Study Note

PLANNING

MGT213: Management Practices and Organizational Behavior

Planning
Topic 3 | Week 3

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You may think "planning" is relevant to large companies, but not something that's relevant to you right now. But when you figure out your class schedule for the next term or when you decide what you need to do to finish a class project on time, you're planning. And **planning is something that all managers need to do**. Although what they plan and how they plan may differ, it's still important that they do plan.

WHAT IS PLANNING?

Planning involves defining the organization's goals, establishing strategies for achieving those goals, and developing plans to integrate and coordinate work activities. It's concerned with both **ends** (what) and **means** (how).

When we use the term "planning," we mean formal planning. In formal planning, specific goals covering a specific time period are defined. These goals are written and shared with organizational members to reduce ambiguity and create a common understanding about what needs to be done. Finally, specific plans exist for achieving these goals.

WHY DO MANAGERS PLAN?

Planning seems to take a lot of effort. So why should managers plan? There are at least four reasons:

1. **Planning provides direction** to managers and nonmanagers alike. When employees know what their organization or work unit is trying to accomplish and what they must contribute to reach goals, they can coordinate their activities, cooperate with each other, and do what it takes to accomplish those goals. Without planning, departments and individuals might work at cross-purposes and prevent the organization from efficiently achieving its goals.

2. **Planning reduces uncertainty** by forcing managers to look ahead, anticipate change, consider the impact of change, and develop appropriate responses. Although planning won't eliminate uncertainty, managers plan so they can respond effectively.

3. **Planning minimizes waste and redundancy.** When work activities are coordinated around plans, inefficiencies become obvious and can be corrected or eliminated.

4. **Planning establishes the goals or standards** used in controlling. When managers plan, they develop goals and plans. When they control, they see whether the plans have been carried out and the goals met. Without planning, there would be no goals against which to measure work effort.

GOALS AND PLANS

Planning is often called the primary management function because it establishes the basis for all the other things managers do as they organize, lead, and control.

It involves two important aspects: **goals** and **plans**.

Goals (objectives) are desired outcomes or targets.

> They guide management decisions and form the criteria against which work results are measured. That's why they're often described as the essential elements of planning. You have to know the desired target or outcome before you can establish plans for reaching it.

Plans are documents that outline how goals are going to be met.

They usually include resource allocations, schedules, and other necessary actions to accomplish the goals. As managers plan, they develop both goals and plans.

Understanding Goals and Plans in the Context of a Student's Life

Academic Goal: To obtain a 4.00 GPA in all semesters in 2024.

Plans:
- ⊕ Allocating dedicated study time of at least 35 hours each week for coursework, test preparation, and assignments.
- ⊕ Collaborating with peers to review materials, discuss topics, and improve understanding.
- ⊕ Accessing library materials, online tutorials, faculty consultation, and academic support services for assistance.
- ⊕ Attending all classes, engaging actively, and participating in discussions for better comprehension.
- ⊕ Seek clarification from instructors, reviewing feedback, and addressing challenges promptly.
- ⊕ Cutting down social media use by 50% to minimize distractions during study periods.
- ⊕ Prioritizing self-care, including at least 7 hours of sleep, nutrition, and daily exercise, to support academic success.

Understanding Goals and Plans in the Context of BRAC University

Goal: Increase Student Enrollment by 20% Over the Next Three Years

Plans:
- ⊕ Launch targeted marketing campaigns to attract prospective students from diverse backgrounds and regions.
- ⊕ Enhance the university's online presence through social media platforms, virtual tours, and interactive websites to reach a wider audience.
- ⊕ Collaborate with industry partners to offer scholarships, internships, and career opportunities to attract top talent.
- ⊕ Develop new academic programs and courses aligned with industry demand and emerging fields to attract students seeking specialized education.
- ⊕ Improve student support services, such as counseling, academic advising, and career development, to enhance the overall student experience and retention rates.

THE PLANNING PROCESS

The planning process itself can best be thought of as a generic activity. **All organizations engage in planning activities, but no two organizations plan in exactly the same fashion.** Figure 7.1 is a general representation of the planning process that many organizations attempt to follow. But, although most firms follow this general framework, each also has its own nuances and variations.

