

Development of an operational plan



BSBMGT517 – THEORY

Performance Criteria: Research, analyse and document resource requirements and develop an operational plan in consultation with relevant personnel, colleagues and specialist resource managers.

Activity 1. 1. 1

What strategies can an organisation use to research, analyse and document resource requirements for the development of an operational plan?

For the development of an operational plan, an organisation needs to be able to research, analyse and document the resources on the following points

- The duration of the project; when it will start and the aim of completion. This should include current and upcoming desired and clear goals. Timeframes should be set at the start with clear plans about the project.
- Financial resources; how much fund is currently available to sustain the project and any risk that may occur in the funding needs to be identified prior. It is important to be able to convince investors and suppliers about the plan and the resources needed to help achieve a profitable completion of the project.
- Human resource and other capacity requirements; evaluate the labour and the skills needed and available that are important to complete the project. It is important to consider where the human resources will come from and how many staff are required. This should include maintenance and servicing resources such as customer service.

- Identify the risk and evaluate mitigation strategy; what are these strategies and how to overcome if they were to arise. For instance, if there is a gap in resources, there need to be a plan to fill in the gap. So, all risks are evaluated and plans are devised to be prepared and also to minimise the occurrences of these risks. The ability to measure the performance to monitor improvements need to be available.

Performance Criteria: Develop and/or implement consultation processes as an integral part of the operational planning process

Activity 1. 2. 1

What strategies do you or could you use to consult with team members and other stakeholders to gain and utilise their input when planning a project?

There are several ways available to consult with team members about their input on a project. Emails and intranet may be used as a quality assurance and a way to improve the process. It is also an efficient way to get the same message across the whole group, especially in big organisations. On the other hand, it is an approachable system to welcome any opportunities for the staff to respond and provide feedbacks. This will contribute to the planning process and goals. Also, newsletters may be used to provide the staff about the important information about the plan with open opportunities to revert back with feedbacks. Furthermore, the use of surveys, questionnaires and information sessions may help to encourage staff to respond by providing specific feedbacks about the project. Quantitative and qualitative data are gathered for the operational plan of the project. In addition, there can be meetings; formal or informal. While informal meetings

can be held anytime and anywhere, formal meetings require a safe and controlled environment. Both ways aim to gather feedbacks. Another different way to consult team members are through interviews. Structured interviews may help the management to get the feedbacks needed in regards to specific aspects of the operational plan. These are done through specific questions. A more open way to gather such feedbacks and information is through brainstorming sessions whereby new ideas and solutions are generated. These are analysed to further determine its importance. To make these sessions fruitful, it is important to always welcome and recognise the effort of all participants for bringing their input and feedbacks to the organisation. This is in order to encourage more open participation.

Performance Criteria: Ensure the operational plan includes key performance indicators to measure organisational performance

Activity 1. 3. 1

Key performance indicators act as benchmarks against which organisational goals and performance can be measured.

List several areas of a project which might have key performance indicators reflected in an operational plan?

Key performance indicators may be used in an operational project to build goals. Setting a realistic aim will not only help staff to work towards it but it can also be used to reflect the profit of the organisation with quantitative

targets. Areas of a project where key performance indicators are reflected are

- Targets; sales and services will all work towards reaching the target
- Measurement of the growth in the organisation; this can be through sales or profit
- Objectives to help improve the system
- Initiatives for growth and increase performance.

Performance Criteria: Develop and implement contingency plans for the operational plan

Activity 1. 4. 1

Contingency plans deal with unexpected events and/or occurrences, and/or when things go wrong.

List several areas where contingency planning would be typical?

Areas where contingency planning is important are:

- Outsourcing human resources/ labour to cut down the cost used until function or skills. Contracting out then help to get a person with special knowledge and skills to bring their input at a lower cost and some organisations may even look into this strategy when an internal department has ceased functioning.
- Diversification of outcomes may help towards an achievable and profitable end result when many departments help to contribute towards the final result. Since the target is spread over a larger area,

increase productivity from human resources help to contribute towards a bigger outcome.

