# WORKABILITY OF A MANAGEMENT CONTROL MODEL IN SERVICE ORGANIZATIONS:  A COMPARATIVE STUDY ON REACTIVE, PROACTIVE AND COACTIVE PHILOSOPHIES

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## ABSTRACT

The main objective of this study was to compare and contrast the three philosophies of management control models used in the decision-making process, namely reactive, proactive and coactive. The research methodology was based on literature review and a descriptive/exploratory approach. Additionally, a survey of 20 service organizations was carried out in order to make the analysis wider reaching. In order to do that, the following steps were taken:  firstly, the fundamentals of reactive, proactive and coactive models were highlighted; secondly, management behaviors in the three approaches were compared, with concepts and their practical applications being highlighted, thus information was gathered on managerial relationships in the organizations. In so doing, we drew the hypothesis that middle and top managers who, adopt control models that are distant from a more coactive one, usually spend a greater number of working hours on problem-solving, leaving little or no time for planning purposes. Finally, for study consolidation purposes, we have adopted qualitative data collection, whereby a content analysis was carried out under six categories.  Results have shown the need for a change in management paradigms so that companies are not solely compared through financial perspectives, without considering the analysis of management control models which, as shown by the findings of this study, directly influence the operational results of organizations.

**Keywords:** management, control, systems, models.

## INTRODUCTION

The form (semiotics), characteristics (biological) and essence (abstraction) are the three key items deliberated when we discuss management control models and its reporting structure in a controllership department that is meant to serve the higher echelon of an organization. Reflections upon these issues therefore, are very important not just to allow an insight into the business but also to enhance the process of decision-making and the generation of reasonable hypothesis about problems in order to create a competitive edge for organizations through management control models. Thus, as the management is charged with the responsibility of developing and implementing a more effective control environment to facilitate the attainment of business objectives, it is

widely known that specific operations models should be deterministic and results oriented.

Thus, if we try to resuscitate the impact of neofeudalism, we would not forget that it tried to shorten the distance established between the employee and the employer through the management control models. So, it is worth mentioning that even the top management, tasked with the implementation of business strategies aimed at giving coverage to the business missions, are also handicapped when faced with the decisions to soften their approaches.

Can you remember the empire constructed by *Al-Fayed*, the London business tycoon who is now most recognised as the owner of Harrods? Even in the middle of the 21$^{st}$ century, he implemented a rigid management control model, which obliged not only the searching of customers at his chain stores, by the verification whether the customer's receipts matched the goods in their possession, but also the searching of employees when they come in and exit stores. He is a businessman that arrives early and is normally the last to leave at the end of the day, thereby serving as an example to the employees themselves. He visits his employees in various departments trying to be closer to their problems. This made him renowned for being a serious business proprietor who is socially committed, and also as someone who personally added value to the business. Would one say that this environment is retrograde?

As a result of the aforementioned, we raise the following research questions:

a) Is it possible to perceive the predominance of reactive, proactive or coactive control models in any organization?

b) Is the adoption of the control model related to the way information is disseminated in an organization?

c) Does the distribution of powers in the decision-taking process have an influence on the models adopted?

d) Does the behavior of the managers and other employees contribute to the enhancement of the control model towards a more coactive one?

**BACKGROUND**

An internal control mechanism forms the backbone of the exercise of business management. When its models are consistently designed and implemented to produce more conducive environment it tends to enhance attainment.

Controls may be dependent or independent, manual or computerized. On one hand when the controls are dependent the recommendations of the control has to be performed first before the execution of the next activity in the process. If one omits a dependent control an operational process could cease to function. On the other hand, the independent control refers to those activities that do not lock the flow of transactions in a business operation, IMONIANA & NOHARA (2004).

Control models are always likely to vary, to some essential extent, there is no doubt about that, mainly because people in any management structure will be unique, brought-up in different homes with distinctive identities from varied cultures. Some managers are simply greater risk takers than the others. This naturally makes the implementation of a standard principle for a model different in every case. In another

perspective, this is associable to what is taught by contingency theory, as mentioned in BOWDITCH & BUONO (1999:17). The universally accepted principles could be applied indiscriminately, thus, there is a need for situational approach to decision taking in the organization.

