

## **The Theoretical systems for the study of the control of management in the organizations and the Human Resource. Concepts, categories and fundamental theoretical premises**

### **Augusto Renato Pérez Mayo, PhD**

Researcher Professor in the area of studies of the Organizations, Strategic Competitiveness and Sociology of Organizations

Accountability, Management and Informatics Faculty Autonomous University of Morelos State University Avenue Number 1001 Morelos, Mexico

Email: [renatomayo@hotmail.com](mailto:renatomayo@hotmail.com)

### **José Alberto Hernández Aguilar, PhD**

Researcher Professor in the area of studies of organizations, Decision Making and optimization in the organizations, in the Faculty of accounting, business administration and informatics at the Autonomous University of Morelos State, UAEM, Mexico

### **Luz Stella Vallejo Trujillo, PhD**

Researcher Professor in the area of studies of the Organizations, Strategic Competitiveness and Sociology of Organizations

Accountability, Management and Informatics Faculty Autonomous University of Morelos State University Avenue Number 1001 Morelos, Mexico

### **Abstract**

This research makes a review of the theoretical and conceptual contributions that underlie the analysis, design and construction of the control of management in the organizations. In this text we put in evidence both the state of the art as the new trends in this topic. It also addresses the epistemic and gnoseologic flows that underlie all the control systems for existing management, immersed in the visible and invisible structures of the organizations (mechanistic, psychosocial, and cultural, among others).

**Key words:** epistemic cots, gnoseology, organization, management control system.

## **1. Introduction**

The organizations have evolved over time. Hand by hand with this process; have generated new approaches that from multiple points of view, including the ontological and epistemological, have been setting up among the scholars of the Organization. This has been given in relation to various areas of administrative knowledge among which is the management control. This fact, in particular, has allowed the emergence of multiple approaches or paradigms to explain this phenomenon and its role in the organization.

The Organization, as stated Ibarra and the Heron (2000, p. 53), is a complex phenomenon. For this reason, this cannot be considered as a theoretical object well determined whose behavior obeys simple laws. This is because the main feature of the complex lies, precisely, in the uncertain (Vilar, 1997).

There is, in effect, the idea increasingly apparent and recurrent between scholars of the field that the organization is a complex phenomenon (Yolles, 2006). As part of this complexity, in matters relating to the administration is the problem of designing useful control systems to the same that allows developing the highest performance of members of an organization.

Although social organizations have existed since ancient times, only since the beginning of the twentieth century was developed and disseminated a set of formal theories around the same, some of these recital, in key areas, the various forms of management control and the role of the same in the organizational context. Then by its relevance and validity, from a revision exercise, becomes a rapprochement in particular to these aspects. The purpose of this is to contribute to the development of this specific domain to the interior of the studies on the organization.

## **2. Toward a conceptualization of management control**

The genesis of the control is in the emergence of the activity of direction. Both the administrative theory as the organizational have provided a 'rational' vision and, from the Classical School, also "scientific", in relation to the management system. In this context theoretical, but also in the practical, control has occupied a prominent place. This is considered a basic guarantee of the feedback of the behavior of the entire system and its mechanismstools that enable the correction of deviations in accordance with a specific plan.

Throughout the history of the organizations, and the development of the theory that has tried to describe and explain them, entrepreneurs and academics have contributed to the idea that there is a growing need for control. There are many definitions of this concept. Each one of them brings new points of view or relevant aspects about the same. In fact, for Fisher (1995, p. 25), the existence of so many definitions has generated an important ambiguity around this concept. This has made it difficult to turn the possibility of having a precise definition of what is a management control system.

Multiple authors have defined the control along the various stages of development of the organizational theory. Fayol (1949), from the classical school, made to see that the control is to check if everything is being done in accordance with the adopted program, to the orders

and administrative principles in use. For the author, this is intended to point out the faults and errors in order to make it possible to correct them and to prevent their recurrence.

From this consideration, developed during the second decade of the twentieth century, the concept of control has evolved. In the course of the last fifty years was linked with many other concepts, foremost among which is the 'Process'. In effect, a large number of recent authors (Fiol & Ramirez, 1995) and some who contributed five decades ago (Anthony, 1965), coincide in that the control can be understood as a process that facilitates that those responsible for the operation, making the effective management of resources, to achieve the objectives set.

This process is used by managers, both objectively and subjective, to influence the actions of the other members of the Organization. Theorists such as Collins (1982), among others (Tannenbaum, 1967), highlighted that in effect this mechanism is essential in order to implement the strategies needed to reach, with efficiency and effectiveness (Anthony, Dearden, & Vancil, 1972, pp. 8-10; Maddox, 1999, p. 58), the proposed objectives (Anthony, 1990, p. 19; Collins, 1982, p. 107).

According to Ouchi (1977), this process requires some special rules, "supervises the behavior of [the] workers, measures the amount of *output* but not always its quality and assesses and corrects the deviations in the actions of the members of the Organization" (p. 97). The control is concerned, among other important work, to maintain the existing organizational structure, the physical attributes (properties, equipment, etc.) and human relations for the organization to be viable and achieve remain in the time.

Other researchers have also integrated the concept of environment to the explanatory frameworks already described. These have considered that for the process of control is successful "has to take into account the characteristics of the environment" (Collins, 1982, p. 107). It is estimated, in fact, that "the control system has to adapt itself to this environment" (Emmanuel, Otley & Merchant, 1991, p. 8). The foregoing implies, among other actions, 1) a regulation of the organization itself (a self-regulation), 2) an approach in the system which will be developed and 3) concern both for the strategic problems (i.e., those linked with general position of the Organization in its environment) as by the operational (or, the effective implementation of plans designed to achieve the overall objectives).

