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Control Strategies and Organizational Effectiveness

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ABSTRACT

The study examined the effects of control strategies on organizational effectiveness. Three hypotheses guided the study, Data were analyzed and hypotheses tested using Multiple Regression and correlation analytical statistics, The results showed that premise control, implementation control and special alert control had positive and significant effects on organizational effectiveness. The study, concluded that the identification of the major functions of the organization, and their alignment, are basic ingredients of organizational effectiveness. The right step to be taken, which completes the structural framework of the organization, is to decide on appropriate methods of co-ordination and control for different functions and at different levels. the study recommends that future research studies should expand to Public and Private hospitals, including other industries not related to healthcare service delivery.

Keywords*:* control strategies, organizational effectiveness, premise control, implementation control and special alert control

INTRODUCTION

Control strategies must be developed and used locally. The people closest to the process will know best the most likely causes of an out of control situation and what to do about them. In addition, situations out of control must be immediately. For this reason, the responsibility for the use of wallet strategies also rests with the local workforce. Portfolio strategies should be updated regularly. If any of the control policy causes ever appeared as the reason for an out-of-control point, that should be removed from the policy and replaced with another possible cause. There are various special alert controls to portfolio strategies. Portfolio strategies provide a method of systematically looking for special causes. This helps front-line personnel to do their jobs better.

Additionally, portfolio strategies help us understand our processes. For example, if you use and update portfolio strategies at over time, you will establish a data base that will assess the causes of long-term checkpoints. This increased knowledge about our processes will be useful for training new hires. They will have a standardized approach to controlling their workplace processes through trial and error. Portfolio strategies also provide a permanent record of what happened after each out-of-control situation. The state of the discipline generally derives in part from the training of the HRM specialists themselves partly artificial boundaries which until recently separated academic disciplines such as behavior organizational theory and personnel human resource management, i.e. identity crisis (Keenoy, 1990) ; and partly from the lower status and low power of office in organizations, has induced a self-fulfilling downward spiral (Blunt, 1986; Legge, 1978).

High-flying managers have been inclined to elsewhere their route to the top. Thus, it is rare for a general director to have “his weapons” in the personnel department. This depressing picture is starting to change in Europe and America, but less in the Third World where, overall, the role of the HRM function continues to be perceived as that of a little record keeping here, and little training there, but not much else. It is partly for this kind of historical reasons that led to its development in industrialized countries, that the discipline’s approach to overcoming performance problems in the Third World has consisted of more training, with a bit

of occasional decentralization for good measure.

Neither of these two categories of interventions benefits from what Israel calls "specificity": in particular, it has always been difficult to validly assess the effectiveness of training and management. Apart from team factors, employee's cultural values are another boundary condition for employee's judgements of leadership effectiveness (Ogbor & Orishede, 2018). As a result, there is an ingrained suspicion among superiors that which, much like advertising, the cost of money spent on management training is the most difficult being knowing which half. For this reason, and for a variety of other reasons, such interventions have rarely resulted in lasting desirable changes in Third World organizations. High flying' managers have been inclined to look elsewhere for their route to the top. So, it is rarely the case that a chief executive officer will have 'cut his teeth' in the personnel department. This depressing picture is beginning to change in Europe and America (Chalofsky and Reinhart, 1988; Schuler and Jackson, 1987), but less so in the Third World where, by and large, the role of the HRM function continues to be perceived as being that of a little record keeping here, and a little training there, but not a great deal else. It is partly for these sorts of historical reasons, associated with its development in the industrialized nations, that the discipline's primary approach to overcoming problems of organizational performance in the Third World has consisted of training and more training, with the occasional bit of decentralization thrown in for good measure.

