Techniques of Strategic Evaluation and Control in Practices - A Case of Indian Companies

Dr.S.K.Sharma Professor
The Technological Institute of Textile & Sciences
Birla Colony, Bhiwani-127021 (Haryana)

Dr.Sunita Bharatwal Assistant Professor
The Technological Institute of Textile & Sciences
Birla Colony, Bhiwani-127021 (Haryana)

Abstract

Strategic evaluation and control is the last phase of strategic management process which provides a substantial amount of information and experience to CEOs/Strategists that can be helpful for new strategic planning. Strategic evaluation and control helps to keep a check on the validity of strategic choice. It also helps to assess whether the decisions match the intended strategy requirements. Strategic evaluation and control is becoming increasingly difficult in the changing environment due to many reasons. The paper covers the concept and barriers of strategic evaluation and control, role of organization system in strategic evaluation and control and techniques used in strategic evaluation and control by the selected units.

Key words: strategic evaluation, control, barriers, organization system, techniques

Introduction:

It is generally believed that strategic management should be treated as an imperative area for top management in the contemporary fast changing, complex and turbulent environment Strategic management is considered as either decision making and planning, or a set of activities related to the formulation and implementation of strategies to achieve organizational objectives. In strategic management the emphasis is on those general management responsibilities which are essential to relate the organization to the environment in such a way that its objectives may be achieved. Strategic management has been given relevance in Indian organization only after liberalization, privatization and globalization phases. Strategic evaluation and control include evaluation of the appropriateness of the objectives and the strategies, as well as subsequent control of performance in accord with plan. Strategic evaluation and control is the last phase of strategic management process which provides a substantial amount of information and experience to CEOs/Strategists that can be helpful for new strategic planning. Strategic evaluation and control helps to keep a check on the validity of strategic choice. An ongoing process of evaluation would, in fact provide feedback on the continued relevance of the strategic choice made during the formulation phase. This is due to the efficacy of strategic evaluation to determine the effectiveness of strategy. It also helps to assess whether the decisions match the intended strategy requirements. This is due to the inherent nature of any administrative system, which leaves some amount of discretion in the hands of managers. In the absence of such evaluation, managers would not explicitly know how to exercise such discretion.

Concept of Strategic Evaluation and Control:

Evaluation of strategy is that phase of the strategic management process in which mangers try to assure that the strategy choice is properly implemented and is meeting the objectives of the enterprise, it is to be planned for. Questions such as the following are to be dealt with: Who will perform the evaluation? How will the information generated be used? How much resources will be required? To what extent will control be exercised so that it is cost-effective? What administrative systems will be required to support the evaluation system? Further, the evaluation process also provides feedback to the planning system for the reformulation of strategies, plans and objectives. Carter Bayles opined the strategy evaluation as "evaluation activities may renew confidence in the current business strategy or point to the need for actions to correct some weaknesses, such as erosion of product superiority or technological edge. In many cases, the benefits of strategy evaluation are much more far-reaching, for the outcome of the process may be a fundamentally new strategy that will lead, even in a business that is already turning a respectable profit, to substantially increased earnings. It is this possibility that justifies strategy evaluation, for the payoff can be very large. (1) The significance of strategic evaluation lies in its ability to co-ordinate the task performed by individual managers and also groups, division or SBUs - through control of performance. Boards of Directors, Managing Directors, Chief Executive Officers, Heads SBU or Profit Center, Middle Level Managers play an important role in strategic evaluation and control.

Strategic Evaluation: Why?

Hatten and Hatten had suggested the following practical benefits of strategic evaluation as:

- A rigorous strategic evaluation can head off surprises, and insomnia. It can flag potential problems" while they can be successfully handled, before they become real problems.
- Strategic evaluation allows the manager to anticipate responses to expected problems. The continuous evaluation of the results of an implemented (alternative) strategy creates an opportunity to constantly refine and improves the strategy.
- Management may not like to move away from its stated position. But, at times, it may have to reject pressures from various corners and reach successfully. The task is never easy. "Strategic success comes from creating a situation where your organization has an advantage over its competitors and then acting to exploit that advantage to achieve your objectives". (2)

Difficulties in Strategy Evaluation:

Strategic evaluation is becoming increasingly difficult in the changing environment due to many reasons. Mc Conkey has suggested a few reasons for evaluation as follows:

a. A dramatic increase in the environment's complexity.
b. The increasing difficulty of predicting the future with accuracy.
c. The increasing number of variables.
d. The rapid rate of obsolescence of even the best plans.
e. The increase in the number of both domestic and world events affecting Organizations.
f. The decreasing time span for which planning can be done with any degree of certainty. (3)

A fundamental problem facing by managers today is how to effectively control employees in light of modern organizational demands for greater flexibility, innovation, creativity, and initiative from employees. (4) Robert Waterman offered the following observation about successful organizations' strategic evaluation and control systems: Successful companies treat facts as friends and controls as liberating. Morgan Guaranty and Wells Fargo not only survive but thrive in the troubled waters of bank deregulation, because their strategy evaluation and control systems are sound, their risk is contained, and they know themselves and the competitive situation so well. Successful companies have a voracious hunger for facts. They see information where others see only data. They love comparisons, rankings, anything that removes decision making from the realm of a mere opinion. Successful companies maintain tight, accurate financial controls. Their people don't regard controls as an imposition of autocracy but as the benign checks and balances that allow them to be creative and free. (5)

Review of Literature

To have a proper insight into the different aspects of strategy evaluation and control, it will be very relevant and useful to have in brief a review of the studies conducted by eminent scholars in the past.
Simons (1994) in his study has suggested the various reasons for using the strategic evaluation and control process as to overcome resistance to change, communicating new strategic agenda, ensuring continuing attention to new initiatives, formalizing benefits, setting boundaries on acceptable strategic behavior and motivating discussions and debates about strategic uncertainties.(6) Kaplan and Norton (1996) opined that balanced scorecard is a comprehensive strategic management system and it could be used as means to identify the strengths and weaknesses of an organization.(7) Sharma (2002) made a study on “Environmental and Organizational Appraisal in Indian Large Companies” and suggested t towards economic growth, medical care, pollution abatements, education etc., and must spend a specific percentage of their turnover. (8) Pandey (2005) in his paper titled “Balanced Scorecard: Myth and Reality” discussed the process of building a balanced scorecard and its contribution in improving the organizational performance and concludes that top management support, proper identification of critical success factors and their objective measurements and sound organizational communications are necessary conditions for the success of the balanced scorecard**.** (9) Ramesh and Ramanayya (2007) made a study on “Economic contribution of public passenger transport organizations: An application of EVA methodology” and suggested that EVA reflects better performance of SRTUs, than accounting profits. The analysis also shows this SRTU has positive EVA under all alternatives for the six years considered though it has been loss making according to accounting statements. EVA gives a valuable framework for Inter and Intra organizational performance evaluation across SRTUs. (10) Satish and Rau (2009) in their research study entitled “Awareness and adaptability of economic value addition” concludes that the economic value added is slowly gaining an increased attention as the financial measure of business performance. It further opined that the concepts of economic value added has been emerging in the brains of the top brass of the corporate world of India and has nurtured a remarkably time ahead. (11) Joshi (2010) in his study entitled “An investigation to test the performance of the selected banking stocks” has investigated the performance appraisal of selected equity stocks of four listed banks on the basis of various financial tools like alpha, beta, standard deviation, Sharpe’s index and Treynor’s ratio and suggests that the result are in favours of ICICI bank in terms of best liquid stock and favours AXIS bank and HDFC bank for performing well in risk and return results. (12)The various authorities in the field have done the above-mentioned works related with the present study. But no such study has been made which covers all the aspects of strategic evaluation and control. Thus, it is a required study to suggest various issues regarding strategic evaluation and control.

Objectives of the Study:

The specific objectives of the present study are as:

a. to study the concept and barriers of strategic evaluation and control.
b. to study the role of organization system in strategic evaluation and control.
c. to critically analyze the techniques used in strategic evaluation and control by the selected units.

Research Methodology:

In order to realize the above objectives the study is confined to Indian companies' i.e. private sector and public sector. 50 Chief Executive Officers/ Strategists working in these companies have been selected for personal interview. These strategists belong to various industries i.e. Textiles, Garments, Pharmaceuticals, Chemicals, Information Technology, Electronics, Communication, Iron & Steel, Bank, and Infrastructure etc. The present study is based on both primary and secondary data. Primary data have been collected with the help of specifically designed questionnaire, personal interviews and detailed discussions with the strategists/top executives of the selected companies. Secondary data have been collected from the various concerned publications. Finally, the researcher has selected 50 questionnaires. Out of 50, 46 were from private sector and 4 from public sector.