According to the COSO-Committee of Sponsoring Organizations of the Treadway Commission, in an Internal Control Integrated Framework, "Senior executives have long sought ways to better control the enterprises they run. Internal controls are put in place to keep the company on course moving toward profitability goals and achievement of its mission, and to minimize surprises along the way. They enable management to deal with rapidly changing economic and competitive environments, shifting customer demands and priorities, and restructuring for future growth. Internal controls promote efficiency, reduce risk of asset loss, and help ensure the reliability of financial statements and compliance with laws and regulations".

And so, this study expatiates on the reactive, proactive and coactive models adopted by the executives thereby providing answers to the research questions by collecting data from a group of managers who in one way or the other might have expedited action in their various positions.

## REACTIVE MODEL

The reactive model has in its basic foundation, the general principles of administration stated by Fayol, which emphasizes division of labor, authorities and the management business units; this being the functional structure observed in the organizations who that adopt this model, restricting the autonomies of managers and the independence in the decision-making process. A body with two heads is a monster in a social and animal world. FAYOL (1950:41).

In a reactive management model, controls serves as fire extinguishers or fighters, ready to give a response to problems that emerge. Management is rapidly informed about the outbreak of fires (problems) and it is incumbent upon them to react immediately to give solutions by executing the control procedures.

In the reactive model, involvement of colleagues to clear operation backlogs is palliative. When one articulates a supportive action therefore, it is an action that eliminates bottlenecks created by the aforementioned backlogs.

A phenomenon that has been present in the reactive model is the hierarchical and totalitarian style, where "he *who pays the pipers calls the tune*" in all areas. And so, as a continuation of this style, the middle management institutes a line of functional responsibility and the segregation of duties. Where this is damaging is that everyone accounts only for the happenings around his or her job description; anything outside is not their responsibility. The employees could be imagined sat in a rowing boat with each occupying a seat and holding an ore. A leak appears in an unoccupied part of the boat. All the employees announce that this leak is not their responsibility because it has not occurred in their part of the boat. This short-sighted behavior ignores that if the boat sinks, everybody will be sent overboard into the water? Another analogy of this model could be derived from a finance department that has the Payable Clerk and the Finance Supervisor operating daily activities. As departmental transactions grow, they postpone the thorough filing procedures because they have been continually overworked

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they try to keep the documents in organized, perhaps pilling the documents. At some point this gets out of hand. The finance manager then solicits everybody in the department to assist the colleagues of the Controllers department, one weekend to assist in getting the filling system up to date. This is brought to order after two weeks overtime.

A growth in the volume of transactions that has not been matched with an increase in the headcount will quickly get out of hand again. The suggested measure is to bring in somebody to correct the problem of inappropriate filling procedures that could be perpetrated for fraud purposes.

From another perspective, consider a fully-fledged company whose top management has directives that established that the company may not invest surpluses of its working capital in options. A Chairman & CEO has the task to implement such a stand and to disseminate their corporate strategies through the company policy and to charge the executive manager with establishing a guide or operating procedures to achieve the standards setup in the policy mentioned. The lower middle management makes sure that the procedures are detailed, explicitly, and are followed. So auditors perform checks and balances to ensure that the procedure exists and that they are effective. Unknown to the Headquarters, in an effort to create a more conducive environment, a manager makes this policy formal. What should happen to this manager, according to our recommendations? Would a dedicated employee whose commitment is well known in the organization be penalized as a result of problems of communication?

## PROACTIVE MODEL

With the era of management flat pyramids CEOs are changing their expectations for the senior finance position. Thus, passive, uninvolved management styles are no longer desirable; rather, executives who adopt a proactive, hands-on-job management style are called for, in order to achieve business objectives. What is confusing is that these CEOs who have changed their tastes and developed a more flexible and dynamic environment, do not want to lose a good controllership department that often accomplishes its objectives through strong leadership, team building, and delegation of responsibilities, normally attributed to the reactive model.