The Environmental Context

The Organization's Mission
• Purpose • Premises • Values • Directions

Strategic goals → Strategic plans

Tactical goals → Tactical plans

Operational goals → Operational plans

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Figure 7.1 The Planning Process

As Figure 7.1 shows,

⊕ all planning occurs within an **environmental context**. If managers do not understand this context, they will be unable to develop effective plans. Thus, understanding the environment is essentially the first step in planning.

⊕ With this understanding as a foundation, managers must then establish the organization's **mission**. The mission outlines the organization's **purpose**, **premises**, **values**, and **directions**.

⊕ Flowing from the mission are parallel streams of **goals** and **plans**. Directly following the mission are **strategic goals**.

⊕ These strategic goals and the mission help determine **strategic plans**.

⊕ Strategic goals and strategic plans are primary inputs for developing **tactical goals**.

⊕ Tactical goals and the original strategic plans help shape **tactical plans**.

⊕ Tactical plans, in turn, combine with the tactical goals to shape **operational goals**.

⊕ These operational goals and the appropriate tactical plans determine **operational plans**.

⊕ Finally, goals and plans at each level can also be used as input for future activities at all levels.

TYPES OF PLANS

The most popular ways to describe organizational plans are –

- ⊕ **breadth** (**strategic** versus **operational**),
- ⊕ **time frame** (**short-term** versus **long-term**),
- ⊕ **specificity** (**directional** versus **specific**), and
- ⊕ **frequency of use** (**single use** versus **standing**).

As Exhibit 8-1 shows, these types of plans aren't independent. That is, **strategic plans are usually long-term and directional**, whereas **operational plans are usually short-term and specific**. What does each include?
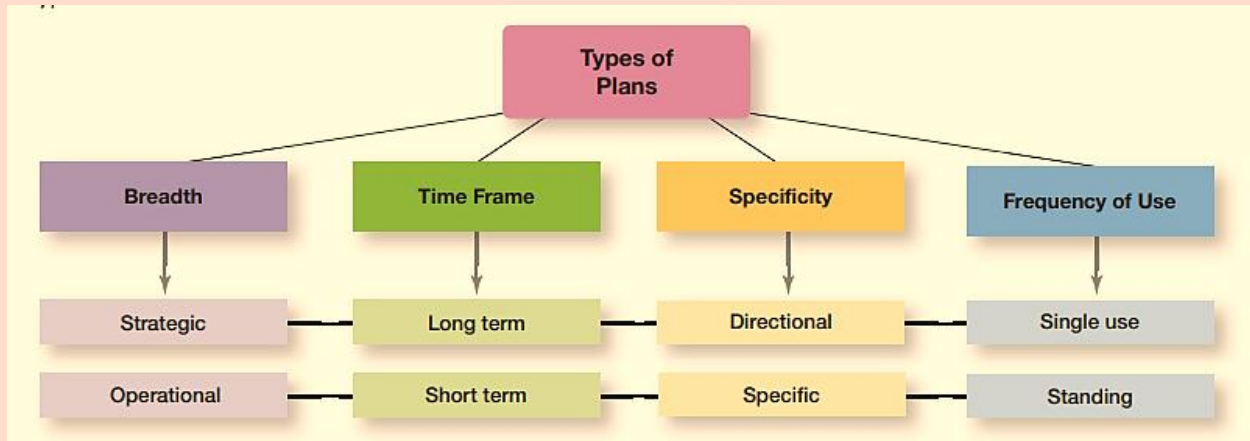

Exhibit 8-1. Types of Plans

⊕ **Breadth (Strategic Plans vs Operational Plans)**

Strategic plans are plans that apply to the entire organization and establish the organization's overall goals.

> For example, the strategic plan of Egyptian Transport and Commercial Services Company (Egytrans) is to "make integrated transport easy, safe, and cost-effective," by providing its business customers with world-class transport and logistics services. This multi-year plan identifies new markets with significant profit opportunity and sets goals for increasing revenue, improving cost efficiencies, and service innovations for future growth.

Plans that encompass a particular operational area of the organization are called **operational plans**.

> The operational plans of Egytrans guide decisions about new products and business units to support the strategic plan.

