

## The Importance of Managerial and Financial Control in Developmental Processes

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**Abstract:** The issue of development is not new, it has existed since a long period of time, an idea was born between two world wars and until now is still expanding. The concept of a comprehensive and contemporary process involving all levels and areas of life and developmental processes depend on several factors, their importance varies from one circumstance to another from one country to another and developmental processes are not automatic and easy. It takes a long time to operate and set up such operations, in fact, it is not only based on the foundations of material, proper planning is necessary and the availability of a broad inventory of the resources. Considering that people who are the makers of developmental processes are responsible for this planning but this does not mean that the role of material resources in the developmental processes should be ignored. Therefore, developing countries seek to find development resources on the basis of a comprehensive plan which addresses all sectors and ensure balance in the growth of these sectors. The process of developing plans for development does not guarantee that everything is fully in the institutions, therefore one must make sure that all activities of the research will be performed as specified in the plan. So, the control process is considered necessary and important for all types of institutions when exercising and performing other management functions such as planning, organization, leadership and decision-making so that the main objective of the control is to make sure that business is going in the direction of the goals. And that these goals are achieved at a high level of efficiency, competence and peaceful human relations, thus this study aims to identify the concept and objectives of management and financial controls also identify the concept of development objectives and the factors that help in the development process and levels of development and areas, the importance of oversight in the development processes, leading to these conclusions and recommendations.

**Key words:** Managerial control, financial control, developmental processes, management, leadership, decision-making

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### INTRODUCTION

Control method is the basic processes in modern management. There is no organization or planning process that is not free of administrative control system so, any financial or administrative system is not available when the control is incorrect and the system lacks the ingredients minus the integrated existence.

Control is a complementary function to loop administrative functions. It means, the process of measuring progress towards the planned performance with the correct deviations or errors to ensure that the performance goes according to targets set.

Control management can be identified by the extent to which the plan implements with the sum. In case of any deviations in the implementation of a weakening performance in quality or any other problem affecting the

progress of implementation and the achievement of the goals, the administration has to take appropriate corrective action.

**Development process is closely linked to financial and administrative control:** Considering that development is the process of the optimal use of available resources within the proper planning however, the success of the development process is linked mainly to the elimination of corruption and the achievement of financial and administrative reform, good use of available materials, the development of administrative policies and the efficiency of individual objectives which seek to achieve control.

**Concept of control:** Writers and researchers have varied views depending on how they look at it. The area as well as the time that it is practiced is also taken into

consideration defined by Henri (1949) as verification of the conformity of the implementation of the plan and the instructions issued and the principles adopted which aim mainly to identify the shortcomings and errors to be addressed and corrected and to prevent recurrence which are applied to things, persons and actions.

The control means measure and correct the performance of subordinates to ensure that objectives and plans developed by the facility have been achieved and thus, the function of each director and even the honorable president (Harold *et al.*, 1984) that control in any project should include a disclosure of whether everything is in accordance with set plans and instructions issued and applicable principles and control aimed at identifying the weaknesses and errors and has been working to treat and prevent recurrence on everything whether acts or things, individuals or sites.

Suliman (1998) defined as a set of processes necessary to follow up the implementation of plans and policies in order to identify deviations and processes in a timely manner as well as to maintain the operations of public funds embezzlement, loss or misuse. It is clear from the previous definitions of control that the difference between them is limited to mere verbal differences in vocabulary used to express the same concept and content and agreed to combine in the following main elements (Al-Sabah and Rahman, 1996):

- The necessary need to define goals and set standards
- The necessary need for monitoring and measuring actual performance in accordance with planned standards
- The necessary need to correct the difference between the actual results and plans

**Objectives of management and financial control:** Control objectives will vary according to the type of control that is applied. There are independent bodies who exercise control over the research of public institutions. While there are management control exercised by the same, thus the control objectives developed according to the evolution of the state is no longer a limited oversight to ensure that the overall performance of the institutions are in accordance with the regulations and are within the instructions but beyond that to include the practice of making sure the overall performance of organizations in the best possible cost (Suliman, 1998).

