



## A Study on the Target Fixing Technique

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Every one realizes the importance of psychological and consequential behavioral implications on the subordinates as well as the managers themselves in the planning, execution and control. The paper study when companies/ organization fix the goals which technique should be used for fixing the target for future period. There are two techniques of fixing target, one is Enforced technique and second is Par-take technique. The study has used mean, median, variance and standard deviation, independent t-test analysis to show which technique of fixing target is better. The study is able to find out which of the enforced or par-take technique works effectively by (7.78256) of the difference among both and degree of freedom is (19) yet the analysis shows that p-value is significant at ( $<0.001$ ) and ( $<0.005$ ) for the both, one and two tailed directions under T-test and proves that the partake technique significantly provides psychological satisfaction, motivates them to perform better, enhances their morale and prompts them to take initiative. This paper contains four sections: Section 1: Introduction Section 2: Objectives, Section 3: Analysis of Questionnaire And Findings and Section 4: Suggestions and Conclusion

*Keywords: Enforced technique, Par take technique, standard and Target*

“Life is full of uncertainty”<sup>1</sup>. No one can deny this statement which has spent the pandemic period. This period was full of fear of losses and uncertainty due to the unexpected virus capturing the whole world. The only way out is to overcome this uncertainty, to plan for the future, but the length of planning should be small, viz., half-monthly, bi-monthly and monthly. Planning is a must to face a threat and get benefit from opportunities. A set of criteria for evaluating opportunities is required to

<sup>1</sup> Associate Professor, Dr. Bhim Rao Ambedkar College, University of Delhi

<sup>2</sup> Quote

take maximum benefit of opportunities. The base can be set when analyzing the past results, and corrective actions are initiated

### **Objective:**

The paper is to study the impact when companies/Organisations forecast the future and which techniques of achieving goals are used. There are two techniques of forecasting one is the enforced technique, and the second is the Par-take technique.

**Enforced Technique:** The boss is superior, and those who work under the boss (subordinates) must follow the instructions and complete the work within the specified period. Sometimes subordinates are more knowledgeable than superiors, but the system of the organization and its working does not allow the subordinates to share their suggestions even if it may be more beneficial for the organization. The top management prepares and finalizes plans without consulting the employees and is handed over to them for implementation.

**Par-Take Technique:** Managers /Top executives consult with their subordinates and decide the goals to meet the organization's goals, period of accomplishment, and ways of achieving. Theoretically, both techniques are good and have some limitations. In Practical, planning techniques depend upon the nature, strategies, Policies, and atmosphere of companies/organizations.

## **Section 2**

### **Methodology**

The sample consists of 40 participants. They are employed at different levels of management of different companies, which analyzes the standard system wherein 25 participants were from the company/organization where the par-take technique is applied. The other 15 participants were from the enforced technique is used effectively in their res company/organization. The study was conducted in the form of an experiment, where the individuals were asked to fill out an online questionnaire and analyze through an Independent T-test Analysis with descriptive statistics of each variable (Enforced technique, Par take technique).

## Research Methodology

**Null Hypothesis:** Whether Enforced technique / Par take technique of standard system do not significantly provide psychological satisfaction, motivates them to perform better, enhances their morale and prompts them to take initiative ,  $\mu=0$

**Alternative Hypothesis:** Whether enforced technique and Par take technique of standard do significantly provide psychological satisfaction, motivates them to perform better, enhances their morale and prompts them to take initiative.  $\mu \neq 0$

**Null Hypothesis .,  $\mu=0 =0$ , Alternative Hypothesis:  $\mu \neq 0$**

### Enforced Technique and Par- Take Technique

Standards are significant facets of a critical and formal management control mechanism. The motivational influence of a formal system varies from organization to organization and within the organization from individual to individual, for example, where some professionals are more inclined toward their personal or group goals. Their feedback sources are more likely to be informal than formal. And for them, the opinions and feedback of colleagues, external critics, and sources have a significant effect.