Statement of Problem

The principles and theories of portfolio control strategies in an organisation has been a source of challenge to modern organisations.it was repeatedly said that the unprecedented commercial success of new-wave management is a testimony to the magnitude of the unfulfilled demand that existed in the organization. There are calls for fresh approaches and greater specificity with regard to the ways in which problems of portfolio strategies are perceived and analysed but the manner in which they can be sustainably addressed in the organization also posed a serious challenge. The control charts have focused on where to act and when to leave our process but this depends on when our process shows signs of particular causes of variation. When our control charts show us that there is a situation out of control, it is one of the people closest to the process to find the cause of the situation out of control and to eliminate the cause of the process. Most frequently cited problems, include difficulties in supervising and managing remote workers feelings of isolation on the part of the employees (Orishede & Ndudi, 2020). However, bringing a portfolio strategic process back into control is usually serious constraint because it requires Time and costs. Portfolio control strategies are essential to effective performance of a firm, they are specific action plans for bringing a process back into control. Strategies usually consist of five to ten steps help you find the reasons for particular causes more importantly, help you do something about the causes. The study therefore examined the relationship between portfolio control strategies and organsational effectiveness.

OBJECTIVES OF THE STUDY

The aim of the study is to examine the relationship between control strategies and organizational effectiveness. the following are the specific objectives are:

1. To examine the effect of premise control on organizational effectiveness
2. To examine the effect of implementation control on organizational effectiveness.
3. To examine the effect of special alert control on organizational effectiveness.

Research Hypotheses

The hypotheses of the study are as follows:

1. There is no significant effect of premise control on organizational effectiveness.
2. There is no significant effect of implementation control on organizational effectiveness.
3. There is no significant effect of special alert control on organizational effectiveness.

REVIEW OF RELATED LITERATURE

Review of Concepts

Control strategies

organizational control, refers to the process by which an organization influences its subunits and members to behave in ways that lead to the attainment of organizational goals and objectives. When properly designed, such controls should lead to better performance because an organization is able to execute its strategy better. As shown in the P-O-L-C framework figure, we typically think of or talk about control in a sequential sense, where controls (systems and processes) are put in place to make sure everything is on track and stays on track. Management may be more interested in looking at the output of the employees whereas, the employees may be more interested in creating a productive environment for themselves (Felix, Chukwurah, Emmanuella & Oghenekeno, 2023). Controls can be as simple as a checklist, such as that used by pilots, flight crews, and some doctors. Increasingly, however, organizations manage the various levels, types, and forms of control through systems called Balanced Scorecards.

Control typically involves four steps: (1) establish standards, (2) measure performance, (3) compare performance to standards, and then (4) take corrective action as needed. Corrective action can include changes made to the performance standards—setting them higher or lower or identifying new or additional standards

The Costs and Benefits of Organizational Controls

Organizational controls provide significant benefits, in particular helping the business stay on track with its strategy. External stakeholders, such as government, and public interest groups, also have an interest in certain types or levels of oversight being in place. However, controls also come at a cost. It is useful to know that there are trade-off between having and not having organizational controls, and even among the different forms of control. Let's look at some of the predominant costs and benefits of controls which are summarized in the following figure.

Costs

Controls can cost the organization in several areas, including (1) financial, (2) damage to culture and reputation, (3) decreased responsiveness, and (4) botched implementation. An example of financial cost is the fact that organizations are often required to perform and report the results of a financial audit. These audits are typically undertaken by external accounting firms, which charge a substantial fee for their services; the auditor may be a large firm like Accenture or KPMG, or a smaller local accounting office. These audits are usually performed by accounting firms that charge substantial fees for their services; The auditor can be a large company like Accenture or a smaller local accounting firm. Such audits are a way for banks, investors and other key stakeholders to understand the organization's financial capacity. Thus, if an organization needs to borrow money from banks or has investors, it can only obtain these benefits if it bears the monetary costs of financial audit personnel. Controls can also have costs in terms of organizational culture and reputation. While you can imagine that organizations might want to keep track of employee behaviour, or otherwise put forms of strict monitoring in place, these efforts can have undesirable cultural consequences in the form of reduced employee loyalty, greater turnover, or damage to the organization's external reputation. For an organization to achieve its stated or espoused goals and objectives and to accepted as responsible economic entity, effective key stakeholder, management can be a key success factor (Orishede & Ogbor, 2014).

