

F

6 / D

Chapter - 2

* 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.

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~~ create a common understanding about what needs to be done. Finally, specific plans exist for achieving these goals.

Why do managers plan?

We can give you at least four reasons. First, planning provides direction to managers and non-managers 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 individual~~
~~might work at cross purpose and prevent the~~
~~organization from efficiently achieving its goal.~~

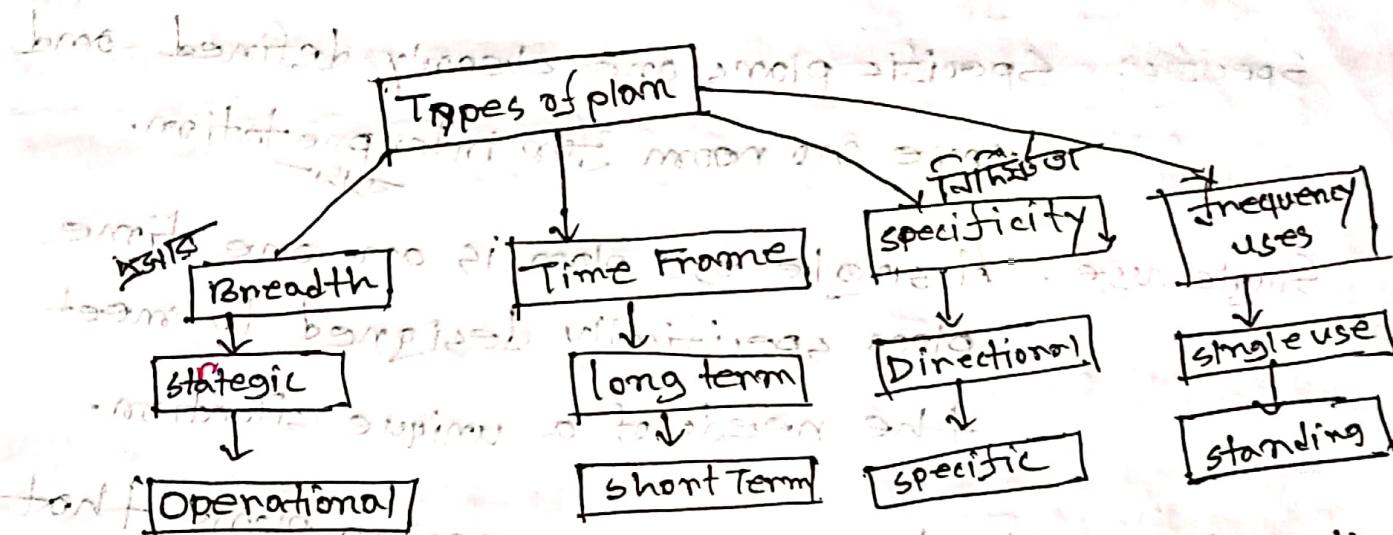
Next, planning reduces uncertainty by forcing managers to look ahead, anticipate changes, consider the impact of change and develop appropriate response. Although planning eliminates uncertainty, managers plan so they can respond effectively.

In addition, planning minimizes waste and redundancy. When work activities are coordinated around plans, inefficiencies become obvious and can be unconnected or eliminated.

Finally planning establishes the goals or standards focused 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

Types of planning forming a hierarchy



Strategic: Strategic plans are plans that apply to the entire organization and establish the organizational goals.

Operational: plans that encompass a particular operational areas of the organizations are called operational plans.

Long term: We define long term plans as those with a time frame beyond three years.

~~Term~~ short term plans cover one year or less.

~~Directional~~: Directional plans are flexible plans that provides general guidelines.

~~Specific~~: Specific plans are clearly defined and leave no room for interpretation.

~~Single use~~: A single use plan is an one time plan specifically designed to meet the needs of a unique situation.

~~Standing~~: Standing plans are ongoing plans that provide guidance for activities performed repeatedly.

What is Human resource management?

Human resource management is the strategic approach to the effective and efficient management of people in a company or organization such that they help their business gain a competitive advantage.

Why is HRM Important?

HRM is important for three reasons. First it can be a significant source of competitive advantage as various studies have concluded. And that's true for organizations around the world.

Second HRM is important part of organizational strategies.

Achieving competitive success through people means managers must change how they think about their employees and they view the work relationship.

