

Lesson Plan 2020-21(CBSE)**SHILPI GUPTA**

CLASS: XII				UNIT- 8		Subject: BUSINESS STUDIES	
Topic: Controlling				Sub-topics: 1. Concept and Nature of controlling. 2. Importance of controlling and Relationship between planning and controlling. 3. Process of controlling			
1. <u>Material needed, Resources</u> • Business Studies Part -I, Class –XII, Published by NCERT • Notebook, chalk, duster, Interactive board etc.							
2. Technology:							
PPT				TATA EDGE SMART CLASS MODULE			
3. Other Teaching Aids:							
Class work sheet	--			Graphic organizer	--	Mind maps	

Period 1	Duration: 40 minutes
Sub-topics • Concept and Nature/ features of Controlling	
Expected Learning outcome(s): The students will be able to: • Explain and describe the meaning and Nature/ features of Controlling.	
Key Vocabulary: • Controlling: It ensures that activities in an organization are performed as per the plans. • Goal-oriented: Aims to ensure that resources are used to achieve predetermined goals. • Pervasive: Exercised at all levels of management.	
Expected Skills Development: • Knowledge acquisition, Understanding and communication	
Opening/set induction	Duration: 5-6 minutes
Teaching Methodology • Discussion	
Teacher will ask the following questions to connect the student to the topic: 1. What are the various functions of management? 2. How can the success of any business project be judged? Link Statement: Let us discuss about the last function of management i.e. Controlling and it's Nature/ features in detail	
Instructional Methodology	Duration: 20-25 minutes

Teaching Strategy (ies) :
Discussion and Explanation

Content Discussion:

1. Why the comparison between actual and planned performance is required?
2. Is it required to be done at every level of management?

Teacher Explains:

- **Meaning of Controlling:** It means ensuring that activities in an organization are performed as per plans. It ensures that an organization's resources are being used effectively and efficiently for the achievement of predetermined goals.
- **Nature / features of Controlling:**
- Controlling is a goal-oriented function as it ensures that an organization's resources are being used effectively and efficiently.
- Controlling is a pervasive function of management as it is exercised at all levels of management.
- It is both a backward looking as well as forward looking function.
- It is a continuous process as it involves a constant review of performance to ensure that activities in the organization are performed as per plans.
- Controlling depends upon planning.
- Controlling is action-oriented.

Closure

Duration: 5-10 minutes

Closure strategy (ies) :
Verification – Think and Answer

A. Fill in the blanks:

1. _____ ensures that an organization's resources are used effectively and efficiently for the achievement of pre-determined goals.
2. _____ means ensuring that activities in an organization are performed as per plans.
3. All managers need to control situation intelligently and take corrective action before_____.
4. _____ not only helps in keeping a track on the progress of activities but also ensures that activities conform to the standards set in advance so that organizational goals are achieved.

B. State whether true or false:

5. Controlling is a goal-oriented function.
6. Controlling function of manager is a pervasive function.
7. Controlling is the last function of management.

Home assignment:

- NCERT Back Exercise -Short Answer questions: Q1 and Q2

Period 2	Duration: 40minutes
Sub-topics: • Importance of controlling • Relationship between planning and controlling	
Learning outcome(s): Students will be able to • Explain the importance of controlling • Describe the relationship between planning and controlling.	
Key Vocabulary: • Deviations: Difference between actual and planned performance. • Organisational Goals: Objectives of the organization, the criteria against which standard and actual performance would be measured. • Forward looking: Planning for or anticipating possible future events. • Backward looking: Concerned with past rather with present and future.	
Skills Developed: Understanding and Analyzing	
Opening/set induction	Duration: 5-6 minutes
Opening Strategy(ies): Recapitulation Teacher asks the following questions: 1. What does an efficient control system determines? 2. Which function of management ensures that actual activities confirm to the planned activities? 3. Controlling is dependent upon a function of management. Identify that function of management. 4. How controlling helps in achieving the organizational goals?	
<u>Link Statement:</u> So, today we will discuss in detail about the importance of controlling and Relationship between planning and controlling.	
Instructional Methodology	Duration: 20-25 minutes