Management researchers such as the late London Business School professor Sumantra Ghoshal have criticized theory that focuses on the economic aspects of man (i.e., assumes that individuals are always

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opportunistic). According to Ghoshal, "A theory that assumes that managers cannot be relied upon by shareholders can make managers less reliable." The potential cost of having controls is that they can afford less organizational flexibility and responsiveness. Typically, controls are put in place to prevent problems, but controls can also create problems. For instance, the Federal Emergency Management Agency (FEMA) is responsible for helping people and business cope with the consequences of natural disasters, such as hurricanes. After Hurricane Katrina devastated communities along the U.S. Gulf Coast in 2005, FEMA found that it could not provide prompt relief to the hurricane victims because of the many levels of financial controls that it had in place. Given that organization is a social system of life and permanence of each system depends on a strong omong its constituting elements (Felix & Adam, 2019).

Another area of cost, botched implementation, may seem obvious, but it is more common than you might think (or than managers might hope). Sometimes the controls are just poorly understood, so that their launch creates significant unintended, negative consequences. For example, when Hershey Foods put a new computer-based control system in place in 1999, there were so many problems with its installation that it was not able to fulfill a large percentage of its Halloween season chocolate sales that year. It did finally get the controls in working order, but the downtime created huge costs for the company in terms of inefficiencies and lost sales. Some added controls may also interfere with others. For instance, a new quality control system may improve product performance but also delay product deliveries to customers. Leadership is critical in ensuring that department and the workers in them produce the desired outputs through the allocation of mobilized resources to carry out approved strategicactions (Orishede, Anyibuofu & Ukwandi, 2020).

Benefits

Although organizational controls come at some cost, most controls are valid and valuable management tools. When they are well designed and implemented, they provide at least five possible areas of benefits, including (1) improved cost and productivity control, (2) improved quality control, (3) opportunity recognition, (4) better ability to manage uncertainty and complexity, and (5) better ability to decentralize decision making.

THEORETICAL REVIEW

Leyers of Control Theory: Change in organizations will require adjustment of strategy or new strategies whether the change is transformational or incremental in nature. Ojera (2011) posits that strategic control is still at its embryonic stage and that organizations that are beset by environmental turbulence can indeed benefit from strategic control practices. Levers of control theory include systems that control human behavior within an organization. Simons (1995) developed a four-lever model of strategic control. The four levers work simultaneously, each for a different purpose. The four levers are important and need to be monitored. The levers work independently but create harmony for business conduct. The belief lever is used to enhance an organization's core values and encourage search of further opportunities in accordance with these values (Kuye, 2013). It articulates the mission, purpose and core values of the organization. The boundary lever describes the standard of behaviour and codes of conduct expected from all employees. It strategically reduces business risk by setting limits to behaviours in the organization that are undesirable (Chau & Witcher, 2005). The diagnostic lever assesses the organizational performance indicators if the organization is performing to the expected standards. This includes the communication of critical success factors and helps managers correct any deviations from the standards. Interactive levers track strategic uncertainties that businesses face and are indeed formal informational systems that managers use to involve themselves with the organization's decision making. Simons (1995) argues that the use of levers of control improves the effectiveness and efficiency of organizational performance. The managers however must understand their strategy well and stick to it for the model to be effective.

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Five Factor Model of Strategic Control Tavakoli and Perks (2001) came up with a five-factor model of strategic control that was used in analysis of this study. Strategic capabilities are internal resources that support the firm's competitive advantage. Industry Key success factors ensure that, at least an average performance for an organization in a specific industry. Strategic goals are the end results that result in long-term survival and growth of the organization. Planning premises are established at the planning stage and are the basis of formulating or adjusting strategies. These five factors determine superior organizational performance and sustainable growth of an organization. They help senior managers not to underestimate the impact of strategic change (Tavakoli & Perks, 2001).

METHODOLOGY

The study made used of a cross-sectional survey research design to examine the effect ofcontrol strategies on organizational effectiveness of mission hospitals in Anambra state, Nigeria.The target populations of the study were the staff of mission hospitals, they include medical Doctors,, Nursing officers and Finance Managers. Data were collected using a structured questionnaire, Multiple Regression and correlationanalytical tools were used for the test of the hypotheses.

