer and information controls, prerequisites of control systems, basic control system, control techniques, control system and feedback system, research and development as well as previous research on control system.

2.1 NATURE OF MANAGEMENT CONTROL

Although the basic nature and purpose of management control do not change, a variety of tools and techniques have been used over the years to help organization control. As this chapter will try to show, all these techniques are in the first instance tools for planning. They illustrate the fundamental truth that the task of control is to make plans succeed; naturally, in doing so, control must reflect plans, and planning must precede control. Some of these tools may be classed as traditional in the sense that they have long been used by managers, although variable budgeting and zero base budgeting. Others like Program Evaluation and Review Technique (PERT) and budgeting, represent a generation of planning and control tools. While there are many more of these than discussed here, the new tools generally reflect the systems techniques long used in the physical sciences. Operation research is such technique; it is the application of scientific

methods to the study of alternatives in a problem situation, with a view to obtaining a quantitative basis for arriving at the best solution. The emphasis is on scientific methods, on the use of quantitative data, on goals, and on the determination of the best means of reaching goals.

Control technique provide managers with the type and amount of information they need to measure and monitor performance. The information from various controls must be tailored to a specific management level, department, unit or operation. The concept of control technique is to ensure complete and consistent information, organizations often use standardized documents such as financial status and project reports. Each area within an organization, however, uses its own specific techniques, described as follows;

2.1.1 FINANCIAL CONTROLS

After the organization has strategies in place to reach its goals, funds are set aside for the necessary resources and labour. As money is spent, statements are updated to reflect how much was spent, how it was spent, and what it obtained. Managers use these financial statements, such as an income statement or balance sheet to monitor the progress of programs and plans. Financial statements provide management with information to monitor financial resources and activities. The income statement shows the results of the organization's operations over a period of time such as revenues, expenses, and profit or loss.

The balance sheet shows what the organization is worth (assets) at a single point in time, and the extent to which those assets were financed through debt (liabilities) or owner's investment (equity).

2.1.2 FINANCIAL AUDITS

This can as well be regarded as formal investigations and are regularly conducted to ensure that financial management practices follow generally accepted procedures, policies, laws and ethical guidelines. Audits may be conducted internally or externally. Financial ratio analysis examines the relationship between specific figures on the financial statements and helps explain the significance of those figures:

- **Liquidity ratios:** measures an organization's ability to generate cash.
- **Profitability ratios:** measures an organization's ability to generate profits.
- **Debt ratio:** measures an organization's ability to pay its debt.
- **Activity ratio:** measures an organization's efficiency in operations and use of assets.

In addition, financial responsibility centers require managers to account for a unit's progress toward financial goals within the scope of their influences. A manager's goals and responsibilities may focus on unit profits, costs, revenues, or investments.

2.1.3 BUDGET CONTROLS

A budget depicts how much an organization expects to spend (expenses) and earn (revenues) over a time period. Amounts are categorized according to the type of business activity or account, such as telephone costs or sales of catalogs. Budgets not only help managers plan their finances, but also help them keep track of their overall spending.

A budget, in reality, is both a planning tool and a control mechanism. Budget development processes vary among organizations according to who does the budgeting and how the financial resources are allocated. Some budget development methods are as follows:

- **Top-down budgeting:** managers prepare the budget and send it to subordinates.
- **Bottom-up budgeting:** figures come from the lower levels and are adjusted and coordinated as they move up the hierarchy.
- **Zero-based budgeting:** managers develop each new budget by justifying the projected allocation against its contribution to departmental or organizational goals.
- **Flexible budgeting:** Any budget exercise can incorporate flexible budgets, which set “meet or beat” standards that can be compared to expenditures.

2.1.4 MARKETING CONTROLS

This helps to monitor progress toward goals for customer satisfaction with products and services, prices, and delivery.

The following are examples of controls used to evaluate an organization's marketing functions;

- **Market Research:** gathers data to assess customer needs, information critical to an organization's success. Ongoing market research reflects how well an organization is meeting customer's expectations and helps anticipate customer needs. It also helps in identifying competitors.
- **Test Marketing:** this is a small scale product marketing to assess customer acceptance. Using surveys and focus groups, test marketing goes beyond identifying general requirements and looks at what (or who) actually influences buying decisions.
- **Marketing Statistics:** measures performance by compiling data and analyzing results. In most cases, competency with a computer spreadsheet program is all a manager needs. Managers look at marketing ratio, which measure profitability, activity, and market shares, as well as sales quotas, which measure progress toward sales goals and assist with inventory controls.

Unfortunately, scheduling a regular evaluation of an organization's marketing program is easier to recommend than to execute.

Usually, only a crisis, such as increased competition or a sales drop, forces a company to take a closer look at its marketing program. However, more regular evaluations help minimize the number of marketing problems.

2.1.5 HUMAN RESOURCE CONTROLS

Human resource controls help managers to regulate the quality of newly hired personnel, as well as monitor current employees' developments and daily performances.

On a daily basis, managers can go a long way in helping to control worker's behaviour in organizations. They can help direct workers performances toward goals by making sure that goal is clearly set and understood. Managers can also institute policies and procedures to help guide workers' actions. Finally they can consider past experiences when developing future strategies, objective, policies and procedures. Common control types include performance appraisals, disciplinary programs, and observation, training and development assessments. The quality of a firm's personnel to a large degree, determines the firm's overall effectiveness, and controlling this area is very crucial.

2.1.6 COMPUTER AND INFORMATION CONTROLS

Almost all organizations have confidential and sensitive information that they don't want to become general knowledge. Controlling access to computer databases is the key to this area.

Increasingly, computers are being used to collect and store data (information) for control purposes. Many organizations privately monitor each employee's computer usage to measure employee's performance, among other things. Some people question the appropriateness of computer monitoring. Managers must carefully weigh the benefits against the costs, both human and financial before investing in and implementing computerized control techniques.

Although computer and information systems provide enormous benefits, such as improved productivity and information management, organizations should remember the following limitations of the use of information technology:

- **Performance limitations:** Although management information systems have the potential to increase overall performance, replacing long-time organizational employees with information systems technology may result in the loss of expert knowledge that these individuals hold.
- **Behavioural limitations:** Information technology allows managers to access more information than ever before. But too much information can overwhelm employees, cause stress and even slow decision making. Thus, managing the quality and

amount of information available to avoid information overload is important.

- **Health risks:** Potentially serious health-related issues associated with the use of computer and other information technologies have been raised in recent years. An example is carpal tunnel syndrome, a painful disorder in the hands and wrists caused by repetitive movements (such as those made on the keyboard).

Regardless of the control processes used, an effective system determines whether employees and various parts of an organization are on target in achieving organizational objectives and benefits.

2.2 THE NEED FOR CONTROL

Control of management activities is necessary because it ensures efficiency in an organization. Control leads to effective use of men, money and materials and the proper channeling of work towards the set goals of an organization and this equally leads to benefits. Accountability is also one of the benefits derived from organizational control.

Departments, divisions, and units have to be accountable to company owners or shareholders and board of directors in terms of financial expenditure, recruitment and policy formulation. Control in an organization leads to ease in attainment of goals of an organization. Through control, various departments are realigned, various resources are streamlined and various duties are monitored to ensure that there is unity of purpose in the divergence of duties.

Control management leads to uniformity of activities and policies in an organization where there are many departments and field officers spread over a large geographic area. Control is needed to ensure that plans succeed by detecting deviations from plans and furnishing a basis for taking action to correct potential or actual undesired deviations. There is also need for future directed control and this is because of time lags in the total system of control, the more a control system is based on feed forward rather than simple feedback of information, the more managers have the opportunity to perceive undesirable deviations from plans before they occur and to take action to prevent them.