Teaching Strategy (ies): Explanation

Teacher explains:

Importance of Controlling :

1. **Accomplishing organizational goals:** The controlling function measures progress towards the organizational goals and brings to light the deviations, if any, and indicates corrective action.
2. **Judging accuracy of standards:** A good control system enables management to verify whether the standards set are accurate and objective. An efficient control system keeps a careful check on the changes taking place in the organization and in the environment and helps to review and revise the standards in light of such changes.
3. **Making efficient use of resources:** By exercising control, a manager seeks to reduce wastage and spoilage of resources. Each activity is performed in accordance with predetermined standards and norms.
4. **Improving employee motivation:** A good control system ensures that employees know well in advance what they are expected to do and what are the standards of performance on the basis of which they will be appraised. It, thus, motivates them and helps them to give better performance.
5. **Ensuring order and discipline:** Controlling creates an atmosphere of order and discipline in the organization. It helps to minimise dishonest behavior on the part of the employees by keeping a close check on their activities.
6. **Facilitating coordination in action:** Controlling provides direction to all activities and efforts for achieving organizational goals.

Relationship between Planning and Controlling:

Planning and controlling are inseparable twins of management. A system of control presupposes the existence of certain standards. These standards of performance which serve as the basis of controlling are provided by planning. Once a plan becomes operational, controlling is necessary to monitor the progress, measure it, discover deviations and initiate corrective measures to ensure that events confirm to plans. Thus, planning without controlling is meaningless. Similarly, controlling is blind without planning. If the standards are not set in advance, managers have nothing to control. When there is no plan, there is no basis of controlling. Planning is clearly a prerequisite for controlling. It is utterly foolish to think that controlling could be accomplished without planning. Without planning there is no predetermined understanding of the desired performance. Planning seeks consistent, integrated and articulated programmes while controlling seeks to compel events to conform to plans.

Thus, planning and controlling are interrelated and, in fact, reinforce each other in the sense that

1. Planning based on facts makes controlling easier and effective; and
2. Controlling improves future planning by providing information derived from past experience.

Closure

Duration: 5-10 minutes

Closure strategy (ies) : Think, Recall and Answer

A. Multiple choice questions:

1. Which one of the following points of importance of controlling is best described above?
 - (a) Accomplishing organizational goals
 - (b) Facilitating coordination in action
 - (c) Making efficient use of resources
 - (d) Improving employees motivation
2. An efficient control system helps to:
 - (a) Judging accuracy of standards
 - (b) Boost employees morale
 - (c) Accomplish organizational goals
 - (d) All of the above.
3. Now-a-days CCTV is used in organizations as a means to control on wrong behavior and to prevent theft etc. Which point of importance of control does this illustrate?
 - (a) Accomplishing organizational goals
 - (b) Making efficient use of resources
 - (c) Improving employees motivation
 - (d) Ensuring order and discipline.
4. Controlling function of an organization is
 - (a) Forward looking
 - (b) Backward looking
 - (c) Forward as well as backward looking
 - (d) None of the above.

B. Fill in the blanks:

5. A system of control presupposes the existence of standards. These standards of performance which serve as the basis of controlling are provided by _____.
6. Once a plan becomes operational, _____ is necessary to monitor the progress, measure it discover deviations and initiate corrective measures to ensure that events conform to the plans.
7. _____ seeks consistent, integrated and articulated programmes while _____ seek to compel events to conform to the plans.
8. Planning and controlling reinforce each other in the sense that _____.

Assignment:

- NCERT Back Exercise-Short answer questions- Q3 on Page no. 234
- NCERT Back Exercise -Long answer questions – Q3, Q4 on Page no. 234

Period 3

Duration: 40 minutes

Sub-topics:

- Process of controlling

Learning outcome(s):