- Cheaper and lower quality products help to moderate the budget. Globalisation helps towards competition and cost effective strategies and therefore more profit.
- Increasing sales or productions will increase profit. It is important to cater needs and resources towards the customer service department providing adequate training programs. By reinforcing their skills, it will help to reach key performance indicators.
- Recycling and re-using is a strategy to raise the organisational social responsibility towards the environment. Many customers are more inclined to buy consciously to protect the environment from these organisations.
- Rental and hiring alternatives are better ways to get hold of cheap resources than buying them. Negotiation helps to save on cost on the procurement of these resources needed.
- Restructuring of organisation to reduce labour costs is necessary at time to reduce expenses. Sometimes, some organisations will downsize in the aim of focusing on profitable departments only. Other departments that do not sell as their service or products, are not in high demands anymore, will cease to operate.
- Risk identification, assessment and management processes. Unfortunately, a rise in injuries due to hazards and risks put financial stress on organisations. So in order to minimise the risks of this happening, risk assessments are performed to reduce the occurrences of injuries. Sometimes, feedbacks from staff help to work out better

strategies to manage injuries and also raise awareness of the importance of staying safe.

- Seeking further funding is important especially when the budget available is not adequate to reach the targeted goal.
- Strategies for reducing costs, wastage, stock of consumable can be done by using another supplier with lower costs that is able to produce at a cheaper rate
- Succession planning is important to identify good potentials within the organisation who are able to fill in important roles.

Performance Criteria: Ensure the development and presentation of proposals for resource requirements is supported by a variety of information sources and seek specialist advice as required

Activity 1. 5. 1

Provide several examples of the type of information sources and or specialist that may be used or accessed in the development and presentation of proposals for resource requirements within your organisation or area of activity?

Raising funds is very significant to help achieve the goal of the operational plan. Raising funds help to obtain resources such as human resources/labour, capital resources and financial resources. If more funds is needed, the organisation needs to work on further strategies to obtain such by influencing senior management and stakeholders to invest in order to supply these resources and in turn, get a profitable return.

Developing a business proposal is a strategic plan and needs to be appealing enough to stakeholders so they can invest in it. They need to believe in its success, hence, devising a proposal is important to demonstrate the potentials behind the project. A business proposal needs to be convincing and needs to primarily cater the needs of the stakeholders investing in it, at a higher benefit for the latter.

Identifying strategic goals such as marketing strategy helps to increase the organisation's market share, therefore promoting the productivity of the organisation. Human resource strategy can be used to improve staffing experiences and skills. Management strategy, through emotional intelligence, also contributes towards productivity. Similarly, technological strategy helps to improve production line.

Specialist advice can come from many informative sources such as managers, marketing specialist, financial consultants, accountants, suppliers, internal and external customers and the sales team. Customers' feedbacks are also important to cater better needs and improve on the product efficiency.

Presentation is the key to selling a business operational plan. The use of graphs helps to visually demonstrate costs, contingency plans and risk management plans and strategies to fund the plan. The more the organisations' goals and benefits are reiterated and are made believable, the more comfortable the stakeholders will feel about investing in it.

Performance Criteria: Obtain approval for the plan from relevant parties and explain the plan to relevant work teams

Activity 1. 6. 1

From whom within your organisation or area of activity would you need to gain agreement and or endorsement for the approval of the operational plan, and once approved how would this information be provided to work teams and other stakeholders?

An operational plan needs to be presented to the executives of the hospital, the director of nursing and the Chief executive officer for approval. It is usually via a systematic approach where justification is provided for the required funding. Each ward managers get to present their ideas and plans and relevant funding is then distributed according to their priorities. The decision is mostly based on the values and missions of the hospital. For instance, if funding is required to improve something important on the ward that has direct impact on the safety of the customers, it is more likely to be granted. Any ideas that will help to improve the risk management strategies will be taken seriously. Henceforth, it is important for managers to present their case in such a way that their operational plan is considered in accordance with the hospital's goals.

Generally, once approved, the information is then passed on to the staff in the form of informal meetings, generally held every Thursday and also by email, so that the same information is delivered to every employee of the department. Flyers and newsletters are also posted on the common notice boards so everyone gets acquainted with the approval of the operational plan.

Performance Criteria: Develop and implement strategies to ensure that employees are recruited and/or inducted within the organisation's human resources management policies, practices and procedures

Activity 2. 1. 1

What strategies could you use to ensure team members are clear about their roles and responsibilities as well as the requirements of the operational plan?

