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THE EFFECTIVENESS OF MANAGEMENT CONTROL AS A TOOL FOR DEVELOPING THE QUALITY OF EDUCATIONAL SERVICES IN THE PUBLIC SECTOR

Abstract

The aim of the article was to measure the level of effectiveness of Management Control using a survey method among employees of educational institutions in selected aspects of management practice. The article discusses the basics of the Management Control System in the context of considering its effectiveness in shaping the quality of educational services. The basic understanding of Management Control in the public sector was presented and similarities and inspirations from management methods used in business practice were analysed.

The next part of the article presents the results of research among employees of educational institutions in the Mazowieckie Voivodeship. Conclusions from the research results concerned the perspective of the effectiveness of the Management Control System in public educational institutions.

The final conclusions discuss the weaknesses of Management Control and development elements constituting the basis for improving both the organizational aspects of educational institutions, as well as the level of human resources management.

JEL classification: I21, I25

Key words: management control, managerial control, public sector

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Introduction

The effectiveness of each organization is determined by the management tools and methods it uses. This applies to both the private and public sectors. In the case of industrial production, the implementation and improvement of standardized management systems seems to be the basis for functioning on the market. There is widespread awareness that a certified quality management system is the basis for cooperation between the manufacturer and the customer. In the public sector, it is necessary to define a simple and rational way of managing its resources, which ultimately translates into the quality of the services they offer. Therefore the aim of the article was to measure the level of effectiveness of Management control among employees of educational institutions in selected aspects of management practice in the context of considerations on the quality of educational services.

Each reform of the education sector was an attempt to create a system ensuring the continuity of the educational process, assuming rational management of public funds. An inseparable element was control, both in financial and pedagogical terms. Nevertheless, in the era of the development of management sciences, it was necessary to revise the methods and tools used so far, and to update the supervision over education with new practices developed in the private sector. Undoubtedly, one of such tools is managerial control. All units of the public finance sector are obliged to implement it, despite many critical voices regarding the creation of excessive bureaucracy. However, achieving its goals is only possible if it is fully understood what management control is, what its basic assumptions are and how it is intended to improve educational services. The discussed "services in the field of education and upbringing are one of the basic social services" (Gońda 2003, p. 109), therefore, care for their quality is one of the basic tasks of each state, whose priority should be to act adequately to the needs reported by the society.

1. The Essence and Areas of Managerial Control

1.1 Managerial Control in a Legal Context

Control is understood as a set of activities aimed at detecting irregularities in the functioning of a given entity. Managerial controls, on the other hand, are actions taken to achieve goals and tasks in accordance with the law, being efficient, cost-effective, and timely (Winiarska K., 2013, p.164). Therefore, it should not be understood as a mere checking activity, but rather as a specific system of managing functions in a public sector organization. As mentioned, this system is focused on goal achievement rather than detecting shortcomings (Kowalczyk E., 2010, p.26).

Managerial control represents a new approach to control in the public sector. Therefore, the Minister of Finance has published standards for managerial control, which serve as guidelines for creating, evaluating, and improving managerial control systems in public finance entities. These standards encompass five areas: (Official Journal of the Ministry of Finance, 2009, No. 15, item 84):

A - Internal Environment: Pertaining to ethical values, professional competencies of managers and employees, tasks, authorities, and responsibilities. This area also identifies sensitive tasks.

B - Objectives and Risk Management: Focused on setting objectives, monitoring task implementation, risk identification, risk analysis, risk response, and remedial actions.

C - Control Mechanisms: These mechanisms follow the risk identification process. They include documenting the control system, recording and approving financial issues, assigning key responsibilities, verifying business operations, direct supervision by superiors, documenting deviations from procedures, instructions, or guidelines, ensuring business continuity, selective and controlled access to financial, material, and informational resources (including IT control mechanisms such as access control to IT resources and software, application creation and change control, and access control to individual applications), and task division allowing for error detection and correction.

D - Information and Communication: Concerning the establishment of a proper internal and external communication system, enabling access to information for individuals who require specific information for proper task execution.

E - Monitoring and Evaluation: Enabling the assessment of the effectiveness of the implemented managerial control system and its individual elements, including self-assessment.

A noteworthy addition to the organization of managerial control is the identification and management of risk. One of the goals of this control is to properly focus on risk, which involves implementing an appropriate risk management model in the public sector. However, introducing this control element has proven to be quite challenging, resulting in a lack of risk management in a significant number of public finance entities, particularly in local government units.

1.2. Management Primer in the Private Sector Useful in Managerial Control

Selected elements of management practice have been implemented into the managerial control system in public sector entities. This includes elements such as building strategies, task perspective, and goal setting.