## Section 3 - Analysis and Findings

TABLE 1: DESCRIPTIVE STATISTICS OF OVERALL STANDARD

BUDGET	N	MEAN	MEDIAN	VARIANCE	STANDARD DEVIATION	STANDARD MEAN ERROR
TOTAL	40	3.5	4.5	3.53846	1.88108	0.29742

TABLE 2: DESCRIPTIVE STATISTICS OF PAR-TAKE SYSTEM

BUDGET	N	MEAN	MEDIA N	VARIANC E	STANDARD DEVIATION	STANDARD MEAN ERROR
PAR-TAKE	25	4.88	5	0.11	0.33166	0.7975

TABLE 3: DESCRIPTIVE STATISTICS OF ENFORCED SYSTEM

BUDGET	N	MEAN	MEDIAN	VARIANCE	STANDARD DEVIATION	STANDARD MEAN ERROR
ENFORCED	15	2.13	2	2.98095	1.72654	0.521

TABLE 4: INDEPENDENT T-TEST ANALYSIS BETWEEN PAR-TAKE AND ENFORCED SYSTEM

INDEPENDENT T-TEST	T-VALUE	DEGREE OF FREEDOM	P-VALUE
SIG. (1-TAILED)	7.78256	19	< .00001 &<.00005

## FINDINGS

In view of the above findings, it may be concluded that on an overall consideration par-take assignment system is preferred. It would create a better atmosphere and enlist the support of employees easily.

### Problems Encountered in Implementing Par-Take Assignment system.

Budgets are primarily based on estimates, which may or may not be on the performance of persons working in the organization. Various types of problems are encountered in the implementation of the budgetary control system in an organization.

These problems may relate to the fixing of targets, proper organization chart, business uncertainty, lack of support or resistance to change from employees, resistance to sharing of power, a compilation of data, lack of adequate infrastructure, and above all, lack of co-ordination.

### **(a) Problem of Fixing Targets**

The effectiveness of the standard depends mainly upon the precision of the estimates about the future. Despite all the care and caution, there is always a risk and danger of inaccuracy in preparing future estimates. Prediction of Future events with cent percent accuracy is not possible. More than often, substantiate reliance is placed on experience preparing budgets. But future is not always a repetition of the past. When conditions change, such goals become unreliable.

### **(b) Proper Organization Chart**

A standard control system can be effective if every executive knows the scope of their authority and responsibility.

Further, management, organization, and control are interweaved and integrated, and they cannot function properly without each other to ensure effective management. Therefore, the organization must have a formal and sound chart indicating each functionary's authority and responsibility.

Once the duties are clearly defined and assigned, it is easy to identify the manager responsible for a particular activity. Therefore such an organization's chart should be adopted, which spells the organization's plan.

### **(c) Business Uncertainly**

Years ago, the managers did not worry much about the external environment because it did not seem to affect them or their decisions. Standards were considered independent of the external environment. Presently it may not hold in all circumstances.

It has been observed that external factors constantly influence organizations. Since the business organization exists in society, any change continuously affects the organization in numerous ways. In the past few decades, numerous changes and movements have been observed that have affected the established beliefs and practices of the organizations. If we compare the current business environment with the business environment of the previous decades, we find that they have induced

drastic changes. The causes for such changes could be attributed to Civil Rights Movement and change in Govt. Policies, Consumer Movement, Ecological Changes, Environmental Protection, Social Developments, Political Climate. Trade Unions, Technological changes, and so on. Usually, budgets are prepared under some given circumstances and assumptions. However, some changes in the given circumstances affect the business atmosphere considerably, and the whole premises of budget get affected. For example, in the case of agriculture-based industries, the whole budget can go Hayward if the agricultural output fails or there are no rains. Similarly, in the case of the pesticide or pharmaceutical industry, if there is crop failure or if there is no outbreak or spread of any disease, the whole production and marketing budgets would get affected adversely.

Similarly, any change in government policies or directives can cause business uncertainty. For example, a recent focus on pollution norms and pollution control in Delhi has affected car sales. In such a case, the whole standard and business process must be reworked and adjusted to make it commensurate with the circumstances.

Thus business uncertainty implies any material change in the basic assumptions relating to the preparation of standards.

These and other external environmental changes make standard implementation a severely challenging task requiring even greater sensitivity, reworking, remodelling, and flexibility than before.

#### **(d) Lack of Support or Resistance from Employees**

While formulating and implementing any standard, top management and subordinates' lack of support and resistance is considered a significant problem. Lack of support from top management is primarily due to resistance to sharing their powers, but it helps them make accurate estimates. Lack of support from employees towards the standard process may be due to various reasons. For example, employees have to send their valuable inputs, data, estimates, and information to develop budgets. Suppose they realize that the management ignores these data without assigning any valid reasons. In that case, subordinates feel that their efforts in preparing budgets are not fruitful and stop cooperating with the management actively.