Firstly, the team member gets to be acquainted to the roles needed prior to applying for it. Jobs and roles are advertised with specified skills needed and the employee gets to apply in relation of the demands and skills they can offer to the organisation. A resume is sent to the organisation and a selection process is undertaken in the form of an interview. This first step through applying and being recruited give the team members a clear perception about their roles and the responsibilities that are expected from them.

The second step whereby the team members get acquainted to their roles is through an acceptance offer, a contract. Through a contract, the employer, through the Human Resource department, get to elaborate in writing about the roles and responsibilities of the employee. This contract is dully signed and returned to the Human Resource department as an agreement and acceptance of the roles and responsibilities required.

The contract or acceptance letter has descriptive information:

- The dynamics of the workplace
- The role description in accordance to the mission and the values
- The collective agreement under the fair work act

- The hours or work, the flexibility of work and the remuneration
- The position description and title
- The allowances
- The superannuation
- The leave entitlements
- The period of probation/ engagement
- The commitment to performance review
- The policies and procedures
- The employee conduct; professional behaviour and attitude
- Variation to the terms of employment
- Confidentiality of the workplace
- The property of the employer

The third step whereby the employee gets acquainted to the expected roles and responsibilities is through an induction of the workplace. An orientation or supernumerary time allows them to understand the dynamics of their department and the goal of the operational plan.

Performance Criteria: Develop and implement strategies to ensure that physical resources and services are acquired in accordance with the organisation's policies, practices and procedures

Activity 2. 2. 1

Provide several examples of the type of strategies which might be required to ensure specific resource needs policies, procedures and practices?

Strategies are in place to ensure physical resources and services are gained in accordance with the organisation's policies, practices and procedures.

These are:

- Supplier relationship; a good framework to strengthen important relationships. Being able to understand, analyse and focus on supplier's relationships help to be productive, efficient and compete in the market. It is important to identify how the supplier has an impact on monetary outcomes. Points to be considered are; what the suppliers are looking in the relationship, the way the supplier is used by the organisation and how it affects the organisation's relationships with other suppliers.
- Purchasing; the supplier is the expert on the product and hence knowledge can be used from them for decision making processes and increasing performance. Choices are between purchasing internally or externally.
- Transport; cost effective strategies to save on storing, delivering and supplying the goods. The operations strategies can be sought from the supplier to handle and improve key relationships
- Networking; available contacts and resources that can be relied on to either get information or improve productivity.
- Relationship costs; surviving the impact of globalisation. It is important to minimise the procurement costs such as transport and customer service.
- The relationship benefits; what the organisation needs, the cost it incurs for these needs e. g. equipments, labour and cost of the

products and services determine the benefits for the organisation.

Obviously, a low operational, production and administration cost is more favorable and incurs less expenses. Revenue is then higher and can in return meet the demands of the customers.

- Clear communication; clear and concise. This helps to make sure the supplier and the organisation both knows what is expected and they can both work towards the same goal.
- Honesty; a reliable team. This favours good managerial relationship and each party is then accountable to fulfill their duties and promises, in turn enhancing the relationship.

Practices and procedures are also taken into account in order to incorporate

- The culture of the organisation
- The guidelines of the organisation which determines operational functions such as human and physical resources
- Operating procedures and policies
- Undocumented practices in line with the operations
- Clear purchase orders to prove reliability and efficiency.

Performance Criteria: Recognise and incorporate requirements for intellectual property rights and responsibilities in recruitment and acquisition of resources and services

Activity 2. 3. 1

Requirements and responsibilities for intellectual property rights is an important part of the business environment, an organisations are wise to take steps to protect their own intellectual property, and also to honour the

intellectual property rights of organisations from whom they have acquired relevant resources.

When acquiring resources and services, it is important to acquaint to the intellectual property's rights and responsibilities. Non-compliance to the later may result in legal consequences. For instance, material obtained from the internet may involve serious copyright issues. These unlawful accesses involve breaching the intellectual property of the involved organisation.