Another element is human resource management. Defining and describing positions, responsibilities, and authorities form the basis of documentation for quality management systems based on ISO 9001:2015. Viewing Managerial Control as a management system also results in perceiving the citizen as a customer of the respective office, who must be served with the highest quality standards. Risk management is also a common area, which forms the basis for standardized management systems (e.g., risk management based on ISO 31000). Correlating aspects include:

- Identifying vulnerable points, particularly prone to errors.
- Focusing management efforts on tasks of significant importance due to high risk of failure, thereby increasing stability.
- Designing control tools appropriate to existing risks by governing bodies and directors.
- Optimizing organizational structure, including administrative apparatus and school personnel.
- Increasing the sense of responsibility of individuals managing public tasks for public resources and services.
- Orienting management towards processes rather than products.
- Taking a multidimensional view of the entity, including specific schools/institutions, through risk categorization (e.g., organizational, legal, reputational, and security risks) (Popławski M., p.11).

The introduction of Managerial Control and numerous references to risk management processes have shifted the "control" burden from oversight to management in a growing group of local governments in Poland. Managing tasks through risk can be simplified into a relatively straightforward management model, which should prove helpful for managers.

1.3. Documentation of Managerial Control System

Another element of managerial control that deserves attention is the process of documentation. In many entities, it happens that in order to fulfill the oral obligation of implementing control procedures, regulations are developed along with numerous attachments that constitute a collection of guidelines, instructions, or procedures, which then generate the need for further documentation. According to the employees performing the tasks of the entity, these documents serve no purpose and only create an obligation to create additional paperwork. It should be emphasized that in most entities, many mechanisms were already in place before the obligation to implement managerial control arose, which are inherent to this control. Therefore, it was necessary to organize and name them appropriately without the need to create additional documents. The behaviors of most entities, in the author's opinion, result from a lack of understanding of the

mechanisms and purpose of managerial control, which is intended to increase the likelihood of achieving the set goals at every stage of their implementation.

2. Managerial Control in Educational Institutions

It is extremely important to note that all public educational institutions have been obliged to implement managerial control standards. This aims to modernize the methods of school management towards an organization that understands each student and their parent as a customer. In this perspective, the effective implementation of the organizational and educational processes is crucial to increase the efficiency of the school. Due to the complex nature of tasks related to education, including accounting, planning, organizational, but also educational and didactic work, which the managing body must face, apart from administrative activities, effective management activities are also required from it (Herbst, 2009, p. 17). The level of knowledge among individuals responsible for Managerial Control in educational institutions remains a matter of debate. This applies to both pedagogical supervision and task budgeting. Employees complain about the low level of knowledge due to conducted trainings, complex and extensive legal regulations, as well as the limited amount of literature and available content on the Internet.

3. Research on Evaluating Managerial Control in Terms of Effectiveness in Shaping the Quality of Educational Services

The quality of educational services is an extremely important element of building a state that is modern and open to development. Over the past 30 years after 1989, many reforms have been made, both in terms of the education program and the very structure of education management, including in detail specific educational institutions. This is primarily related to the financing of education from public funds, as well as the responsibility of the authorities for the education sector. It is unacceptable to waste public finances by individual schools or groups of schools, therefore it was necessary to create a control method that would be responsible for the efficient functioning of the entire education system. In recent years, the control associated with the search for defects has been replaced by the management control system, built on the model of standardized systems proven in the industry.

These systems are designed not only to search for losses and irregularities, but also to create an efficiently functioning body, consisting of people who properly manage the available resources and achieve the goals set for them. Certainly, public entities, including, above all, the school need

such a set of tools to treat the student and his parent as a client who should be served in accordance with the highest quality standards.

3.1. Characteristics of the Research Sample

For the purposes of this article, research was conducted among people responsible for implementing the Management Control system in educational institutions in the Mazowieckie Voivodship. The research was conducted in the first quarter of 2022 using the survey method. In total, 105 questionnaires were analysed. Five criteria were adopted to characterize the sample. The first criterion was the type of school

Tab. 1 Criteria for the characteristics of the research sample

Criteria for the characteristics of the research sample	No.	Type of school	Frequency	Percentage
Type of school	1.	secondary school	79	75%
	2.	technical school	27	25%
Time spent on Management Control (number of hours per week)	1.	less than 30 minutes	10	10%
	2.	from 30 to 60 minutes	18	17%
	3.	from 1h to 2h	38	36%
	4.	from 2h to 3h	15	14%
	5.	over 3h	24	23%
How to acquire knowledge about Management Control	1.	independent	73	70%
	2.	with the help of a staff member from another school	15	14%
	3.	with the help of an external consultant	17	16%
A source of acquiring knowledge about Management Control	1.	Teaching materials	45	43%
	2.	Textbooks and studies	38	36%
	3.	Industry magazines	4	4%
	4.	Internet	18	17%
Previous workplace	1.	own business	35	33%
	2.	small company	8	8%
	3.	medium company	24	23%
	4.	big company	11	10%
	5.	foreign corporation	6	6%
	6.	public administration (offices, schools, hospitals, etc. - financed from the state budget)	21	20%

Source: own study

From the data analysis presented in Table 1, it can be concluded that the largest group of respondents consisted of employees responsible for Managerial Control in General High Schools (75%). Regarding the time dedicated to Managerial Control, 36% of employees reported spending 1 to 2 hours per week on topics related to this area. Every 10th employee spends no more than 30 minutes per week on Managerial Control duties, indicating a significant lack of interest in this area. Another interesting aspect is that 70% of respondents declared independently implementing

and executing Managerial Control in their educational institution. The most frequently used source of information in this area is training materials (43%). It is noteworthy that there is infrequent use of industry journals, indicating that the topic of Managerial Control System is not widely covered in the literature. To assess knowledge awareness in management, respondents were also asked about their previous employment. One-third of the individuals had their own business (33%), while the smallest group of employees previously worked in foreign corporations (6%).