Further, a standard control system involves a lot of paperwork, which the technical personnel always resist because it does not suit their areas of

specialization. Many managers do not support the standard system since they feel they will be exposed if their results are unfavorable.

Achieving desired targets requires systematic change, including the methods and working habits of the people, particularly of line managers. It causes resistance from them. Similarly, when employees believe that goals are not clear and reasonably attainable, they start raising objections.

#### **(e) Compilation of Data**

The standard involves compiling inputs, data, estimates, or information from various sources. The standards are prepared based on these inputs, data, estimates, or information. These data are obtained from various sources, internal and external, and then they are compiled and presented before the management to prepare standards.

#### **(f) Lack of Adequate Infrastructure**

The planning process requires the time and efforts of the people involved, which means the cost to the organization. Only an organization, which can afford this cost, can successfully implement a standard control system. The infrastructure required for the budgetary control system includes formal organization, data compilation (MIS department), adequate accounting system, proper and periodic reporting system, training facilities, formal education, and standard manual. A Target committee is necessary to supervise the whole process. If all the facilities exist in an organization, the standard control system can be very effective.

#### **(g) Co-operation and Co-ordination**

A limitation of the standard is that it is only a plan of action, and its execution will require efforts on the part of all concerned persons. Thus, the execution of a budget plan is also to be administered.

Since common concerns the organization, they are also related to the executives operating at various levels. Their implementation needs a coordinated effort in the same direction as all organization personnel. This standard control needs active cooperation among all the levels of management. For instance, a marketing man can meet his targets if supplies are available at the right time and place. It can be possible only if the raw material supply is not hindered. Machines are well maintained, and the labor required is adequately trained and available at the right time.

## Section 4

### Suggestions and Conclusion

The data under study are from 40 respondents for overall budgeting systems with a mean of (3.5), standard deviation (1.88108), and standard means error of (0.29742). Out of these 25 respondents are those in which companies have par-take assignment systems with a mean of (4.88), the standard deviation is (0.33166), and the mean, the standard error is (0.7975), indicating that they also prefer the par-take assignment. It has been indicated that partake assignment system improves Standard formation because each person is fully aware and conscious of their task. The study has also confirmed that in most organizations under study, the par-take assignment system provides psychological satisfaction to employees, motivates them to perform better, enhances their morale, and prompts them to take the initiative. The par-take assignment system also provides a basis for horizontal and vertical communication.

Another 15 respondents claimed that their company had imposed a budgeting system with a mean of (2.13), a standard deviation is (1.72654), and a mean standard error (of 0.521), indicating that enforced standards do not help in better performance and discipline among the participants. The study has also revealed that it is a myth that enforced standards avoid buck-passing. About 90% of the respondents expressed that enforced assignment systems do not avoid buck-passing. They have also confirmed that a par-take assignment system improves standard formation since every participant knows their duties and responsibilities. Further, the par-take system improves employees' morale, motivates them for better performance, and provides psychological satisfaction. However, regarding the acceleration of the target process, four-fifths of the respondents agree that an enforced assignment system does accelerate the process and are also economical to operate.

Therefore, to prove the alternative hypothesis, the study applies an independent t-test to find whether which of the standard systems, imposed or participative, works effectively by (7.78256) of the difference among both and the degree of freedom is (19). Yet, the analysis shows that the p-value is significant at ( $<.0001$ ) and ( $<.0005$ ) for them both one and two-tailed directions under the T-test. The study can prove that the par-take assignment system significantly provides psychological satisfaction, motivates them to perform better, enhances their morale, and prompts them to take the initiative.

The workplace atmosphere is supportive, cooperative, and friendly, and the standard can be used as a powerful tool for achieving broad



organizational targets. Creating such an atmosphere is possible when top management regards and respects the suggestions and considers the good ideas of subordinates. The Managers should actively participate in the formulation of the target. Such people perform better than those who operate in an atmosphere of vagueness and uncertainty. The organization's operating personnel also need to know about policies and constraints. Examples of these policies and constraints are the maximum amount spent on advertising, maintenance, administrative costs, wage rates, hours of work, and desired quality levels. An approved target is a valuable device for communicating information about the plans, policies, and constraints.

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