The aspects indicated invite us to consider at least two basic dimensions within the process of control: the social and organizational. The first relates to the evolution of the internal organization of the conditions of the society in which they are part; the second to the expansion of the Organization taking into account factors of production and market (Neimark & Tinker, 1986, p. 378).

On the other hand, it is considered that the concern by the control grows when there are incompatibilities in the individual objectives of the members of the organization and when it is necessary to make great efforts to reorient them in order to achieve the objective of the company (Flamholtz, 1983, p. 154). It also increases when you want to keep stable the structure of internal relations and establish formal or informal mechanisms that use that structuring to regulate the activities of its members (Inzerilli & Rosen, 1983, p. 281). It is considered that in the formal is implied, by definition, the informal. According to Inzerilli and Rosen (1983, p. 283), in addition, the external control is less sensitive to the sociocultural

factors that the intern. The latter, in essence is based on voluntarism and in the identification of the individual with the organization and with its various members.

Amat (1992, p. 28), for its part, brings to differentiate two perspectives within the control. In the first place a limited perspective of the concept of control within the scope of the Organization. In this is possible to understand the control as the *ex post analysis* or as the assessment of the effectiveness of the management of the different responsible of the company in connection with the expected results to be achieved in accordance with the objectives presets. Secondly, an approach that not only considers the financial aspects and internal but also (and especially) takes into account the context in which the activities are held and, in particular, the aspects linked to individual behavior, to the organizational culture and to the control. In this it is not considered advisable to focus only on the result, but perform actions in a flexible manner, considering the process of control in some way as a mechanism of motivation.

Of course, although the control is only one of the elements of the management system, this is an essential aspect that can contribute to improving the proceedings of the organization at all levels. It is then an essential function of the administrative process (Koontz & Weihrich, 2007) that includes all the actions that are performed to ensure that the actual activities coincide with the planned activities. The need to control is greater to the extent that the organizations are faced with a dynamic and changing environment, to a higher level of uncertainty and a high competitive rivalry.

### **3. The control of management and their Approaches**

There are many ways to approach the control systems. This, among other aspects, depends on the various theoretical and methodological bases considered by each one of them. In some way, theorists have contributed to configure them and have classified those using different names. These approaches have evolved as organizations and their environments have done so. It is necessary to consider an increasingly larger number of variables to build efficient control systems and adapted to social changes and impact processes broad and deep as the internationalization, globalization and the increasing competition in the markets (Neimark & Tinker, 1986, p. 380).

Although in fact there are many proposals with regard to the systems of control, all have an element in common, namely: the interest in contributing to the improvement of the activities of the organizations (Jaeger & Baliga, 1985, p. 115). According to Kaplan (1984, p. 391), despite the diversity existing in the present, it is possible to identify that almost all of the control techniques used by companies today had already been developed toward 1925. This is despite the significant change in the nature of the organizations, its dynamics and the transformations of the competitive environment. This points to the need to incorporate new artifacts or conceptual and practical components to consider the organizational context in which performs the process of control.

Despite the variety of contributions made on the item, it is possible to identify three main approaches: 1) mechanistic and formal systems of control, 2) control systems focusing on psychosocial aspects and 3) control systems focused on cultural and anthropological aspects. These are displayed in a synthetic way in tables 1, 2 and 3, respectively.

**Table 1.** Evolution of the control to the interior of the theory of organization: mechanistic and formal systems of control

|                    |   |
|--------------------|---|
| <b>Description</b> | <p>Within this school including the first research in the field of organization. This is considered as a technical and formal system that coordinates the human actions with the sole purpose of producing and distributing goods and services (Pérez López, 1994, p. 22). Here are identified the following theories: 1) classical or traditional theory of the organization and 2) theory of contingency.</p>   |
| <b>Theories</b>    | <p><b>Classical or traditional theory:</b> one of the first, with two distinct lines of research. The principal investigators of each line have been mainly Taylor (1911), on the one hand, and Fayol (1949) and Gulick and Urwick (2003) on the other. Both lines have in common a rational vision of the Organization. This is created to solve in a rational way the collective problems of social order and direction.</p>  |
|                    | <p><b>Theory of Contingency:</b> the theory of contingency can be considered as an alternative to the Classical School of the organization and direction. It was developed by the contributions of authors such as Burns and Stalker (1961), Lawrence and Lorsch (1967), Thompson (1967) and Woodward (1965). Developed in a moment in which there was dissatisfaction with the organizational models of the time. It is considered by many as the school more analyzed within the studies of the Organization (Child, 1973; Emmanuel et al., 1991; Otley, 1980; Rosenzweig, 1981; Wood, 1979).</p> |

