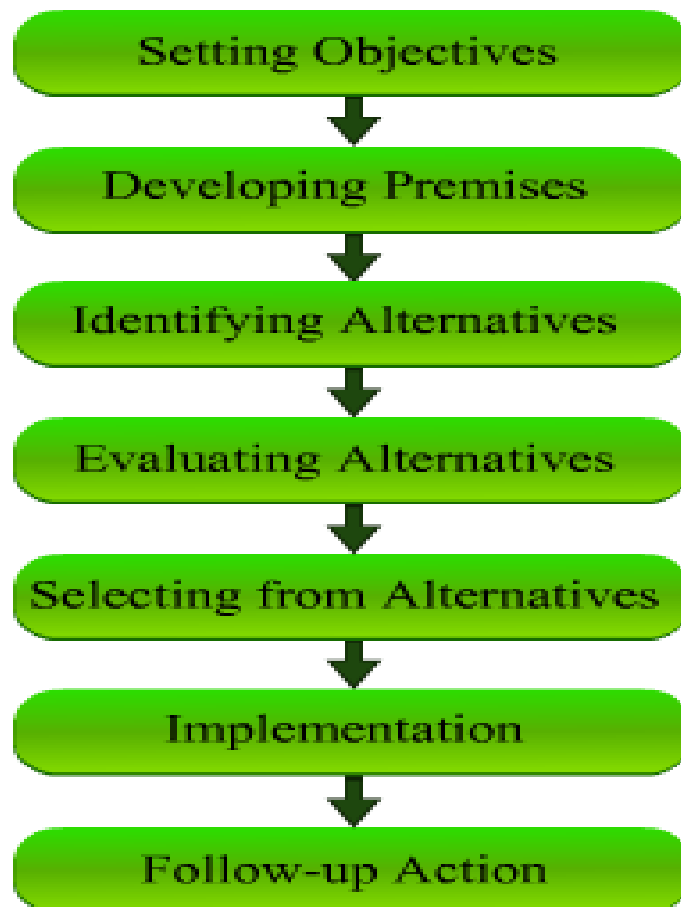


Planning Process

Planning means deciding in advance what is to be done and how it is to be done. It involves a few logical steps. Planning is ascertaining prior to what to do and how to do. It is one of the primary managerial duties. Before doing something, the manager must form an opinion on how to work on a specific job. Hence, planning is firmly correlated with discovery and creativity. But the manager would first have to set goals. Planning is an essential step what managers at all levels take. It needs holding on to the decisions since it includes selecting a choice from alternative ways of performance. Following are the steps to be followed by the management while making plans.



- (i) **Setting up the Objectives:** The first step in the planning process is the setting up of objectives and goals. Any business enterprise needs certain objectives to work upon for. Objectives may be set for the entire organisation and each department or unit within the organisation. Managers need to state these objectives very clearly so that right direction can be taken for achieving goals. Moreover, the objectives stated in the plan must sink in to all levels in the organisation. It provides a direction to the individual departments/units so that they can work towards the common objectives of the organisation. Unless the goals are not defined, the functions of the management cannot move forward.
- (ii) **Developing the Premises:** Planning is based on certain assumptions regarding the future and every planner is using conjecture about what might happen in future.. These assumptions are known as premises. The assumptions are regarding the future

predictions, previous plans and current policies and facts. Managers at all levels of the organisation involved in the planning should follow the same assumptions. These assumptions are very important for the organisation as they decide the path for the plans to be made. Thus, for successful planning correct premises should be proposed.

- (iii) **Identification of the Alternatives:** Once the objectives and assumptions are developed, a need arises to identify the different courses of action that can be followed. There can be number of ways to achieve a defined objective. The managers need to think carefully about these various routes. This involves innovation and creative mind so that new ways can be developed in order to accomplish the goals.
- (iv) **Evaluation of the Alternatives:** After identifying the different paths of actions the managers need to evaluate them. This evaluation is based on the utility and the consequences of the options. Managers must assess the pros and cons of each alternative. For example, which route will incur less cost or which option can help in achieving the goals in lesser time. In light of such aspects the right evaluation of different alternatives should be done.
- (v) **Selection of the Best:** Selecting the best alternative involves opting for the method that is most viable as per the objective. Here, the managers should use their skills and knowledge for judging and selecting the best alternative in terms of profitability, costs and workability. Depending on the situation, a combination of different routes may also be taken up instead of just one.
- (vi) **Implementation of plan:** Implementation of the alternatives requires other functions of management to step into the process. It involves organising and directing the work according to the chosen path and policies. Implementation is concerned with following the opted path of action and deciding how that is to be used in order to be successful.
- (vii) **Follow-up Action:** For assessing the whole working and implementation of the plans, a continuous supervision of the actions is required. Keeping an eye on the activities to be performed is an important part of planning itself, as it helps to ensure the proper working of a plan. Thus, a thorough follow-up action increases the success of a plan and thereby, the achievement of the objectives.