

# Chapter 2

## Concepts of the Nature and Development of Control

**Plamena Nedyalkova**

*University of Economics, Varna, Bulgaria*

### **Abstract**

*Financial control as scientific knowledge and theoretical dogma is interesting for scientific research circles, but when theoretical knowledge and theoretical concepts are refracted through the prism of practice, then the unceasing desire to improve theoretical concepts, through the prism of practice, is truly manifested. Over the years, financial control has confirmed its relevance, modernity, dynamism, and provocativeness in the development of financial control methods and means for implementing financial control. Changes in the methods' means, ways, types, and forms of financial control are due to changes in the specifics and features of financial and accounting objects, and they are also a result of the appearance of new financial and accounting objects. As a consequence of changes in the financial and accounting objects, financial control is difficult to be covered and systematically and accurately describe as a technology and as a sequence of actions.*

### **1. TYPES OF APPROACHES TO THE ESSENCE OF FINANCIAL CONTROL**

In modern conditions, determined by the state and the activity of modern society, it is observed that the plans are not implemented as they were previously determined. Individuals do not always comply with the obligations and follow the rights delegated to them. The conditions of the environment, in which organizations develop, are constantly changing, and this gives rise to the desire for continuous adaptation of organizations to new conditions and new market-economic situations. The management of organizations is faced with increasingly complex tasks to solve in order to achieve the predetermined strategic goals of the organizations. Management solves these complex tasks by applying control. Accordingly, the need to clarify the nature, meaning, and purpose of control arises here.

There are still debates in scientific circles to clarify the essence of the concept of “control”. The common perceptions and understandings of the essence of this concept among certain groups of scientists and specialists determine the existence of diverse approaches to its clarification. It can be assumed

DOI: 10.4018/979-8-3693-2683-1.ch002

## **Concepts of the Nature and Development of Control**

that in Bulgaria until 2000, a total of 4 (four) main approaches to clarifying the essence of control were scientifically confirmed, namely:

1. Etymological approach
2. Economic approach
3. Social approach
4. Managerial approach

The economic and political events, and also the organizational and structural changes of state power that occurred after 2000 under the influence of various events and factors (for example, Bulgaria's accession to NATO; also in 2007, Bulgaria became an equal member of the European Union; the preparatory procedures and stages regarding the admission of Bulgaria to the European Banking Union and the Eurozone; the preparatory procedures and stages of the admission of Bulgaria to Schengen, etc.) set a new meaning, new requirements and challenges in front of control, which gave rise to the confirmation of new approaches to clarify the essence and meaning of control. These new approaches are as follows:

1. Normative approach
2. Systematic approach
3. Logical-analytical approach
4. Descriptive approach
5. Process approach

In control practice, in order to determine most precisely and correctly the essence of the concept of "control", all the specified approaches (i.e. both the main and new approaches) are applied simultaneously, i.e. they are compiled and not considered individually. Each approach reveals a specific meaning and feature of the concept of control, but when the approaches are considered together, then a more accurate and correct definition can be derived both for the concept of control, but also a more accurate definition for the individual types of derivatives of the concept of control, namely: supervision, inspection, revision, inspection, audit, etc.

**Etymological approach** – The concept of control comes from the French word "*contrôle*", which in translation means checking; list to be kept in duplicate; contrary activity, etc (Atanasov, 1968). The etymological approach does not thoroughly characterize the essence and meaning of control, this approach only points the origin of the concept.

**Economic approach** – this approach considers and presents control as an economic phenomenon. According to K. Donev, the correct "perception and application of this approach is for the presentation of control, as a type of economic control with its specific place in the regulation of economic relations." (Donev, 2010). What is specific about this approach is that it examines the essence of control from the point of view of economic systems, and in particular this approach determines that control is built on certain economic foundations. The economic system reflects the social relations regarding the state and change of property, since property determines on the one hand the structure of the economic system, and on the other hand, property characterizes this system. Ownership comes in many forms. According to the Constitution of the Republic of Bulgaria, property is public and private. In private form, ownership can be manifested as a sole proprietorship (the subject of

10 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:  
[www.igi-global.com/chapter/concepts-of-the-nature-and-development-of-control/342385](http://www.igi-global.com/chapter/concepts-of-the-nature-and-development-of-control/342385)

## Related Content

---

### Evolutionary Game Theory: In the Context of Waste Management and Supply for Chain Decision-Making

Arij Michel (2021). *International Journal of Circular Economy and Waste Management* (pp. 20-28).  
[www.irma-international.org/article/evolutionary-game-theory/281610](http://www.irma-international.org/article/evolutionary-game-theory/281610)

### Complex Economics

(2022). *Wealth Expanding Theory Under the Principle of Efficiency-Equity Equilibrium* (pp. 133-154).  
[www.irma-international.org/chapter/complex-economics/311789](http://www.irma-international.org/chapter/complex-economics/311789)

### Adoption of Sustainable Development Goals Through Redefining the Process and Achieving Happiness

Md Mashiur Rahman and Richa Goel (2022). *Redefining Global Economic Thinking for the Welfare of Society* (pp. 1-7).  
[www.irma-international.org/chapter/adoption-of-sustainable-development-goals-through-redefining-the-process-and-achieving-happiness/294659](http://www.irma-international.org/chapter/adoption-of-sustainable-development-goals-through-redefining-the-process-and-achieving-happiness/294659)

### The Sustainable Development Approach in the Economy-Ecology Dilemma

Gökhan Tenikler and Gamze Yıldız (2015). *Regional Economic Integration and the Global Financial System* (pp. 197-220).  
[www.irma-international.org/chapter/the-sustainable-development-approach-in-the-economy-ecology-dilemma/127605](http://www.irma-international.org/chapter/the-sustainable-development-approach-in-the-economy-ecology-dilemma/127605)

### Universities' Contributions to Sustainable Development's Social Challenge: A Case Study of a Social Innovation Practice

Douglas Paulesky Juliani, Ania Silva, Jorge Cunha and Paul Benneworth (2019). *Socio-Economic Development: Concepts, Methodologies, Tools, and Applications* (pp. 379-399).  
[www.irma-international.org/chapter/universities-contributions-to-sustainable-developments-social-challenge/215738](http://www.irma-international.org/chapter/universities-contributions-to-sustainable-developments-social-challenge/215738)