Finally, the way organizations treat their people has been found to significantly impact organizational performance.

Process of HRM

Identify and selecting competent employee

(i) HR planning: Human Resource planning is the first process by which managers ensure that they have the right number and kinds of capable people in the right places and at the right times. HR planning entails two steps

(i) Assessing current HR

(ii) Meeting future HR

An important part of current assessment is job analysis an assessment that defines a job and the behaviours necessary to perform it.

Future HR is determined by the organization's mission, goals, and strategies.

(iii) Recruitment and de-recruitment

If employee vacancies exist, managers should use the information gathered through job analysis to guide them in recruitment i.e. locating, identifying capable applicants.

~~On the other hand, if HR planning shows a~~

The other approach to controlling labour supply
is recruitment, which is not a present task for
any manager.

3. Selection: The process of selection, screening job applicants to determine who is best qualified for the job. Managers need to 'select' carefully since hiring errors can have significant implications

selection involves predicting which applicants will

be successful if hired

A decision is correct when the applicant was predicted to be successful and proved to be successful on the job making short term negative self-fulfilling predictions about the individual's performance and long term predictions about the individual's performance.

Performance management techniques include setting clear and realistic goals, monitoring progress, giving timely feedback, and providing incentives.



Decision making: A process of planning and controling
Decision making is an eight step process that begins with identifying a problem and ends with evaluating the outcome of the decision.

Decision making process involves the analysis of situations of managers at all levels and in all areas of organization make decision.

1. Identifying a problem: Every decision starts with a problem, a discrepancy between an existing situation and a desired condition. Managers also have to be cautious not to be confused with problem. Also keep in mind that problem identification is subjective. We can see effective identifying problems is important but not easy.

2. Identifying decision criteria: Once a manager has identified a problem, he or she must identify the decision criteria that are important to resolving the problem.

~~Writing this list, it's a result of the problem and~~

3. Allocating weight to the criteria: If the relevant criteria aren't equally important, the decision maker must weight the item in order to give them the correct priority in the decision.

4. Developing alternatives: The fourth step in the decision making process requires the decision maker to list ~~viable~~ ^{possible} alternatives that could resolve the problem.

5. Analyzing alternatives: Once alternatives has been identified, a decision maker must evaluate each one. Sometimes a decision maker might be able to skip this step if they have a clear idea of what they want.

6. Selecting an alternative: The sixth step in the decision making process, it choosing the best alternative or the one that generated the highest total in step-5.

7. Implementing the alternative: In step-7, in the decision making process involves evaluating the outcome or result of the decision to see we put the decision ~~to see whether~~ into action.

by conveying it to those affected and getting their commitment to it.

8. Evaluating decision effectiveness: The last step in the decision making process involves evaluating the outcome or result of the decision to see whether the problem was resolved.

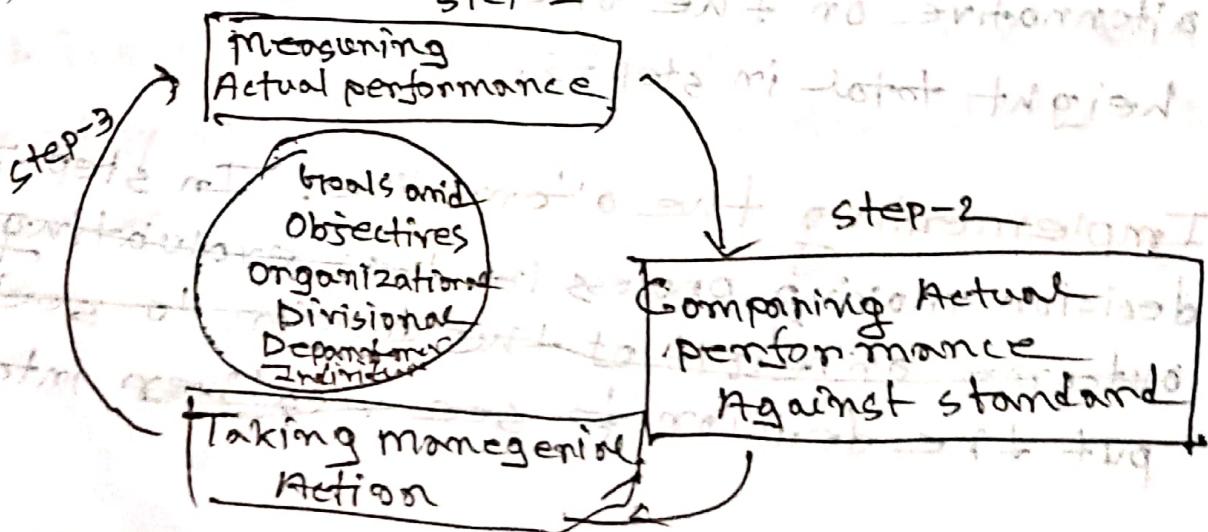
Last chap controlling

What is controlling?

