

# Of Some Ways of the Effectiveness of the Educational Activity Increase

## Implementation of Controlling System into an Educational Organization

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**Abstract**—Creation of the efficient organizational structures in organization, allowing to react fast to any consumer's demand, adjusted to the functioning in modern conditions, allows to increase the efficiency of any activity's organization, including the educational one. Controlling allows to estimate the efficiency of the efficiency of any organization and affects precisely to any management system in order to keep its stable development in the long run. In this article a review of different controlling definitions and its functions by the Russian and foreign scientists and economists and also a system of implementation of controlling into the educational institutions in order to increased their effectiveness is given.

**Keywords**—organizational activity efficiency; management effectiveness; optimization; controlling; management system; education; educational organization

### I. INTRODUCTION

Education is one of the priorities in Russia. The Concept of the long-run Russian social-economic development for the period until 2020 marked the increase of the human capital role as the main economic growth factor. At the same time the State policy educational strategic aim is to increase the availability of high-quality education, corresponding to the needs of the society and every citizen.

Education has the strategic priority over every sphere of the state's activity. Educational system forms a personality, life style, plays a key role in the creation of the new generation of professionals. Since the economy becomes more intellectual, a tight connection between education and the economy is expressed not only in the development of human capital, but also providing the needs of the labour market and highly qualified specialists.

Considering all the above the very understanding of the quality of higher education and higher educational organizations is changing. Independent efficient functioning of controlling systems and educational quality appraisal both at governmental and international levels inevitably will lead to the increase of the quality of higher education.

### II. THE NESSECITY AND THE ESSENCE OF CONTROLLING AT AN EDUCATIONAL ORGANIZATION

The necessity of controlling system implementation into educational organizations does not cause any doubts nowadays, since it means the creation of efficient organizational structures, better adjusted to the functioning in modern conditions, which allows to increase the competitiveness of the very educational organization and its graduates.

We believe that specific elements of controlling are present in the practical activity of any organization. Thus, the practical task is to hold a multifunctional system analysis and synthesis, considering the specifics and the factors of the external circle.

There are a lot of controlling definitions. The English origin of this term is equal to the German version of accounting. To «control» is equal to «manage» or to «regulate».

The German Economic Dictionary defines controlling as observing, which allows administration to find out variations in economic processes, to find out its reasons and to forecast of the further development, which allows to take measures on providing the optimal objectives obtaining, which the enterprise has.

The term of controlling appeared in Great Britain and the United States. In the XVth century there was a position of a «controller» at the royal court, whose responsibilities were to control the incomes and the expenses of the court. Similar functions had the controllers in the United States. Since 1778 they were working at the State Council and had the aim of controlling the balance of the budget and its incomes.

In a century the roles of controllers appear at private enterprises for financial-economic problem solving, financial investments and basic capital management. But up until 1930-ies at the American enterprises controller's labour wasn't much used. Only 1929 recession lead to the increase of the role of industrial accounting and planning. In

1962 Financial Executive Institute was created, which systemized controllers' objectives.

Controlling was defined as planning, accounting interpretation, taxation problems, state services reports, property keeping, agricultural studies.

In Germany controlling was not known up until 1970-ies, but in that decade 90% of major enterprises implemented the role of a controller.

For Western European specialists controlling occupies one of the leading positions. According to a number of specialists—P. Mann, Ch. Erman, K. Delman, W. Knaut—the reasons for it are the following:

- increased competition between the goods' producers;
- appearance in the European markets of the new counter — agents, oriented towards innovations, and, as a result, offering a large spectre of competitive goods and services;
- the tendency of economic growth decrease;
- unemployment rate increase, inadequate usage of innovations in organizations and enterprisal activity management

A number of German economists defines controlling as the system of management, providing the support of the process of decision-making. Controlling offers to decision makers collected and verified information. German theoreticians R. Mann and E. Mayer define controlling as the system of expenses regulation, allowing the enterprise to achieve its' objectives and to avoid unexpected situations and to call for emergency when the economy is in danger.

According to these researchers, controlling is the system borrowed by the human from nature. It allows to keep the balance in economy. The balance is achieved by the activity, in which given numbers are compared to the real state and define if any measures should be taken in order to achieve the wanted and the expected result and, in case of necessity, it is realized. Thus, we should stress, that controlling should not replace management, but to support it informationally.

In scientific works of the famous scientists A. Gayweller, A. Deyhle, R. Mann, D. Chan controlling is associated with quick operational expenses accounting, calculation and basic cost calculation. Slowly the authors came to the conclusion, that controlling is aimed not only for planning, accounting and results analyzing, but also to results analysis of the activity, income balance and management. Such controlling approach is definitely narrow, since it does not specify co-ordinating and consultational controlling role.