Test of Hypotheses
The three hypotheses of the study are tested as follows

THE DECISION RULE

If the probability value calculated is lesser than the critical level of significance which is (0.05), then the null hypotheses will be rejected while the alternate hypotheses will be accepted

Multiple Regression Analysis

Table 1 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.786 a	.638	.567	1.5617

1. Predictors: (Constant),
2. Promise control, implementation control, Special alert control

Table 1 shows the extent to which control strategies accounted for organizational effectiveness as indicated by the adjusted R square, which show that 91% (.786) of the organizational effectiveness is brought about by control strategies. The correlation coefficient R is 0.638. Therefore, we can conclude that control strategies have a positive correlation with organizational effectiveness, and the relationship is strong since it is about 49%. While the R^2 of 0.567, which means about 48% of the variance in organizational effectiveness is explained by comtrol strategies.

Table 2 ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	162.684	4	61.581	49.264	.000 b
	Residual	187.692	29	1.571		
	Total	350.376	95			

Dependent Variable: Constant

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Predictors: (Constant), Promise control, implementation control, Special alert control

The *F*-ratio in table2 shows the overall regression model is a good fit for the data. The table reported that control strategies significantly predict Organizational effectiveness, F (4.29) = 49, 264 P<.005. This implies that the regression model is a good fit of the data. In addition, results of analysis of ANOVA shows that the independent variables; Promise control, implementation control and Special alert control are statistically and significantly predicting the dependent variables Organizational effectiveness.

Table 3 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.528	1.358		.715	.560
	Promise control	.388	.057	.235	3.951	.000
	implementation control	.324	.081	.342	6.045	.000
	Special alert control	.222	.065	.381	.847	.001

1. Dependent Variable: Constant

Table 3 shows the multiple regression analysis result for control strategies and organizational effectiveness.

The test reveals that premise control which is the first variable has positive effect on organizational effectiveness (?=.388, p<0.001), this implies that the0.05(5%) level of significance is greater than the calculated value (0.05>0.001), therefore the null hypothesis which states that promise control has no significant effect on organizational effectiveness is hereby rejected while the alternate hypothesis is accepted, this means that there is a significant statistical effects of promise control on Organizational effectiveness

The test of hypothesis two shows that implementation control which is the second variable has positive effect on organizational effectiveness (?=.324, p<0.002), this shows that the 0.05 (5%) level of significance is greater than the calculated value (0.05> 0.002), therefore, the null hypothesis which states that there is no significant relationship between implementation control and organizational effectiveness is rejected while the alternate is accepted implying that there is a significance statistical relation between implementation control and Organizational effectiveness.

The third hypothesis tested showed that special alert control has a positive effect on Organizational effectiveness (?=.222, p<0.001), this shows that the 0.05 (5%) level of significance is greater than the calculated (0.05< 0.001). Therefore, the null hypothesis which states that special alert control has no significant effect organizational effectiveness is rejected while the alternate is accepted.Which means that there is a statistical significance of special alert control on Organizational effectiveness.

FINDINGS

The study found that Premise control, Implementation control and Special alert control have positive effects on organizational effectiveness of mission hospitals in Anambra state. For organization to beeffective, necessary attention should be given to the three variables of the study since they have positively influenced organizational effectiveness of the organization.

CONCLUSION AND RECOMMENDATION

The identification of the major functions of the organization and their alignment are basic ingredients of organizational effectiveness. The right step to be taken, which completes the structural framework of the

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organization is to decide on appropriate methods of co-ordination and control for different functions and at different levels. This is not just a question of decentralizing or centralizing but more of a question of where, and how much to employ a certain coordinative device or style of management. This study was restricted to the influence of control strategies on organizational effectiveness of selected organization in Nigeria and does not offer sufficient diversity. Therefore, the study recommends that future research studies should expand to Public and Private hospitals, including other industries not related to healthcare service delivery. Future research studies in this field can also use different organizational performance indicators; mortality and morbidity rates in the hospital that would provide additional insights and incorporate multiple respondents.

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