2.2.1 PREREQUISITES OF CONTROL SYSTEMS

The need for control in any system of managerial action is ensuring that objectives are achieved through detecting deviations and taking action designed to prevent or correct them. Moreover, control like planning, should ideally be forward-looking.

- **PLANNING**

Control techniques and approaches are efficient if they detect and illuminate the nature and causes of deviations from plans with a minimum of costs or other unsought consequences. Planning logically precedes the execution of all the other functions which includes, organizing, staffing, leading and controlling that are designed to support the accomplishment of enterprise objectives. A manager must plan in order to know what kind of organization relationships and personal

qualifications are needed, along which course subordinates are to be led, and what kind of control is to be applied. All other managerial functions must be planned to ensure effectiveness. Control and plan is laid out, there is need for control in order to ensure effectiveness and also benefit the organization.

- **ORGANIZATIONAL STRUCTURE**

Since the purpose is to measure activities and take action to ensure that plans are being accomplished, there is need to know where in an organization the responsibility for deviation is located. The more an organizational structure is clear, complete and integrated, and the more that control is designed to reflect the place in the organization where responsibility for action lies, the more the controls will facilitate correction of deviation from plans. Plans are implemented by people; deviations from plans must be the responsibility primarily of managers who are entrusted with the task of executing planning programs. Since it is the information of an organization structure to define a system of roles, it follows that controls must be designed to affect the role in which responsibility for performance of a plan lies.

- **ACTION**

Control is justified only if indicated or experienced deviations from plans are corrected through appropriate planning, organizing, staffing and leading. Control is a wasteful use of managerial and staff time unless it is followed by action. If deviations are found in experienced or projected performance, action is indicated, in the form of either redrawing plans or making additional plans to get back on course. The situation may call for reorganization. It may require replacing subordinates or training them to do the task desired. It may also indicate that the fault is a lack of direction and leadership in getting a subordinate to understand the plans or in motivating him or her to accomplish them. In any case, action is implied.

2.3 BASIC CONTROL SYSTEM

The basic control system involves three steps:

- **ESTABLISHMENT OF STANDARDS**

Plans being the yardstick which managers devise control, the first step in the control system logically would be to establish plans.

However, since plans vary in detail and complexity, and managers usually find it difficult to watch everything, therefore special standards are established, and standards are simply criteria of performance. They are the selected points in an entire planning program at which measures of performance are made so that managers can receive signals about how things are going

and thus do not have to watch every step in the execution of plans.

- **MEASUREMENT OF PERFORMANCE**

Although such measurement is not always practicable, the measurement of performance against standards should ideally be done on a forward looking basis so that deviations may be detected in advance of their occurrence and avoided by appropriate actions. The alert, forward looking manager can sometimes predict probable departures from standards. In the absence of such ability, however, deviations should be disclosed as early as possible. If standards are appropriately drawn and if means are available for determining exactly what subordinates are doing, appraisal of actual or expected performance is fairly easy. But there are many activities for which it is difficult to develop accurate standards, and there are many activities that are hard to measure.

It may be quite simple to establish labour hour standards for the production of a mass produced item, and it may be equally simple to measure performance against these standards, but if the item is custom-made, the appraisal of performance may be a formidable task because standards are difficult to set.

Moreover, in the less technical kind of work, not only may standards be hard to develop but also appraisal will be difficult. For example, controlling the work of the finance vice president or the industrial relations director is not easy because definite standards are not easily developed. The superior of these

managers often lay on vague standards, such as the financial health of the business, the attitude of labour unions, the absence of strikes, the enthusiasm and loyalty of subordinates, the expressed admiration of business associates, and the overall success of the department (often measured in a negative way by lack of evidence of failure). The superior's measurements are often equally vague. At the same time, if the department seems to be making the contribution expected of it at a reasonable cost and without too many serious errors, and if the measurable accomplishments give evidence of sound management, a general appraisal may be adequate. The point is that as jobs move away from the assembly line, the shop, or the accounting machine, controlling them becomes more complex and often even more important.

- **CORRECTION OF DEVIATIONS**

Standards should reflect the various positions in an organization structure. If performance is measured accordingly, it is easier to correct deviations. Managers know exactly where, in the assignment of individual or group duties, the corrective measures must be applied.

Correction of deviations is the point at which control can be seen as a part of the whole system of management and can be related to the other managerial functions. Managers may correct deviations by redrawing their plans or by modifying their goals. (This is an exercise of the principle of navigational change), or

they may correct deviations by exercising their organizing function through reassignment or clarification of duties. They may correct, also by additional staffing; by better selection and training of subordinates, or by that ultimate re-staffing measure-firing. Or, again, they may correct through better leading-fuller explanation of the job or more effective leadership techniques.

2.4 CONTROL TECHNIQUES

1. BUDGETING

A widely used device for managerial control is the budget. Budgeting is the formulation of plans for a given future period in numerical terms. As such, budgets are statements of anticipated results, either in financial terms as in revenue and expense and capital budgets or in non financial terms as in budgets of direct-labour-hours, materials, physical sales volume, or units of production.

Through numerical statement of plans, and breaking of these plans into components consistencies with the organization structure, budget, correct planning allows authority to be delegated without loss of control. In other words, reducing plans to definite numbers, forces a kind of orderliness that permits managers to see clearly what capital will be spent by whom, where and what expense revenue or units of physical input or output plans will be involved. It is only when plans are complete that coordinates and development can be fitted into

departmental operations and that is when budgeting is useful as an instrument of control.

2. STATISTICAL DATA

Statistical analysis of the innumerable aspects of an operation and the clear presentation of statistical data, whether of a historical or a forecast nature, are important to control. It is probably safe to say that most managers understand statistical data best when the data are presented in a chart or graphic form, since trends and relationships are then easier to see. Moreover, if data are to be meaningful, even when presented on charts, they should be formulated in such a way that comparison with some standard can be made. It is essential that statistical reports show trends so that the viewer can extrapolate where things are going and this means most data, when presented on charts, should be made available as averages to rule out variations due to accounting periods, seasonal factors, accounting adjustments, and other periodic differences.

3. SPECIAL REPORT AND ANALYSIS

For control purposes, special reports and analysis help in particular problem areas. Although routine accounting and statistical reports furnish a good share of necessary information, there are often areas in which they are inadequate. Here is an illustration; it involves a successful manager of a complicated operation, who hired a small staff of trained analysts and gave them no assignment other than that of investigating and

analyzing activities under his control. This group developed a surprising sense of situations in which things did not seem just right. Although invariably, then investigation disclosed opportunities for cost improvement or better utilization of capital that no statistical chart would have revealed.

It may be that some of the funds being spent for elaborate information programs could be more profitably spent for special analysis.

4. BREAK EVEN POINT ANALYSIS

An interesting control device is to break chart, this chart depicts the relationship of sales and expenses in such a way as to show at what volume revenue exactly cover expenses.

At any lesser volume, the company will suffer a loss and at any greater volume it would profit. Break even analysis is especially useful in planning and control because it emphasized the marginal concept. Ratio such as percentage of profit to sales, tend to overlook the impact of fixed cost, while the use of break even point emphasized the effect of additional sales or cost and profit, likewise in dramatizing to managers attention to the marginal result of their decisions.