K. Shindbelk defines controlling «as economic instrument for enterprisal income increase». Controlling not only leads to expenses optimization, it also increases the efficiency of the activity of an enterprise. The fact that controlling leads towards the pointed or the expected aim of an enterprise, which in particular conditions may contrast on the income getting and the increase of the efficiency should be taken into consideration.

A. Dayle keeps to the position that there's no particular controlling term, which completely reflects the content of this practical work. At the same time he defines controlling process as the «process of determination of an economic situation at the enterprize». This definition is general enough, but if «definition» means presentation of the reasons and the results of the enterprizal activity and situational modelling, this determination completely matches controlling essence.

A great impulse to the development of ideas about controlling was given by the budgeting projects, which were initiated by the consultants of the leading world consulting companies. A number of the authors (K. Drury, J. Ince, F. Mitchell) consider controlling to be a methodology base for the implementation at the enterprize the budgeting process.

In general, German economists share common opinion that “controlling is a managerial concept, which covers all the spheres of the enterprise's activities: finance and accounting, marketing and management, integrating and coordinating activities of different services in order to achieve operational and strategic objectives”. At the same time we speak not only about market direction of the system management, but also of its' capacity to fulfil particular objectives in the conditions of high dynamics of external and internal environment changes of the organization.

Controlling is understood as a number of instruments, with the help of which an organizational structure may be represented in numbers and estimated during the comparison of the planned “should be” and the real state “it is”. This analysis later becomes a basis of events on the activity improvement.

Within the controlling frames particular results of the planned activity are compared to the past ones. “In case of derivation reasons are searched with the goal to eliminate or level them in the future activity os an enterprize. This comparison of the states aims the process on improvement in the future periods”.

In the Russian Federation the term of controlling in the scientific circles exists from the beginning of 1990-ies. According to the authors, economic thought development during the last decade in the area of management technologies has influenced the appearance of different controlling explanations.

According to the scientists A.N. Romanov and B.E. Odintsov controlling represents “internal audit of the company, provided by the organizational employees for internal financial state of an enterprise”. Researcher T.P. Carpova defines controlling as a major part of managerial accounting. Managerial accounting is a part of information controlling system, which is used as basic data for objective-aimed research.

According to the opinion of a number of authors — S.V. Danilochkina, N.G. Danilochkina, L.V. Popova, R.E. Isakova, T.A. Golovina, R. Krause, controlling is a functionally specified direction of economic work at the enterprise, connected to financial-economic function in management for fast strategic managerial decisions».

Different researchers approach differently to this question. General disadvantage of a great part of all the above mentioned controlling essences is a certain limitation of one or two functions. Nevertheless, inspite of different definitions, controlling problem field is clearly structured:

Controlling is a system with particular number of objectives, which elements are interconnected and with managerial system elements, which:

- oriented to the future objectives;
- aimed towards creation of instrumental, methodological and informational environment for managerial decision making.

Variety of controlling definitions, mentioned by the above authors, allows us to speak about controlling like a philosophy and the concept of organizational management.

Thus, according to a number of authors, *controlling is an objective oriented planning system of planning and control, providing integration, system organization and managerial stages coordination, functional areas, organizational units and projects.*

The concept of controlling may be represented as a pyramid, where top of which represents a system of aims, and its sides are different factors, defining the demands to organizational system of management.

The basis of the pyramid is an information basis of the processes of managerial decisions, represented like by the quantity points and by quality characteristics of the internal and the external environment of an organization.

### III. CONTROLLING AS THE MANAGEMENT SYSTEM

Controlling may be subdivided into a number of activity directions:

- Objectives' definitions—definition of equality and quantity aims and the choice of criteria, which will appraise the level of achievement of the aims.
- Planning—turning of the objectives into forecasts and plans, the first step of planning.
- Analysis of strong and weak points of an enterprise, its' opportunities and dangers.
- Controlling is involved into the development of planning methodology, coordinates activity of different divisions and services of an enterprise during the planning process.
- Controlling estimates plans, defining their measure of activity stimulation and its real implementation.
- Operational management audit is a reflection of all the financial and functional activity of an enterprise during its fulfilment.

Thus, controlling nowadays is no longer associated with control, which is initially wrong and can be explained only by the close sounding of these terms, neither with managerial audit system, which represented the basis of

controlling in 1930-ies-50-ies (A. Gayweler), nor with the system of informational providing of the enterprisal activity, which was typical for 1970-ies-80-ies (R. Mann, E. Mayer), which was the time of fast development of computer technics. Today controlling is associated with *managerial system* in general.

This variety of definitions and points of view testify that controlling represents an intensively developing direction of the effectiveness of the organizational activity.

