

PLANNING

Introduction

Planning is the primary function of management. Its purpose is to ensure optimum utilisation of human and economic resources in the business processes. It precedes all other activities of the business undertaking. It involves not only anticipating the consequences of decisions but also predicting events that may have effects on a business.

Planning helps in determining the course of action to be followed for achieving various organizational objectives. It is a decision in advance, **what to do, when to do, how to do and who will do** a particular task. Planning is a process which involves thinking before doing. Planning is concerned with the mental state of a manager. He thinks before undertaking a work. Other functions of management such as organizing, staffing, directing, coordinating and controlling are also undertaken after planning.

Planning is a process of looking ahead. The primary object of planning is to achieve better results. It involves the selection of organisational objectives and developing policies, procedure, programmes, budgets and strategies. Planning is a continuous process that takes place at all levels of management. A detailed planning is done in the beginning but the actual performance is reviewed and suitable changes are made in plans when actual execution is done. Plans may be of many kinds, such as short range plans, medium range plans, long range plans, standing plans, single use plans, strategic plans, administrative plans and operational plans.

Concept of Planning

Change is the rule of present-day business. A manager is supposed to operate in a dynamic economy where there is no scope for self-satisfaction. Planning is a tool in the hands of a manager who wants to face problems created by change. Successful managers deal with foreseen problems and unsuccessful manager's struggle with unforeseen problems. The difference lies in planning.

Every enterprise which strives to survive and grow must place heavy emphasis upon planning. A planner foresees opportunities and devises ways and means to take advantage from them. There may be cases where little bit of planning helps in achieving objectives. This may happen in favourable situations. In a competitive business world a manager cannot wait for favourable circumstances, he has to decide in the face of uncertainties. There is no place for guesswork or chance. The need is for proper planning.

Planning helps in determining the course of action to be followed for achieving various organizational objectives. It is a decision in advance; what to do, when to do, how to do and who will do a particular task. Planning is a process which involves 'thinking before doing.' It is concerned with a mental state of the manager. He thinks before undertaking a work. Other

functions of management like organising, controlling and directing are also undertaken after proper planning.

Thus, planning is deliberate and conscious research used to formulate the design and orderly sequence of actions through which it is expected to help reach its objectives.

Planning chalks out a course of action for the enterprise to follow. Thus, it is a process whose result (the plan) must answer all questions that have been raised above. It means that planning involves anticipation of future course of events. It is a process of thinking before doing.

It leads to the determination of objectives and steps necessary to achieve them.

In the past four decades every type of enterprise has shown a tremendous interest in planning. In the present economic, technological, political and social set up planning is essential for the survival of an enterprise. The change and growth bring new opportunities but they also bring more risks. The task of planning is to minimize risk while taking advantage of opportunities.

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 is a process which involves thinking before doing and bridges the gap between where we stand today and where we want to reach.

According to Theo Haimann, “Planning is deciding in advance what is to be done. When a manager plans, he projects a course of action for the future, attempting to achieve a consistent, coordinated structure of operations aimed at the desired results.”

According to Louis A. Allen, Management planning involves the development of forecasts, objectives, policies, programmes, procedures, schedules and budgets.

Some features of planning are:

- Planning is the primary or first function to be performed by every manager.
- Planning starts with the determination of objectives. In planning, every manager starts with deciding in advance the objectives of an enterprise and how to accomplish these objectives.
- Planning is a continuous process that takes place at all levels of management.
- Planning always means looking ahead or planning is a futuristic action. It is never done for the past.
- Planning helps in decision making which helps in choosing among different available alternatives.

- It helps to visualize the future problems and keeps management ready with possible solutions.
- Planning is a mental process which requires higher level of thinking.