These two types of plans differ because **strategic plans are broad** while **operational plans are narrow**.

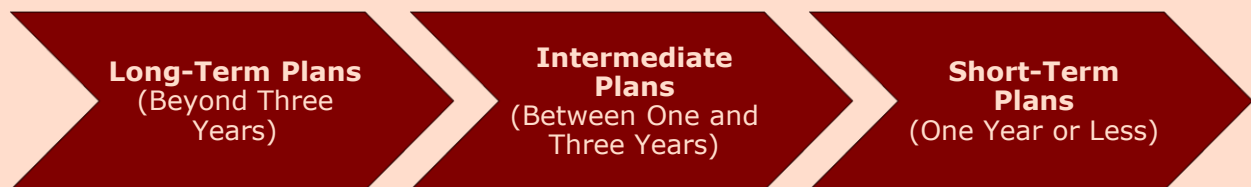⊕ **Time Frame (Short-Term Plans vs Long-Term Plans)**

The number of years used to define short-term and long-term plans has declined considerably because of environmental uncertainty. Long term used to mean anything over seven years. Try to imagine what you're likely to be doing in seven years, and you can begin to appreciate how difficult it would be for managers to establish plans that far in the future.

We define **long-term plans** as those with a time frame beyond three years.

> The U.S. National Aeronautical Space Administration's long-term goal is to answer some basic questions. What's out there in space? How do we get there? What will we find?

Short-term plans cover one year or less.

Any time period in between would be an **intermediate plan**.

Long-Term Plans (Beyond Three Years) → **Intermediate Plans** (Between One and Three Years) → **Short-Term Plans** (One Year or Less)

Although these time classifications are fairly common, an organization can use any planning time frame it wants. For instance, Dollar General stated a short-term plan to increase store sales and profitability in 2016.

⊕ Specificity (Directional Plans vs Specific Plans)

Intuitively, it would seem that specific plans would be preferable to directional, or loosely guided, plans.

Specific plans are clearly defined and leave no room for interpretation. A specific plan states its objectives in a way that eliminates ambiguity and problems with misunderstanding. A manager who seeks to increase his or her unit's work output by 8 percent over a given 12-month period might establish specific procedures, budget allocations, and schedules of activities to reach that goal.

> For example, Rolls-Royce's marine equipment business announced a specific plan to save costs by eliminating 800 jobs in several countries, which amounts to 17 percent of its total workforce.

However, when uncertainty is high and managers must be flexible in order to respond to unexpected changes, **directional plans** are preferable. Directional plans are flexible plans that set out general guidelines. They provide focus but don't lock managers into specific goals or courses of action.

> For example, at the Morning Star Company, professional employees self-manage their relationships with colleagues, customers, and suppliers without specific directions from company executives. These employees are simply expected to hold themselves accountable to achieve the company's mission, which is "to produce tomato products and services which consistently achieve the quality and service expectations of our customers in a cost effective, environmentally responsible manner."

Keep in mind, however, that **the flexibility of directional plans must be weighed against the lack of clarity of specific plans**.

⊕ Frequency of Use (Single Use Plans vs Standing Plans)

Some plans that managers develop are ongoing while others are used only once.

A **single-use plan** is a one-time plan specifically designed to meet the needs of a unique situation.

For instance, when Walmart wanted to expand the number of its stores in China, top-level executives formulated a single-use plan as a guide.

In contrast, **standing plans** are ongoing plans that provide guidance for activities performed repeatedly. Standing plans include policies, rules, and procedures.

As an example, France's LVMH has a standing plan to handle issues under its ethical code of conduct, which applies to employees and to suppliers. The plan guides managers at the luxury products group as they examine potential conflicts of interest and other ethical concerns.

SOME MORE TYPES OF PLANS
There are some other types of plans as well such as **tactical plans**, **contingency planning**, and **crisis management**.

Tactical Plans
Tactical plans are developed to implement specific parts of a strategic plan. Strategy focuses on resources, environment, and mission, whereas tactics focus primarily on people and action.

