Planning
Subject: Commerce III
SYBCOM
Planning is deciding in advance what to do, how to do it, when to do it, and who is to do it.
Steps in Planning Process

- Analysis of Internal Environment
- Analysis of External Environment
- Setting Objectives
- Framing alternative plans
- Studying alternative plans
- Selecting the best plan
- Formulation of Derivative Plans
- Establishing the Sequence of activities
- Implementation
- Review
Importance of Planning

- Minimize risk
- Facilitates coordination
- Facilitates organising
- Facilitates proper direction
- Facilitates control
- Generates efficiency
- Encourages innovation
- Focus on goals
- Facilitates decision making
- Motivates personnel
Types / components of plans

- Objectives / Goals
- Strategies
- Policies
- Procedures
- Rules
- Programs
- Projects
- Schedules
- Budget
- Mission
Coordination

- Integration or synchronisation of group efforts in an organisation.
- The orderly arrangement of group effort, to provide unity of action in the pursuit of common purpose.
Importance of Coordination

- Division of labour
- Interdependence of units
- Integration of individual and group goals
- Essence of management
- Smooth functioning
- Morale
- Synergy
- Achievement of goals
- Higher efficiency
- Job satisfaction
MBO

- MBO is also known as MBR
- Made popular by Peter Drucker in the book ‘The Practice of Management’.
- Aims to improve performance of an organization by clearly defining objectives that are agreed to by both management and employees.
Process of MBO

- Analysis of Environment
- Collectively formulate goals
- Collectively formulate plans
- Evaluate the alternative plans
- Selecting the best plan
- Implementation of plan
- Measurement and comparison of performance
- Cause of deviations
- Corrective measures
- Follow up / review
Advantages of MBO/MBR

- Aids planning
- Facilitates control
- Innovation
- Corporate Image
- Team work
- Optimum Use of resources
- Motivation
- Concentration in key result areas
- Succession planning
- Competitive advantage
- Sound organisational structure
- Objective evaluation
MIS (Management Information System)

- A formal system of gathering, integrating, comparing and analyzing, and dispersing information internal and external to the enterprise in a timely, effective and efficient manner.
Features of MIS

- Systematic Process
- Scope
- Components
- Continuous
- Report Generation
- Accessibility and Integration
- Scalability
- Professional Approach
- Unified
- Centralised
- Various types
- User Oriented Information
- Timely information
- Future Oriented.
Components of MIS

- People
- Procedures / Processes
- Network Resources
- Data Resources
- Hardware
- Software
Decision Making

- The process of identifying and selecting a course of action to solve a specific problem
**Essentials of Decision Making**

- Proper definition of the problem.
- Systematic Collection of Data
- Rational Decisions
- Integrated Approach
- Participation of Subordinates
- Proactive decisions
- Periodic review
- Flexibility of decisions
- Cost effective decisions
- Quick decision making
- Training and Motivation
- Communication