

PLANNING

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Concept of Planning:-

Ans:-Planning is the process of determining objectives and deciding on the best plan of action for accomplishing those objectives. Planning entails deciding ahead of time what should be done. When it should be done, why it should be done, how it should be done, and who should do it. It connects us to where we desire to be. It reflects vision, foresight, and wisdom. It is the blue print of action and operation. Planning is the primary function of management. It focuses on the future course of action.

According W.H. Newman, "Generally speaking, planning is deciding in advance what is to be done."

We may come into conclusion that planning is predetermination of objectives and intellectual course of action to be taken to achieve defined goal efficiency and in time.

1. Explain the Type of Planning in Nature?

Ans:- The formal method and timetables for completing the work are known as planning. Every organization must devise a strategy for achieving a defined goal in a timely manner. Plan may be prepared either for short period or long period and may be prepared by top level management or operational level management. The following are the major types of plan prepared in the organization.

i. Corporate or Strategic Plan:-

Ans:- It is prepared by top management in consideration of the company's long-term goals. This plan takes into account the opportunities and challenges posed by the changing external environment. It is the culmination of the planning process. They are made up of programs, policies, and schedules that are designed to

make the best use of the organization's resources. As strategies focus for long term future course of action, they are based on analysis of future opportunities and threats.

ii. Tactical or Division Plan:-

Ans:- It is prepared by middle level management for implementing corporate plan. Here, divisional managers identify the priorities of the activities and prepare plans on the basis of priority of works. They focus to allocate works and resources on the basis of programs. It is prepared to allocate divisional activities like production, finance, marketing, human resource and other. This plays a mediator role between corporate and operational plans.

iii. Operational or Unit Plan:-

Ans:- This strategy is in line with the tactical plan and is put together by first-line management. It focuses on making the most of organizational resources. Operating level management sets plans and timetables for each stage of a unit's or department's work for this goal. For instance, it prepares regular production schedule of a production department so that priority should be given to regular production process. In conclusion, this plan concentrates in best utilization of resources under the control of concerned unit.

2. Describe the Process of Planning?

Ans:- In order to develop an effective plan, it is necessary to complete some procedures. The major steps of planning are as follows:

i. Analysis of opportunities:-

Ans:-In most cases, this is not a phase in the planning process. It's referred to as the first step in the planning process. Making a successful plan is critical. The management must assess the business's strengths, weaknesses, opportunities, and threats (SWOT) in the changing environment. It is critical to conduct a thorough

investigation into the aforementioned variables, which should be highlighted clearly.

ii. Setting of Objectives:-

Ans:- Determination of objectives is first step of planning. It is the basis of planning. The objectives must be specific and achievable through organizational resources. A minor mistake in setting objectives might affect in implementation of plan.

iii. Determination of Premises:-

Ans:- Following the establishment of objectives, the next phase in the planning process is to establish premises. Premises are assumptions about elements that may have an impact in the future at the time of plan implementation. They provide a framework for planning and preparation. These principles could be both internal and exterior, tangible and intangible.

iv. Determination of Alternatives:-

Ans:- Planning is the process of determining numerous possible courses of action for achieving organizational goals. It is critical to identify all possible concealed alternatives for this reason. The information about alternative courses of action may be obtained from primary and secondary sources.

v. Evaluation of Alternatives:-

Ans:- This is another step after determination of various alternative courses of action. Each alternative course of action should be evaluated on the basis of cost and benefit analysis. Each alternative is studied and evaluate in terms of some common factors such as risk, responsibility, planning premises, resources, technology etc.

vi. Selecting a Course of Action:-

Ans:- After evaluating potential courses of action, the next stage in planning is to choose the optimal path of action. When deciding on a

course of action, management must take into account previous experience, current circumstances, and future contingencies. The assessment of these aspects will provide guidelines and recommendations for the plan's practical implementation.

vii. Formulation of Derivative Plans:-

Ans:- It has to do with the preparatory detail plan. After deciding on a course of action, it's critical to create action plans for each phase of the process and for all divisions inside the company. These action plans involve formulation of policies, rules, schedule, and budget to complete defined objectives.

viii. Implementation of Plan:-

Ans:- This is an important step in the planning process. Managers achieve this by giving subordinates instructions and direction on how to do the tasks that have been allocated to them. Other plan procedures will be reduced to paper work if this stage is skipped. This step brings all the procedures of plan into action.

ix. Reviewing of the Planning Process:-

Ans:- The planning technique is a continuous function that continues until preset goals are met. In order to know about the success of genuine performance, it is required to evaluate work achievement according to time. It aids in identifying any deficiencies in actual performance.