5. OPERATIONAL AUDIT

This is another effective tool of managerial control in the internal audit or operational as it is called today. Operational auditing is the regular and independent appraisal, by a staff of internal auditors, of the accounting, financial, and other operations of an enterprise. Although often limited to the auditing of accounts, in its most useful form, operational auditing includes, appraisal of operations in general, weighing actual results against planned results.

Thus, operational auditors, in addition to assuring themselves that accounts properly reflects the facts, appraise policies, procedures, use of authority, quality of management, effectiveness of methods, special problems, and other phases of operations. The operational audit group responsibilities are as follows;

- a) Appraising financial and operational control and promoting effective control at reasonable cost.
- b) Checking compliance with company policies and procedure.
- c) Safeguarding asset preventing or detecting fraud and theft.
- d) Evaluating accuracy, reliability and completeness of management data developed within the organization.
- e) Appraising the quality of management performance including management economy and efficiency in

utilizing resources and effective in achieving objective resources.

6. PERSONAL OBSERVATION

Personal observation in the control of an organization should not be overlooked. All other devices which include budgets, charts, reports, ratios, auditors' recommendation etc are essential to control but the manager who relies wholly on these devices and sits to speak in a soundproof control room reading dials and manipulating levers can hardly expect to do a thorough job of control.

Managers, after all, have the task of seeing that enterprise objectives are accomplished by people and although many scientific devices and in ensuring that people are doing that which has been planned, the problem of control is still one of measuring activities of human beings. A manager can get important information from personal observation, even from an occasional walk through a plant or an office.

7. TIME – EVENT NETWORK ANALYSIS

Another planning and control technique is a time-event network analysis called the Program Evaluation and Review Technique (PERT).

It is a fundamental tool for planning and control, a network analysis system in which the various events in a program or project are identified, with a planned time established for each.

PERT forces planning, it will not make control automatic, but it establishes an environment where sound control principles can be appreciated and used. It apparently involves rather less expense than one might expect. Setting up the network, its analysis and its interpretation and reporting from it probably require little, if any, more expense than most other planning and control techniques.

8. OPERATION RESEARCH

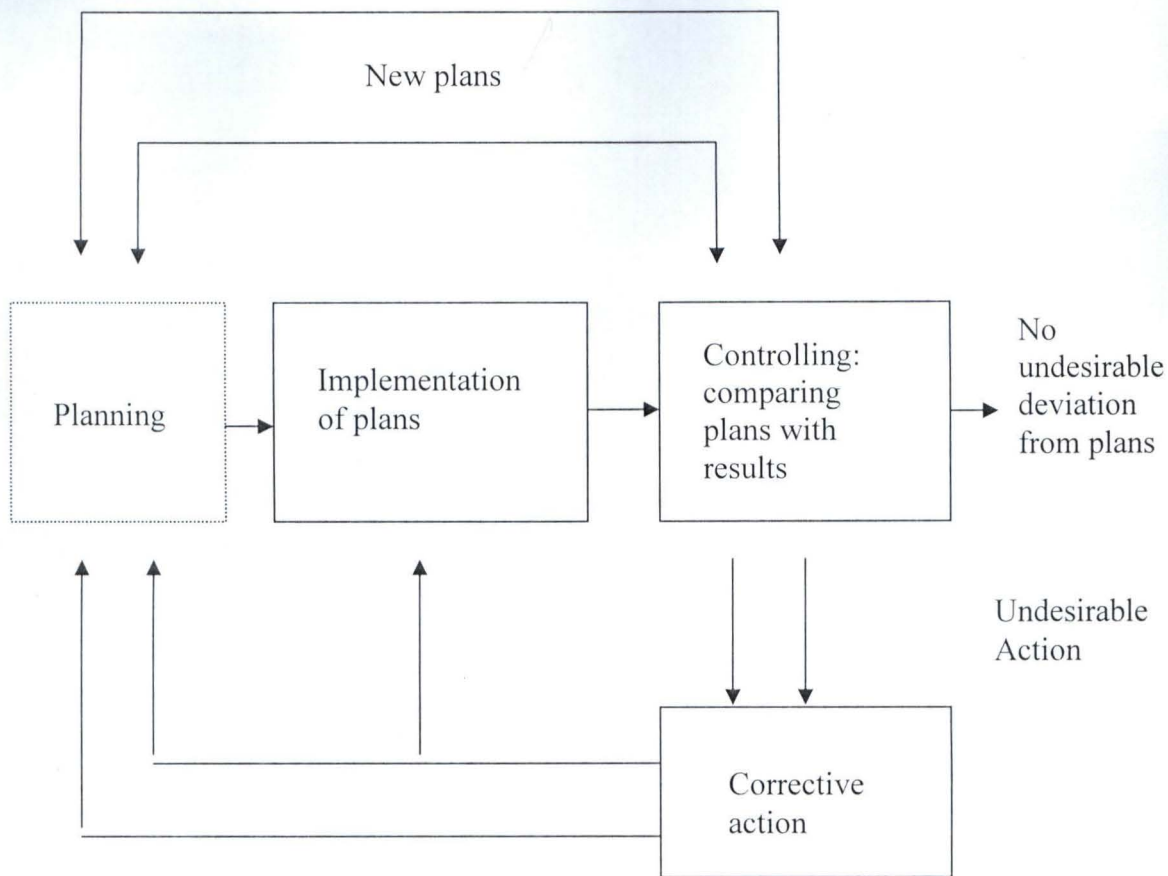
The accelerated growth of operations research in recent years has followed the trend of applying the methods of physical scientists and engineers to economic and physical problems. It has also been made possible by the development of rapid computing machines, particularly those using electronics, since much of the advantage of operations research depends on the ability to apply, at low cost, involved mathematical formulas and use data with complex relationships. For the purpose of this study, operation research can be defined as the application of scientific methods to the study of alternatives in a problem situation, with a view to obtaining a quantitative basis for arriving at the best solution.

3. **Top-level:** are responsible for the strategy and overall policy of the organization, as well as determines the general direction of the company, they use the computer to retrieve information from a database that facilitates the application of decision models. This enables the company to make timely responses to change in the external environment.

2.5 CONTROL SYSTEM AND FEED BACK SYSTEM

Managerial control is usually perceived as a feedback system which is similar to that which operates in the usual household thermostat; it is essentially the same basic control system as that found in physical, biological and social systems. Many systems control themselves through information feedback, which shows deviations from standards and initiates changes, which means that systems use some of their energy to feed back information that compares performance with a standard and initiates corrective action.