Table No. 1

Selection of the Sample Size

S. No.	Sector	Private Sector	Public Sector	Total
1	Textile & Garments	20	00	20
2.	IT & Electronics	09	03	12
3.	Chemicals & Pharmaceuticals	05	00	05
4.	Iron & Steel	05	00	05
5.	Others	07	01	08
	Total	46	04	50

Source: Personal Survey

Demographic Profile:

Out of 50 companies 40 (80%) companies have mentioned that product manufacturing is their main area of business whereas 10 (20%) companies belong to service sector. Strategists belonging to the selected companies are mainly male with a percentage of 100. 28 Executives have the Graduate Degree i.e. B.E. / B.Tech., B.Com and 19 belong to Post Graduate Degree i.e. M.B.A./PGDBM/ M.Tech. There are only 3 (18%) strategists who have got professional degree i.e. C.A and Doctorate Degree. 28 Strategists were in the age group of 40-50 years followed by 12 below 40 years and 10 above 50 years. 21 strategists have the work experience in between 20-30 years followed by 14 in between 10-20 years and 6 were less than 10 years.70% strategists have claimed that they have attended the management development program in various areas of strategic management during last five years. 34 companies are having turnover above Rs. 500 core followed by 12 in between Rs. 200 to 500 core and 4 below Rs. 200 core. Out of 50, 46 were from private sector and 4 from public sector. In the private sector the researcher has got the response of reputed companies like Reliance Industries Ltd., Grasim Bhiwani Textiles Ltd., Jindal Saw Ltd., Satia Synthetics Ltd., Ginni Filaments Ltd, Bennett, Coleman & Co. Ltd., Hindustan Gum & Chemicals Ltd., Alok Industries Ltd., JCT Ltd., Welspun India Ltd., Blue Blends (I) Ltd., Surya Pharmaceuticals Ltd., Clarient Chemicals (India) Ltd., Angelique International Ltd. Vardhman Yarns & Threads Ltd., KEC International Ltd., Videocon Power Ltd. Samtel Color Ltd., Videocon Industries Ltd., Jaypee Agra Vikas Ltd., Noida, Rajasthan Spinning and Weaving Mills, Nitin Spinners Ltd., Maral Overseas Ltd., Reliance Chemotex Industries Ltd., Winsom Yarns Ltd., Janki Corp Ltd., Bhushan Steel Ltd., Jindal Stainless Ltd., NIIT Technologies Ltd., GTL Ltd., Control & Switch Gear Ltd., etc. The researcher has received the response from well-known public sector units like Bharat Sanchar Nigam Ltd., (BSNL), Mahanagar Telephone Nigam Ltd., (MTNL) National Thermal Power Corporation Ltd., (NTPC) and Haryana State Industrial & Infrastructure Development Corporation Ltd. These units are performing very well. The strength of the employees is above 750 in 39 companies, 3 companies in the range of 500-750 employees and 8 companies who have below 500 employees. 19 companies have claimed that they have foreign collaboration arrangements in the last five years with different countries.

Project Profile;

. Researchers have taken up the present study regarding strategic evaluation and control in Indian companies. Here, analysis had been made to find out the real picture of the techniques used for strategic evaluation and control in Indian Companies.

Barriers in Strategic Evaluation and Control:

Strategic evaluation and control is a difficult exercise on the part of the participants due to a few barriers as given below:

a. Extent of control: It is very difficult on the part of strategist to attain the degree of control. If the strategist put the higher degree of control then it may affect the ability, creativity and efficiency of the individuals. If the strategist put quite liberal control, then it shows the result of ineffectiveness.

b. Problem in assessing reliability and validity of measurement: There are various attributes which are involved in the process of strategic evaluation, can not be evaluated because of there reliability and validity.

c. Fear of being exposed: During the process of strategic evaluation it is difficulty to assess the behavior of individuals because of their resistance towards the process.