The proactive management model seems to be an innovation method however that is not much better. This model prevents problems from occurring by tracking it at the front-end - unlike the reactive model - with the identification of risks, assessment, quantification and subsequent establishment of control strategies to mitigate it. While this would tend to reduce the occurrence of problems, it also requires that all potential problems be identified so that the proactive person could immediately go after them and resolve them..

Proactive management models begin with those in the upper reaches of the organization defining control objectives. Their views of the actual business process are from afar. While the board of directors and top management may be able to identify major potential problems external to the business, their lack of involvement in day-to-day operations limits the reality of a successful proactive management model. TONGREN (1995)

While the risk assessment concept is sound, implementation is frequently lacking. Lack of commitment, lack of resources, and even lack of management interest are common. Perhaps the primary problem lies in the inherent assumption that management knows best.

Unfortunately, because of the distance between the employees on the shop or factory floor of a business and the management at the higher echelon there is a gap in their knowledge about the risks to which the company is exposed. Therefore, in order to be proactive consultants are required to gather necessary information to enhance their decision-making process.

## COACTIVE MODEL

The word coactive means integration, collaboration and interaction.  North-south, east-west dichotomy transmits its operational waves to every corner of the establishment.  All sides are in the know; this is a compassed management approach.

This is a management model that rejects the traditional 'boss' and the hierarchical management structure and instead installs leaders to head different groups in the operating process.

To explain the phenomenon a few questions ought to be asked. Does it mean that the hierarchical figure of a boss is no longer needed? What of those who work only when they know that the boss is around? Is the auditor's key point of observation (segregation of duties) no longer required?  Is the rotation of employees so that every sector of the company can always have some human backup to rescue situations in the event of staff absence and not any more generate a potential risk for need to know basis. What of the demand that the CFOs should develop a strategy for increasing their understanding of the functioning of departments about which they know the least?

In a close look, we would observe that the aforementioned models hold the stand that the management is alpha and omega in the business establishment, and that in all that he says no one trespasses. It is contrary to these stands that coactive works.  It holds the ground that apparently all are equal before the business process and so all should be heard during decision-making.  Therefore, the top-down and the bottom-up approaches are counter balanced, joining various actors such as:

1. Directors, who are indirectly involved in the process, have power but have little or no knowledge about the bottlenecks in the business process and only employee's functions;
2. Managers who are directly involved in the process but who are handicapped to expedite action for lack of authority and power;
3. Operations staff at the bottom of the iceberg that handles periodic commitments such as: Help desk in the IT department when Outsourcing is not in operation, unrecorded overtime by the accounts department to report on the 5th working day, just to mention a couple of examples.

As we mentioned, the flexible structure presented by the coactive model in business control processes, TOMASKO (1.994:146) shows a hypothetical plastic structure in figure 1 below, compares architectural structures that adopt geometrical shapes, applicable in various situations, as in Santa Sofia, Istanbul, which has been a Cathedral, Mosque and is currently a Museum. The author considers that these structures are highly flexible taking as a basis of analysis a dynamic space through

which the object as a result of incompatibility could be bent here and there thereby favouring communications between teams and processes.

For the author, structures in this type of organization should be conducive to interaction between processes, employees, clients, and outside actors. Additionally, it should**:**

• Present a distribution of resources that is in alignment with the organizations strategy;

• With a minimum scale of action propitiate a maximum combination of compatible functions;

• Hold an operational environment with porous functional boundaries that can be permeated; and

• Enhance the smooth flow of information, such that the natural means of communication amongst colleagues gains confidence.

One of the mechanisms used to maintain integration and plasticity of the organizational structure is the adoption of business units, which TOMASKO (1.995: 165) considers as responsible for the vanguard capability and the constructive criticisms to an organization that focalise the common necessities of clients. This is disaggregated by an organization, as it grows and solidifies as a business entity.

To ensure integration therefore, the author compares the structure of an organization to the domes, which are structures used to cover wide areas such as that used to cover the St. Peter's Basilica where there are strong bases on the sides that correspond to interaction among the teams in a business process, the sustentation in the intermediate levels signifies the middle managers, responsible for the focalisation of the processes and the connections at the extreme top which are small as a result of habiliment of the structure. Yet, there is a vertical connection that clothes the sides thereby enhancing the maintenance of the organizational equilibrium.