Tactical plans are short-term actions derived from broader strategic goals. While some situations may require stand-alone tactical plans, they are generally aligned with a company's strategic plan. For example, Coca-Cola developed a strategic plan to maintain its dominance in the soft drink industry. As part of this, they identified unrest among independent bottlers and responded by purchasing and consolidating several of them into a new organization, Coca-Cola Enterprises. This tactical move strengthened their control and aligned with their strategic goal.

Tactics must include specific actions, resources, and timelines. For example, Coca-Cola's strategy to expand globally led to tactical plans like building new plants in France and India, allocating funds, and setting deadlines for completion.

Tactical planning also involves heavy collaboration. Managers gather and share information to execute plans effectively. In Coca-Cola's case, executives worked on new plants, the bottling venture, and a joint deal with Cadbury Schweppes, requiring significant coordination and effort.

Contingency Planning
Contingency planning involves preparing for unforeseen events or emergencies that could disrupt normal operations. Businesses develop contingency plans to mitigate risks and ensure that they can continue functioning despite unexpected challenges.

Key aspects of contingency planning are as follows.
- ⊕ Identifying potential risks (e.g., natural disasters, economic downturns).
- ⊕ Developing backup plans for critical operations.
- ⊕ Ensuring quick recovery to minimize damage or loss.

For example, a manufacturing company in Bangladesh may develop a contingency plan to handle supply chain disruptions during natural disasters like floods. The plan could involve sourcing materials from alternative suppliers or adjusting production schedules.

Crisis Management
Crisis management is more specific to preparing for sudden, high-impact events that can cause severe damage to an organization's reputation or operations. These plans aim to manage immediate responses and limit harm during critical situations.

Key aspects of crisis management are as follows.
- ⊕ Setting up crisis communication strategies.
- ⊕ Establishing response teams to act quickly.
- ⊕ Preparing for both internal and external crises (e.g., cyberattacks, public relations issues).

For example, a tech startup may create a crisis management plan for managing a data breach. This would involve informing customers, fixing the vulnerability, and communicating transparently to restore trust. In 2019, Boeing faced a major crisis with its 737 MAX planes being grounded worldwide after two fatal crashes. Boeing's crisis management involved addressing safety concerns, working with regulators, and providing compensation to affected airlines.

Examples of Different Types of Plans: BRAC University
Following are examples of different types of plans within the context of BRAC University.

Types of Plans	Example
Strategic Plan	BRAC University's strategic plan focuses on becoming a leading educational institution in Bangladesh by offering high-quality education, fostering research and innovation, and promoting social responsibility. It outlines goals such as expanding academic programs, enhancing faculty development, and increasing collaboration with industry partners to address societal challenges.
Operational Plan	BRAC University's operational plan for its School of Business guides decisions about curriculum development, faculty recruitment, and student enrollment to support the strategic goal of providing excellence in business education. It includes initiatives such as launching new specialization tracks, organizing industry seminars, and implementing student mentorship programs.
Short-Term Plan	BRAC University's short-term plan for the upcoming academic year focuses on enhancing student engagement and retention. It includes initiatives such as organizing orientation programs for new students, implementing student feedback mechanisms, and launching extracurricular activities to create a vibrant campus environment.
Long-Term Plan	BRAC University's long-term plan over the next three years aims to establish itself as a hub for interdisciplinary research and innovation. It includes initiatives such as building state-of-the-art research facilities, attracting top-tier faculty and researchers, and fostering collaborations with international universities and research institutions to address global challenges.

