



Short Answer Type Questions

1. What are the main points in the definition of planning?

Ans: The main points in the definition of planning are as follows:

- (i) Planning is deciding in advance what to do and how to do.
- (ii) It is one of the basic managerial function.
- (iii) Planning involves setting objectives and developing an appropriate course of action to achieve these objectives.
- (iv) It bridges the gap between where we are and where we want to reach.

2. How does planning provide direction?

Ans: Planning provides direction for action by deciding in advance what has to be done, how to do, when to do and who will do. When we try to seek answers to the above questions, which are well planned then directions are automatically highlighted.

3. Do you think planning can work in a changing environment?

Ans: Planning may not work in a changing environment. The environment consists of a number of dimensions, economic, political, social, legal and technological dimensions. The organisation has to constantly adapt itself to changes. It becomes difficult to accurately assess future trends in the environment. Planning cannot foresee everything and thus, there may be obstacles to effective planning.

4. If planning involves working out details for the future, why does it not ensure success?

Ans: Planning does not guarantee success. The success of an enterprise is possible only when plans are properly drawn up and implemented. Any plan needs to be translated into action or it becomes meaningless. Managers have a tendency to rely on previously tried and tested successful plans. It is not always true that just because a plan has worked before it will work again. This kind of false sense of security may actually lead to failure instead of success.

5. Why are rules considered to be plans?

Ans: Rules are specific statements that inform what is to be done. They do not allow for any flexibility or discretion. It reflects a managerial decision that a certain action must or must not be taken. They are usually the simplest type of plans because there is no compromise or change unless a policy decision is taken.

6. What kind of strategic decisions are taken by business organisations?

Ans: Major strategic decisions include whether the organisation will continue to be in the same line of business or combine new lines of activity with the existing business or seek to acquire a dominant position in the same market.

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