The main objective of control is not limited to fault-finding and punishing the perpetrators but must be treated as another procedure of the calendar that is aimed primarily to achieve the interest of workers and the

interests of the organization (Al-Sabah and Rahman, 1996). Censorship has also sought to prevent the recurrence of deviations in the future, research on the causes of performance problems and to raise the level of performance, therefore the control objectives are as follows (Fathi, 1997):

- Monitoring of the activity and actions of management personnel in order to achieve quality work
- Detection of workers and reward creativity and work to ensure equality in rights and duties
- Give senior management a clear picture of what the Department's high and low
- Detect errors as soon as they occur and process immediately to prevent recurrence
- Work to solve and avoid problems in the future
- Raising the level of effectiveness and efficiency of technical and administrative activities
- Ensure that the administrative justice system in the treatment of citizens in the distribution of services and good performance

**Concept of development:** The concept of development filled the minds of many administrators and researchers interested in political, economic and social development fields but if these differed in giving a standard definition of development, interest in the development process did not come out from the framework of thinking on important issues; rights, economy, society, environment and despite the variety of definitions, attempts to determine the nature of development were as follows:

It is defined by Assaad is a conscious process, long-term, comprehensive and integrated in its economic, social, political, technological, cultural, informational and environmental, in addition development process to being drawn to the progress of society in various fields, they rely heavily on the participation of all members of society. Also known as it is a process of change structures of economic, social and cultural community-based backward order to reach the higher levels of quantity and quality to satisfy the basic needs of the majority of members of the community.

A process which results in an increase in the life chances of some people in a society without decreasing the life chances of others at the same time and in the same community. Defined by Marx is revolutionary process, contains comprehensive changes in the economic, social constructions, political, legal, lifestyles and cultural values, therefore the country most advanced industrial represents the future of the country's least developed. Through, the above definitions of development it is clear

that the difference between them is limited to a mere verbal difference in vocabulary used to express the same concept and content and agreed on the elements combined in the following main points:

- Development is a comprehensive and continuous process
- Development is the process of change and transfer of the society for the better with the use of the change
- Development aims to develop the resources and capabilities internal to the community

**Objectives of development:** Development objectives differ from one country to another country whether developed or developing because it reflects the difference to the conditions of the state and their economy, politic, society and culture. However, these objectives vary to a large extent in developed countries than in developing nations In developed countries, it largely means the achievement of high levels of scientific and technological progress and high economical rates in those states whereas in developing countries, development objectives aim to break the cycle of underdevelopment and access to self-growth in the future. Other than that there are general objectives and common endeavors for developing countries in their development plans which can be summarized in the following points:

- Increase the national income and raise the standard of living
- Equitable distribution of national income to reduce income disparities
- Building a solid industrial base and the use of appropriate technology
- The provision of social services, health, education, housing and security
- Deepening the sense of belonging and concern for the public interest
- Launch of creativity and the release of all the potential in society
- To contribute to human civilization and take its rightful place among nations
- Expansion in the productive structure

**Factors to assist in the development process:**

Development seeks to create positive relationships within the community based on cooperation, solidarity and work for the common good. On the other hand, all reform efforts are not successful but from the inside with the participation and the efforts of individuals which aim to develop the communities through their own resources while encouraging the contribution of marginalized

groups such as women and children to play an active role in the development process. It is imperative to educate members of the communities of the importance of participation, team work and training in leadership skills as a step towards the empowerment of individuals and communities to participate as it is an essential element for the growth of the community. It can therefore be limited to the factors that help in the development process as the following:

**Subjective factors:**

- Believe: in the possibility of reform and progress of any possibility of changing prevailing life styles
- Voluntary and self-help: the availability of voluntary bodies capable of cooperating with government agencies to achieve progress in freedom
- Stimulation and arousal: motivate individuals and raise their efforts to participate in the development process
- Service and self-sacrifice: what are individuals' roles and duties and their development

**Objective factors:**

- The issue of development programs for basic needs of the community response to the needs of individuals
- The development process on the basis of balance in all functional areas
- Development programs that aim to increase the effectiveness of individual participation in the affairs of his community
- The discovery and training of professional leaders as professional leaders are more effective than the local and grass-roots leaders
- Need to focus on the contribution of youth and women in development programs through education programs, youth clubs and equipment for maternal and child care associations
- To adopt a balanced development at national level

**Levels of development and areas:** Different natural resources distributed to different regions, leading to different degrees and nature of development in different levels and areas as follows; for the levels of development to create the distinction between national development and local development:

**National development:** Which is the process where the operation of all sectors use every available resource, a process that requires the presence of specialization and consistency between production units and the existence of extensive production network covering all sectors and regions across the country.