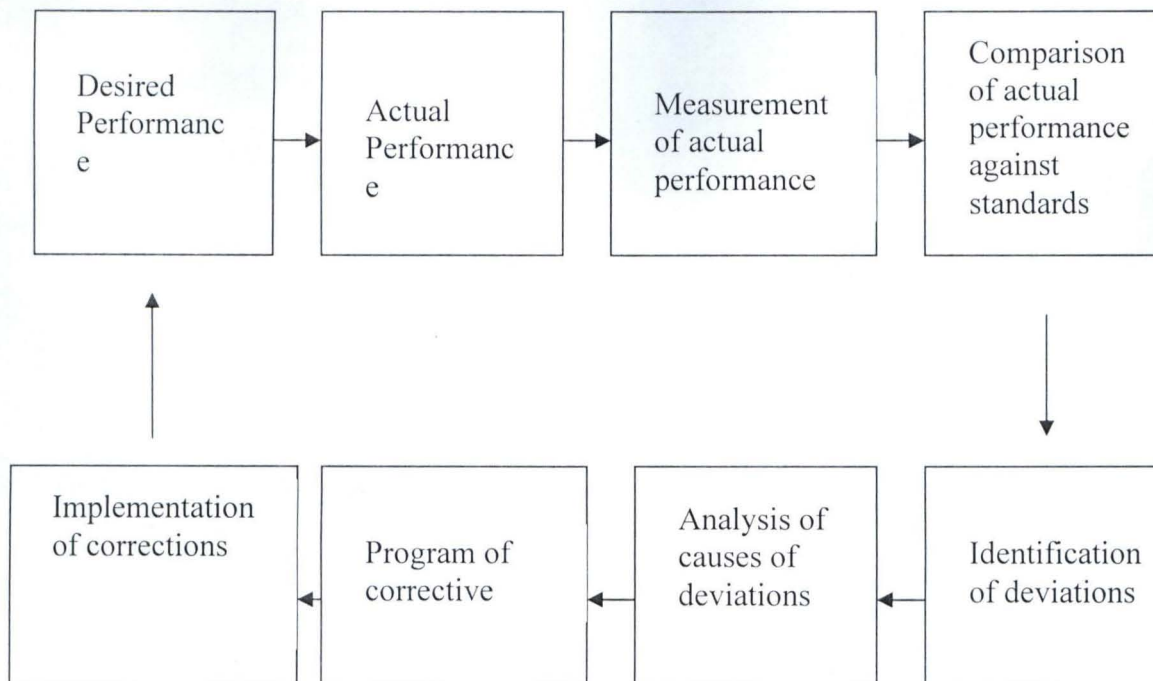
Figure 2.6 below shows a simple feedback system:



CLOSE RELATIONSHIP OF PLANNING AND CONTROLLING

This system laces control in a more complex and realistic light that would regard it merely as a matter of establishing standards, measuring performance and correcting for deviations. Managers do measure actual performance, compare this measurement against standards, and identify and analyze deviations. But then, to make the necessary corrections, they must develop a program for corrective action and implement this program in order to arrive at the performance desired.

The figure below depicts the feedback process in management control:



FEEDBACK LOOP OF MANAGEMENT CONTROL

2.5.1 REAL-TIME INFORMATION AS A FEEDBACK CONTROL

Real-time information is perceived as a means of getting real-time control in areas of importance to managers by some people, in other words, control affected at the very time information shows a deviation from plans. But reference to the management control feed back loop in the fig. above shows that the real-time information does not, except possibly in the simplest and most unusual cases, make possible real-time control. It is possible in many areas to collect real-time data that measure performance and may also be possible in many of these areas to compare these data with standards and even to identify deviations.

Real-time information is one of the interesting advances arising from the use of the computer and from electronic gathering, transmission, and storage of data. It is information about what is happening, while it is happening.

2.6 PREVIOUS RESEARCH ON CONTROL SYSTEM

2.6.1 THE EFFECTS OF INCREASING TURBULENCE ON ORGANIZATIONAL CONTROL – SOME REFLECTIONS

The basic factor causing a demand for control in organizations is the uncertainty and turbulence they are facing. Previous research in this area has furthermore pointed out that what actually matters is not uncertainty per se, but uncertainty as perceived by those designing control in the organization (Tymon Jr, W.G, Stout K.N 1998) of course, there are also other factors calling for control, such as the need

to coordinate activities and to motivate behaviour. But behind these needs we still find the uncertain future to be the factor causing these other needs. At least this is one way of coordinating the rationales for control.

Three major ways for organizations to deal with uncertainty have been suggested in the literature (Cyert & March 1963 and Thompson 1967):

1. To internalize a market through the acquisition of a supplier.
2. To make long-term agreements with customers and suppliers.
3. To improve the ability of the organization to control its situation.

This paper will mainly only elaborate on the third way of dealing with uncertainty. Control in organizations has been designed according to certain ideas and presumptions. When the situation changes, there is a need to adopt the way control is carried out. The situation facing many organizations has been and /or is concerned to be more turbulent. The basic question addressed in this paper therefore is: what impacts will an increase in the uncertainty and turbulence facing organizations have on the way control is carried out? Although the basic idea behind this paper is that the turbulence facing organizations

is increasing, it should not be taken for granted that adapting to this is what is mainly called for in every organization.

2.7.2 THE MEANING AND DEVELOPMENT OF CONTROL

Control forms one of the important components of management. It refers to overseeing that the organizational systems and processes are conforming to pre-defined norms and taking corrective action in case of any deviation in the same.

All control techniques and system should reflect the plans they are designed to follow. Every plan and every kind and phase of an operation has unique characteristics. What managers need is the information that will tell them how the plans for which they are responsible are progressing. A small business will need some controls that differ from those in a large business. The very nature of control emphasizes the fact that the more controls are designed to deal with and reflect the specific nature and structure of plans, the more effectively they will serve managerial needs. Certain techniques, such as those involving budgets, standard hours and costs and various financial ratios, have general application in various situations. However, none of these widely used techniques is completely applicable in any given situation. Managers must always be aware of the critical factors in their plans and operations requiring control, and they must use techniques and information suited to them.

Controls should also reflect the organization structure. Being the principal means of clarifying the roles of people in an organization, organization structure shows who is responsible for the execution of plans and for any deviation from them.

2.7.3 HOW TO CONTROL INCREASING TURBULENT SITUATIONS

The four means of control chosen are derived from the previous survey and are defined as follows:

1. Design the organizational structure including the appointment of people with the right knowledge and experiences to the positions and the design of the reward system.
2. Design of strategies based on the mission of the organization.
3. Formal control systems such as planning, budgeting, and control system.
4. Informal control systems such as establishing a certain culture and ways of conduct within the organization.

All four types of control may explicitly be designed with regard to the effects on the organization's ability to deal with uncertainty. A more turbulent situation should, to be most effective, not only involve one means of control but the simultaneous adaptation of several means.

ORGANIZATIONAL STRUCTURE

One basic issue in determining the structure of a corporation is to decide on what activities that should be brought out internally and what activities or parts that should be brought from external suppliers. The degree of decentralization is a realistic concept. Precisely what degrees of freedom that should be given to each employee should be made explicit and based on the effects on the organization's ability to effectively adapt to changes in the various markets. A high degree of decentralization may raise problems in the coordination of different activities.

Changes in demand will lead in production and in the purchases of input. To decentralize responsibility means that more is demanded from the employees when recruiting people more trained and well educated people are sought. And changing the responsibilities will also call for training of existing employees. Such changes can also be assumed to lead to adaptations in the formal and informal systems they will have to be adapted to the new structure of responsibilities so that people know "by heart" who will decide in various matters and on which grounds the decision will be taken.

Also, the formal control systems will have to be adapted to new responsibility structures. Decentralization will probably mean that more profit or investment centers will be used and results control may be applied. Result controls means result accountability: standards of performance are defined, performance is measured against these standards and rewards are provided for desired results. It goes perhaps without saying that this also means that these centers are mainly controlled by financial measures such as return on capital employed or return on sales. The centers are normally given the right to decide freely on how to reach established goals. As few restrictions as possible are put on them in order to induce a flexible behaviour in the face of uncertainty. An activity characterized by a very high degree of uncertainty is research and development (R&D) in the pharmaceutical industry. The way they did control R&D was mainly through recruiting very skilled researchers or engaging them in advisory bodies and through a rather tight follow-up of the research projects.

