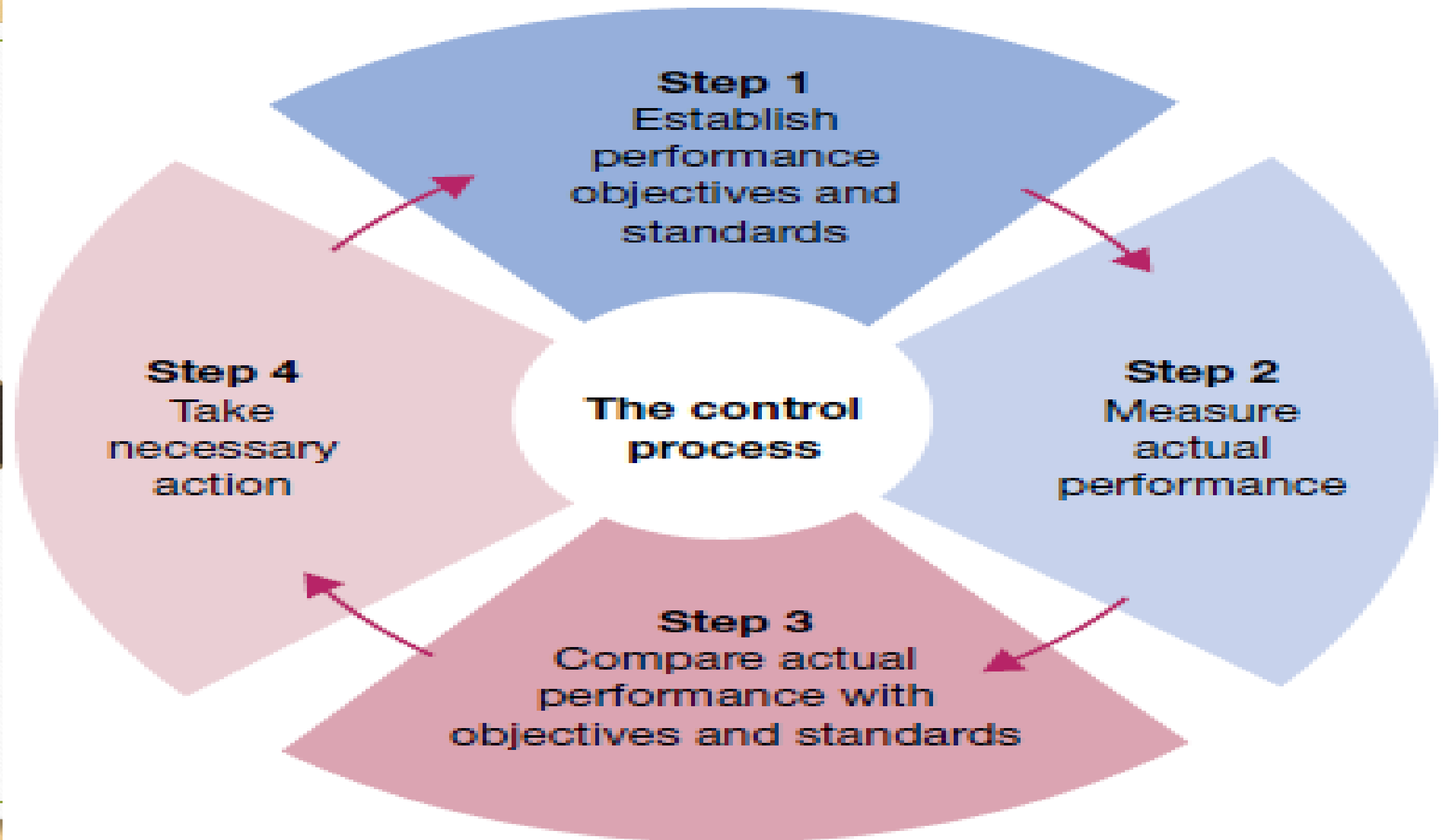


Unit three- Part One



Work inputs

Work throughputs

Work outputs

Feedforward controls

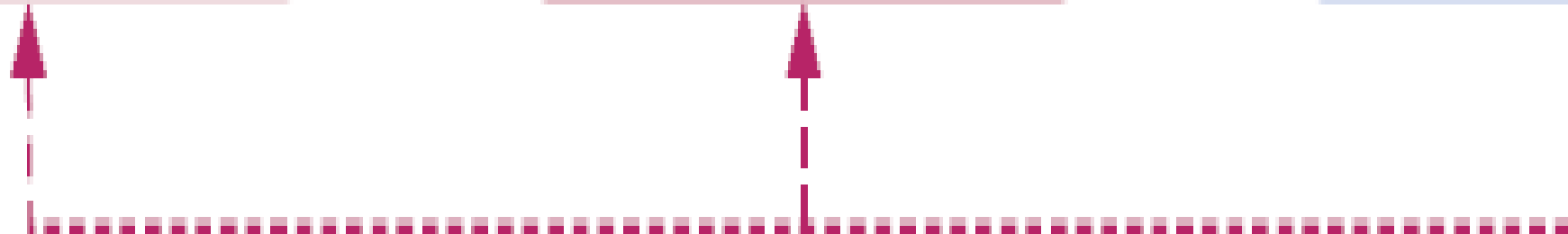
Ensure the right directions
are set and the right resource
inputs are available

Concurrent controls

Ensure the right things are
being done as part of
work-flow operations

Feedback controls

Ensure that final results are
up to desired standards



BUDGETARY CONTROL

- The establishment of budgets, relating the responsibilities of executives to the requirements of a policy
- **Revenue and Expense Budgets**
- Budgets spell out plans for revenues and operating expenses in rupee terms.

- **Time, Space, Material, and Product Budgets**
- Many budgets are better expressed in quantities rather than in monetary(money) terms.
- **Capital Expenditure Budgets**
- capital expenditures for plant, machinery, equipment, inventories, and other items.

- **Cash Budgets**
- cash budget is simply a forecast of cash receipts
- **Variable Budget**

- analysis of expense items to determine how individual costs should vary with volume of output
- **Zero Based Budget**
- By starting the budget of each package from base zero, budgeters calculate costs

NON-BUDGETARY CONTROL TECHNIQUES

- Many traditional control devices not connected with budgets, although some may be related to, and used with, budgetary controls.
- **Statistical data:**
- Analysing the numerical data
- **Break- even point analysis**
- chart depicts the relationship of sales and expenses

INFORMATION AND FINANCIAL CONTROLS

- *Liquidity* — ability to generate cash to pay bills;
- *Leverage* — ability to earn more in returns than the cost of debt;
- *Asset management* — ability to use resources efficiently and operate at minimum cost;
- *Profitability* — ability to earn revenues greater than costs.

- **OPERATIONS CONTROL**

- **Purchase Control**

- **Inventory Control**

- **Quality Control**

- Quality control refers to the technical process that gathers, examines, analyze & report the progress of the project & conformance with the performance requirements

• **PROJECT MANAGEMENT AND CONTROL**

• **Gantt charts**

- A Gantt chart, such, graphically displays the scheduling of tasks required to complete a project

• **CPM/PERT techniques**

- PERT – Project Evaluation and Review Technique
- CPM- Critical Path Method

The difference between Planning and Controlling.

Basis	Planning	Controlling
Meaning	It is the first step on deciding what to do, how, where and when a specific work has to be done	Controlling is the main goal and responsibilities of all management in any enterprises.
Function	Planning is about looking ahead	Controlling is looking back
Process	It is the first process in building a business	It is the last structure any business
Features	Planning, arranging, employee, direction	Controls all the planning features