

MOISE CÎNDEA¹

Present-day topics

GABRIELA CIURARIU²

MANAGEMENT CONTROL AND ITS ROLE IN ENTERPRISE

Abstract: *The purpose of management control in large enterprises, was to develop and ensure their effective management. As a tool of management, management control is at a distinct level of company hierarchy, namely the financial direction, being the guarantor of economic and financial balances. If we accept the idea that financial accounting information is the instrument best adapted, we see that makes direct management accounting methods integrate both in organization and in its methods and systems.*

Key words: *management control, transfer of autonomy of decision, internal audit.*

1. Introduction

Management control rests on the simple accounting solutions. Financial indicators have systematically determined, normalized to be directly related to relevant accounting reality.

Management systems that depart from accounting has a dubious and uncertain information that may lead to erroneous decisions. We believe that developments must be assessed first seen in direct correlation with the indicators obtained from books. Other measurement systems should be used only in addition to economic and financial management system, evident whenever management accounting can provide useful indicators of decision making. With integrated systems, accounting and computer science should be valued as much as possible in defining the rules of management and information handling processes. Structured treatment of financial accounting information requires a minimum of care to achieve the desired quality and to avoid complex and expensive solutions. “Lack of participation in defining rules management accounting shows that 75% of managers and accountants DG presents the results of around 70% are asked for directions to provide operational management information” [3, p. 236].

¹ “Petre Andrei” University, Iasi, Romania, cindeamoise@yahoo.com

² “Petre Andrei” University, Iasi, Romania, gciurariu@yahoo.com

2. **Organization and management to exercise control in enterprise**

Organization and implementation of management control in an economic organization subscribes, and influencing factors relating to company size, specific activity, competence management team and not least corporate culture. One can say that there is no standard model applicable to any business.

How to implement management control, as mentioned, vary by firm size. Management control is usually located at the headquarters of the parent. This way of organizing centralized management control, requests for information received from subsidiaries, branches, representative offices, or other substructures necessary to achieve the strategy development and tracking group. Geographical dispersion, have often difficulties in organization management control so that it is necessary to delegate a large part of responsibilities to subsidiaries or other divisions. In this way a transfer of autonomy made the decision to subsidiaries or units, only retaining control headquarters commitments.

Although there is no standard model to be applied in all enterprises, exercise management control relevant to the group of companies belonging to the same holding is appropriate to use information systems and management control procedures standardized for all structures in the aggregation of information at group level. Report (Reporting) is the process of relaying the information to its principal or service charge of centralized accounting and financial data of the group. It takes the form of a standard that group retransmit certain information, such as monthly turnover, expenses and specific revenues, product costs, rates of economic performance, financial and commercial, etc..

The SMEs, most often, management control is organized in the service of accounting, or financial. In many of these information system is less developed and not held a real management accounting, management function is performed by adapting the financial accounting needs some information of the manager. Internal control, internal audit called, organized by the management with responsibility to ensure protection of heritage and quality of information.

Internal control as applied to the instructions of management aims to improve business performance and application procedures are exercised by the operations, ensuring the validity of the registration and control of execution of operations. Organization of internal control is based on general provisions, establishing the separation of staff duties, conditions of access to goods and resources company, overseeing operations. Evaluation of internal control is essential phase of any financial audit at the end of which a professional foreign company makes a reasoned opinion on the information presented in financial statements (balance sheet, profit and loss account, the picture changes in equity, cash flow and annexes).

Between the two functions, internal control and management, there are similarities but also differences. Thus, both have a universal character because it works covers all activities of business and management in addition to the company, without having decision-making power. But the two forms of control objectives are different: if aimed at applying audit procedures intended to protect company assets, compliance with government, ensuring fidelity and accuracy of accounting information and compliance with internal rules and procedures for quality and environmental protection., Control management is providing the enterprise information system design and particularly interested in the results of the company, actual or forecast. The auditor carries out its mission during the year, after a planned periodization, which take into account certain risks, but management control is dependent on the results of enterprise activity and the reporting periods, often Lift DG priorities. In a firm, the two functions, internal audit and management control are complementary. Thus, in all its actions, internal control has contributed to the achievement of management control, because internal audit is to ensure the quality of information used by management controller. In addition, internal audit reports provide management controller information relevant to the assessment of enterprise operation processes to develop its projections. In turn, in carrying out its duties, the internal auditor may report to their information management control weaknesses in order to establish.

3. Exercise management control

In large enterprises, the exercise of management control is done by professionals involved in management controller function. He is responsible for designing the information system to serve the basis for decisions and must be an "animator" of policy makers and operational staff, and more specifically to incite them to achieve performance. In the design of information system management and control participation in defining the structure of the company, this is the definition of information system functions in terms of mission, objectives and functions. For example, controller design management of the company's budget process by developing procedures, drawn up dashboards for operational staff, establish standards and ensure their periodic review, proposed schedule of responsibilities, controls the execution of budgets etc. In fact, the management controller is responsible for the proper functioning of information system used to making decisions in an enterprise. If a certain part of time management controller working alone (in large companies, management controller can work with department staff specialist), yet he is in contact with other members of the organization: He attends in a privileged on his or her supervisor or general manager, but had contacts with people outside the company or operational managers. In other words, management controller is a privileged, which explains the role of animals in the company that convey an important behavioral component to the

individuals that make up the organization. As an animator, management controller must ensure [1, p. 32]:

- responsibility of the tools available to appropriate management;
- the possible formation of these charge;
- stimulating them by self (which means that the tools are provided and to self), assisting in decision making.

In this respect, the management controller can influence corporate culture consists of all specific values and attitudes of staff of an organization that values "appear and are built progressively in the community and reflecting the experience of the group. But these values can be manipulated, that model" [2, p. 25], such control is performed by corporate culture. Therefore, "essential under management controller today is communication. Managers and operational staff appreciates above all qualities such as intellectual curiosity, availability, flexibility of thinking, the ability to work as a team" [3, p. 101].

DG attached or subordinate to Chief Financial Officer, controller is the person able to provide management accounting information quickly and reliable management control, he coordinates a significant overall functional services (or activities if the organization is small), such as general accounting , accounting, budgets and plans, statistics, internal control, IT, business studies. A sketch of the professional profile of management controls can be summarized as follows: "He must prove to merit confidence and rigor (internal control), to combine the power accounting (budget) and technical (computer), have knowledge of mathematical and economic (statistics, studies) ". In exercising their information and decision assistance to managers, management controller may be in a critical situation from different charge or may be ignored by them. On the other hand, the controller should adopt an attitude of operational staff to make this a real person in the business correspondent of his, something that includes both training and orientation behaviors.

4. Conclusions

By his presence, management controller must motivate managers and operational staff in achieving performance and thus realizing the role of animals within a business organization. So management controller has a special position in an enterprise or "an important and difficult" (Boisselier, 1999), which require the professional competence and certain human qualities. But exercise management job controller creates a character less frustrated because management controller is the person providing quality items without the decision to decide, which may lead to two impasses: one in which the controller or replace the manager responsible the deputy became suspicious (counselor) or.

In general, it is considered that a person does GE career in management control, but a transient function, seen as a "step between two successive promotions, she alternates the role of counselor in the decider and professional life of an administrative framework. Thus, a department responsible for technical management can become a controller of a division, then to receive a foreign subsidiary management. During this journey varies depending on company policy and individual qualities "[4, p. 28-30].

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