Types of Plans	Example
Specific Plan	BRAC University's specific plan to improve student graduation rates involves implementing a comprehensive academic support program that will increase new student enrolment by 5% in every semester. This includes offering tutoring services, organizing study skills workshops, and providing academic advising to help students succeed academically and graduate on time.
Directional Plan	BRAC University's directional plan for faculty development emphasizes principles of academic freedom, research excellence, and student-centered teaching. It provides general guidelines for faculty members to pursue their scholarly interests, engage in interdisciplinary collaborations, and adopt innovative teaching methods to enhance student learning outcomes.
Single-Use Plan	BRAC University's single-use plan for hosting a national conference on sustainable development involves detailed event planning, budget allocation, and stakeholder engagement. It includes tasks such as securing venue arrangements, inviting keynote speakers, and coordinating logistics to ensure the success of the conference.
Standing Plan	BRAC University's standing plan for academic integrity outlines policies, procedures, and guidelines to ensure ethical conduct among students, faculty, and staff. It includes measures such as plagiarism detection software, academic misconduct investigations, and disciplinary actions to uphold academic standards and uphold the university's reputation for integrity.
Tactical Plan	BRAC University's tactical plans focus on achieving short-term goals in line with its long-term vision. To improve academic quality, the university may introduce faculty workshops on innovative teaching techniques. These sessions would be supported by upgrades in teaching tools and rolled out over six months.
Contingency Plan	BRAC University's contingency plans ensure continuity during disruptions. If natural disasters or political unrest affect classes, the university would switch to online learning platforms like Google Classroom and Zoom, with recorded lectures as backups.
Crisis Management Plan	BRAC University's crisis plans tackle high-impact emergencies. During natural disasters such as floods, the university would evacuate students and staff to shelters, ensuring communication and access to essential supplies. Afterward, the recovery team would assess damage and restore operations.

VISION, MISSION, STRATEGIES, AND OBJECTIVES
Vision

A **vision statement** outlines the long-term aspirations and ultimate goals of an organization. It describes the desired future state or overarching purpose that guides the organization's actions and decisions.

Characteristics
⊕ Inspirational and aspirational
⊕ Clear and concise
⊕ Future-oriented

Example
Vision of BRAC University: "*To be a proud, global institution from Bangladesh and Bangladesh's flagship university*"

Every Organization Needs a Mission — A Statement of Its Purpose.

Defining the mission forces managers to identify what it's in business to do. But sometimes that mission statement can be too limiting.

For example, Nike's mission is to "bring inspiration and innovation to every athlete in the world." Not everybody plays one or more sports, which is why Nike wisely defines athlete more broadly. "If you have a body, you are an athlete." Had Nike not expanded its mission statement in this way, it surely would have compromised its overall appeal, sales, and profits. What should a mission statement include?

Exhibit 9-2 describes some typical components.

Customers:	Who are the firm's customers?
Markets:	Where does the firm compete geographically?
Concern for survival, growth, and profitability:	Is the firm committed to growth and financial stability?
Philosophy:	What are the firm's basic beliefs, values, and ethical priorities?
Concern for public image:	How responsive is the firm to societal and environmental concerns?
Products or services:	What are the firm's major products or services?
Technology:	Is the firm technologically current?
Self-concept:	What are the firm's major competitive advantage and core competencies?
Concern for employees:	Are employees a valuable asset of the firm?

Exhibit 9-2. Components of a Mission Statement

Mission
A **mission statement** defines the fundamental purpose and core values of an organization. It communicates what the organization does, who it serves, and why it exists.

Characteristics
⊕ Action-oriented
⊕ Reflective of core values
⊕ Customer-centric

Example
Missions of BRAC University: BRAC University has the following three missions.
⊕ Fostering Knowledge Creation
⊕ Upholding Human Values
⊕ Promoting Sustainable Development

Strategies
Strategies are the high-level plans and approaches designed to achieve the organization's objectives and fulfill its mission. They outline the key initiatives, actions, and resource allocations necessary to reach the desired outcomes.

Characteristics
⊕ Aligned with objectives
⊕ Flexible and adaptable
⊕ Comprehensive and integrated

Example
Strategy 1: "Expand into new international markets to drive revenue growth and diversify customer base."
Strategy 2: "Invest in research and development to innovate new products and services that meet evolving customer needs."
Strategy 3: "Enhance operational efficiency through process optimization and technology integration to reduce costs and improve competitiveness."

Objectives
Objectives are specific, measurable, and time-bound goals that support the achievement of the organization's mission and vision. They serve as quantifiable targets to track progress and success.

Characteristics
⊕ Specific and clear
⊕ Measurable and quantifiable
⊕ Achievable within a defined timeframe

Example
Objective 1: "Increase market share by 15% within the next two years."
Objective 2: "Reduce production costs by 10% by the end of the fiscal year."
Objective 3: "Improve customer satisfaction ratings to 90% by implementing a new feedback system within six months."