Intellectual property is usually protected by many policies, procedures to reinforce the rights of acquisition. Policies, procedures and information include licensing agreements, information to ensure copyright protection, licensing agreements, procedures to register intellectual property rights or assets. Many organisations have policy in place to govern and manage ownership of intellectual property in an effective, efficient and ethical manner. These policies may include an explanation of any terminology relating to the property, mention of the relevant legislation, the types of intellectual property, disclosure of the property, information about marketing, commercialisation or licensing of the intellectual property and information if infringement happens.

Another way of protecting intellectual properties is by licensing agreements for instance, a licensing document. These are devised to allow the owner to agree to terms and conditions and the other party to comply with the agreement. The ownership is thus maintained and it is beneficial for both parties. A license can cover product development, the manufacture, the marketing and the sales. Another form of licensing is franchising whereby

distribution of goods and services occur with agreed terms between the owner of the intellectual property and the party paying to access the rights over the intellectual properties.

Copyright is another way of protecting intellectual property to maintain the initial creativity of an idea or concept, be it on paper or electronically. A copyright notice clarifies the ownership of the intellectual property restricting its reproduction without permission.

Trade marks can also be used to protect intellectual property. Prior to applying for registrations, online database needs to be scrutinised to make sure there is no similar product. Once cleared, the trade mark is then published in the Official Journal of Trade Marks whereby opponents may dispute its originality. If no oppositions are made, the application will go forward.

There are several ways to register intellectual property assets. For instance, designs can be registered through the Australia Official Journal of Designs, Patents through the Australian Official Journal of Patents; Trademarks through the Australian Official Journal of Trademarks and Plant breeders through the Official Journal of plant breeder's rights.

Performance Criteria: Develop, monitor and review performance systems and processes to assess progress in achieving profit and productivity plans and targets

Activity 3. 1. 1

How can you monitor and review the outcomes and achievements of operational plan against intended benchmarks and KPIs?

There are several ways of monitoring and reviewing the outcomes and achievements of operational plans against benchmarks and KPIs. These are

- Quality assessment; gathering collective data to measure and analyse performance such as observing service delivery, focusing on client method, auditing individual records, reviewing the data from an information system, testing a group, health worker interview, patient interview. Devising a quality monitoring system; data and design monitoring tools. This is in order to see the trend in indicators and monitor progress. Data are also used to identify any problems in the system that may be the result of poor performance. Three ways data are used; placing them in tabs, analysing them and interpreting them. This is later used in managerial decisions. External evaluation; process by which an external body provide feedback about an organisation performance. This can be done via an audit of in health care; accreditation. Certification is then required to acknowledge the competence and legal requirements of a group or organisation.
- Performance appraisals; a way for the management and HR department to provide feedbacks about the performance of their employee. This is instantaneously undertaken whereby the real time reports are given to employee about their performance. Managers are able to assess if their employees have been competent in undertaking tasks or organisational requirements. This is a systematic approach to evaluate the standard of an employee and also help to determine any

increase in pay or promotions. It also helps to identify professional developments needs and set future goals to work towards better productivity.

- Process appraisal; a way to assess the functional and operational resources. This is to identify the equipment that are failing or need improvements, the tasks that are time consuming and the risk and hazards of the workplace. For quality improvement and to enhance productivity, these resources are maintained on a regular basis to make sure it won't slow down the line of productivity. Cost and variations in the process of maintenance is also evaluated to assess how these factors are significant in order to achieve quality improvement.

Performance Criteria: Analyse and interpret budget and actual financial information to monitor and review profit and productivity performance

Activity 3. 2. 1

What role do you or would you play in the development of a budget for an operational your organisation or area of activity, and who has final approval of this budget?

Once the budget is approved, it is important to keep all the financial decisions and information involved such as the:

- Budget; all the expenses incurred
- The ratio analysis
- The forecast about the future expenses
- The cash flow statements

- The profit and loss statement
- The balance sheets of crediting and debiting cash
- The investments and liability reports.

There are several factors that may affect the budget and so, it is important to keep a record of these factors and variations such as the changes to legislative requirements and innovations. To be financially aware will help guard any unforeseen circumstances. Financial reports help to justify profit or loss statement that will show the trend in productivity or fraudulent transactions.