**Figure 1 – The domes and the Organizations Integration Channels**
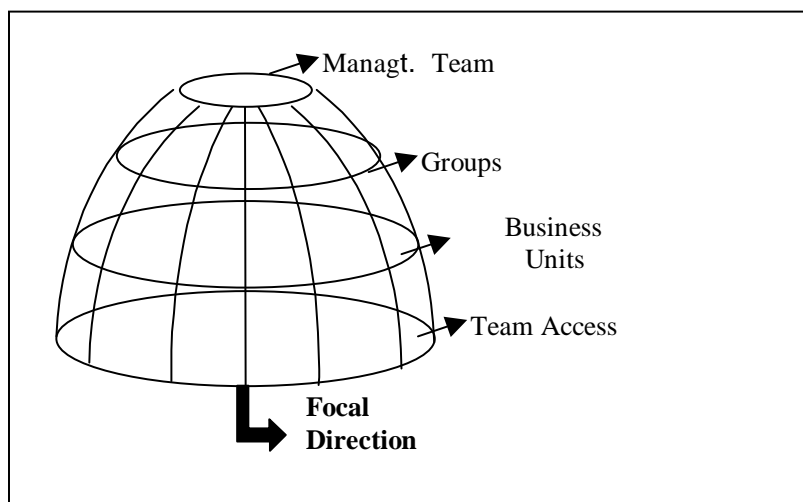
### Comparison of the Reactive, Proactive and Coactive Models

In order to analyze the three philosophies, we present in table 1 a detailed comparison of the models based on reflection and assumption from literature review.

**TABLE 1: Comparison of Reactive, Proactive and Coactive Structures**

| Variables Analyzed | Reactive | Proactive | Coactive |
|---|---|---|---|
| Culture | Edicts of corporate Policy | Spontaneous | Democracy |
| Control Environment | - Employees on the alerts.<br>- Preparedness for the worst eventualities<br>- Segregation of duties | Empowerment | Empowerment & Integration |
| People | -More Specialized employees<br>- Individualized | -More generalist employees.<br>-Encouraged | -More generalist and competent employee<br>-Stronger camaraderie |
| Power | Hierarchical<br>Totally Vertical<br>Power Tussles | - Horizontal<br>- Less Hierarchical<br>- Flexible reporting | Shattered pyramid<br>Strategically horizontal<br>Hierarchical & total commitments |
| Process | Less complete<br>Slower response | More complete<br>Quicker response | Most synchronized for immediate response<br>Dynamic process |
| Legislation | Who is to blame | Punishable | Incorporated responsibility act |
| Sizes | Mostly small organizations | Medium and Bigger organizations | Medium and Bigger organizations |
| Job description | Clearly stated and rigid | Clearly stated with restricted flexibility<br>-Values technical skills. | -Clearly stated but flexible;<br>-Valuing competences relating to Interpersonal interactions;<br>-Pronounced leadership skills |
| Decision timeliness | Too often too little, too late. | Planned actions | Planned actions and programmable results |
| Cost | Immeasurable for lack of control parameters | Measurable however not rational | Rationale for cost allocation clearly stated |
| Performance Evaluation | - Templates<br>- Rules of thumbs<br>-Periodic appraisal | Continuous improvement | Business welfare & continuous improvement |

### Workability of a management control model in the Service Organization

Upon analysis of the breadth, boldness, and eclecticism with which TONGREN (1995) observed the issue of reactive, proactive and coactive models, shows that there is a need to refine the last model in the arguments as it appears flawed when we think about its workability. [Big cut here] Is it because we are afraid of things that are new?

How do we proceed then? The first model, reactive, traditional is not being questioned, and the second model, proactive seems to be a brief shift from the first, however, not creating any harm by its implementation since both models operate under the same umbrella of the departmentalized organization. The problem is coactive which requires a new paradigm in process inclined operating environments.