In summary, vision provides the overarching direction, mission defines the fundamental purpose, strategies outline the plans to achieve those goals, AND objectives set specific goals, all working together to guide the organization toward success.
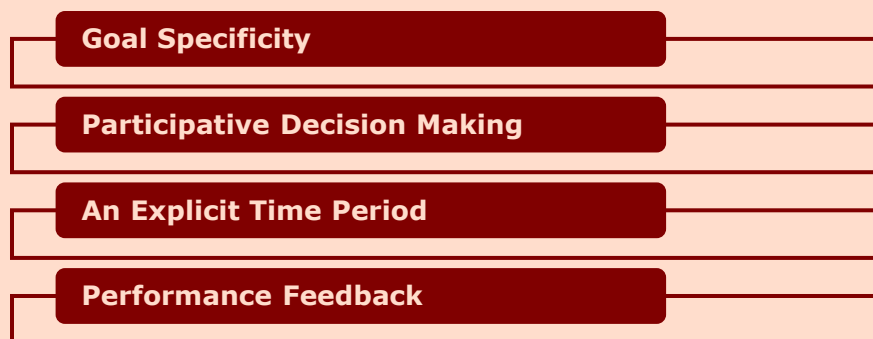
MANAGEMENT BY OBJECTIVES (MBO)

Instead of using traditional goal-setting, many organizations use **management by objectives (MBO)**, a process of setting mutually agreed-upon goals and using those goals to evaluate employee performance.

If a manager uses this approach, they sit down with each member of their team and set goals and periodically review whether progress is being made toward achieving those goals.

Companies such as Adobe, GE, and Microsoft have replaced traditional performance ratings with MBO programs. Adobe refers to its MBO program as Check In. Each year, employees and managers meet to establish goals. Then, at least every two months, employees check in with their managers to discuss their progress. At the end of the year, managers meet for a "rewards check-in" session where they discuss how well employees attained their goals, and pay increases and bonuses are awarded based on goal attainment. According to Donna Morris, Adobe's global senior vice president of people and places, "Managers are empowered to make those decisions," says Morris. "HR isn't involved."

MBO programs have the following four elements.

- **Goal Specificity**
- **Participative Decision Making**
- **An Explicit Time Period**
- **Performance Feedback**

Instead of using goals to make sure employees are doing what they're supposed to be doing, MBO uses goals to motivate them as well. The appeal is that it focuses on employees working to accomplish goals they've had a hand in setting. Exhibit 8-3 lists the steps in a typical MBO program.

Step 1:	The organization's ***overall objectives*** and ***strategies*** are formulated.
Step 2:	Major objectives are allocated among ***divisional and departmental units***.
Step 3:	Unit managers ***collaboratively set specific objectives*** for their units with their managers.
Step 4:	Specific objectives are collaboratively set with ***all department members***.
Step 5:	***Action plans***, defining how objectives are to be achieved, are specified and agreed upon by managers and employees.
Step 6:	The action plans are ***implemented***.
Step 7:	Progress toward objectives is ***periodically reviewed***, and ***feedback is provided***.
Step 8:	Successful achievement of objectives is reinforced by ***performance-based rewards***.

Exhibit 8-3. Steps in MBO

Does MBO Work?

Studies have shown that it can increase employee performance and organizational productivity. For example, one review of MBO programs found productivity gains in almost all of them. But is MBO relevant for today's organizations? If it's viewed as a way of setting goals, then yes, because research shows that **goal-setting can be an effective approach to motivating employees**.

