

Applications of Planning

When a manager plans, he is required to make four choices.

First - what is to be done?

Second - who is going to do it?

Third - how is it going to be done?

Fourth - when is it going to be done?

An Example of Planning

Let's take a simple example and apply the four choices, which the manager must make in planning. Suppose a soap manufacturer wants to introduce a new soap product to the market.

The decisions to be made at a high level in the company would be - what kind of product to make, which group will do the development and manufacturing, how will the market introduction be accomplished, and finally, when and where will the introduction take place.

Similarly, we can imagine a foreman in the same factory formulating a plan in connection with his or her part of the manufacturing process of the new soap.

"Planning," then, is a function per-

formed by a manager in which he looks at the future of the operation, for which he is responsible, and

many to make each week, in order that the progress can be checked periodically.



Planning, then, is necessary to establish our goals and to set a course of action by which we can measure how well we are doing towards accomplishing those goals.

Planning to Attain Goals

What we have been calling destinations and goals are better known in organizational planning as objectives.

decides where he is going and how he intends to get there.

Destination or Charted Course

Without planning, an organization is like a ship sailing without a destination or chartered course. Planning is interrelated with all the managerial functions, but is probably most closely associated with control.

Without planning we don't really know where we're going, so it is impossible to exercise control over the progress being made.

A company whose goal is to make a certain number of widgets during the year must plan how

The most important overall objective of any business is, of course, to make a profit. On the other hand, a non-business organization might have, as its objective providing a service as economically as possible.

To accomplish the overall objective, various departments and groups within the organization must determine their individual objectives.

All such goals or objectives or "hoped for" end results must be planned in the very beginning, before the operation gets underway. This is to assure that everyone will understand what is being attempted.