

Q. What do you understand by Planning? Discuss types of Planning.

Ans:-

Planning:- Planning is the fundamental management function, which involves deciding beforehand, what is to be done, when is it to be done, how it is to be done and who is going to do it. It is an intellectual process which lays down an organisation's objectives and develops various courses of action, by which the organisation can achieve those objectives. It chalks out exactly, how to attain a specific goal.

Planning is nothing but thinking before the action takes place. It helps us to take a peep into the future and decide in advance the way to deal with the situations, which we are going to encounter in future. It involves logical thinking and rational decision making.

Types of Planning:- There are four types of planning:

1. Operational Planning

"Operational plans are about how things need to happen," motivational leadership speaker Mack Story said at LinkedIn. "Guidelines of how to accomplish the mission are set."

This type of planning typically describes the day-to-day running of the company. Operational plans are often described as single use plans or ongoing plans. Single use plans are created for events and activities with a single occurrence (such as a single marketing campaign). Ongoing plans include policies for approaching problems, rules for specific regulations and procedures for a step-by-step process for accomplishing particular objectives.

2. Strategic Planning

"Strategic plans are all about why things need to happen," Story said. "It's big picture, long-term thinking. It starts at the highest level with defining a mission and casting a vision."

Strategic planning includes a high-level overview of the entire business. It's the foundational basis of the organization and will dictate long-term decisions. The scope of strategic planning can be anywhere from the next two years to the next 10 years. Important components of a strategic plan are vision, mission and values.

3. Tactical Planning

“Tactical plans are about what is going to happen,” Story said. “Basically at the tactical level, there are many focused, specific, and short-term plans, where the actual work is being done, that support the high-level strategic plans.”

Tactical planning supports strategic planning. It includes tactics that the organization plans to use to achieve what's outlined in the strategic plan. Often, the scope is less than one year and breaks down the strategic plan into actionable chunks. Tactical planning is different from operational planning in that tactical plans ask specific questions about what needs to happen to accomplish a strategic goal; operational plans ask how the organization will generally do something to accomplish the company's mission.

4. Contingency Planning

Contingency plans are made when something unexpected happens or when something needs to be changed. Business experts sometimes refer to these plans as a special type of planning.

Contingency planning can be helpful in circumstances that call for a change. Although managers should anticipate changes when engaged in any of the primary types of planning, contingency planning is essential in moments when changes can't be foreseen. As the business world becomes more complicated, contingency planning becomes more important to engage in and understand.

Q. Discuss the process of strategy formulation.

Ans:-

Steps of Strategy Formulation

The steps of strategy formulation include the following:



- 1. Establishing Organizational Objectives:** This involves establishing long-term goals of an organization. Strategic decisions can be taken once the organizational objectives are determined.
- 2. Analysis of Organizational Environment:** This involves SWOT analysis, meaning identifying the company's strengths and weaknesses and keeping vigilance over competitors' actions to understand opportunities and threats. Strengths and weaknesses are internal factors which the company has control over. Opportunities and threats, on the

other hand, are external factors over which the company has no control. A successful organization builds on its strengths, overcomes its weakness, identifies new opportunities and protects against external threats.

- 3. Forming quantitative goals:** Defining targets so as to meet the company's short-term and long-term objectives. Example, 30% increase in revenue this year of a company.
- 4. Objectives in context with divisional plans:** This involves setting up targets for every department so that they work in coherence with the organization as a whole.
- 5. Performance Analysis:** This is done to estimate the degree of variation between the actual and the standard performance of an organization.
- 6. Selection of Strategy:** This is the final step of strategy formulation. It involves evaluation of the alternatives and selection of the best strategy amongst them to be the strategy of the organization.

Strategy formulation process is an integral part of strategic management, as it helps in framing effective strategies for the organization, to survive and grow in the dynamic business environment.

Levels of strategy formulation

There are three levels of strategy formulation used in an organization:



Corporate level strategy: This level outlines what you want to achieve: growth, stability, acquisition or retrenchment. It focuses on what business you are going to enter the market.