Historically, power tussles, tasks, responsibilities and the related practices have suggested a management model that ranges from reactive to proactive. They give rooms for constructive criticism but are skeptical. They seem to hold their strategies in a secret pot with details only known to the higher echelon of the organization. Thus it is of course another noble savage fantasy. As Drunker (1973:134) would have it, society was unschooled comparatively recently - not much more than a century ago. We have ample documents from this preschool era, e.g. the copious investigations into the life and development of children shows that they will become creative and learn by themselves if only they are not subjected to the mismanagement of school. Schools at all levels do indeed need drastic changes. But what we need is not a non-school, but a properly functioning and properly managed learning institution

In this respect, in order to expatiate on the coactive model, we borrow a leaf from the statements of COSO – *Committee of Sponsoring Organizations of the Treadway Commission published in* 1992, which breaks the internal control framework into five components. They are:

- *Control Environment* – The control environment dictates the management tune while it tries to sensitise employees. It is the basis for other control procedures and disciplines the structure.

- *Risk Assessment* – Every entity in order to meet its objectives faces a variety of business risks, be it internal or external that should be evaluated.

- *Control Activities* – Control Activities or control procedures otherwise known as policies or guidelines, assure the compliance of objectives and identification of associated risks.

- *Information and Communication* – Information must be identified and disseminated in an intelligible format to the users in a timely manner so that they would meet up with their obligations. Relevant messages or information should be transmitted to every person in the organization.

- *Monitoring* – Internal control systems should be monitored – assesses the quality and the performance of the systems periodically and thus reviews policies and procedures as and when necessary.

Based on the fundamentals stated by COSO it is clear that the horizons of management control paradigms need to be given a closer inspection as part of models analysis.

As part of the model analysis and based on the fundamentals stated by COSO, it is clear that a closer inspection should be given to the management control paradigms.

**METODOLOGY**

As the main objective of this study was to compare and contrast the three philosophies of management decision control models namely reactive, proactive and the coactive, the basic approach was a descriptive one.  However, in order to enhance the data gathering process a qualitative semi-structured instrument was adopted. Furthermore, we applied the content analysis with the assistance of six categories which are characterized by a qualitative approach as in BARDIN(1977). This seems to be the method that answers the researches hypothesis and demonstrates the characteristic of the organizations through the managerial flexible or rigid control frameworks, thus, describing the real phenomenon of organization models and management in action.

Selected randomly, the subjects of this research were 20 managers in service organizations, who are already exercising a control functions in their various business segments.  We adopted the time-inclusive criteria for the selection of the subjects considering people with approximately five years experience as managers.  This allowed us to interview people who might have gone through some periods of frustrating/grating limitations and or environmental changes.

Initially we selected 30 people for interview but due to the nature of corroboratory inquiry into the workability of control models, and the mutually exclusive models that could exist considering issues such as business culture and time limit, to mention just a few, we decided upon restricting our samples to 20 of which 14 responded to the questionnaires.  And so, we undermine the moves by Iuri Lotman, the leading figure of the Moscow-Tartu school of semiotics, in his Selected Essays shortly before he died in 1993 to "naturalize" human culture by suggesting links and analogies to such scientific phenomena as biogeochemistry, the structure of the brain, and molecular symmetry. Lotman's aim is to propose a model of how culture works everywhere around the globe, this probably requires further studies.

**Data Collection and Analysis**

For the collection of the data semi-structured interview questionnaires were used to obtain necessary information from the middle and senior managers of the different organizations.  This allowed the obtainment of historic data of the respondents and the state of the art of management control of the organizations sampled.

According to TRIVINOS (1995, p.146) "a semi-structured interview is that one which takes as a base questionnaires supported by literature reviews and hypothesis that suport  research and that if adequately followed would offer an ample field of interrogation".