- Students will be able to
- Explain the process of Controlling.
 - Explain the techniques used for analyzing the deviations i.e. the difference

between actual performance and standard performance.	
Key Vocabulary: • Critical point control: focusing on key results areas (KRAs), which are critical to the success of an organization, is called Critical Point Control. These KRAs are set as critical points. If anything goes wrong at the critical points, the entire organization suffers. • Management by Exception (or Control by exception)- It means only significant deviations which go beyond the permissible limit should be brought to the notice of the management.	
Skills Developed: Understanding, Applying, Analyzing	
Opening/set induction	Duration: 7-8 minutes
Opening Strategy(ies): Recapitulation • Teacher asks students to brief the terms like deviations, standards, forward looking and backward looking.	
Link Statement: Let us discuss in details the various steps which we need to follow in the process of controlling.	
Instructional Methodology	Duration: 20-25 minutes
Teaching Strategy (ies): Explanation Controlling Process: Controlling is a systematic process involving the following steps. 1. Setting performance standards 2. Measurement of actual performance 3. Comparison of actual performance with standards 4. Analyzing deviations 5. Taking corrective action Step 1: Setting Performance Standards: The first step in the controlling process is setting up of performance standards. Standards are the criteria against which actual performance would be measured. Thus, standards serve as benchmarks towards which an organization strives to work. Standards can be set in both quantitative as well as qualitative terms. Sometimes standards may also be set in qualitative terms. It is important that standards should be flexible enough to be modified whenever required. Due to changes taking place in the internal and external business environment, standards may need some modification to be realistic in the changed business environment. Step 2: Measurement of Actual Performance: Once performance standards are set, the next step is measurement of actual performance. Performance should be measured in an objective and reliable manner. There are several techniques for measurement of performance. These include personal observation, sample checking, performance reports, etc.	

Step 3: Comparing Actual Performance with Standards: This step involves comparison of actual performance with the standard. Such comparison will reveal the deviation between actual and desired results. Comparison becomes easier when standards are set in quantitative terms. For instance, performance of a worker in terms of units produced in a week can be easily measured against the standard output for the week.

Step 4: Analyzing Deviations: Some deviation in performance can be expected in all activities. It is, therefore, important to determine the acceptable range of deviations. Also, deviations in key areas of business need to be attended more urgently as compared to deviations in certain insignificant areas. Critical point control and management by exception should be used by a manager in this regard.

1. **Critical Point Control:** It is neither economical nor easy to keep a check on each and every activity in an organization. Control should, therefore, focus on key result areas (KRAs) which are critical to the success of an organization. These KRAs are set as the critical points. If anything goes wrong at the critical points, the entire organization suffers.
2. **Management by Exception:** Management by exception, which is often referred to as control by exception, is an important principle of management control based on the belief that an attempt to control everything results in controlling nothing. Thus, only significant deviations which go beyond the permissible limit should be brought to the notice of management. Thus, if the plans lay down 2 per cent increase in labour cost as an acceptable range of deviation in a manufacturing organization, only increase in labour cost beyond 2 per cent should be brought to the notice of the management. However, in case of major deviation from the standard (say, 5 per cent), the matter has to receive immediate action of management on a priority basis.

Step 5: Taking Corrective Action: The final step in the controlling process is taking corrective action. No corrective action is required when the deviations are within acceptable limits. However, when the deviations go beyond the acceptable range, especially in the important areas, it demands immediate managerial attention so that deviations do not occur again and standards are accomplished.

Class Assignment: Writing Work

Imagine yourself as a manager of the company and outline the basis for fixing the standards.

Closure	Duration: 5 minutes
Closure strategy (ies): Recapitulation A. Fill in the blanks: 1. The first step in the process of controlling is_____. 2. _____ serves as benchmark towards which time an organization strives to work. 3. Time taken by a customer to place the order in a fast food chain having self-service is an example of _____. 4. Revenue to be earned is an example of _____ standards. 5. Standards should be flexible enough so that _____. 6. In the controlling process, once the performance standards are set the next step is _____. 7. Measurement of performance of an employee may require preparation of _____by his superiors. 8. The third step in the process of controlling involves comparison of actual performance with the standard. Such comparison will reveal _____. 9. Comparison of actual performance with standard becomes easier when standards are set in _____ terms. 10. In controlling process, it is important to determine the acceptable range of deviations because _____.	
Assignment:	
Questions for Practice (NCERT): • NCERT Back Exercise-Long answer questions – Q1,Q2 on Page no. 234 • NCERT Back Exercise-Case Problem [Page No. 234 & 235]	