In this study, 60% of the strategists have mentioned that there is no barrier in strategic evaluation and control where as 40% have shown their reservation with certain barriers like extent of controls, problem in assessing reliability and validity of measurement and fear of being exposed in strategic evaluation and control (Table no.2). Further it was found that extent of controls and problem in assessing reliability are having equal response as major barriers are concerned with 32.4% followed by fear of being exposed as well as other responses of 18.9% and 16.3% (Table no.3).

Table No. 2

Barriers in Strategic Evaluation and Control

S. No.	Barriers	Frequency	Percentage
1. 2.	Valid Yes No	20 30	40.0 60.0
	Total	50	100.0

Source: Personal Survey

Table No.3

Barriers in Strategic Evaluation and Control

S. No.	Barriers	Frequency	Responses (In %)	Rank
A.	Extent of Control	12	32.4	I
B.	Fear of being Exposed	07	18.9	II
C.	Problem in Assessing...	12	32.4	I
D.	Any other	06	16.3	III
	Total	37	100.0	--

Source: Personal Survey
30 missing cases: 20 valid cases

Organizational Systems Used in Strategic Evaluation and Control:

The process of strategic evaluation and control cannot worked without the sound organizational systems. Information system, control system, appraisal system, motivation system, development system and planning system are the sub-system which contributes to the strategic evaluation and control.

Information System: The use of computerized information systems in organizations has opened up myriad possibilities for using them for performance monitoring and reporting. In the control process, evaluation is done by comparing actual performance with standards. The measurement of performance can be done on the basis of reports generated through the information system.

Control System: The control system is the heart of any evaluation process. It includes the setting standards, measuring performance, analyzing variances and taking corrective action. The evaluation process provides feedback to the planning system for the reformulation of strategies, plans and objectives. Thus, the planning system closely interacts with the evaluation process on a continual basis.

Development System: An organization prepares the managers for performing strategic and operational tasks. Among the several aims of development, the most important is to match a person with the job to be performed. This, in other words, is matching actual performance with standards.

Appraisal System: The appraisal system is necessary to measure the performance of the employees and the organization to check the progress towards the desired goals and aims. Performance appraisal takes into account the past performance of the employees and focuses on the improvement of the future performance of the employees.

Motivation System: Proper motivation system is essential to encourage the employee to achieve the task in the right manner. It is a state of mind. High motivation leads to high morale and greater production. A motivated employee gives his best to the organization and also stays loyal and committed to the organization.

Planning System: Planning system means looking ahead and chalk out future courses of action to be followed. It is a preparatory step. It is a systematic activity which determines when, how and who is going to perform a specific assignment.

Training: Training is an essential process in any organization. A properly performed training will ensure that staff receive the most relevant training and deliver an immediate positive impact on your organization. During the course of strategy evaluation, if it has been observed the concerned employees are not in a position to complete the assignment, they may be given proper training so that they met the assignment on time.

Table no. 4 shows the various systems used by organizations in evaluation like information system, control system, appraisal system, motivation system, development system and planning system. Under this study, it was seen that 48 (96%) companies used the various systems under consideration. On the basis of descriptive statistics i.e. mean value in table no 5, information system was considered important system in evaluation with the lowest mean value i.e. 2.81 and stood I rank followed by appraisal system, planning system, control system, development system and motivation system with the mean value of 3.19, 3.52, 3.63, 3.88, and 3.98 and occupied II, III, IV, V, and VI rank respectively.

Table No. 4

Systems Used in Evaluation

S. No.	Status of Companies	Frequency	Percentage
1. 2.	Valid Yes No	48 02	96.0 04.0
	Total	50	100.0

Source: Personal Survey

Table No. 5

Relevance of Systems Used in Evaluation

S. No.	Systems	Mean Value	Rank
A.	Information System	2.81	I
B.	Appraisal System	3.19	II
C.	Planning System	3.52	III
D.	Control System	3.63	IV
E.	Development System	3.88	V
F.	Motivation System	3.98	VI

Source: Personal Survey
01 missing cases: 49 valid cases

Corrective Action against Performing Standards:

Management always determine some standards for the particular activities if these activities are not fulfill as per prescribed standards and found deviation then management try to find out the reasons for improvement. In this present study, researcher has considered the various variables like training, motivation, leadership, discipline, termination and other action (as job rotation) which can be used to improve the performance standards (Table no.6). All the selected companies approved that they took corrective actions where performance does not meet standards. As far as significant variables are concerned, it was found that training was considered as an important variable to improve the performance standard with the low mean value of 2.12 and stood I rank followed by leadership, motivation, discipline, termination and other actions with the mean value of 2.28, 2.30, 3.42, 5.02 and 5.86 which occupied II, III, IV, V, V and VI rank respectively. It may be noticed from the analysis that training, leadership and motivation variables played an important role to improve the performance standards and most variables preferred by the strategists of the selected companies. Termination and other actions were the least preferred variables used by the strategists of the same companies.

