

Controlling as a Growth Point in the Effectiveness of an Organization's Management System

*Larisa A. Semina, Liudmila G. Glubokova, Marina N. Semikolenova, and Ivan O. Glubokov**

Altai State University, Russia

Abstract. The article discusses an approach to defining a controlling system in an organization. Various tools of the controlling system are considered. The results of studies by domestic scientists are presented, demonstrating the high efficiency of introducing the controlling system into the management structure of organizations. The concept of a balanced scorecard is considered and options for improving the traditional system are proposed.

It is impossible to dispute the fact that today's rapidly changing economic realities catch many organizations by surprise. Under constantly changing conditions, organizations need to build an adequate management model for their business in such a way as to minimize losses and maximize the effects of available resources. The concept of controlling emerged for this purpose.

According to the authors S.G. Falco [1] gives the most qualitative and complete definition of controlling, reflecting the whole essence of this concept. In his opinion, controlling is a system of information, analytical, methodological and instrumental support for the heads of organizations to achieve their goals, focused on long-term and effective development, which ensures the implementation of the management cycle in all functional areas and processes by measuring resources and performance results.

Controlling is a management technology in an organization in the form of an independent branch of activity. As for the manufacture of metal, it is necessary to observe the technological process in order to avoid rejects, and for controlling, it is necessary to develop technologies that allow this process to function successfully in order to make correct and timely management decisions.

The controlling system allows you to streamline and standardize the process of managing an organization by creating regularity in the execution of managerial actions. The tasks for the implementation of which the controlling system is being implemented are: [2]

1. Preparation and justification of adopted management decisions, methodological support for solving management problems;
2. Preparation of decisions on transformation, redesign or improvement of the management system itself, as well as production and information systems of

* Corresponding author: ivanglubokov97@mail.ru

organizations, based on the conditions of changes in the external environment and possible changes in the mission, goals and strategy of the organization;

3. Coordination of the work of functional divisions of the organization in solving management problems.

As we can see, the implementation of the above tasks inexorably leads the organization to an increase in the efficiency of the management component of business processes. So, back in 2002, the founders of the concept of controlling in Russia, Falko S.G., Russell K., Levin L, spoke about this: "Using controlling in management activities, it is possible to achieve an increase in integral performance indicators by 15-30%, and for innovative organizations this value is already 50-75%" [3].

Yusupova S.Ya. in his research also argues about the direct relationship between the application of the concept of controlling and improving the efficiency of organization management (table 1) [4].

Table 1. Dynamics of growth of the organization management efficiency after the introduction of the controlling system

Name of company	Percentage of increase in management efficiency due to the use of controlling technologies in the management process, %	Percentage of increase in the efficiency of the production process due to the application of innovative achievements in the field of control and controlling, %
Sony	25	18,4
Samsung	24,2	18,0
LG	18,7	25,9
Akai	11,8	8,4
Kodak	11,7	31,9
Nokia	10,2	25,3
Mazda	9,9	22,9
Siemens	9,3	21,5
BP	9,1	19,6
Shell	8,6	19,02
AIG Brunswick Capital	7,2	14,9
Mean*	13,25	20,53
Standard deviation value*	6,35	6,17
The coefficient of variation*	47,97	30,04

The data collected by S.Ya. Yusupova indicate that large organizations that have implemented a controlling system in management activities, on average, increased management efficiency by 13.25%, and the efficiency of production processes by 20.53%. The coefficient of variation calculated by the author clearly demonstrates the homogeneity of the data for analysis and the validity of such an analysis, since the average spread of the random value of the share of increasing the efficiency of production processes is not significant and is equal to 30%. In exchange, the coefficient of variation of the share of an increase in management efficiency, equal to 48%, indicates an increased spread in the level of efficiency of using the controlling system in organizations. To a greater extent, such a spread is associated with the peculiarities of the sphere of activity of organizations. In other words, we can state the fact of an unambiguous increase in the level of efficiency of both managerial and production processes in organizations that have implemented a controlling system.

Falko S.G., Russell K., Levin L. [3] In their research, the fundamental tool of the controlling system is the Balanced Scorecard, the founders of which are R. Kaplan and D. Norton [5].

A balanced scorecard is a system of strategic management of an organization based on measuring and evaluating its effectiveness based on a set of optimally selected indicators that reflect all aspects of the organization's activities, both quantitative and qualitative. The name of the system reflects the balance that remains between short-term and long-term goals, quantitative and qualitative indicators, main and auxiliary parameters, as well as external and internal factors of activity.

The balanced scorecard, according to R. Kaplan and D. Norton [5], considers the financial performance of the organization as just one of four significant groups, giving due credit to other market factors - the human potential of the organization, operational efficiency and customer relationships. In the concept of a balanced scorecard, it is not the values of individual indicators that come out ahead, but their interaction and balance. This allows you to assess the effectiveness of the development of the organization and identify possible deviations.

The authors assume that the traditional division of the balanced scorecard into 4 projections is not the only possible one. The number of projections, according to the authors, can be up to 25 pieces in accordance with the number of goals set for the organization. Kochnev Alexander Feliksovich, Ph.D. and the founder of the consulting agency is convinced that the number of organizational goals should be no more than 25, otherwise a wide range of priorities indicates their absence. Therefore, the number of balanced scorecard projections can also be more than 4.

The authors also proposed, in contrast to the traditionally used exclusively quantitative values, to give in the balanced scorecard also qualitative values, often used in strategic analysis. Qualitative indicators are expressed in terms of relative values and demonstrate the degree of economic efficiency of the organization. Qualitative indicators often reflect the influence of the external environment on the activities of an organization in macroeconomic, political, environmental, etc. These indicators include: the image of the organization, the relative competitive position of the organization, the customer satisfaction index, the personnel satisfaction index, the level of labor and performance discipline, the proportion of personnel ready for professional retraining and advanced training, the degree of influence of macroeconomic and political processes (inflation and the level of prices, employment level, personal disposable income, the program of the ruling party, government regulation of the industry, etc.). The authors also propose to supplement the balanced scorecard with the following projections with their own individual quality indicators: economic and social, political, innovation and personnel. According to the authors, the reflection of such information in the balanced scorecard will lead to the early identification of problem areas in the organization's activities and will contribute to a visual guideline in the formation of management decisions.

Thus, as a result of the study, a strong direct relationship between the application of the controlling system and an increase in the efficiency of the organization's activities was confirmed. The introduction of a balanced scorecard, taking into account the recommendations highlighted by the authors, as a fundamental toolkit of the controlling system in an organization will help increase the effectiveness of the management apparatus. It is also worth noting that the additions to the tools of the controlling system proposed by the authors can increase the economic efficiency of the management structure of organizations, which has already been proven by many scientists, as a result of which we can state the fact that controlling is the starting point for further growth in the efficiency of the organization.

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