With the data collected through the questionnaires, see appendix, we exercised a generalized quantitative analysis.  As in figure 2 we observe that it is unanimous a greater number of working hours dedicated for problem solution thereby leaving little or no time for improvement and preventive actions.  This therefore, confirms our research hypothesis.
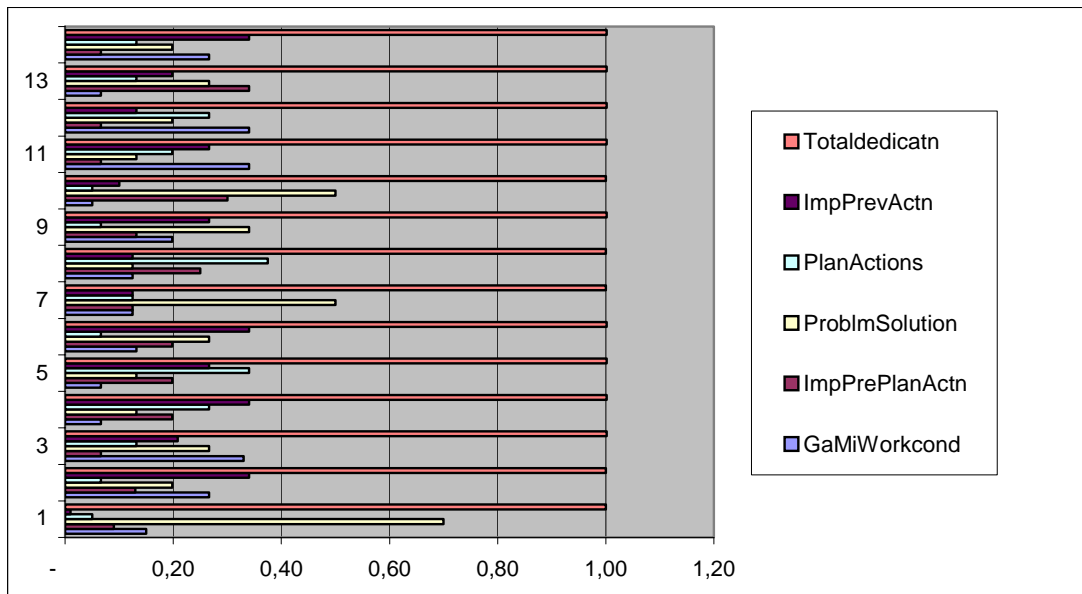
Figure 2 - Management percentage of dedication of working hours

Additionally, upon performing the qualitative analysis, we attached categorization codes to respondents to questions as a way of analyzing the contextuality. This BOGDAN & BIKLEN (1994) denominates the category of classification of interview answers, a means of classifying and analyzing data.  Thus upon analysis of the questions we have the following:

### a) Influence of the management experience

All the respondents of this research possess management level experience of over 6 years showing that they are more conversant with control models.  7 have experience above 13 years in the private sector, while 4 have more that 13 years of experience in the public sector.  The rest of the respondents have between 7 and 13 years experience in the private sector.  Only 7 out of 13 respondents belong to the 3rd sector.

### b) Distribution of daily activities

Since the managers plan their working hours so as to entirely occupy themselves in the monitoring activities, that tends to emphasize the independent controls needed to review management reports rather than interference to the operations flow. One would expect that managers to concentrate their valuable hours in planning, designing and instituting preventive measures. But our result shows that in the models sampled, 9 of them spend an average of 50% of their time extinguishing fires and the rest spend between 2 to 3 hours, which is above 50% of the available time. Another task that consumes more working hours is guaranteeing their working condition.  By this I mean that managers have to almost fight for the existence of their business units, leaving no time for implementation of actions and plans.

## c) Expediting action

If the manager does not have autonomy, he is debarred from being proactive let alone coactive; therefore, actions are not expedited on a timely basis. What <u>triggers</u> decisions that can move mountains is the fact that managers assume a certain hierarchical risk level. Of the respondents 70% are tied to decision taking with their superiors followed by 20% of the decisions taken in individual business units (proactive) and a final 10% with other units (co-active).

## d) Impact of Management Control Systems

When the models are proactive and coactive types, the information relating to controls are available in the management systems but are analyzed and distributed to the BUs and the focal points perform the follow-up and share the data relating to his or her unit. On the contrary when it is reactive, information is reserved by the superior and not made available for the general use. Our findings show that 50% retain information with the higher echelon of the organizations making the models more reactive and 30% have information available to the management systems and 20% available, consolidated and distributed among the business units.