Table No. 6

Corrective Action against Performing Standards

S. No.	Variables	Mean Value	Rank
A.	Training	2.12	I
B.	Leadership	2.28	II
C.	Motivation	2.30	III
D.	Discipline	3.42	IV
E.	Termination	5.02	V
F.	Other Action	5.86	VI

Source: Personal Survey
0 missing cases: 50 valid cases

Evaluation Criteria for Evaluating Strategies :

The critical factors that could help in evaluating a strategy may broadly be classified into two categories: quantitative factors and qualitative factors.

Quantitative Factors:

Quantitative criteria commonly employed to evaluate strategies are financial ratios, which strategists use to make three important comparisons:

(i) Comparing the firm's performance over different time periods
(ii) Comparing the firm's performance to competitors' and
(iii) Comparing the firm's performance to industry averages.

Some key financial ratios those are particularly useful as criteria for strategy evaluation may be stated thus:

Return on investment	Return on equity
Employee turnover	Employee satisfaction index
Return on capital employed	Profit margin
Market share	Debt to equity
Earnings per share	Sales growth

Strategic Evaluation and Control through Financial Ratios:

Sales growth, net profit, return of equity (ROE), returns on investment (ROI), earning per share and market share are the main financial ratios to be considered as criteria for strategic evaluation used by the companies in practice (Table no.7). It was good to know that all the selected companies followed the above indicators for strategic evaluation. As far as their relevance is concerned, it was found that net profit is considered important financial ratio with the lowest mean value i.e. 2.22 and stood I rank followed by sales growth, return on investment, return on equity, market share and earning per share with the mean value of 2.58, 3.12, 4.24, 4.36, and 4.42 and occupied II, III, IV, V, and VI rank respectively.

Table No.7

Preference of Financial Ratios as criteria for Strategic Evaluation

S. No.	Financial Ratios	Mean Value	Rank
A.	Net Profit	2.22	I
B.	Sales Growth	2.58	II
C.	Return on Investment	3.12	III
D.	Return on Equity	4.24	IV
E.	Market Share	4.36	V
F.	Earning Per Share	4.42	VI

Source: Personal Survey
0 missing cases: 50 valid cases

Strategic Evaluation and Control through Responsibility Control Centre:

Majority of the companies used the various important techniques like revenue centre, expense centre, profit centre and investment centre for strategic evaluation and control under responsibility control centers. In this study 45 companies were found to be used the above technique in question (Table no.8). It shows that the application of strategic evaluation and control is implemented in good way. Further it was asked the relevance of this technique in the selected companies. Majority of the strategists i.e. 25 have given the first rank to the profit centre as an important technique for strategic evaluation and control with the mean value of 1.71 as compared to 18 to revenue centre, 25 to expenses centre and 23 to investment centre with the mean value of 2.51, 2.67 and 3.11 respectively (Table no.9). Further it is essential on the part of remaining 5 companies which do not used these techniques must follow for proper controlling the activities as well as precise decision making.

Table No. 8

Responsibility Centre Technique Used for Strategic Evaluation and Control

S. No.	Status of Companies	Frequency	Percentage
1.	Valid Yes	45	90.0
2.	No	05	10.0
	Total	50	100.0

Source: Personal Survey

Table No. 9

Relevance of Responsibility Centre in Strategic Evaluation and Control

S. No.	Techniques	Frequency	Mean Value	Rank
A.	Profit Centre	25	1.71	I
B.	Revenue Centre	18	2.51	II
C.	Expenses Centre	25	2.67	III
D.	Investment Centre	23	3.11	IV
	Total	91	--	--

Source: Personal Survey
0 missing cases: 50 valid cases

Strategic Evaluation and Control through Operational Control:

As far as the techniques of operational control are concerned, it was seen that 49 (98%) companies used various operational control techniques as internal analysis (Value chain analysis, quantitative analysis, qualitative analysis), Comparative analysis (historical analysis, industry norms, benchmarking), Comprehensive analysis (balanced scored method, key factor rating, VRIO framework and other techniques (memorandum of understanding, network techniques, management by objective) (Table no. 10). Further it was asked the relevance of these techniques in the selected companies. Majority of the strategists i.e. 32 have given the first rank to the internal analysis as an important technique for operational control as compared to 25 to comparative analysis, 31 to comprehensive analysis and 42 to other techniques. If you analyze the descriptive statistics i.e. mean value were found to be low i.e. 1.49 in case of internal analysis, followed by comparative analysis, comprehensive analysis and other techniques with the mean value of 2.06, 2.65 and 3.80 respectively(Table no.4.11).

Table No. 10

Operational Control Techniques used for Strategic Evaluation and Control

S. No.	Status of Companies	Frequency	Percentage
1.	Valid Yes	49	98.0
2.	No	01	02.0
	Total	50	100.0

Source: Personal Survey

Table No. 11

Relevance of Operational Control Techniques in Strategic Evaluation and Control

S. No.	Techniques	Frequency	Mean Value	Rank
A.	Internal Analysis	32	1.49	I
B.	Comparative Analysis	25	2.06	II
C.	Comprehensive Analysis	31	2.65	III
D.	Other Techniques	42	3.80	IV
	Total	130	--	--

Source: Personal Survey
01 missing cases: 49 valid cases

Qualitative Factors:

Many managers feel that qualitative organizational measurements are best arrived at simply by answering a series of important questions aimed at revealing important facets of organizational operations. The following list of questions, suggested by Milton Lauenstein, may be useful to the practicing manager for a Qualitative Organizational Measurement. (13)

a. Are the financial policies with respect to investment, dividends, and financing consistent with the opportunities likely to be available?

b. Has the company defined the market segments in which it intends to operate sufficiently specifically with respect to both product line and market segments? Has it clearly defined the key capabilities needed for success?
c. Does the company have a viable plan for developing a significant and defensible superiority over competition with respect to these capabilities?
d. Will the business segments in which the company operates provide adequate opportunities for achieving corporate objectives? Are the management, financial, technical, and other resources of the company really adequate to justify an expectation of maintaining superiority over competition in the key areas of capability?
e. Does the company have operations in which it is not reasonable to expect to be more capable than competition? If so, can the board expect them to generate adequate returns on invested capital?
f. Has the Company selected business segments that can reinforce each other by contributing jointly to the development of key capabilities?
g. To the extent that operations are diversified, has the company recognized and provided for the special management and control systems required?

Conclusion:

The conclusions of the present study are as follows:

1. 60% of the strategists have mentioned that there is no barrier in strategic evaluation and control where as 40% have shown their reservation with certain barriers like extent of controls, problem in assessing reliability and validity of measurement and fear of being exposed in strategic evaluation and control. It was found that extent of controls and problem in assessing reliability are having equal response as major barriers are concerned with 32.4% followed by fear of being exposed as well as other responses of 18.9% and 16.2% respectively in strategic evaluation and control process.
2. 25 Strategists have given the first rank to the profit centre as an important technique for strategic control with the mean value of 1.71 as compared to 18 to revenue centre, 25 to expenses centre and 23 to investment centre with the mean value of 2.51, 2.67 and 3.11 respectively.
3. Majority of the strategists i.e. 32 have given the first rank to the internal analysis as an important technique for operational control as compared to 25 to comparative analysis, 31 to comprehensive analysis and 42 to other techniques. On the basis of descriptive statistics i.e. mean value were found to be low i.e. 1.49 in case of internal analysis, followed by comparative analysis, comprehensive analysis and other techniques with the mean value of 2.06, 2.65 and 3.80 respectively.
4. 48 (96%) Companies used the various systems under consideration. On the basis of descriptive statistics i.e. mean value, Information system was considered important system in evaluation with the lowest mean value i.e. 2.81 and stood I rank followed by appraisal system, planning system, control system, development system and motivation system with the mean value of 3.19, 3.52, 3.63, 3.88, and 3.98 and occupied II, III, IV, V, and VI rank respectively.
5. It was found that net profit is considered important financial ratio for strategic evaluation with the lowest mean value i.e. 2.22 and stood I rank followed by sales growth, return on investment, return on equity, market share and earning per share with the mean value of 2.58, 3.12, 4.24, 4.36, and 4.42 and occupied II, III, IV, V, and VI rank respectively.