Performance Criteria: Identify areas of under-performance, recommend solutions and take prompt action to rectify the situation

Activity 3. 3. 1

What strategies could you use to ensure team members are clear about their roles and responsibilities and to address under-performance issues?

To ensure team members are clear about their roles and responsibilities, it is often useful to methodically raise questions that will help them to evaluate possible issues and devise solutions themselves. This is done by action learning. It helps a team to conduct a project with continuous improvements, assistance where needed and ongoing feedbacks. The team will have a definition of the actual issue and appropriate awareness and solutions. This helps to understand organisational change and understand throughout a work group culture. It brings along new ideas and skills beneficial for the organisation. The team develops values such as openness, trust, collaboration, team spirit and cultural diversity and respect. Action learning

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highlights that mistakes do occur and helps the team to tolerate and action them.

Likewise, action learning can be used to identify under-performance issues. An effective and quick strategy is to make sure that any changes do not deviate from the actual operational and strategic plan. Action learning helps to identify and recognise these changes with appropriate solutions. However, problems do not always arise from the process. There are many external factors that may interrupt the dynamics of action learning such as attitude, conflicted understanding or another group with performance issues.

Performance Criteria: Plan and implement systems to ensure that mentoring and coaching are provided to support individuals and teams to effectively, economically and safely use resources

Activity 3. 4. 1

What strategies do you or could you use to implement systems which ensure that mentoring and coaching are provided to team members in a safe, productive and economical manner?

External parties to coach staff may be time consuming and expensive. Sometimes, it is best to allocate a mentor in order to save on cost and time. The mentor may need to perform a skill gap analysis to spot any gaps in performance, devise and demonstrate the desired expectations of performance to meet goals and eliminate any gaps. In order to be productive, mentors need to focus on their team and support each individual's growth. The manager needs to also identify whether the problem

comes from the unawareness of the team regarding the goals or whether it is from a specific individual performance. If the issue comes from performance, coaches should be used to teach the group. On the other hand, if the issue is from a behavioural standard such as lack of confidence, then a mentor must be allocated to cater the specific individual need to improve his performance. This is safe and productive as mentors have specific targets to improve the success and performance of an individual and coaches deliver skills to tackle tasks, challenges and works' expectations. Both coaches and mentors are usually selected from members within the organisation. This is because they already understand the dynamics of the workplace and have the skills required to change performance challenges. It is important for both mentors and coaches to provide ongoing feedback and support the staff members. Coaches are normally leaders that need to use their authority to make sure all workers comply with the expected standard of performance. Their coaching is rather task related and will expect the individual to perform at the required level to improve their knowledge, skills and abilities to perform a task.

Performance Criteria: Negotiate recommendations for variations to operational plans and gain approval from designated persons/groups

Activity 3. 5. 1

From what stakeholders within your organisation or area of activity would you need to gain agreement and or endorsement from for variations to operational plans?

Prior to gaining agreement or endorsement for operational plans, it is important to consult the following team for approval

- The policy and procedure committee depending on its relevance
- Standards committee in association with the topic that is involved
- The workplace healthy and safety manager and advisor to maintain a safe environment while undertaking these variations in the operational plan
- The board of executives for approval: CEO, coordinators, director of nursing and managers
- The staff of the designated department to make sure the operational plans is well understood prior to commencement

Performance Criteria: Develop and implement systems to ensure that procedures and records associated with documenting performance are managed in accordance with organisational requirements

Activity 3. 6. 1

What sort of records and information are required for the operational plan for your organisation or area of activity?

Documentation is the main form of records in our organisation. In the healthcare industry, it is important to maintain ongoing documentation. This applies in the human resource sector, the billing sector, the booking sector, the nursing department and others. Records of the improvement processes help to measure performance and also innovation. Documentation such as operational plans, strategic goals, contingency plans, job advertisement, quality improvements, staff appraisals, leaves approval and the care of

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patients are highly recommended. For every step, there are specific forms designated to assist the organisation in keep records. Once completed with the approval, these forms are kept as per the policy of the organisation and filed away. For instance, any medical records go through a system of scanning and software storage for an indefinite period. This is safe with an optimum level of security which is electronically verified. Future generations can access these documents anytime and some data may be important not only for improvements but raising awareness of previous mistakes, so history doesn't get repeated.