STRATEGY

In defining how the mission of the organization should be realized, many aspects are to be worked out, for example, the product structure, price strategy, services provided, customers and markets to focus, where to place factories and other facilities, what to make and what to buy and choice of suppliers. In all these cases, decisions will have to be taken with due account of the influence from different possible outcomes of key variables. As concluded by Kloot (1997), this will when turbulence is increasing, have to involve more managers and employees than just a small group of senior managers.

Not testing, choosing wrong markets and too many markets will expose a company to more risks than necessary. In a situation where the technology is rapidly changing, the design of many components used, it will be to an advantage to buy components instead of making them oneself. Much of the work to adapt to the new technology will then be taken care of by the supplier, while the focal organization can concentrate on adapting the product to the final consumer. Organizational structure will have to be changed for example when the new strategy is based on more extensive use of external suppliers. It will also motivate an information program in which the rationales behind the new strategy are explained to managers and employees. If they understand the new strategy they may perhaps find more activities that may be handled in a similar way.

FORMAL CONTROL SYSTEMS

Formal control systems include all planning and control systems used. Some years ago, when the situation was comparatively stable, many organizations developed comprehensive and detailed planning systems. A lot of effort was put into making these plans mainly on a yearly basis. A lot of effort was also put into the follow-up of the plans. As the situation became more turbulent, it became more and more difficult to come up with realistic plans.

In the face of increased uncertainty, the control systems may be changed in three major ways;

1. Instead of doing plans only once a year, planning is turned into a more continuous activity.
2. Relatively, more effort is put on follow -up in comparison with planning.
3. The amount of information collected and spread within the company will increase.

THE INFORMAL SYSTEM

To establish a culture and ways of conduct in an organization that will guide the employees in dealing with new premises such as an increased turbulence is considered to be very efficient way of control. Important components in such a culture may be to stress that everybody will all the time have to face new premises, which will demand flexibility and openness of the employees. They will have to face challenges and to make many decisions.

It will probably also be stressed that all decisions can not be the best ones: it is understandable that mistakes can be made. But it is better to decide and try to cope with the situation than to move aside and to do nothing.

A basic condition behind giving employees the responsibility to react to changing circumstances is, of course, that some of them do meet

these changes first. Those who continuously have contacts with customers, suppliers and perhaps competitors, are also those who in many cases are the first ones to learn about the changes. Naturally, they therefore will play a key role in reaching to the new premises. Reacting may mean either to deal with the matter by him/herself, or to provide another unit in the organization with the information in order to have this unit deal with it. An example of an informal control system is so-called personnel controls. Personnel controls may involve individual self control, social control or both. Another current example of informal control is the concept of trust, according to the findings of a Swedish research program; trust was a major characteristic of control in decentralized unit.

The stress on informal systems means that the effectiveness of the organization is increasingly depending on the so-called intellectual capital. It will be more important to have trust in the employees than to control them (although control in the small will to some extent have to exercise).

The aim of this paper has been to discuss the design of control in organizations facing an increasingly uncertain and turbulent environment, this being the major contingency factor (and rationale for control). The effects on organizational structure and reward systems, on strategy formulation and on formal as well as informal systems have been outlined. Several studies were quoted according to which the degree of decentralization was increased as turbulence increased.

This called for adaptations among the formal as well as informal control systems.

The formal control systems were found to rely on less planning, more follow-up, more information related to objects outside the focal organization. Strategies were increasingly changed to build on cooperation with other corporations (e.g. through outsourcing).

An ambition in the paper has, however, been to take a broader view and to bring together aspects pertaining to organizational structure, to strategies and to formal as well as informal control systems. These means of control are believed to interact in contribute to the effectiveness and survival of organizations. This interaction is probably well considered in practice. Now and then, this should also be done in research and the author does indeed hope that more research of this kind will take place in the future.

In general, control in organizations is supposed to strive for a balance between short and long-term measures; between vertical as well as horizontal degrees of freedom, and between the use of financial and non-financial measures. The organization will probably also benefit from focusing from time to time on one particular aspect of the business for example quality or throughput times. The object of the focus may also be chosen to explicitly follow some causes or effects of turbulence in the environment.

Besides adapting the control system in the uncertainty faced, the focal organization will also make arrangement so as to meet other demands and purposes of control; what kind of system should be used in order

to ascertain that managers and other employees are reasonably motivated? Are the activities of the organization effectively and efficiently coordinated? Is control in the small carried out in a satisfactory way?

2.8 SUMMARY OF LITERATURE REVIEW

Control is the measurement and correction of the performance of activities of the subordinates in order to make the goals of the organization achievable. Control of the functional operations of any business enterprises depends on certain essentials, an information system that records the progress of an activity, or group of activities for a specific length of time.

The information system must include:

- A structural organization element to which the activity is assigned.
- A formal reporting document for generating “Feedback” of achievement level to the supervisor or managers of the organization unit.
- A planned or predetermined activity measures against which actual achievement measure can be compared.
- A decision making capability that exists within the organization element or unit to take action that will bring the achievement level in line with the planned level.

The preceding five elements are vital to the concept of the control and how it can use appropriately in the organization. There are many ways control is exercised in and over an organization. Everybody's authority has its own limits; managers can enforce the performance of an activity which is beyond the mental and physical capacity of his subordinates.

1. **Legislature:** control is often exercised over an organization. In setting up an organization, the objective and plans of the enterprise are legislated by decree or an act of law.
2. **Delegation:** is another way of exercising control in an organization. Delegation is the giving of specific duties to an officer to perform such delegated duties that are exercised of the discretion of the superior officer.
3. **Judiciary:** Control over an organization can also be exercised through judicial proceeding. This control is often exercised when an organization is seen and adjusted to have exceeded her statutory power. Account could therefore stop an organization from retrenching staff or dismissing a worker if it is seen that the organization acted wrongly or in bad faith. Through judicial orders many people arrested by the police are often released through inter locators injunctions.
4. **Pressure group:** often exercise control of an organization or its intended actions, pressure groups such as trade unions, student unions, community group, often may not pressure in the

government to make an organization do or not to do anything. Most of the social responsibility embarked upon by comrades is due to the influence of pressure groups e.g. giving scholarship to the people from oil producing areas by the oil companies or release of detained grade unionists.

- 5. Finance Control:** this is exercised when the supervising ministry restricts the amount of money allocated to the organization so as to enforce it to do a thing or the other. Refusal to disburse funds could be as a need to stop further capital projects or a directive to rationalize staff or even streamline its expenditure.

OPERATIONAL CONTROL OF SYSTEMS

None would like to be controlled. Similarly, none would like to report his or her own failures. Hence people are most likely to resist installing a control system which would uncover failures while uncovering the inadequacies or they would land up providing incorrect or incomplete reports. In order to overcome this problem, the management will have to build up a climate of mutual trust and belief and will have to identify the real causes for installing a control system. The purpose of control system should never be to find fault with managers but to make course corrections. This is quite a sensitive issue and should be carefully handled through good human relation techniques by the management of a company. Motivating and rewarding the key personnel may help in installing a control system and making it work more efficiently. The reward system may be used

as a positive reinforcement and should be the primary emphasis. The negative reinforcements sometimes may be required for controlling and adjusting poor performance. Various reward systems like hike in salary, and perquisites, bonuses, stock options, incentives, benefits, promotions, recognition, etc. can be used by a company.

The purpose of a control mechanism is to develop a goodness of fit between the personal and organizational objectives. Financial incentives have found to work effectively if they are particularly linked to vital activities. Non-financial awards like giving autonomy in job and removal of visible control over day-to-day activities also motivates people to contribute to successful implementation of strategies. The rewards and sanctions must be linked to the time period of strategy implementation of strategies.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This Chapter discusses the research techniques, research instruments, and data collection methods and data analysis.