|   |   |
|---|---|
| <p style="text-align: center;"><b>Features</b></p>    | <p>Appointed by Thompson (1967): '<i>Scientific Management</i>'. It focuses on the physiological and physical core activities related with the production. It models the studies of time and working methods from an engineering point of view, in order to find the method that allows the worker to be motivated to do the job at a good pace and with the best possible working system.</p> <p>It considers the subject of the organization as liabilities, as simple machines of work. The superiors are limited in the achievement of the objectives of the Organization, in the main, due to restrictions imposed by the capabilities, speeds, resistance and cost of these machines. Forget the human aspects of the organization and, although recognize factors that influence human motivation; consider the organization essentially as a technical problem (Morgan, 1986, p. 19).</p> <p>Anthony (1965) and Anthony et al. (1972), entered in the previous perspective, a broader vision of the Organization. These authors incorporate the enterprise policy to the design of the control system, but only do so in relation to the formal aspects of strategic planning undertaken by senior managers.</p> <p>Part of the premise that there is a control system applicable to all organizations and in any situation, but this will depend on the specific circumstances in which they find the company. According to Newstrom, Reif and Monczka (1975, p. 31) the theory of contingency helps explain why different designs or models of organizations are in line with specific combinations of forces and their interactions.</p> <p>Hayes (1977) studied the effectiveness and impact of three contingent factors in production departments, research and development and <i>marketing</i>. These are: 1) internal factors of the departments of the Organization, 2) the interrelationships between departments and 3) the factors of the environment of the Organization. Rosenzweig (1981), in particular, makes an empirical study with the objective of analyzing the relationship between the controls of the departments and the structure, something that in the theory of contingency was not done.</p> |
| <p style="text-align: center;"><b>Limitations</b></p> | <ul style="list-style-type: none"> <li>– These systems offer difficulties to adapt to changes in the conditions and circumstances and situations within the organizations due to changes in the environment. According Amat (1991, p. 29), this happens; precisely because they do not take into account the environment. However, for Neimark and Tinker (1986, p. 373), the reason is that the environment is little specified and for Morgan (1986, p. 25), because they have been designed to certain objectives and not for innovations that organizations may have. The environment and the control system are separated in all analyzes performed (Neimark and Tinker, 1986, p. 373). The control and the structure are not sufficiently distinct and even, in some studies, become confused (Ouchi, 1977, p. 95).</li> <li>– Only operate when the activities are concrete and repetitive or if there is</li> </ul>   |



|                     |  |
|---------------------|--|
|                     | <p>a great pressure on the part of the top management to which the people accept the specific tasks and devote themselves to do what they were sent , and when the environment is stable (Amat, 1991, p. 29).</p> <ul style="list-style-type: none"> <li>– Is absent a socio-historical perspective of the social origin of the control systems (Neimark and Tinker, 1986, p. 370).</li> <li>– Can acquire a bureaucratic nature without limits (Morgan, 1986, p. 25), which can slow down the creativity and innovation (Amat, 1991, p. 29).</li> <li>– Can also cause dehumanizing effects on workers, especially at the lower levels of the hierarchy (Morgan, 1986, p. 25).</li> </ul> |
| <b>Organization</b> | <ul style="list-style-type: none"> <li>– They are linked with the positivist theory organizational.</li> <li>– Uses the methodologies of research specific to the positivistschool, so it is obvious the fact that the analysis in the organizations may lead to its actors to host the subjectivity (Neimark &amp; Tinker, 1986, p. 376).</li> </ul>  |

**Source:** own data.

**Table 2.** Evolution of the control to the interior of the theory of organization: control systems focusing on psychosocial aspects

|                    |   |
|--------------------|---|
| <b>Description</b> | <p>With the evolution and growth of businesses arises a change in the needs of control. According to Caplan (1971, p. 9), with regard to the employers, confirms a constant increase of the complexity of the organizations it difficult to control the activities of the various actors as workers, customers, shareholders and all those involved in any way with the organization. This causes it to set aside the unforeseen changes in the environment. Given that the organizations they want to survive to this complexity, it is necessary to incorporate new techniques of control.</p>  |
| <b>Theories</b>    | <p><b>School of human relations (<i>Human Relations</i>):</b> The theory of human relations spoke about creating suitable environmental conditions to which the worker can adapt the best way to work and that at the same time the job is adapted to the worker (Mayo, 1972). Organizations must be spaces where the man reaches the satisfaction of their needs through the participation and the organizational work. Perhaps the most positive aspect of this theory lies in the fact that it was finally recognized and spread the influence of psychological and social factors in the performance of workers (thanks to the recognized experiment of Hawthorne). The main precursors and creators are Mayo (1933) and its key proposal <i>The Human Problems of Industrial Civilization</i>, and Roethlisberger &amp; Dickson (1939) in its work <i>Management and the Worker</i>.</p> <p><b>Based on the processing flows of human information (<i>Human Information Processing</i>) for the control in organizations:</b> This line arises in parallel to the cognitive psychology, and supported in this for its development, has taken elements of the sciences of the information for your explanation. The knowledge, a higher level in the processing of information, is not reachable even for computers. To know it is necessary to identify, create structures and, above all, to use the information to obtain a result in the organization and the means of control. The knowledge requires of the intuition and wisdom and this, is only own of human beings. To explain the complex human processing of the information is necessary the interrelationship between various disciplines such as psychology, the</p> |

