Strategic planning essay samples

Business, Management



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Types of Planning

Organizations at different stages of their activities carry out different types of planning. Planning thus, entails choosing the actions, patterns and methods for utilizing available resources to attain set goal, objectives or targets. Major types of planning include operational plans, strategic plans, tactical plans and contingency plans.

Organizations on a daily basis carry out operational plans which are identified in every of their activities. Mostly, operations plans are made by the organization's low-level managers and frontline operator staff. In organizations routine functions are embarked on daily basis and low level or middle level managers need to plan on how their departments or units can effectively carry out such routine tasks. According to Hartzell (2003), operational plan can be a single implementable plan or a continuous one. For instance, a manager operating at the frontline, his operational plans would include assigning employees to different particular task each week, evaluating the company's stock and inventory, planning and drawing out monthly budget to use for his departmental operations, and arranging developing advertisements for promoting the sales of certain product of the

company etc.

Strategic planning involve plans designed by management of organizations, with focus on how to enable the organization easily and effectively attain their outlined objectives and long term goals. Thus, strategic planning is coordinating the organization's resources in such a way that they will be effective in achieving set targets and corporate goals and objectives. This type of planning is usually associated with top level managers whose plans are set on how to chart ways for the future and the goals of the organizations. Strategic planning sets framework for other types of plans in the organization (Ibid). According to Armitage (1992) strategic management embraces the continuous process which organizations put in place for it to be able to operate effectively in a changing environment. Hence, strategic planning will include plans to make the organization to grow, increase productivity, gain more market shares, plans to create more innovative products, the plans to increase organization's profitability and plans to improve quality services to customers etc.

Tactical plans are used to support the organization's strategic plans. With the aid of tactical plans organizations are able to break down their strategic plans into specific enforceable plans that can be executed by the different departments or units within the organization. For instance, a middle-level manager working in a food restaurant, like MacDonald, his tactical plans may entails ways of improving and testing new process of baking or cooking top tasty pizza or donuts for customers' delight. Hence, he will draw out plans on how quick this new tasty pizza could be baked or cooked so as not to keep customers waiting for too long.

Contingency plans are put in place to meet uncertainties and unforeseen emergences. The risk business organizations face on daily basis are very high, thus, to plan against being overwhelmed by unforeseen circumstances, organizations' management need to draw up contingency plans. And these types of plans need every level of managers to have one in place.

Contingency plans provide managers with alternative ways of implementing actions in meeting set objectives and goals.

When to use these different types of plans

Operational plans, as aforementioned, should be used on daily basis since they have to provide actions and bases for effective implementation of routine tasks. Low level managers on their daily operations need to implement operational plans.

Strategic plans are plans for long term provisions in making organizations to grow. Hence, top level managers should forecast the future where they want their organizations to be and set out strategic plans to enable them to accomplish such forecast and desired growth. Hence, strategic plans are a long term plan. It should be the base plan on which organizations operates. A strategic plan can be based on a 5 years-plan; or sometimes longer or shorter than this period.

Tactical plans can be implemented on interval basis. Since, it supports the organization's strategic plans it should be enforced at when the need arises; say weekly, monthly or quarterly.

Contingency plans are provisions for emergency and unforeseen circumstances. Hence, it should be formulated as soon as the management of an organization senses that the risk for operating their strategic plans is

getting higher or when an organization management feels their strategic plans are not moving as expected in meeting the sets objectives and goals.

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