

MANAGEMENT

PRINCIPLES AND APPLICATIONS

UNIT-2

PART-VI

PLANNING: Objectives of Planning

In today's ever-changing world, for the success of any business or industrial unit Management and Administration should lay a strong foundation, and this is achieved by Planning.

Planning initiates the intellectual process as deciding the objectives, drafting the plans and programs, defining the policies for optimum utilization of the accessible human and material resources. So that pre-defined objectives may be achieved in any organization.

Planning facilitates Managers and Administrators of any business or industrial unit to make progress as per the needs of the desired objectives. Below given are some of the Objectives of Planning: -

Forecast's the Course:

The most important ingredient of planning is forecasting. This is basically plan development as per policies and requirement of the organization.

Forward Bearing:

Planning provides specific forward momentum to all the activities in the organization by chalking out the future working procedure.

Assured Activities:

Planning drafts the policies, working procedure and decides controlling process for the activities in an organization so that confidence level increases in employees & management regarding the accomplishment of predefined goals.

Forecast's the Risk:

Planning forecasts the future threats, therefore technical strategies are most often planned and decided in advance to overcome the inconsistency or tackle the problems successfully.

Helps in Establishing Co-ordination:

Planning is the forefront initiator in any organization regarding coordination. This coordinates all the departments and also policies, procedures, objectives, etc. in business or industrial unit.

Develops in Facing Competition:

Assists and develops the organization to face competitions of all sorts and in all aspects. This strategic process is part of the objectives of planning.

Managing Budgetary Targets:

Budgetary Targets are executed & achieved as per the planning. It is a helping hand in planned budget utilization.

Present Important Information's:

Planning makes available adequate information and communicates it to the employees in the organization as well as

presents a positive picture of organization, its policies, functioning and results to the outside world.

Economy in Management:

Having better coordination in an organization between employees & management the pre decided goals proceed as per the requirement, all types of wastage's is brought to the minimum. This helps in achieving the efficiency in the overall economy of management.

Supports in Maintaining Healthy Competition:

The employees in an organization are in continuous competition among the fellow employees of any specific department because actual job performance & achievement is the base criteria for any future incentive or promotion. This may bring jealousy or utilization of unfair job hindering techniques in performing different activities to the fellow employees, which ultimately slows the overall goals of any business or industrial unit. Hence, an ethical attitude with unbiased planning is maintained for the actual growth of the unit.

planning.

Meaning:

Planning can be defined as “thinking in advance what is to be done, when it is to be done, how it is to be done and by whom it should be done”. In simple words we can say, planning bridges the gap between where we are standing today and where we want to reach.

Planning involves setting objectives and deciding in advance the appropriate course of action to achieve these objectives so we can

also define planning as setting up of objectives and targets and formulating an action plan to achieve them.

Another important ingredient of planning is time. Plans are always developed for a fixed time period as no business can go on planning endlessly.

Keeping in mind the time dimension we can define planning as “Setting objectives for a given time period, formulating various courses of action to achieve them and then selecting the best possible alternative from the different courses of actions”.

Features/Nature/Characteristic of Planning:

1. Planning contributes to Objectives:

Planning starts with the determination of objectives. We cannot think of planning in absence of objective. After setting up of the objectives, planning decides the methods, procedures and steps to be taken for achievement of set objectives. Planners also help and bring changes in the plan if things are not moving in the direction of objectives.

For example, if an organisation has the objective of manufacturing 1500 washing machines and in one month only 80 washing machines are manufactured, then changes are made in the plan to achieve the final objective.

2. Planning is Primary function of management:

Planning is the primary or first function to be performed by every manager. No other function can be executed by the manager without performing planning function because objectives are set up in planning and other functions depend on the objectives only.

For example, in organizing function, managers assign authority and responsibility to the employees and level of authority and responsibility depends upon objectives of the company. Similarly, in staffing the employees are appointed. The number and type of employees again depends on the objectives of the company. So planning always proceeds and remains at no. 1 as compared to other functions.

3. Pervasive:

Planning is required at all levels of the management. It is not a function restricted to top level managers only but planning is done by managers at every level. Formation of major plan and framing of overall policies is the task of top level managers whereas departmental managers form plan for their respective departments. And lower level managers make plans to support the overall objectives and to carry on day to day activities.

4. Planning is futuristic/Forward looking:

Planning always means looking ahead or planning is a futuristic function. Planning is never done for the past. All the managers try to make predictions and assumptions for future and these predictions are made on the basis of past experiences of the manager and with the regular and intelligent scanning of the general environment.

5. Planning is continuous:

Planning is a never ending or continuous process because after making plans also one has to be in touch with the changes in changing environment and in the selection of one best way.

So, after making plans also planners keep making changes in the plans according to the requirement of the company. For example, if the plan is made during the boom period and during its execution there is depression period then planners have to make changes according to the conditions prevailing.

6. Planning involves decision making:

The planning function is needed only when different alternatives are available and we have to select most suitable alternative. We cannot imagine planning in absence of choice because in planning function managers evaluate various alternatives and select the most appropriate. But if there is one alternative available then there is no requirement of planning.

For example, to import the technology if the license is only with STC (State Trading Co-operation) then companies have no choice but to import the technology through STC only. But if there are 4-5 import agencies included in this task then the planners have to evaluate terms and conditions of all the agencies and select the most suitable from the company's point of view.

7. Planning is a mental exercise:

It is mental exercise. Planning is a mental process which requires higher thinking that is why it is kept separate from operational activities by Taylor. In planning assumptions and predictions regarding future are made by scanning the environment properly. This activity requires higher level of intelligence. Secondly, in planning various alternatives are evaluated and the most suitable is selected which again requires higher level of intelligence. So, it is right to call planning an intellectual process.