REVIEW AND DISCUSSION QUESTIONS

A. Theoretical/Conceptual Questions

1. Define the nature and purposes of planning.
2. Planning takes a lot of effort. Why do you think people should engage in it?
3. Define the term goal and explain how planning fits into an organization's goal.
4. What are organizational goals? Explain the various types of operational plans. Give a real or hypothetical business example for each type.
5. Managers are frequently criticized for focusing too much attention on the achievement of short-term goals. In your opinion, how much attention should be given to long-term versus short-term goals? In the event of a conflict, which should be given priority? Explain your answers.
6. What types of plans and decisions most likely require board of director involvement, and why? What types of decisions and plans are not appropriate for board involvement, and why?
7. Standing plans help make an organization more effective. However, they may inhibit experimentation and organizational learning. Under what conditions, if any, should organizations ignore their own standing plans? In the area of planning, how can an organization balance the need for effectiveness against the need for creativity?
8. What are the four primary reasons managers engage in planning, as outlined in the content?
9. How does planning contribute to the coordination and cooperation among employees?
10. In what ways does planning help managers anticipate and respond to changes and uncertainties in the business environment?
11. Can planning eliminate uncertainty completely? Why or why not?
12. How does planning help in minimizing waste and redundancy in organizational activities?
13. What role does coordination play in identifying and eliminating inefficiencies?
14. How does planning establish the goals or standards that are used in the controlling function of management?
15. Why are goals considered essential elements of planning?
16. How do goals differ from plans in the context of organizational planning?
17. Why is it important for managers to have clearly defined goals before establishing plans?
18. Why is planning often referred to as the primary management function?
19. How does planning serve as the foundation for the other management functions of organizing, leading, and controlling?
20. What are some potential challenges managers might face when implementing formal planning processes?
21. How can managers ensure that their plans remain flexible to accommodate unforeseen changes?
22. What could be the consequences of poor planning on organizational performance and goal achievement?
23. What distinguishes strategic plans from operational plans in terms of their scope and purpose?
24. Provide an example of a strategic plan and an operational plan from a real or hypothetical organization.
25. How do strategic and operational plans interact to achieve the organization's overall goals?
26. How have definitions of short-term and long-term plans evolved due to environmental uncertainty?
27. Why might a manager find it challenging to establish long-term plans that extend beyond three years?
28. How do long-term plans, like those of NASA, differ from short-term plans, such as Dollar General's plans to increase sales?
29. What might be some advantages and disadvantages of relying more heavily on short-term plans in today's business environment?
30. In what situations might specific plans be more effective than directional plans, and vice versa?
31. How do specific plans eliminate ambiguity and misunderstanding in an organizational context?
32. Provide an example of a specific plan and a directional plan from a real or hypothetical organization.
33. What challenges might managers face when implementing directional plans in highly uncertain environments?
34. How do single-use plans differ from standing plans in terms of their purpose and application?
35. Why might an organization like Walmart use a single-use plan for expanding its stores in China?
36. Provide an example of a single-use plan and a standing plan from a real or hypothetical organization.
37. How do standing plans contribute to maintaining consistency in repeated organizational activities?

38. How can managers balance the need for flexibility in directional plans with the clarity provided by specific plans?
39. In what scenarios might the lack of clarity in directional plans hinder organizational performance?
40. What are the key characteristics of a vision statement, and why are they important for an organization?
41. How does a mission statement differ from a vision statement in terms of purpose and focus?
42. What role do strategies play in achieving an organization's mission and vision?
43. What makes objectives specific, measurable, and time-bound, and why are these characteristics important?
44. How do vision, mission, strategies, and objectives work together to guide an organization toward success?
45. Why is it important for an organization to have a clear vision and mission before developing strategies and objectives?
46. What are the main steps involved in the MBO process, and how do they contribute to achieving organizational goals?
47. How does MBO differ from traditional goal-setting methods, and what advantages does it offer?
48. How do organizations like Adobe, GE, and Microsoft use MBO to replace traditional performance ratings?
49. What are the benefits of involving employees in the goal-setting process, as practiced in MBO?
50. Discuss potential challenges and limitations of implementing MBO in today's organizational environments.
51. How does MBO use goals to motivate employees, and why might this be more effective than using goals solely for monitoring purposes?
52. How can the periodic review and feedback process in MBO enhance employee engagement and performance?