Business level strategy: This level answers the question of how you are going to compete. It plays a role in those organization which have smaller units of business and each is considered as the strategic business unit (SBU).

Functional level strategy: This level concentrates on how an organization is going to grow. It defines daily actions including allocation of resources to deliver corporate and business level strategies.

Hence, all organisations have competitors, and it is the strategy that enables one business to become more successful and established than the other.

Q. Define Procedure. Discuss the essential characteristics of a good Procedure.

Ans:-

Characteristics of a well-written procedure

1. EFFICIENT

Each step should be there for a reason. Don't oversimplify to the point where things may be missed, but also try to avoid over complicating to account for every possible scenario (see "exception process" below).

2. UNAMBIGUOUS

Be very careful with assumptions about what the person following the procedure will know and not know. If you mean "1 cup of finely diced white onion" don't say "1 medium onion, diced." Although these terms are similar, they are not interchangeable.

3. MEASURABLE

As you're crafting each activity, ensure that some meaningful measurement is attached. This can be as simple as a checkbox indicating completion or as complicated as it needs to be. Maybe a date/time stamp with initials is called for. Or a report. A printout. Whatever it is, make sure you can track it.

4. INTERCONNECTED WITH PROCESS AND POLICY

A procedure should not be thought of as a standalone document. Generally a procedure is a document defined as part of a process. The procedure is simply the documented steps taken in order to perform activities. Those activities are tied back to the process, which in turn is

generally tied back to one or more policies, organizational goals or objectives, or similar high-level statements.

5. COMMON FORMAT AND INCLUSIONS

Within a team, procedures should have a similar "look and feel." By standardizing on a template, for example, you can maximize your chances that required information will be included and that each person will be able to follow the steps as intended.

6. SHARED

Procedures should be stored in a common area, accessible by those who are authorized to view them. Whether this is a file cabinet, a binder on the owner's desk, or a SharePoint site, if I can't find it I can't follow it.

7. UP TO DATE

A review process should be defined and scheduled (and followed). Old copies should be removed, destroyed, or marked as superseded.

8. TRIGGERS (INPUTS) DEFINED

In simple terms, "How do I know when to start?" Something should trigger each step in the procedure.

9. OUTPUTS DEFINED

In simple terms, "How do I know when I'm done?" Clearly identify stopping points and expectations.

10. EXCEPTION PROCESS DEFINED

What should I do if something doesn't work as planned? Even if it's as simple as "go tell your supervisor" it should be noted so I don't improvise.

11. RESOURCES NOTED

How many people will be involved? If software systems will be used, which ones? Paper clips, binders, stamps, colored paper, cash, someone with access to the data center - anything or anyone that will be needed to complete the actions should be noted.

12. CAPABILITIES NOTED

What specific skills are needed, if any? If a disaster recovery procedure requires advanced networking experience for example, this needs to be made clear.

13. CRITICAL POINTS (GO / NO-GO) NOTED

If there are points at which a review or check must be made, note them. For example it may not make sense to start step 2 of a 2-step procedure after a certain time of day in order to avoid overtime.

14. TESTED

Ideally before a procedure is published, it should be tested and all parties involved should agree that the test was successful.

15. CONTINUAL SERVICE IMPROVEMENT (CSI) PROCESS DEFINED

CSI refers to how we make something better over time. If an inefficiency is noticed, for example, or there is a minor error in the procedure, how do we report this and ensure that each reported item is reviewed and decided upon?

16. CHANGE PROCESS DEFINED

If there is something that needs to change quickly (as opposed to over time, like CSI), there needs to be a defined process.

17. TWO OR MORE PEOPLE TRAINED

This probably sounds like common sense, but you may be surprised how often a procedure cannot be completed when one individual is unavailable.

18. CONSISTENT, REPEATABLE, PREDICTABLE RESULTS

Can I run through the procedure and get the same results twice? Can the person next to me get the same results I did? Will we still get those results when we come back and do it again in 6 months? If any of these questions can be answered "no" then the procedure isn't ready.