|                            |   |
|----------------------------|---|
|                            | <p>information sciences, cybernetics, sociology among others. An example of this is the theory of open systems.</p> <p><b>Theory of open systems:</b> inside this line, and in the area of systems of control, consideration could be given to the work of Ansari (1977, 1979); Argyris (1964), Hofstede (1968), Katz and Kahn (1978), Lowe and Tinker (1977) and Thompson (1967).</p>  |
| <p><b>Features</b></p>     | <p>Amat (1991, p. 30) proposes that these flows have in common the consideration that the formal systems influence and are influenced by the people who are part of the Organization. The individual behavior depends not only on the formal and technical design of the system, but also of the individual and organizational context in which it operates. The control of the individual conduct not only achieved through the use of quantitative techniques, but that responds to psychosocial determinants. This can be done not only by results, but by means of the behavior and motivation. In addition to the influence of the extrinsic incentives, is conditioned by intrinsic factors. Perez Lopez (1993, p. 44) added that this approach considers the company as a social organism, in which people participate in order to achieve not only the incentives offered by the company, but also to meet another series of needs.</p> <p>The organization is seen essentially as an open system. Hopper and Powell (1985, p. 438) estimate that in closed systems the control can be achieved if the internal variables of the organization are regulated, whether psychological, social or structural. The studies in Sociology and socio psychologystudy the organization as an open system. In accordance with Ansari (1977, 1979, p. 150), it is advisable to leave aside the closed systems of organization and understand to the organizations as open systems. This author raises three moments of open systems: "(i) <i>self-regulation</i>: or use of negative feedback to take corrective actions; (ii) <i>equifinality</i>: or the ability to achieve the same final objective under different initial conditions, and (iii) <i>negative entropy</i>: or the ability to save the excessive energy in order to use it to counteract shocks that later could appear" (Soldevila I Garcia, 2000).</p> |
| <p><b>Limitations</b></p>  | <ul style="list-style-type: none"> <li>– These relationships are not always positive depending on how work, precisely, the human relations within the organization.</li> <li>– Decision-making can be influenced by aspects as diverse as the quality of the decision-making process, the use of the information for the top management, technology and even the combination of style of leadership among the different hierarchical levels of the organization in which the decisions are taken.</li> <li>– Open systems do not have limits, added Nadler &amp; Tushman (1977, p. 87). The closed systems have rigid limits on their behavior because they do not depend on the environment, since they are deterministic by nature. For this reason their transactions are governed by the objectives defined and rationality.</li> </ul>   |
| <p><b>Organization</b></p> | <p>Are linked to the organizational post positivist theory.</p>   |

**Source:** own data.



**Table 3.** Evolution of the control to the interior of the theory of organization: control systems focused on cultural and anthropological aspects of the organization

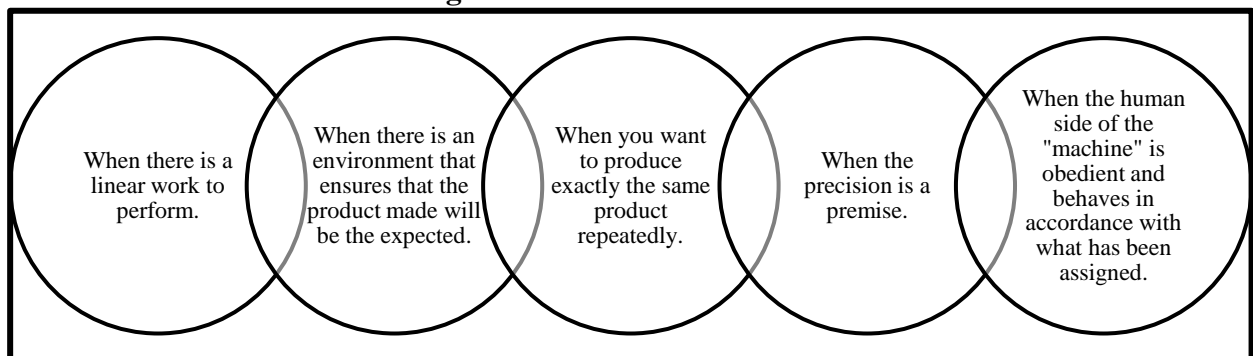
|                           |   |
|---------------------------|---|
| <p><b>Description</b></p> | <p>These flows have in common the anthropological point of view and social organization. This, according to Allaire and Firsirtu (1984, p. 194), considers the different cultural properties, meanings, values and beliefs that there is within the organizations. These are fed by myths, legends and stories and are reproduced through celebrations, rites and rituals and ceremonies. According to Perez Lopez (1994), these models consider the organization as an institution that has certain values with which we wish to identify persons and adjust the motives of their actions, educating in this matter. Progress with regard to the previous current, on the consideration that the reasons for which the individual participates in the organization are both external and internal to the proper fulfillment of the work and to the service or utility that this may have for other members of the company (Pérez López, 1994, p. 104).</p>   |
| <p><b>Theories</b></p>    | <p><b>Organizational Culture Theory of the control in the organizations.</b> Ouchi (1977) analyzes three mechanisms with which individuals can cooperate and the control system can become effective. These are: 1) the market; 2) the clan (<i>clans checking</i>) and 3) the bureaucratic. Following the previous case, Jaeger and Baliga (1985), based on the study of Ouchi (1977), identified two control systems: 1) the bureaucratic (<i>Bureaucratic Control Systems</i>), where it is acting rationally and the control system is formal and 2) the cultural control (<i>Cultural Control Systems</i>) this is constructed on the basis of the internationalization and a moral commitment to the rules and acts in function of the values, objectives and performance of the Organization, both at the individual level and at the global level, since the direction is shared and the control is not externally imposed.</p>   |
| <p><b>Features</b></p>    | <p>Wilkins and Ouchi (1983, p. 468), advance in the study of the <i>clans controls</i>. Show that these are evident in organizations with significant technical advantages, a culture rooted in the company and where activities are funded with own funds.</p> <p>Following the structure proposed by Ouchi (1979) in this regard, studying the effects of the clans and the market on the organization, but from a vision of culture. For Collins (1982, p. 117), who is observing organizations as systems of roles, the efficiency of the control system depends on the way that the top management take in the values proper to the control, as well as the rules, expectations and of the way in which these aspects are internalized by its members. It is necessary that the control systems of management will meet three aspects so that they can be effective. These must: 1) be useful for communicating the role of expectations to the members of the Organization, 2) have a motivational effect due to its capacity of behavioral involvement in the members of the company, under the system of intrinsic and extrinsic awards and 3) be useful to communicate the climate of social processes of the organization to its members.</p> |

|                     |   |
|---------------------|---|
|                     | There is internalization and a moral commitment to the rules. It acts in function of the values, objectives and the behavior of the Organization, both at the individual level and at the global level, since the direction is shared and the control is not externally imposed.  |
| <b>Limitations</b>  | <ul style="list-style-type: none"> <li>– It makes a use almost exclusive of quantitative research methods.</li> <li>– Within this school there are some positions that considered the culture of the Organization as a key factor of the control systems, where, or this is qualified as an internal variable of the organization or is considered as a metaphor, considering that it is possible that emerge subjective meanings of the social interactions between individuals. Other postures entered the culture of the United (<i>Cross Cultural - Cross National</i>) in which it analyzes the effects of each nation in the control system of the organizations. On the whole, however, there is no consensus or a look that integrates to the other.</li> </ul> |
| <b>Organization</b> | They are linked with the post positivist organizational theory.   |