B. Situational/Contextual Questions

53. Imagine a manufacturing company where different departments are working independently without a clear plan. What problems might arise, and how could implementing a formal planning process help resolve these issues?
54. A tech startup faces rapid changes in market trends and technology. How can planning help the startup's managers anticipate and respond to these changes effectively?
55. A retail chain notices that several stores are overstocked with unsold inventory, leading to significant waste. How might a thorough planning process minimize such inefficiencies in the future?
56. In a service-oriented company, how could the lack of a planning process affect the ability of managers to control and measure employees' performance?
57. A healthcare organization wants to improve patient satisfaction scores. What steps should managers take to set appropriate goals and develop plans to achieve this target?
58. A multinational corporation has set a strategic goal to become a leader in sustainable business practices over the next decade. What might be some operational plans that support this strategic goal?
59. A new restaurant is opening and needs to set both short-term and long-term plans. What are some examples of goals and plans it might establish in each time frame?
60. A software company is planning to enter a new market but faces high levels of uncertainty. Should it use directional or specific plans, and why?
61. An event management company is organizing a large, one-time international conference. What type of plan should the company develop for this event, and why?
62. A nonprofit organization aims to reduce homelessness in a city by 20% over the next five years. What specific goals and plans should the organization establish to work towards this vision?
63. Imagine you are a manager at a software development company. How would you apply the MBO process to set goals with your team at the beginning of the year?
64. In an advertising agency, managers meet with their teams every two months to review progress towards goals. How can these regular check-ins benefit both managers and employees?
65. At Adobe, managers are empowered to make decisions about rewards without HR involvement. Discuss the potential advantages and disadvantages of this approach.
66. A manufacturing company is implementing MBO for the first time. Describe the eight steps they should follow to ensure the program is effective.

67. A financial services firm uses MBO to determine bonuses. What criteria might managers use during the "rewards check-in" session to fairly assess employee performance?
68. Compare how the MBO process might be implemented in a creative industry (e.g., advertising) versus a technical industry (e.g., engineering). What unique challenges might each industry face?
69. A company has implemented MBO, but after a year, employee performance has not improved. What steps can the company take to evaluate and improve the effectiveness of their MBO program?
70. With more employees working remotely, how can managers adapt the MBO process to ensure clear communication, goal-setting, and progress reviews?
71. A healthcare organization has a long-term goal of improving patient care quality. How can MBO be structured to address both immediate objectives and long-term goals in this context?
72. What challenges might arise during the collaborative goal-setting process in MBO, and how can managers address these challenges to ensure effective goal alignment?
73. A retail company implemented MBO and saw a significant increase in sales and customer satisfaction. Describe the possible steps they took and how each step contributed to their success.

APPENDIX A
Mission Statements of the World's Best Companies

Tesla	"Tesla's mission is to accelerate the world's transition to renewable energy."
Starbucks	"To inspire and nurture the human spirit - one person, one cup, and one neighborhood at a time."
Coca-Cola	"The Coca-Cola Company exists to benefit and refresh everyone who is touched by our business."
Nike	"Our mission is to bring inspiration and innovation to every athlete* in the world. *If you have a body, you are an athlete."
General Motors	"General Motors' corporate mission is to earn customers for life by building brands that inspire passion and loyalty through not only breakthrough technologies but also by serving and improving the communities in which we live and work around the world."
LinkedIn	"To connect the world's professionals to make them more productive and successful."
Google	"To organize the world's information and make it universally accessible and useful."
Amazon	"We strive to offer our customers the lowest possible prices, the best available selection, and the utmost convenience."
Duolingo	"We're here to develop the best education in the world and make it universally available. Our global team works together to make language learning fun, free, and effective for anyone who wants to learn, wherever they are."
Microsoft	"Our mission is to empower every person and every organization on the planet to achieve more."
TikTok	"Our mission is to capture and present the world's creativity, knowledge, and moments that matter in everyday life."
CVS	"Helping people on their path to better health."
Pfizer Pharmaceuticals	"We will become the world's most valued company to patients, customers, colleagues, investors, business partners, and the communities where we work and live."
Facebook	"To give people the power to share and make the world more open and connected."
X	"To give everyone the power to create and share ideas and information instantly, without barriers."
PayPal	"To build the Web's most convenient, secure, cost-effective payment solution."
Uber	"Uber is evolving the way the world moves. By seamlessly connecting riders to drivers through our apps, we make cities more accessible, opening up more possibilities for riders and more business for drivers."
BBC	"To enrich people's lives with programmes and services that inform, educate and entertain."
Forbes	"To deliver information on the people, ideas and technologies changing the world to our community of affluent business decision makers."
Sony	"To be a company that inspires and fulfils your curiosity."