**Local development:** A set of processes unite the efforts of parents with the official authorities in order to improve the social, cultural and economic development of communities and enable them to contribute to the utmost degree to the progress of the country as a whole. As for the areas of development characterized among the many areas as follows (Al-Douri, 1983):

**Economic development:** Organized efforts undertaken in accordance with the planning and fees for coordination between the human potential and material resources in the middle of a certain society in order to achieve higher levels of national income and per capita income and higher standards of living and economic life in its different aspects such as education, health and then access to achieve the highest possible level of social welfare.

**Social development:** Defined as a modern method in social work based on the change in a civilized way of thinking, work and life by a reference people's awareness of the local environment in order to participate in the implementation of development programs to make the changes necessary for the development of society.

**Political development:** Known as the set of ideas that can make them to contribute in the formation of public opinion to influence by the political decision, any participation in political decision-making through a variety of means; deposit, associations, trade unions, the advanced level of thought and looking for an upgrade relationship between the state community.

**Management development:** Defined as the development of the capacity of administrators and improve their performance and impact on the environment in which they work through the study of organizational structures and modernization of laws and regulations and the development of information members of the organization and improve the environment for administrative work.

**Importance of oversight in the development processes:** The importance of control stems from its important role in the overall development and particularly in the events of economic development. In a World Bank, study on the causes of the success of the states called the Asian tigers such as Malaysia and Singapore, economic progress depends on two essential things; firstly the private sector entrepreneur and activist, secondly the availability of management and effective supervision with the capacity to develop appropriate public policies. Therefore, control

has an important role in bringing about development in any society but reduces the loss of its positive work ethics and the attendant administrative corruption. Development process is closely linked to financial control and administrative proper planning. Considering that development is the process of the optimal use of available resources within the proper planning on the one hand, the success of the development process is linked mainly to the elimination of corruption and the achievement of financial and administrative reform. Making good use of available materials together with the development of administrative policies and the efficiency of individual objectives which seek to achieve control will all lead to a successful development.

The reason for the recession interest of institutional control resulting from the feeling that many of the projects and programs financed by these institutions were not expected to succeed.

The existence of structural and social causes such as the spread of moral corruption or administrative and financial corruption or bribery among other things may affect this proliferation by an increase in the project costs, lower quality and standards and reduce the expected benefits of the community.

Control in the broad sense means to make sure that the execution is done in accordance with the plans. It can be achieved through the development plans, compliance with the actual implementation, stand on distortions, try to treat as soon as possible and at the lowest cost. Decision-making process of development involves a trade-off between several alternatives to choose the best, the need for the correct information and data to make such a decision is provided on the control. Thus, the close link between the main control officer is to provide correct data and information which is reliable to a reasonable degree, the decision-making process used for the development of such data and information to reach decisions effectively achieve the Millennium development plan.

## CONCLUSION

Contribute to administrative and financial control in achieving the goals of economic development and the growth of their communities through the rationalization of expenditure, the maintenance and the good use of public funds follow up the implementation of administrative policies, increase development effectiveness, achieve administrative and financial reform, improve performance and increase productivity for the purpose of activating the role of financial and administrative control of all

components of the personnel, tools and equipment in the form and level required to achieve its objectives and contribute effectively in the development process.

### **RECOMMENDATIONS**

The following are the most important recommendations:

- Attention control units and the development of systems and mechanisms to ensure their work to improve their performance and helping senior management to focus on strategic issues and achieve its objectives efficiently
- Application of the selection and appointment of objective and impartial policies to ensure the principle of free and fair competition and allow the selection of the best elements with interesting training programs developed and sustained to achieve the optimal use of human and material resources and increase efficiency and lower cost
- Develop and apply specific criteria to measure and evaluate the actual performance compared with the plans which help to pinpoint the causes of deviations and accuracy of direction of reforms and efficiency

- Develop tools and methods of control used including control methods and modern analytical methods of a private financial analysis and quantitative methods to ensure the provision of data, accurate and adequate information that help to guide decision-making as efficiently as possible
- Activate means of accountability through the adoption of laws, penalties and the application of legal proceedings against offenders with no accountability and accountability without punishment

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