**Source:** own data.

In accordance with Morgan (1986, p. 24), thanks to the first approach, focused on the mechanistic and formal systems of control, multiple organizations have achieved a spectacular success. This given that the conditions, at that time, were the best for this. These conditions are represented in Figure 1.

**Figure 1.** Mechanistic Model



**Source:** own data.

Of the studies that feed the contingency theory, in the interior of this approach (see table 1), it is not possible to extract results of all homogeneous. In fact these, in not a few occasions, obtained contradictory results or incorporate some limitations in terms of clarity or empirical demonstration. This has restricted the possibilities to develop a uniform conceptual framework (Birnberg, Turopolec & Young, 1983, p. 119; Hayes 1977, p. 24; Otley, 1980, p. 413; Pennings, 1975, p. 393; Waterhouse & Tiesen, 1978, p. 66). It is even considered that, in reality, this is not a complete theory at all, but "this is possibly a prototheory [, a] meta theory" (Bird, 1981, p. 352) or "a simple strategic orientation" (Schoonhoven, 1981, p. 350). In effect, this theoretical approach has been the subject of a significant number of criticisms (Bird, 1981; Bobbit and Ford, 1980; Bowey, 1976; Child, 1973, 1977, 1984; Dent, 1990; Elger, 1975; Evans III, Lewis and Patton, 1986; Galbraith, 1973; Hopper and Powell, 1985; Merchant and Simons, 1986; Otley, 1980; Tosi and Slocum, 1984; Wood, 1979).

Among the main criticisms to the contingency theory highlights the following:

- Its forgetfulness of the influences of the company policy on the control system and of the impact of the strategies (Child 1973, p. 246).
- The fact that it could not be used positively by the managers, since it does not allow them to adequately weighing the importance that these can have on the results of its own management (Child, 1973, p. 239-240).
- The fact of considering an exaggerated dependency on environment and technology on the way to organize (Wood, 1979, p. 335).
- Its forgetfulness of the analysis of the effectiveness of the Organization (Otley, 1980, p. 425).
- The fact of being too determined, as it assumes that a single structure is very effective for a given context and the existence of a causal relationship between context and structure. This despite the fact that they have not been able to demonstrate empirically, persuasively, relations between both variables (Rosenzweig, 1981, p. 339).
- The relationships between technology, structure and effectiveness in the organization are more complex than the contingency theory indicates (Bird, 1981, p. 350-352). This forgets of power relations, social and cultural influences, as well as the different ideologies within the company (Hopper and Powell, 1985, p. 441).

With regard to the second approach, own of the control systems focusing on psychosocial aspects, it is found that the integrated models in this school, in particular those based on human relations (see table 2), placed emphasis on the analysis of the behavior of individuals rather than in the design of the control system. This behavior is conditioned upon, among other factors, by the individual objectives, the relationship of each individual with the work, by what it does in the organization, the motivation, the participation of each subject and, on the whole, precisely, all human relations existing in the company. The worker is not only economic needs, this looks in the company, moreover, personal satisfaction. This, according to Ansari (1977, p. 104), provides a favorable setting for the emergence of the director as a leader who can get to provide the necessary impetus to workers for these improve their performances and level of satisfaction.

In accordance with Hofstede (1968), in effect, it is necessary to consider the influence that can get to be exercised between individuals, such as those that have who work in the budget (understood as the process of planning and monitoring). This is the fruit of the behavior that is based on its participation, communication and motivation. For Searfos (1976), the behavior of the managers responsible for the achievement of the objectives is more positive if these receive prizes or if there is a very close relationship and significant, which occurs when these are actively involved in the budget process. This author also indicates that the link between the motivation and the rationality of the budget itself is, in reality, virtually negligible.

For Stedry (1960) and Steers (1977), the behavior of individuals depends, on the one hand, if these know or unaware of what the organization expects of them and, on the other, of their own individual aspirations. If the individual is motivated, the effects on the budget will be more positive and efficient than if individual is not. According to Lawler and Grant Rhode (1976), the behavior is conditioned by the multiple individual needs, the skills that have to

perform the work, the reactions of the individual before the needs and behaviors of others and the systems of evaluation of the results by the top management. The latter tend to be accepted in a positive way if the valuation is performed with objective criteria. However, with regard to this aspect in particular, Porter, Lawler and Hackman (1985) estimate that individuals themselves may reach to accept a valuation by the top management under subjective criteria, always and when there is a demonstrated trust relationship between the worker and the board.

For Argyris (1964, p. 10), for its part, the behavior of the individual is conditioned by the place that this occupies in the pyramid of the company. In this there are three different levels. In each of these the effects of the behavior of the individual on the organization are different. In fact, the conduct in each level is influenced by different factors, so: the first level, the lower is by technology, control systems and the organizational structure, while the top two levels they are, in essence, for interpersonal relationships (Argyris, 1964, p. 196).

