# CHAPTER - 4

## Planning

### Concept of Planning

Planning is deciding in advance what to do and how to do

### Types of Plans

#### Single Use Plan

Developed for a one time event or project.

- **Programmes :** These outline objectives, policies, procedure, etc.
- **Budget :** Estimation of income and expenditure.

#### Standing Plan

It is used for activities that occur regularly over a period of time.

- **Objectives :** These are ends which the management seeks to achieve by its operation.
- **Strategies :** It refers to future decision defining the organizations' direction and scope in the long run.
- **Policies :** Policies are general statements that guide thinking or channelize energies towards a particular direction.
- **Procedures :** These are routine steps to on how to carry out activities.
- **Methods :** These provide the prescribed ways or manner in which a task to be done.
- **Rules :** They inform what is to be done.

### Importance of Planning

- Provides Direction
- Reduces the risks of uncertainity
- Promotes innovation ideas
- Facilitates decision making
- Establishes standards for controlling

### Limitations of Planning

- Planning leads to rigidity in the organizational work.
- Planning may not work in a dynamic environment.
- Planning reduces creativity.
- It is a time consuming process.
- Planning provides only base for success but it is not a guarantee of success.

### Planning Process

- Setting objectives for the organization
- Developing premises
- Identifying alternative course of action
- Evaluating alternative courses
- Selecting an alternative
- Implementing the plan
- Follow up actions