2. Explain the Benefit or Importance of Planning?

Ans:- Planning clearly defines the objectives and line of action to be taken to achieve goals. The quality of planning is important for successful operation of the organization. The following are the advantage of planning:

- i. Goal focus

- ii. Minimize uncertainties
- iii. Improve efficiency
- iv. Decision Making
- v. Coordination
- vi. Motivation
- vii. Control
- viii. Change Management

i. Goal focus:-

Ans:- planning assists managers and subordinates in focusing their attention on organizational goals. It predetermines the goals and establishes a plan of action for completing the task.

It concentrates on priorities and makes it easier to make the best option possible at the correct time.

ii. Minimize Uncertainties:-

Ans:- The management has to work in an environment which is uncertain and ever changing. Planning helps an enterprise to make study about future challenges and uncertainties which may arise in the future course of action.

iii. Improve Efficiency:-

Ans:- One aspect of planning is deciding on the best course of action after weighing a variety of options. When deciding on a course of action, the organization's advantage is taken into account.

It also aids in the most efficient use of resources, avoiding squandered efforts and money, and reducing waste.

iv. Decision Making:-

Ans:- Making decisions is aided by planning. It is a crucial management function. Planning informs all decisions about organizing, staffing, directing, and controlling. It makes rational decision-making easier. It evaluates decision-making possibilities in a systematic manner.

v. Coordination:-

Ans:- planning promotes coordination. It facilitates coordinated allocation of resources. Resources can be men, money, materials, machines, methods and management information. Planning achieves cooperation and coordination among

departments and people. It promotes harmony in efforts.

vi. Motivation:-

Ans: Preparation boosts motivation. It contributes to an increase in productivity. Participation in the planning process fosters team spirit and a sense of ownership. Employees have a clear understanding of their responsibilities.

vii. Control:-

Ans:- planning is the basis of control. It sets standards of performance. Actual performance is measured and compared with standards. Corrective actions are taken for differences.

viii. Change Management:-

Ans:- Change management is made easier with planning. It promotes change management through innovation and creativity. It prepares businesses to adapt to changing environmental conditions. Resistance to change decreases.

3. Explain the Limitations of planning?

Ans:- The limitation in planning arises due to defect in process of implementation and management inefficiency. The following are the major limitations of planning:

- i. Inaccuracy**
- ii. Costly**
- iii. Time consuming**
- iv. Rigidity**
- v. Subjectivity**
- vi. Poor participation**

i. Inaccuracy:-

Ans:- Information is the foundation of planning. It's possible that the data is incorrect. As a result, predicting is inaccurate. The planning assumptions become implausible. Inaccuracy results in poor planning. Information scarcity has a negative impact on planning.

ii. Costly:-

Ans:- **Costs are included in planning. They are for the purpose of resource use. To acquire, process, analyze, and interpret data, specialists are**

required. There are costs associated with research. Costs are also involved in the execution of a plan. Benefits may be less than costs.

iii. Time consuming:-

Ans:- Planning is time consuming. It cannot be done overnight. It involves environmental analysis and forecasting. Information needs to be carefully analyzed and interpreted. Planning is not suitable for emergency situations where timely actions are needed.

iv. Rigidity:-

Ans:- Costs are factored into the planning process. They are for the purpose of maximizing resource utilization. Specialists are needed to collect, process, analyze, and interpret data. Research has a price tag attached to it. The execution of a plan involves costs as well.

v. Subjectivity:-

Ans:- Planning can be based on subjective judgment of top managers. They suffers from personal likes and dislikes. Subjectivity badly affects creativity and innovation. It ignores the achievement of organizational goals.

vi. Poor participation:-

Ans:- Planning can be hampered by a lack of participation from all levels of management. Top management has the power to impose plans. It's possible that implementers were not involved in its creation. This suffocates implementation desire and initiative. Plans may encounter resistance.