It is considered in this second approach that is then necessary to move toward a theory of open systems. This given that, from the point of view of the maintenance of the internal structure of the Organization, has led us to consider less the ecological effects of the actions of the organization that the organization itself. It is estimated that there is a need to direct efforts to understand the different dysfunctions, at the macroeconomic level, and explain clearly what the organizations do good or bad. There is also a need to address the different conceptions of the people in other aspects as varied as their cognitive capacities, the use of language, the creative growth and learning from experience. On the other hand, it is found that there are some questions that the theory in the interior of this approach has not taken into account. These, however, have been suggested in the context of other models (questions as, for example, if the organizations can be replicated or not and, if this is the case, how to do it).

The third approach, own of the control systems focused on the cultural and anthropological aspects of the Organization, is very broad in its investigations. On the one hand, discusses issues such as how to design an efficient control system, taking into account the different effects and relationships of the culture of the organization and its members (Collins, 1982; Fisher, 1995; Kerr & Slocum, 1987; Ouchi, 1979), this considering culture as an internal variable of the Organization (Flamholtz, Das & Tsui, 1985; Flamholtz, 1983; Inzerilli & Rosen, 1983; Jaeger & Baliga, 1985; Schein, 1984; Wilkins & Ouchi, 1983; Young, 1979); on the other, it analyzes the effects of the culture in the control systems when this is considered as a metaphor (Allaire & Firsirotu, 1984; Cooper, Hayes & Wolf, 1981; Langfield Smith, 1995; Pondy & Mitroff, 1979; Schein, 1992; Smircich, 1983). Thus, according to this approach, for which a control system is efficient, agreeing to Ouchi (1979, p. 846), has to be balanced between how to evaluate the results of the individuals in the organization and how to get their cooperation for achieving results.

Preston (1991), on the other hand, entered in the control system not only the culture but also the variable Creativity. This author considers that culture has two different concepts: on one hand, this has been defined as a simple variable that, combined with the structure and processes of the Organization, produces the desired results, given that companies have a culture that can be manipulated via the top management, the attitudes and the particular forms of behavior. On the other hand, the organizations and the culture can be thought of not as separate elements, but estimate that the culture is, in fact, the organization itself. This can show the limits of behavior accepted and not accepted. The creativity, on the

other hand, refers to actions beyond the acceptable practice or line. It is, in reality, on the border of everything that is done.

The studies linking culture with an internal variable of the organization or a metaphor have in common the anthropological and social sense of this. Consider that the culture difference to the organizations, so that they entered it in the systems of control, despite specify that is a variable difficult to qualify, in particular, in a quantitative manner. But when definition is achieve, it is possible the absolute formal control or the possibility of emancipation of the members of the Organization.

#### **4. Conclusions**

The theories relating to the control of management of the Organization have been progressing as have been discovered and considered new variables that affect the performance of the organization and of its members, both internally and externally. These have also evolved to the extent that it has done the very reality of the organizations. In effect, its development has been linked to both the progress of the specialized literature as to the changes experienced by the society, to changes in markets, its internationalization and the increase of competitiveness.

There is no single approach or a single paradigm that dominates this scenario in the present. There are in fact multiple perspectives. Each one of these, in general, has tried to be critical to the previous one and has added to the field of the control the consideration of new scientific categories, new concepts and new variables, premises and assumptions, with the aim of improving the assessment of the organization activity and its members. The current trend is to use systems increasingly formal with quantitative and qualitative indicators, but doing it jointly with informal systems, the so-called transmodernity. It is considered today, in fact, that not only through formal and quantitative variables is possible to evaluate the performances in the organizational context and to be able to make predictions about the possible futures.

There is still a long way to go in the search for management control systems each time more adequate. There are many in addition criticism of the school. In fact, one of these is directed to the interest of trying to achieve a truly perfect, forgetting that this is an impossible job. This given: 1) the particularities of each organization (internal structure, type of activity, culture of staff and management, size, situation in the market, resources, technology, environment, etc.), 2) the existence in these of specific and particular objectives and 3) the constant presence of unforeseeable events that prevent the consideration of a total determination and linearity. Even so, further progress is needed in order to find systems of control that they can rise to the challenges to those that constantly are facing organizations.

#### **References**

- Allaire, Y., & Firsirotu, M. E. (1984). Theories of organizational culture. *Organization Studies*, 5(3), 193-226.
- Amat, J. M. (1991). Los sistemas de control en las empresas de alta tecnología: el caso de dos empresas del sector químico-farmacéutico. Madrid: ICAC. 29-30.
- Amat, J. M. (1992). El control de gestión: una perspectiva de dirección. Barcelona: Ediciones Gestión 2000, SA. Segona edició 1993. 28.



