

What is planning and why do managers plan

[Business](#), [Management](#)



PLANNING Planning represents one of the key elements of the management process. This essay tries to answer the question» What is planning and why managers plan?» Planning is the process of figuring out the future steps with the view of achieving the ultimate goal. It is applied in business to put in order the managerial process. Planning is used not only in business but also in private life. Each of us plans what he or she is going to do tomorrow, in a week or even in a year. According to Urwick, “ Planning is a mental predisposition to do things in orderly way, to think before acting and to act in the light of facts rather than guesses” (Allison , Kaye 2005). Without the right planning it is impossible to succeed in business. Planning represents one of the four main functions of management: the other three include leading, organizing and controlling. Planning is the initial stage without which the whole business will collapse. Speaking about management it is necessary to point out that the most important kind of planning is the strategic one. “ Strategic planning is an organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy, including its capital and people” (Allison , Kaye 2005). In the strategic planning managers are to apply different techniques such as SWOT, PEST and STEER analysis. Strategy is of one of the main elements that constitute the whole operation of the business. Managers have to plan since this process takes into consideration the environment, its changes, available labor resources and capacities. All of this is to be considered in its interconnection in order to gain the most of effectiveness. The ultimate goal of the planning process is to attain the balance between needs and resources that a business owns. Planning doesn't cover only one plan but the

whole series of it. Planning is the best method to achieve the desired goals, because it provides the step-by-step procedure of how to achieve the goal. Without the proper planning managers will have to rely only on their intuition and act just on the spot. Such kind of activity is likely to lead to failure. That is why it is necessary to train a manager to plan correctly. For these aims there are special courses dedicated to planning, organizing, leading and controlling. Without the proper bases no manager could plan effectively. The process of planning includes not only the plan itself but also the ability to assess the environment and coming changes. In order to be a good manager it is necessary to be good at psychology, economics, production etc. When a manager is planning something connected with human resources it is necessary to know how to motivate people in order to make them perform better. According to Koontz & O'Donnell, " Planning is deciding in advance what to do, how to do and who is to do it. Planning bridges the gap between where we are to, where we want to go. It makes possible things to occur which would not otherwise occur" (Allison , Kaye 2005). Planning demands the systematic amendments and changes. The managers who plan are to be flexible - it implies having always a plan B in case plan A fails. In order to plan a manager is to have the ultimate goal. For instance " The business must increase sales by 20% this month". And then relying on this goal a manager sets the chain of steps that eventually will lead to the desired result. This chain of steps consists of small goals that are called objectives. The process of planning is applied everywhere in business, not only in decision making and strategy setting. For instance, the usage of the production premises is to be also planned. Some goods are to be stored in a

cool place, some in a dry, those that are easily-broken must be protected and those that spoil quickly must be cared strictly. To sum up everything mentioned above it is necessary to add that planning is an essential element of the management process. It helps to put in order the prospects, strong and weak points of the organization and the changes that are to be introduced. Moreover, planning is the initial step of the management process. To put it another way without a definite ultimate goal in one's mind it is impossible to achieve it. BIBLIOGRAPHY 1. Allison M. and Kaye J. (2005). Strategic Planning for Nonprofit Organizations. Second Edition. John Wiley and Sons.