## e) Management actions

In the transition flow of a more proactive to and coactive model, managerial behavior is spontaneous and has a willingness to take action. The reactive models wait for commands. The readiness of the managers to take action in the organizations is highly centered with the senior management thereby confirming the more reactive model. Most decisions related to invoicing to invoicing, costing, loss of clients, working difficulties, process, employee and commitments are taken at the senior management level. 40% of the decisions are made individually thereby confirming the inclination to more proactive model and 10% of decisions are made in conjunction with colleagues.

## f) Reporting

Performance evaluation reports and the follow-up of budgetary results are carried out daily in proactive and coactive models. This is possible because the users go after them personally or uses the query facilities in the databases to fetch this information. The reactive model requires people to await the printing and distribution of reports. Our findings reveal that 80% of the respondents use a variety of sources type of information and 20% do not use a variety of types owing to control weaknesses.

Also, as a general analysis, question 4 that highlights the attitudes the managers would take in certain circumstances significantly correlated with question 5, shows the alternative characteristics of behavior of the employees of the organization in the three models, thereby, confirming the restrictions both figures have hierarchically. Therefore, based on the above mentioned, we characterized behaviors as follows in the three models:

**Management and Employee Behaviors in Reactive Models**

General data collection and analysis reflected the following information:
- Actions are related to guaranteeing minimum working conditions for the Business Units;
- Budgetary premise and definitions only and nothing else
- No management systems but each unit produced information for decision making
- Solution to problems; "fire extinguishing always"
- Difficulties in the work flow process
- There are problems relating to employee commitments in the work place.
- They normally wait for the orientation of the immediate boss to give solutions to the problems that appear.

**Management and Employee Behaviors in Proactive Models**

General data collection and analysis reflected the following, about management and employees in proactive models:
- Implement recommended measures to prevent problems and errors
- Take immediate decisions that could prevent material losses
- Maintains standards for the Business Units (BUs);
- Use available information in the Management Control Systems, analyze and distributed to the BUs
- Nurture effective control frameworks and good information structure in the organization
- Dribbles difficulties in work flow process but takes harassments for unauthorized decision taking;
- Avoids eminent loss with his hands-on nature;
- Develop various types of jobs to meet up results;
- Take individual initiative to resolve problems.

**Management and Employee Behaviors in Coactive Models**

General data collection and analysis reflected the following information on employee and management behavior:
- Implement previously planned actions with the assistance of the team
- Use information in the management control systems as available and consolidated by the senior management;
- Employees use information that is available in the Management Control Systems and this information is homogeneously used by the managers and the senior managers
- Take decision that would prevent eminent material losses whether relating to invoicing, costing or likely matters in group;
- Take initiatives as a team to resolve unforeseen circumstances that appears

**CONCLUSIONS**

The results of this exploratory study offer a rich portrait of how organizational models are affected by their control cultures. When it is rigid and individualistic, one extreme, it tends to be reactive and when it is democratic and team-based it is coactive; and the proactive model appears in the middle of the two to counter balance and re-direct the control model chosen be any organization.

Because a large number of entrepreneurs are conservative they seem to be traditionally inclined (probably as a result of the globalization of economies, and the growing use of information technology) to control the strategic process. As a trend, one is forced to believe in and value models that are reactive and proactive and therefore conclude that their existence in the business environment follows a certain course.

In the mentioned environment in the organizations, there is a perceived predominance of either reactive, proactive or coactive control models when their characteristics are analyzed and the adoption of the control model related to the way information is disseminated.  The organization and the distribution of powers in the decision-making process have an influence on the model adopted and the behaviors of the managers and other employees contribute to the enhancement of the control model towards a more coactive one.

However, notwithstanding the limitations of this research which included of course the availability of the managers to answer our questionnaires particularly because of the culture of reaction and proaction, we recommend that the control models of the modern day organization be adapted to a hands-on style that values its management's capabilities and competence and that sufficiently delegates responsibilities that are results oriented.  That means that process should not be tied up to bureaucratic procedures by attaching actions that themselves retard the effectiveness of actions and cause organizations to lose their competitive edge.

