

# Management Control Process

Management · Practice Test · 20 Questions

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## 1. What is the first step in the management control process?

- A) Measuring performance
- B) Taking corrective action
- C) Setting performance standards
- D) Comparing actual performance with standards

## 2. What is the purpose of comparing actual performance with standards?

- A) To increase efficiency
- B) To identify deviations
- C) To set new goals
- D) To reward employees

## 3. What is considered the most important element in the control process?

- A) Taking corrective action
- B) Measuring performance
- C) Setting standards
- D) Feedback

## 4. What should be done if performance deviations are negative?

- A) Ignore them
- B) Increase the standards
- C) Analyze the reasons and take corrective action
- D) Reduce the goals

## 5. What is the ultimate goal of the management control process?

- A) To increase employee motivation
- B) To achieve organizational goals
- C) To reduce costs
- D) To improve product quality

## 6. What is the term for the process of comparing actual performance with set standards?

- A) Feedback
- B) Corrective action
- C) Performance measurement
- D) Deviation analysis

**7. What does the text suggest about corrective action when deviations are negative?**

- A) It should be avoided
- B) It should focus on improving employee performance
- C) It should be immediate and significant
- D) It should only be taken for major issues

**8. What is the key to effective control?**

- A) Strict punishment for employees
- B) Regular feedback and performance improvement
- C) Setting unrealistic goals
- D) Ignoring deviations

**9. What is the main purpose of the control process?**

- A) To ensure organizational goals are met
- B) To increase employee workload
- C) To reduce the need for planning
- D) To create a competitive environment

**10. What does the text imply about the relationship between feedback and performance?**

- A) Feedback hinders performance
- B) Feedback helps in achieving desired performance
- C) Feedback is only for negative performance
- D) Feedback is not important for performance

**11. What are the two aspects of performance that are improved through the control process?**

- A) Efficiency and effectiveness
- B) Employee morale and motivation
- C) Product quality and cost
- D) Innovation and creativity

**12. What is the meaning of 'deviation' in the context of control?**

- A) Achieving goals
- B) Exceeding standards
- C) Difference between actual and standard performance
- D) Setting new targets

**13. What is the main purpose of setting performance standards?**

- A) To make work difficult
- B) To provide a benchmark for comparison
- C) To reduce employee responsibility
- D) To create a flexible work environment

**14. What is the core idea behind management control?**

- A) To punish mistakes
- B) To ensure that organizational activities are aligned with plans
- C) To increase bureaucracy
- D) To reduce the need for supervision

**15. What does the text suggest about the impact of deviations on organizational performance?**

- A) They always lead to success
- B) They can affect the organization's performance negatively
- C) They are irrelevant to performance
- D) They only occur in the planning stage

**16. What is the role of feedback in the control process?**

- A) To identify deviations
- B) To provide information for decision-making
- C) To motivate employees
- D) To set new standards

**17. What should be considered when taking corrective action?**

- A) The reason for the deviation
- B) The impact on other areas
- C) The desired outcome
- D) All of the above

**18. What does the text suggest about the nature of the control process?**

- A) It is a one-time activity
- B) It is a continuous process
- C) It is only for problematic areas
- D) It is a rigid system

**19. What is the primary function of 'controlling' in management?**

- A) To create plans
- B) To organize resources
- C) To ensure activities are in line with expectations
- D) To motivate employees

**20. What happens when deviations are significantly negative?**

- A) The organization fails
- B) Corrective action is taken to bring the organization back on track
- C) New plans are immediately made
- D) Employees are fired