3.2 RESEARCH DESIGN SURVEY

The design of this study is a simple design.

3.3 RESEARCH TECHNIQUES

The data for this research work were collected from primary and secondary sources.

3.3.1 PRIMARY SOURCES

Since research is such that it involves both factual and attitude studies, the researcher deemed it fit using one that is specially constructed for organization. In conducting the research instruments, both closed format and open ended format were used. This is to facilitate better and most explicit information that will eventually help the researcher in making more valid and practical recommendations at the end of the investigation.

3.3.2 SECONDARY SOURCES

The information in this category was collected from documented records, text books, business journals, internet, magazines and other research works.

3.4 POPULATION AND SAMPLE

This study was carried out on Raw materials Research and Development Council, which is a Federal Government Parastatals under the auspices of Federal Ministry of Science and Technology, FCT (Federal Capital Territory) Abuja, other business organizations etc. The population of this study was made up of civil servants, business owners, business of different kinds were sampled.

The target population for this study is drawn from one particular organization (RMRDC) and two other business places. It becomes imperative to use a simple random sampling method for collecting the necessary data about the very large population. Thus the sampling got will form the basis upon which the conclusion about the population will be based.

3.4.1 SAMPLE SIZE OF THE STUDY

One organization, two business places were chosen for the purpose of this research work within the Federal Capital Territory, on each type of any business organization, seven questionnaires were issued. After collection of the filled questionnaires, it was discovered that 12 out of the 2 business organization responded. Hence, this research work is dependent on 2 business organizations within the Federal Capital

Territory including Raw Materials Research and Development Council.

3.5 RESEARCH INSTRUMENTS

A set of researcher made questionnaires was used for the study. The questions were designed to capture data on the description and the general activities of business organizations; employee, government.

This was also done to ascertain the benefit of control system in an organization.

3.6 DATA COLLECTION METHOD

The researcher administered the questionnaires in Raw Materials Research and Development Council and two other business companies, out of 120 questionnaires distributed, 80 questionnaires were filled and retrieved.

3.7 DATA ANALYSIS METHOD

Analysis of data involves categorizing, ordering, manipulating and summarizing data. The results were tabulated, and a simple percentage method was used to analyze the results of this research work.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 INTRODUCTION

The data obtained from the survey are presented in this chapter. This will assist greatly in testing the validity of the success of the hypothesis formulated for this study. The Analysis and Interpretation of data is made through the use of statistical method of analysis.

Following the research questions and the answers from respondents are tabulated, presented in the form of percentages and explained as follows;

4.2 DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

Table 1: Level of Education of Respondents

Education	No. of Respondents	Percentage %
Primary	0	0
Secondary	6	7.5
Tertiary	74	92.5
Total	80	100

Source of data: Field survey

From the above table, it shown that 80 respondents completed their questionnaire and it indicated that they were all educated, 6

representing 7.5% have secondary education, while 74 representing 92.5% had tertiary education as their highest education respectively

Table 2: Occupation of the Respondents

Occupation	No. of Respondents	Percentage %
Civil Servant	68	85
Business	12	15
Others	0	0
Total	80	100

Source of data: Field survey

Among the 80 respondents, 68 representing 85% are civil servants, while 12 representing 15% are business persons.

Table 3: Area of Specialization of the Respondents

Area of specialization	No. of Respondents	Percentage %
Science	44	35
Social Science/Humanities	18	22.5
Business	12	15
Others	6	7.5
Total	80	100

Source of data: Field survey

Of the 80 respondents, 44 representing 35% are specialized in Sciences, 18 representing 22.5% are in Social Science/Humanities, 12 representing 15% are specialized in other areas and all this represents what is collected.

Table 4: Rank and Level of Civil Servant

Level	No. of Respondents	Percentage %
Junior Cadre	0	0
Middle Cadre	62	77.5
Management Cadre	18	22.5
Total	80	100

Source of data: Field survey

Among the 80 respondents, 62 representing 77.5% are in the middle cadre, while 18 representing 22.5% are in the management cadre.

Table 5: Respondents knowledge of Control System

Response	No. of Respondents	Percentage %
Yes	55	68.75
No	0	0
Partially	25	31.25
Total	80	100

Source of data: Field survey

It was necessary to know whether your respondents have the knowledge of Control System. The research reveals that among 80 respondents, 55 representing 68.75% knows what Control System is all about, 25 representing 31.25% have partial knowledge of Control System.

Table 6: In your own view, what are the Attributes of Control System?

S/N	Attributes of Control System	No of Respondents	Percent age %
1.	Effective Crisis Management	5	6.25
2.	Control of divisions, sections, & dept activities	8	10
3.	Steering Controls for better productivity	4	5
4.	Providing motivating climate for workers	22	27.5
5.	Change of Standards	3	3.75
6.	Provision of range rather than precise workers	4	5
7.	Evaluating Work done	3	3.75
8.	Coaching Workers for efficiency	5	6.25
9.	Rewarding hard work	15	18.75
10.	Providing mission, goals, strategies, plans	2	2.5
11.	High trust on workers	4	5
12.	Research and Development	5	6.25
	Total	80	100

Source of data: Field survey

Out of 80 respondents who knew or partially knew about control system has their individual opinions on attributes of control system, 5 representing 6.25% were of the view that control systems helps in effective crisis management, 8 representing 10% opined that control helps in carrying out the activities of divisions, sections, and departments, 4 representing 5% believes in steering controls for better productivity, 22 representing 27.5% stated that control provides motivating climates for workers, 3 representing 3.75% said that control system provides change of standards, 4 representing 5% accepts that it provides range rather than precise workers, 3 representing 3.75% believes that control aids in evaluating work done, 5 representing 6.25% were of the view that it helps in coaching workers for efficiency, 15 representing 18.75% asserted that control rewards hard work, 2 representing 2.5% said that it provides mission, goals, strategies, and plans for an organization, 4 representing 5% opined that control provides high trust on workers, 5 representing 6.25% believes that control system has boosted research and development.

Table 7: Planning and Control is the two most closely interrelated management functions

Response	No. of Respondents	Percentage %
Strongly agreed	74	92.5
Disagreed	0	0
Partially	6	7.5
Total	80	100

Source of data: Field survey

Out of 80 respondents, 74 representing 92.5% strongly agreed that planning and control are the two most closely interrelated management functions, while 6 representing 7.5% said that planning and control are partially interrelated.

Table 8: Organizational improvement on productivity

Response	No. of Respondents	Percentage %
Yes	37	46.25
No	0	0
Partially	43	53.75
Total	80	100

Source of data: Field survey

There is need to know whether the respondent's Organizations has adopted this idea and the research shows that 37 representing 46.25% has adopted it, 43 representing 53.75% have done that partially.

Table 9: Short-term benefits of crisis management

Response	No. of Respondents	Percentage %
Yes	43	53.75
No	6	7.5
Partially	31	38.75
Total	80	100

Source of data: Field survey

Out of 80 respondents, 43 representing 53.75% indicated that their organization or they as management staff accepted that human side of control should be considered, 6 representing 7.5% did not agree to that, while 31 representing 38.75% went for partial.

TABLE 10: Control System Provision of Accurate Information to Management

Response	No. of Respondents	Percentage %
Yes	36	45
No	0	0
Partially	44	55
Total	80	100

Source of data: Field survey

The survey has revealed that out of 80 respondents, 36 representing 45% believes that Control System has provided their management with accurate information, 44 representing 55% believes that Control System has provided accurate information partially.