- Ansari, S. L. (1977). An integrated approach to control system design. *Accounting Organizations and Society*, 2(2), 101-112.
- Ansari, S. L. (1979). Towards an open systems approach to budgeting. *Accounting Organizations and Society*, vol. 4, núm. 3: 149-161.
- Anthony, R. N. (1965). *Planning and control systems: A framework for analysis*. Boston: Division of Research, Graduate School of Business Administration, Harvard University.
- Anthony, R. N. (1990). *El control de gestión: marco, entorno y proceso*. Bilbao: Ediciones Deusto, S.A.
- Anthony, R. N., Dearden, J., & Vancil, R. F. (1972). *Management control systems: Text, cases and readings* (Rev. ed.). Homewood: R. D. Irwin.
- Argyris, C. (1964). *Integrating the individual and the organization*. Nueva York: John Bariff.
- Bird, C. (1981). Problems with contingency theory: testing assumptions hidden within the language of contingency theory. *Administrative Science Quarterly*, 26(3), 349-377.
- Birnberg, J. G., Turopolec, L., & Young, S. M. (1983). The organizational context of accounting. *Accounting Organizations and Society*, 8(2/3), 111-129.
- Bobbith Jr., R. H. & Ford, J. D. (1980). Decision-maker choice as a determinant of organizational culture. *Academy of Management Review*. 13-23.
- Bowey, A. M. (1976). *The sociology of organizations*. Londres: Hodder and Stoughton.
- Burns T., & Stalker, G. M. (1961). *The management of innovation*. Londres: Tavistock.
- Caplan, E. H. (1971). *Management accounting and behavioural science*. Massachusetts: Addison-Wesley Publishing Company, Inc.
- Child, J. (1973). Organization: A choice for man. En J. Child (Ed.), *Man and organization: The search for explanation and social relevance* (pp. 234-257). Londres: George Allen and Unwin.
- Child, J. (1977). *Organizations, a guide to problems and practices*. Londres: Harper and Row, Publishers. Primera edición.
- Child, J. (1984). *Organizations, a guide to problems and practices*. Londres: Harper and Row, Publishers. Segunda edición.
- Collins, F. (1982). Managerial accounting systems and organizational control: A role perspective. *Accounting Organizations and Society*, 7(2), 107-122.
- Cooper, D. J., Hayes, D., & Wolf, F. (1981). Accounting in organized anarchies: Understanding and designing accounting systems in ambiguous situations. *Accounting Organizations and Society*, 6(3), 175-191.
- Dent, J. (1990). Strategy, organization and control: Some possibilities for accounting research. *Accounting Organizations and Society*, 15(1-2), 3-25.
- Emmanuel C., Otley, D., & Merchant, K. (1991). *Accounting for management control*. Londres: Chapman & Hall.
- Elger, A. J. (1975). Industrial organizations en Processing people, cases in organizational behavior. Londres: Holt, Rinehart and Winston. 91-149.
- Evans III, J. H., Lewis, B. L., & Patton, J. M. (1986). An economic modeling approach to contingency theory and management control. *Accounting Organizations and Society*, 11(6), 483-498.
- Fayol, H. (1949). *General and industrial management*. Londres: Pitman.
- Fiol, M., & Ramírez, G. (1995). Control de gestión: ¿qué estilo se debe adoptar en las organizaciones públicas? *Gestión y Política Pública*, 4(2), 305-326.
- Fisher, J. (1995). Contingency-based research on management control systems: Categorization by level of complexity. *Journal of Accounting Literature*, 14, 24-53.



- Flamholtz, E. (1983). Accounting, budgeting and control systems in their organizational context: Theoretical and empirical perspectives. *Accounting Organization and Society*, 8(2/3), 153-169.
- Flamholtz, E. G., Das, T. K., & Tsui, A. S. (1985). Toward an integrative framework of organizational control. *Accounting Organizations and Society*, 10(1), 35-50.
- Galbraith, J. R. (1973). Designing complex organizations. Addison-Wesley: Reading, MA.
- Gulick, L. H., & Urwick, L. F. (Eds.). (2003). *Papers on the science of administration*. Nueva York - Londres: Institute of Public Administration, Columbia University/Routledge.
- Hayes, D.C. (1977). The contingency theory of managerial accounting. *The Accounting Review*, 61(1), 22-38.
- Hofstede, G. (1968). *The game of budget control*. London: Tavistock Publications.
- Hopper, T., & Powell, A. (1985). Making sense of research into the organizational and social aspects of management accounting: A review of its underlying assumptions. *Journal of Management Studies*, 22(5), 429-465.
- Ibarra Colado, E., & la Garza, D. (2000). Teoría de la organización, mapa conceptual de un territorio en disputa. 2000). *Tratado latinoamericano de sociología del trabajo*. México DF, México, Fondo de Cultura Económica. 53.
- Inzerilli, G., & Rosen, M. (1983). Culture and organizational control. *Journal of Business Research*, 11, 281-292.
- Jaeger, A. M., & Baliga, B. R. (1985). Control systems and strategic adaptation: Lessons from the Japanese experience. *Strategic Management Journal*, 6(2), 115-134.
- Kaplan, R. S. (1984). The evolution of management accounting. *The Accounting Review*, 59(3), 390-418.
- Katz, D., & Kahn, R. L. (1978). *The social psychology of organizations* (2nd ed.). Nueva York: Wiley.
- Kerr, J., & Slocum Jr., J. W. (1987). Managing corporate culture. Through reward systems. *Academy of Management Executive*, 1(2), 99-108.
- Koontz, H., & Weihrich, H. (2007). *Elementos de administración: un enfoque internacional* (7a ed.). México: McGraw-Hill.
- Langfield Smith, K. (1995). *Organisational culture and control*. En A. J. Berry, J. Broadbent & D. T. Otley (Eds.), *Management control: Theories, issues, and practices* (pp. 179-200). Houndmills, Basingstoke, Hampshire: Macmillan.
- Lawler, E. E., & Grant Rode, J. G. (1976). *Information and control in organizations*. Pacific Palisades: Goodyear Publishing Company, Inc.
- Lowe, E. A. & Tinker, A. M. (1977). New directions for management accounting. *Omega, The International Journal of Management*, Vol. 5, núm. 2: 173-183.
- Lawrence, P. R., & Lorsch, J. W. (1967). *Organization and environment: Managing differentiation and integration*. Boston: Harvard University Press.
- Maddox, D. C. (1999). *Budgeting for not-for-profit organizations*. Nueva York: Wiley.
- Mayo, E. (2004). The human problems of an industrial civilization. Routledge.
- Mayo, E. (1972). Problemas Humanos de la Civilización Industrial. Buenos Aires: Editorial Nueva Visión.
- Merchant, K. A., & Simons, R. (1986). Research and control in complex organizations: An overview. *Journal of Accounting Literature*, 5, 183-201.
- Morgan, G. (1986). *Images of organization*. California: SAGE.
- Nadler, D. A., & Tushman, M. L. (1977). A diagnostic model for organization behavior. En J. R. Hackman, E. E. Lawler III & L. W. Porter (Eds.), *Perspectives on behavior in organizations* (pp. 85-100). Nueva York - Londres: McGraw-Hill.