In practice controlling functions like a combination of specific actions on transformation/interpretation of different information, accumulated by controllers in its possession for coordination of managerial efforts in the responsibility centres.

The most objective functions' and objectives representation is given by the scientists N.I. Olenov, A.G. Primak, S.G. Falko, who point that «controlling is first of all oriented towards the upkeeping of decision-making processes. Controlling also upkeepes and coordinates the planning and information providing processes, control and adaptation. Controlling functions are defined by the organizational objectives and include those kinds of managerial activity, which provides the planning process, plans realization control, evaluation of current processes, derivations discovery, analysis of their reasons and development of the reasons, which caused these derivations.

S.L. Vinogradov pays attention to the elements of the managerial process: «objectives definition, planning, implementation control, comparison of the achieved results with the planned ones, analysis and decision making are almost always taken into consideration, when speaking about controlling and are present objectively in any form at any management method».

A. Deyhle defined the following process positions of controlling:

- objectives' definition—quality and quantity criteria of the enterprisal activity;
- planning—turning of objectives into plans;
- managerial accounting—basic element of controlling, reflecting all financial and operating activity during the plan implementation;
- information streams organization—information collection, management informative support providing;
- monitoring—following the processes at an enterprise in real time;
- – control — fixation and evaluation of the real facts.

Gloss EC dictionary offers the term «management technology» like this: «Management technology are the ways, order, reglamentation of the fulfillment of the management process». According to the authors, controlling involves the following:

- definition of the activity objectives;

- reflection of these objectives in the index system;
- activity planning and definition of planned/objective numbers;
- regular control/measurement of factual meanings of the index;
- analysis and verification of the reasons of derivation of the factual meanings from the real ones;
- development of all variations of managerial influence to minimize derivations.

So we can say that the concept of controlling is represented in integration of the general accounting system, planning, control and analysis on the basis of the objectives of the functioning and the development of the system of effective planning, oriented towards its functioning in the long run and based on implementation into practice of methods and means of modern management.

According to the authors, such areas of management as planning, control, analysis, accounting, etc. are not only compositional parts of controlling, but also instrumental areas and organizational mechanisms, based on information, which realizes the function of controlling in educational organization.

The essence of controlling is in combination and integration of these information streams and definition of the direction of the impact on external and internal environment for objective achievement and modern informing of the people, taking managerial decisions.

Logically, the essence of controlling is particularly this definition of the direction and the area of managerial effort in order to achieve the set objectives. Economically, the essence of controlling can be represented as direction definitions of the impact on economic environment for the aimed objectives' implementation, based on integration and coordination of information streams, which are the results of functional realization of the management activity.

Restructuring of controlling system may be held in considerable change of the factors of external and internal environments (for instance, the changing of the decentralization level or in case of the change of the development plans).

At the basic stage objectives of implementation of controlling system and the concept of controlling should be determined. Formulation of the mission should involve a global aim of the creation of the system of the university's objectives, its development plans.

After objectives of implementation of the system definition it is necessary to analyze existing elements of controlling from the effectiveness point of view.

Provided analysis of the existing elements of controlling with its strategy and its organizational structure can lead towards optimization in the frame of an educational organization.

The most important tasks of controlling service at an educational organization should be:

- participation in the planning of general objectives, in strategic and operational planning;
- consulting and holding of special economic researches;
- coordination of the parts of the plan and general plans development;
- internal information providing;
- controlling methods forming.

At the creation of controlling service the following demands should be considered:

- controlling department should have power to get all the necessary information from all the organizational divisions;
- controlling department should have power on organization of collection of additional information, which is not included in financial and economic documents;
- controlling department should have an opportunity to quickly provide information to the management of the company;
- controlling department should be independent of the other financial and economic services.

We think that, on implementation of controlling into educational organizations, the first importance should be given to the forming of vertical structure of collection, passing and verification of information. This structure suggests creation of controlling services at certain levels, united by general information field.

This vertical structure will allow:

- to get information on time;
- to forecast the results of the developed or implemented decisions in the long run;
- to fulfill internal audit for the focus of the strategy of development and the set objectives.

We think that, creating the service of controlling at an educational organization it is necessary to consider the following demands for controlling services:

- it should have an opportunity to get the necessary information;
- an opportunity to implement new procedures of obtaining of analytical information on a general basis;
- an opportunity to quickly inform the management;
- controlling service should be independent of financial or economic services.

#### IV. CONCLUSION

Thus, implementation of controlling system into educational organizations will create effective organizational structures, adapted towards modern conditions functioning. We think that multi-level vertical controlling system will provide flexibility and adequate conditions changes of the internal and the external environment, keeping the general strategic development.

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