Table 11: Coordination and control of activities of different departments in an organization

Response	No. of Respondents	Percentage %
Yes	74	92.5
No	0	0
Partially	6	7.5
Total	80	100

Source of data: Field survey

Of the 80 respondents, 74 representing 92.5% agreed that there has been coordination and control of the activities of different divisions, departments in their organization, while 6 representing 7.5% said that it is partially.

Table 12: Steering Controls, a measure to enhance a perfect system

Response	No. of Respondents	Percentage %
Strongly agreed	43	53.75
Disagreed	6	7.5
Partially	31	38.75
Total	80	100

Source of data: field survey

Among 80 respondents, 43 representing 53.75% strongly agreed that this measure will enhance a perfect system, 6 representing 7.5%

disagreed with this part of measure, while 31 representing 38.75% indicated that the measure will partially enhance a perfect system.

Table 13: Control System in the Management of Staff

Responses	No. of Respondents	Percentage %
Strongly agreed	43	53.75
Disagreed	0	0
Partially	37	46.25
Total	80	100

Source of data: Field survey

The research showed that out of the 80 respondents, 43 representing 53.75% strongly agreed that Control System has improved the management of their staff, 37 representing 46.25% said that Control System improved the management of their staff partially.

Table 14: Control System benefits to motivating employees

Response	No. of Respondents	Percentage %
Strongly agreed	36	45
Disagreed	13	16.25
Partially	31	38.75
Total	80	100

Source of data: Field survey

Out of 80 respondents, 36 representing 45% strongly agreed that this would motivate employees, 13 representing 16.25% disagrees and 31

representing 38.75% believes that it would be fairer and motivate employees partially.

Table 15: Control system benefits for building a perfect organization

Response	No. of Respondents	Percentage %
Strongly agreed	62	77.5
Disagreed	0	0
Partially	18	22.5
Total	80	100

Source of data: Field survey

The survey revealed that out of the 80 respondents, 62 representing 77.5% strongly agreed that in an attempt to build a perfect organization, evaluating, coaching are rewarding are more effective in the long term than measuring, comparing and pressuring , 18 representing 22.5% said that it is partially.

Table 16: Company plan as a framework for Company Control System

Responses	No. of Respondents	Percentage %
Strongly agreed	50	62.5
Disagreed	0	0
Partially	30	37.5
Total	80	100

Source of data: Field survey

Among the 80 respondents, 50 representing 62.5% strongly agreed that if mission, goals, strategies, objectives and plans change, then controls should change, 30 representing 36.5% believe partially.

Table 17: Benefits of Control System to Marketing Managers

Responses	No. of Respondents	Percentage %
Strongly agreed	67	8.75
Disagreed	6	7.5
Partially	7	8.75
Total	80	100

Source of data: Field survey

There is need to know if Control System is beneficial to Marketing Managers and out of the 80 respondents, 67, representing 8.75% agreed strongly, 6 representing 7.5% disagreed to this, and 7 representing 8.75% is partially.

Table 18: Benefit of Control System in controlling finances

Responses	No. of Respondents	Percentage %
Strongly agreed	44	56
Disagreed	6	7.5
Partially	30	36.5
Total	80	100

Source of data: Field survey

It is necessary to find out if control system has helped in controlling finances, and of the 80 respondents, 44 representing 56% strongly agreed that control system has helped in the area of budget and audit, 6 representing 7.5% disagreed to that and 30 representing 36.5% agreed that it has partially helped.

Table 19: Control System Benefits to Managers

Responses	No. of Respondents	Percentage %
Strongly agreed	67	56
Disagreed	0	7.5
Partially	13	36.5
Total	80	100

Source of data: Field survey

Out of the 80 respondents, 67 representing 56% strongly agreed that control system is beneficial to Managers in the area of computer and information technology, 13 representing 36.5% indicated that control system is partially beneficial to information technology.

Table 20: Employees low trust in Control system

Responses	No. of Respondents	Percentage %
Strongly agreed	61	76.25
Disagreed	6	7.5
Partially	13	16.25
Total	80	100

Source of data: Field survey

Among 80 respondents, 61 representing 76.25% strongly agreed to this, 6 representing 7.5% disagreed, 13 representing 16.25% believes otherwise.

Table 21: Control System benefits to research and development

Responses	No. of Respondents	Percentage %
Strongly agreed	74	92.5
Disagreed	0	0
Partially	6	7.5
Total	80	100

Source of data: Field survey

Out of the 80 respondents, 74 representing 92.5% strongly agreed that control system is beneficial to research and development, 6 representing 7.5% indicated that it partially benefits research and development.

4.3 **DISCUSSION OF RESULTS**

This research work was able to show on the level of educational background of respondents, that respondents have attained a high level of education and are knowledgeable and also are mostly civil servants.

It can also be seen that most of the respondents lacks managerial skills since they are science and social science bias.

There are high numbers of respondents in the middle cadre as well as the junior, thereby making control system highly essential in the organization.

From this research, it can be seen that the respondents have knowledge of control system. It is also observed that respondents have different views as regards to the attributes of control system, they were also of the opinion that control system boosts productivity as well as a short-term benefit of crisis management.

It is also shown that control system provides accurate information to management; they also opined that coordination and control of the departments in the organization is made easier, though some believed partially.

It can also be seen that a number of respondents accepts that steering controls is a measure to enhance a perfect system, while some respondents believes it partially and a few did not accept this measure.

According to the research, respondents were of the opinion that control system helps in the management of staff and that it also motivates employees irrespective of those who feel partially. It is also believed by the respondents that company's plan is a framework for company's control system and that manager's benefit from control system.

The research also revealed that control system has improved the area of controlling finances and also helped managers to benefit. It was also discovered that respondents have trust in control system and are also of the view that it helps in research and development.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

In this chapter, effort was made to show how control system has helped this organization in the management of their affairs, conclusion on how control system ensures success of plans and also make recommendations on how control system can be beneficial to an organization, it also made some suggestions for further studies as well as its contribution to further knowledge.

5.2 SUMMARY

This research work has revealed that most of the employees of this organization (Raw Materials Research and Development Council) attained tertiary education, only six people out of the eighty respondents stopped at secondary level.

This research work further revealed that most employees have the knowledge of Control System, likewise some number of business persons, which made them to answer respectively.

As to the in-depth knowledge of Control System, planning and control are the two most closely interrelated management functions.

Most management has not adopted the measure of improving productivity, usually by cutting costs and increasing controls and due

to this slack, great consequence has led to great stress on improving productivity as well as the declining performance of their employees.

Short-term benefits of crisis management have improved productivity and profits, and that by carefully considering the human side of control, it is quite likely that productivity and profits will decline again to even lower levels in the long term, a good percentage of the respondents have agreed to this.

Control system has provided the management with accurate information and this shows that more effort should be made to ensure that control system provides management with accurate information to enable employee effectiveness and also benefits to the organization.

On the coordination and control of the activities of different divisions, departments, and sections in the organization, control system depicts that there is need for managing the organization to be coordinated and controlled. Control system has also improved the management of staff. Hence it is beneficial to the management of an organization.

Evaluating, coaching and rewarding are more effective in the long term than measuring, comparing, and pressuring or penalizing in an attempt to build a perfect organization.

Few managers realize that a company plan must provide the framework for the control system and this means that if missions, goals, strategies, objectives and plans change, then controls should change. Control system is also beneficial to marketing managers.