- Neimark, M., & Tinker, T. (1986). The social construction of management control system. *Accounting Organizations and Society*, 11(4/5), 369-395.
- Newstrom, J. W., Reif, W. E., & Monczka, R. M. (Eds.). (1975). *A contingency approach to management: Readings*. Nueva York: McGraw-Hill.
- Otley, D. T. (1980). The contingency theory of management accounting: Achievement and prognosis. *Accounting Organizations and Society*, 5(4), 413-428.
- Ouchi, W. G. (1977). The relationship between organizational structure and organizational control. *Administrative Science Quarterly*, 22(1), 95-113.
- Ouchi, W. G. (1979). A conceptual framework for the design of organizational control mechanisms. *Management Science*, 25(9), 833-848.
- Pennings, J. M. (1975). The relevance of the structural-contingency model for organizational effectiveness. *Administrative Science Quarterly*, 20(3), 393-410.
- Pérez López, J. A. (1994). *Fundamentos de la dirección de empresas*. Madrid: Ediciones Rialp, S.A.
- Pondy, L. R., & Mitroff, I. I. (1979). Beyond open systems model of organization. *Research in Organizational Behavior*, 1, 3-39.
- Porter, L. W., Lawler, E. E., & Hackman, I. R. (1985). *Behaviour in organizations*. Nueva York: MacGraw-Hill.
- Preston, A. M. (1991). Budgeting, creativity and culture. En D. Ashton, T. Hopper & R. W. Scapens (Eds.), *Issues in Management Accounting* (pp. 145-168). Nueva York: Prentice-Hall.
- Rosenzweig, K. (1981). An exploratory field study of the relationships between the controller's and overall organizational characteristics. *Accounting Organizations and Society*, 6(4), 339-354.
- Roethlisberger, F.J. & Dickson, W.J. (1939) Management and the worker: an account of a research program conducted by the Western electric company, Hawthorne works, Chicago. Harvard University Press, Cambridge, MA.
- Schein, E. H. (1984). Coming to a new awareness of organizational culture. *Sloan Management Review*. Verano. 3-16.
- Schein, E. H. (1992). *Organizational culture and leadership*. San Francisco. Jossey-Bass Publishers. Segunda edición.
- Schoonhoven, C. (1981). Problems with contingency theory: Testing assumptions hidden within the the language of contingency. *Administrative Science Quarterly*. Vol. 26: 349-377.
- Searfoss, D. G. (1976). Some behavioral aspects of budgeting for control: an empirical study. *Accounting Organizations and Society*. Vol. 1, núm. 4: 375-385.
- Soldevila I García, P. (2000, febrero). El control de gestión en las organizaciones no lucrativas: el caso de los colegios de economistas de España (Tesis Doctoral). Universitat Pompeu Fabra, Barcelona, España. Recuperado a partir de <http://www.tdx.cat/bitstream/handle/10803/7328/tpsg1de1.pdf;jsessionid=FF711B23051E1CDBB3977579DD6ED955.tdx1?sequence=1>
- Smircich, L. (1983). Concepts of culture and organizational analysis. *Administrative Science Quarterly*, 28(3), 339-358.
- Stedry, A. C. (1960). *Budget control and cost behavior*. Nueva Jersey: Prentice Hall, Englewood Cliffs.
- Steers, R. M. (1977). *Organizational effectiveness: A behavioural view*. California: Goodyear.
- Tannenbaum, A. (1967). *Control in organizations: Individual adjustment and organizational performance*. Nueva York: McGraw-Hill.
- Taylor, F. W. (1911). *Scientific management*. Nueva York: Harper & Row.

- Thompson, J. D. (1967). *Organizations in action*. Nueva York: McGraw-Hill.
- Tosi, H. L. & Slocum, J. W. (1984). Contingency theory: some suggested directions, *Journal of Management*. Vol. 10, núm. 1, primavera. 9-26.
- Vilar, S. (1997). *La nueva racionalidad: comprender la complejidad con métodos transdisciplinarios*. Barcelona: Kairós.
- Waterhouse, J. H., & Tiessen, P. (1978). A contingency framework for management accounting system research. *Accounting Organizations and Society*, 3(1), 65-76.
- Wilkins, L., & Ouchi, W. (1983). Efficient cultures: Exploring the relationship between culture and organizational performance. *Administrative Science Quarterly*, 28(3), 468-481.
- Wood, S. (1979). A reappraisal of the contingency approach to organization. *Journal of Management Studies*, 16(3), 334-354.
- Woodward, J. (1965). *Industrial organization: Theory and practice*. Londres: Oxford University Press.
- Yolles, M. (2006). *Organizations as complex systems: An introduction to knowledge cybernetics* (Vol. 2). Creenwich, Connecticut: Information Age Publishing.
- Young, D. W. (1979). Administrative theory and administrative systems: A synthesis among diverging fields of inquiry. *Accounting Organizations and Society*, 4(3), 235-244.