Controlling is the process of monitoring, comparing and correcting work performance.

Effective controls ensure that activities are completed in ways that lead to attainment of goals.

Controlling process:



Step-1: Measuring Actual Performance:

To determine what actual performance is, a manager must first get information about it. Thus, the first step in control is measuring.

Four approaches used by managers to measure and report actual performance are personal observations, statistical reports, oral reports and written reports.

Some control criteria can be used for any management situation. For instance, all managers deal with people so criteria such as employee satisfaction or turnover and absenteeism rates can be measured.

Most work activities can be expressed in quantifiable terms. However, managers should use subjective measures when they can't.

measures when they can't.

Step-2: Comparing Actual Performance Against the Standard:

The comparing step determines the variations between actual performance and the standard. Although some variations in performance can be expected in all activities, it's critical to determine an acceptable range of variation. If it falls outside

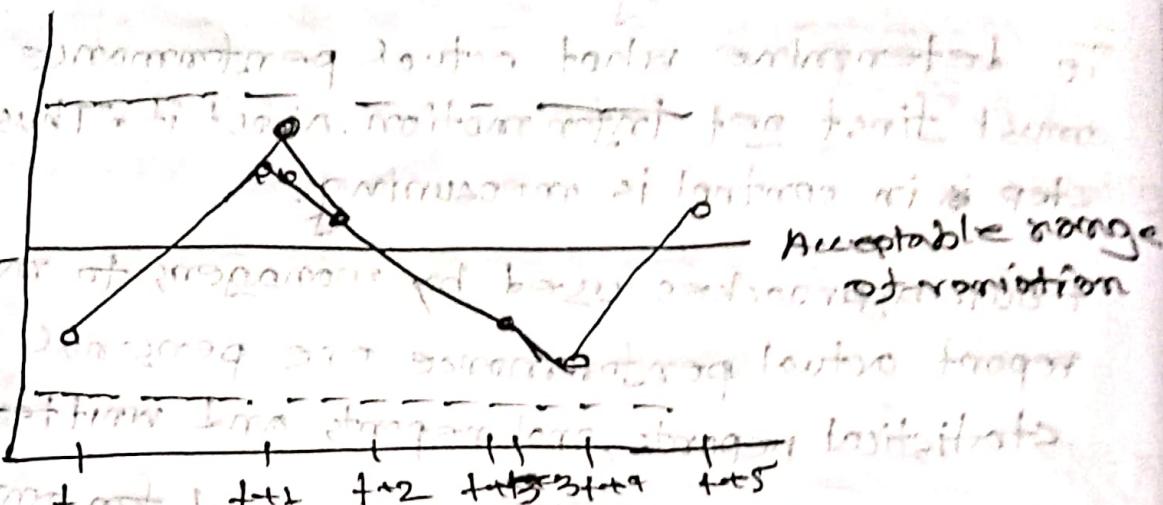
Acceptable
Upper limit

standard

Acceptable
Lower limit

Lower
limit

Acceptable range



Step-3: Taking Managerial Action: Managers can choose among three possible courses of action: do nothing, connect the actual performance or revise the standards.

Because "Do nothing" is self-explanatory, let's look at the two.

Connect Actual Performance: Depending on what the problem is, a manager could take different corrective actions. For instance, if unsatisfactory work is the reason for performance variations, the manager could connect it by things such as

training programs, disciplinary action, changes in compensation practices and so on. One decision that a manager must make is to take immediate corrective actions which corrects problem at once to get performance back on track.

Revise the standard? It's possible that the variance was a result of an ~~unrealistic~~ standard - too low or too high a goal. In that situation, the standard needs the corrective action, not the performance. If performance ~~consistently~~ exceeds the goal then a manager should look at whether the goal is too easy and needs to be raised.