Finances are being successfully controlled, especially in the area of budget and audit. Control system is beneficial to the management as regards to computer and information technology, control system has also brought a great achievement to research and development.

5.3 CONCLUSION

The task of control is to ensure that plans succeed by detecting deviation from plans and furnishing a basis for taking action to correct potential or actual deviation. Because of time large in the total system of control, the one a control system is based on feed forward rather than simple feed back of information, the more managers have the opportunity to perceive undesirable deviation from plan before they occur and to take action in time to prevent them.

The primary responsibility for the exercise of control rests in the manager's change with the performance of the particular plan involved. Control techniques and approaches are effective if they direct and illuminate the nature and course of deviation from plan with a minimum of cost or other unsought consequences.

The more an organizational structure is clear, complete and integrated, and the more control is designed to reflect the place in the organizational structure where responsibility for action lies, the more they will facilitate connection of deviation from plans and the more that plan is clear, complete and integrated, and also that control is designed to reflect such plans, the more beneficial the control will be to the management of the organization.

Where there is no procedure for review, whether it is because management has failed to recognize that in human affairs things can go wrong often or because they erroneously feel that control is intensive or matter little, the fact still remains control particularly when

impersonal, reduce stress, increase objective and focus attention on those activities that readily matter for the progress of the organization and achievement of their goals.

In final analysis, a manager who has failed to devise adequate control is at best not in control and at worst out of control at which level management becomes crippled.

5.4 RECOMMENDATIONS

For control to be beneficial to an organization, the researcher is of the view that control should be directed to the proper channels, that is the right people who are to carry out the work, and it should come from authorized sources.

There is need for continuous re-orientation of the employees to enable them change their attitude towards control system.

The management should not be too rigid thereby putting fear into their subordinates, thereby causing them to do without the job satisfaction and making a room for change.

5.5 SUGGESTIONS FOR FUTURE STUDIES

Time and resources has been the problem of this research, hence the researcher is of view that this research is not explorative enough to have investigated all the benefits of control system in the management of an organization, she is therefore, suggesting that further researches be conducted in order to identify other benefits of control system in the management of an organization which is out of the focus of this research work.

Further research could also proffer more positive ways of managing an organization in other to benefit the country. Other geographical locations could have various ways of control system that is different from those ones this research was able to unveil.

5.6 CONTRIBUTION TO KNOWLEDGE

The process of generating knowledge can be seen as asking why or having a perplexity, and then doing something to answer it.

1. This study began with identifying the need for control system for the proper coordination of the organization.
2. It was able to identify the basic benefits accruable to a system if properly controlled and managed.
3. There is this adage that says that “knowledge is Power”. If one is ignorant of what he/she needs to know, it is definite that solving a particular problem will always be difficult.
4. This research has contributed to the knowledge of the role of control system which can enhance good service delivery. A positive return on investment (ROI) can be achieved if the suggestions offered are put into practice.
5. Finally, research is a good idea in the development of any nation, it tries to unveil what was hidden, I therefore, opt that this research work has gone to some extent to brighten our knowledge of the subject of control system in organizations.

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APPENDICES

APPENDIX I

LETTER OF INTRODUCTION

Department of Science and Science Education,
Federal University of Technology Minna,
Niger State.

Dear Respondent,

I am a student in the Department of business Management Technology, Federal University of Technology Minna. I am currently carrying out a research study on "The Benefit of Control System in the Management of an Organization"

You are hereby presented with this questionnaire as an essential tool which contains some vital question and which is needed to assist the researcher in obtaining the necessary data for the research work. You are therefore requested to provide answers to the questions listed below.

I assure you that the data so provided therein would be used purely for academic purpose only and would be treated as confidential.

INSTRUCTION

Please tick (✓) against the most appropriate or applicable option and write briefly where necessary.

Thank you for your cooperation.

Yours Faithfully,

Okoro, Chukwudubem A.

APPENDIX II

QUESTIONNAIRE

INTRODUCTION

1. What is your level of Education?
(a) primary (b) Secondary (c) Tertiary
2. Are you a civil servant or a business person?
(a) Civil Servant (b) Business person (c) others
3. What is your area of specialization?
4. If a civil servant, what is your rank/level?

ABOUT CONTROL SYSTEM

5. Do you know what Control System is all about?
(a) Yes (b) No (c) Partially
6. In your own view, what are the attributes of a control system?

S/N	Attributes of Control System	No of Respondents	Percent age %
1.	Effective Crisis Management	5	6.25
2.	Control of divisions, sections, & dept activities	8	10
3.	Steering Controls for better productivity	4	5

4.	Providing motivating climate for workers	22	27.5
5.	Change of Standards	3	3.75
6.	Provision of range rather than precise workers	4	5
7.	Evaluating Work done	3	3.75
8.	Coaching Workers for efficiency	5	6.25
9.	Rewarding hard work	15	18.75
10.	Providing mission, goals, strategies, plans	2	2.5
11.	High trust on workers	4	5
12.	Research and Development	5	6.25
	Total	80	100

7. Planning and Control are the two most closely interrelated management functions.

(a) Strongly agreed (b) Disagreed (c) Partially

8. The global economy has caused managers throughout industry to take a close look at their often disappointing accomplishment, as well as the declining performance of their employees. In consequence they have placed great stress on improving productivity, usually by cutting costs and increasing controls; has your organization been able to adopt this?

(a) Yes (b) No (c) Partially

9. It has been observed that short-term benefits of crisis management have improved productivity and profits, but unless the human side of control is carefully considered; has your organization or you as a management staff been observing this?

(a) Yes (b) No (c) Partially

10. Do you think that Control System has provided your management with accurate information?
- (a) Yes (b) No (c) Partially
11. Has there been coordination and control of the activities of different divisions, departments, and sections in your organization?
- (a) Yes (b) No (c) Partially
12. Steering controls, on the other hand, are future-oriented and allow adjustments to be made to get on course before the control period ends. They therefore establish a more motivating climate for the employee. Do you consider this as part of measure to enhance a perfect system?
- (a) Strongly agreed (b) Disagreed (c) Partially
13. Has control system improved the management of your staff?
- (a) Strongly agreed (b) Disagreed (c) Partially
14. Managers would be better off establishing a range rather than a precise number and changing standards as time passes and assumptions prove erroneous. This would be fairer and motivate employees. Do you agree with this?
- (a) Strongly agreed (b) Disagreed (c) Partially
15. Evaluating, coaching, and rewarding are more effective in the long term than measuring, comparing, and pressuring or penalizing in an attempt to build a perfect organization.
- (a) Strongly agreed (b) Disagreed (c) Partially

16. Few Managers realize that a company plan must provide the framework for the company control system. If missions, goals, strategies, objectives, and plans change, then controls should change.
- (a) Strongly agreed (b) Disagreed (c) Partially
17. Is control system beneficial to marketing managers?
- (a) Strongly agreed (b) Disagreed (c) Partially
18. In the area of budget and audit, will you say that control system has helped in controlling finances?
- (a) Strongly agreed (b) Disagreed (c) Partially
19. Control System is beneficial to managers in the area of computer and information technology.
- (a) Strongly agreed (b) Disagreed (c) Partially
20. When employees have relatively low trust in a control system, they sometimes behave in various ways that are harmful to the organization.
- (a) Strongly agreed (b) Disagreed (c) Partially
21. Is control system beneficial to research and development?
- (a) Strongly agreed (b) Disagreed (c) Partially