6. Training was considered as an important variable to improve the performance standard with the low mean value of 2.12 and stood I rank followed by leadership, motivation, discipline, termination and other actions with the mean value of 2.28, 2.30, 3.42, 5.02 and 5.86 which occupied II, III, IV, V and VI rank respectively.

Suggestions:

The following suggestions can be made to the present study:

1. Extents of controls, problem in assessing reliability, fear of being exposed are main barriers in strategic evaluation and control. Degree of these barriers can be minimized through various ways to proper implementation of strategic evaluation and control exercise.
2. Various important techniques for strategic control like revenue centre, expense centre, profit centre and investment centre must be used and preference may be given as per the situation prevailing in organization.
3. Various important techniques for operational control like internal analysis, comparative analysis, and comprehensive analysis must be used properly. Various prominent concepts like value chain analysis, benchmarking, balanced score method, business process re-engineering, six-sigma, VIRO analysis and Total quality management, total productive management and key factor rating must be used by the organizations.
4. The process of strategic evaluation and control can not worked without the sound organizational systems. Information system, control system, appraisal system, motivation system, development system and planning system should be used and proper mechanism may be maintained through out the process.
5. Sales growth, net profit, return of equity (ROE), returns on investment (ROI), earning per share, EVA and market share are the main financial ratios which may be considered as criteria for strategic evaluation by the companies in practice.
6. Various variables like training, motivation, leadership, discipline, termination and job rotation may be used to improve the performance standards. Here, training, motivation, leadership should be given the top priority.
7. Corporate politics and power have to be managed amicably during strategic evaluation and control while creating / developing open communication, rewarding people, clarity about goals/ objectives etc.
8. Strategic audit may be made compulsory to examine and evaluate the areas affected by the operation of a strategic management process within an organization.
9. Performance management system must be adopted by the organization. Under this system strategists must make out the measures that are restricted or accomplish by the employees.

References:

1. Carter Bayles (1977): "Strategic Control: The President's Paradox," Business Horizon, August, p-18.
2. Hatten, K.J and Hatten, M.L (1987) : Strategic Management, Prentice Hall, NJ., in Rao,V.S.P and Krishna, V.H. : Strategic Management, Excel books, 2008, New Delhi, p-602.
3. McConkey, Dale (1988): Planning in Changing Environment, Business Horizons, September-October, p-64.

4. Simons, R (1995): Control in an Age of Empowerment, Harvard Business Review, March-April, p-80.
5. Waterman, R. Jr. (1897): "How the Best Get Better," Business Week, September, p-105.
6. Simons, R (1994) : How new top managers use control systems as levers of strategic renewal, Strategic Management Journal, Vol. 15, pp. 169 189.
7. Kaplan R.S and Norton, D.P (1996): Using the Balanced Scorecard as strategic management System, Harvard Business Review, January-February, pp.75-85.
8. Sharma S.K (2002) : Environmental and Organisational Appraisal in Indian Large Companies, unpublished Project Report, The Technological Institute of Textile & Sciences, Bhiwani, p.118.
9. Pandey, I.M (2005) : Balanced Score Card: Myth and Reality, VIKALPA-The Journal for Decision Makers, Indian Institute of Management, Ahemdabad, Vol. 30, No.1, January-March, pp.51-66.
10. Ramesh, G and Ramanayya, T.V (2007) : Economic contribution of public passenger transport organizations: An application of EVA methodology, VISION, The Journal of Business Perspective, Management Development Institute, Gurgaon, Vol. 11, No. 3, July-September, pp. 25-34.
11. Satish R and Rau S. S (2009) : Awareness and adaptability of economic value addition, SCMS Journal of Indian Management, SCMS, Cochin, Vol.6, No.4, October-December, pp.48-57.
12. Joshi Amit (2010) : An investigation to test the performance of the selected banking stocks, Journal of IPM, Institute of Productivity and Management, Meerut, Vol.11, No. 1, January-June, pp. 49-64.
13. Lauenstein, Milton (1981): Keeping Your Corporate Strategy on Track, The Journal of Business Strategy, No. 1, p-64.

****