The data collected and analyzed in this study confirms the predominance of a reactive model hence the dedication of more than half of all working hours to problem solving.

The analysis of the growth, adoption or not of proactive and coactive models was not the object of this study.  The main contribution of this study was that it created more room for discussion concerning management control models.  This has indicated the need for further studies to assist in making conclusions about the extent to which organizations are prepared to re-discuss their paradigms as relating to the implementation of control models.

Finally, as the line of study considered in the research could be associated with the epistemological approach to treating problems relating to managerial studies, one would recommend future studies in the areas relating to the quantification of the relative importance giving control culture as the organizations adopt different types of management control models.

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**APPENDIX** – **Questionnaires for the evaluation of Control Models**

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**CHARACTERISTICS OF THE ORGANIZATION:**

Company:                                                    Date:

Respondent:                                         Telephone/email:

Business Unit-BU:

Other Characteristics of the respondent:  Working Experience

| | | | | |
|---|---|---|---|---|
| Private: | 0 - 6 yrs | ☐ | 7 - 13 yrs ☐ | - ☐ |
| Public | 0 - 6 yrs | ☐ | 7 - 13 yrs ☐ | - ☐ |
| 3rd Sector | 0 - 6 yrs | ☐ | 7 - 13 yrs ☐ | - ☐ |

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| | |
|---|---|
| 1. Indicate, through the ascending order, what percentage of your total daily hours you assign to each of the following activities: <br> Actions related to guaranteeing minimum working conditions for my unit. | |
| Implementation of previously planned actions | |
| Problems solutions: "fire extinguishing" | |
| Plan actions | |
| Measures relating to prevention of problems and errors | |

2. Tick in the column which best represents the reality of your work. Decisions relating to item 1 above are taken with the participation of:

| Themes for decisions | By the Senior Management | Together with other Business Units (BUs) | Only your BU | Doesn't participate |
|---|---|---|---|---|
| Related to suppliers and/or partners | | | | |
| Services to the client | | | | |
| Standards for the BUs | | | | |
| Plans, Objectives and business standards | | | | |
| Budgetary premise and definitions | | | | |
| Analysis of information control and performance evaluation | | | | |

3. Fill in the correct alternative(s). relating to information control systems in your organization:

| | |
|---|---|
| They are available in the management control systems and consolidated by the senior management | |
| They are available in the management systems but are analyzed and distributed to the BUs and the focal points access data relating to his or her unit. | |
| They are available in the management systems and are used homogeneously by the managers and the senior management. | |
| No management systems, but each unit produces personal information and discusses it with senior management | |
| There are co control framework and information structure in the organization (veja se é "co-control" ou "no control" ??) | |

4. In the following situations, indicate which attitude you consider as the characteristics of the managerial behaviours of your organization:

| Operational deadlock | Await the orientation of the immediate boss | Resolve it alone | Seek the assistance of another manager to exchange ideas. |
|---|---|---|---|
| Invoicing problem | | | |
| Problem of costing | | | |
| Eminent loss of client as a result of competitors action | | | |
| Difficulties in the work flow process | | | |
| Problem relating to employee compromise in place of work | | | |

5. Which of the following alternatives best characterizes the behavior of the employees of your organization

| | |
|---|---|
| Execution of only assigned tasks | |
| Development of various types of jobs to meet-up results. | |
| Take individual initiatives to resolve problems that arise. | |
| Take initiatives as a team to resolve problems that arise. | |
| Wait for the orientation of the immediate boss to give solutions to problem that arise. | |

6. Fill in the type of information used in your BU and inform how they are obtained:

| Type of information | Usage? Y-Yes N-No | How to obtain it |
|---|---|---|
| Receipt and despatch of products/services | | |
| Productivity report | | |
| Performance evaluation reports (Follow-up of the plans) | | |
| Resource usage reports for product/services | | |
| Quality parameters and review | | |
| Results as related to financial index | | |