3.2. Descriptive Statistics of Observable Variables

In the next stage of the survey, employees evaluated the variables presented in the questionnaire using a Likert scale.

Tab. 2 Descriptive statistics of variables

No.	Variable	Average	Standard deviation
1.	The level of knowledge about Management Control in educational institutions	4,35	1,47
2.	Level of proficiency in preparing Management Control documentation in your educational institution	3,98	1,47
3.	The level of awareness of acting in accordance with the law and internal procedures as part of Management Control	4,55	1,43
4.	The level of understanding of the responsibilities, authorities and responsibilities defined by the Management Control system among the staff of your educational institution	4,06	1,71
5.	The level of reliability of the prepared risk analysis as part of the Management Control	4,46	1,55
6.	The level of training on Management Control in educational institutions	4,27	1,51
7.	The level of effectiveness of Management Control in the context of improving the management of your educational institution	4,28	1,71

Source: own study

Based on the analysis of Table 2 and Table 3, no significant deviations from the average ratings were noted. The average responses on the Likert scale for all variables fall within the range of 3.98-4.46. From a management perspective, this result is not very optimistic. Every management system aims to achieve the highest efficiency indicators. A moderate level of self-assessed knowledge, functioning proficiency, and compliance with legal regulations indicates that there is significant potential for the development of Management Control and, above all, the improvement of competencies in this area. Another interesting finding is the interpretation of variable number 4. With an average rating of 4.06 and a standard deviation of 1.71, the level of understanding of their own competencies by employees in educational institutions is relatively low. As

many as 7 out of 105 employees responsible for Management Control in schools declared that the level of understanding of responsibilities and tasks by school staff is rated at 1. It is also noteworthy that the effectiveness of Management Control was rated highest by 80% of the respondents. This suggests that despite some shortcomings reflected in variables 1-6, the system itself was evaluated as effective. This may indicate that it is in the initial implementation phase and finding a new method to improve the system would be necessary.

Tab. 3 Number of individual ratings on the Likert Scale

L.p.	Variable	Likert scale						
		1	2	3	4	5	6	7
1.	The level of knowledge about Management Control in educational institutions	8	6	36	108	190	60	49
2.	Level of proficiency in preparing Management Control documentation in your educational institution	4	24	63	152	60	66	49
3.	The level of awareness of acting in accordance with the law and internal procedures as part of Management Control	4	8	36	124	135	108	63
4.	The level of understanding of the responsibilities, authorities and responsibilities defined by the Management Control system among the staff of your educational institution	7	26	72	80	70	108	63
5.	The level of reliability of the prepared risk analysis as part of the Management Control	3	20	45	92	135	96	77
6.	The level of training on Management Control in educational institutions	4	18	60	100	115	102	49
7.	The level of effectiveness of Management Control in the context of improving the management of your educational institution	7	18	60	84	100	96	84

Source: own study

Conclusions

The Management Control System is in its early stages of maturity. Public organizations required time to develop specific documentation models and gain systemic understanding in order to implement the mandated standards. It represented a new perspective, transitioning from a control seeking flaws to planning and management. However, the standard itself is not free from shortcomings. Excessive bureaucratization and the lack of implementation and training phases have resulted in many components of the Management Control System being evaluated by educational institution staff at an average level.

From the perspective of similarity between the Management Control System and standardized management systems developed by the International Organization for Standardization (ISO), there is a missing

element that allows for transitioning from ratings in the range of 3.98-4.06 to values closer to 7. The Deming Cycle, which serves as an introduction to every standard, appears to be a missing element in the logic of Management Control. The essence of any system is its continuous improvement, not just meeting requirements. Hence, task assignments alone cannot systematically indicate what can be done better and what elements can contribute to the development of more professionalism.

As a result of the conducted research, it was determined that updating the standard to incorporate modern Human Resource Management methods is necessary to improve the average rating of employee competencies, responsibilities, and duties. Every organization unlocks its development potential from the potential of its members. The evaluation within the average range of variables related to human resources will remain at that level if it continues to confine itself to bureaucratic forms of Management Control.

The research results also confirmed the effectiveness of the discussed system, indicating that its implementation was a positive step in modernizing public services, both in the educational aspect and in other areas where the citizen is the client.

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