

Chapter 4: Planning

Q1.	<p>Define Planning.</p> <p>Ans. Planning refers to the process of setting objectives for a given time period, formulating various courses of action to achieve them, and then selecting the best possible alternative from among the various courses of action available.</p>
Q2.	<p>Explain briefly any six features of planning. {CBSE, Delhi 2004, 2005, 2009}</p> <p>Ans. The main features of planning are:</p> <ul style="list-style-type: none"> (i) <i>Planning focuses on achieving objectives:</i> Planning aims to develop and facilitate accomplishment of organisation objectives. Objectives provide the basic guidelines for planning activities. Planning has no meaning unless it positively contributes for achievement of predetermined goals. (ii) <i>Planning is a primary function of management:</i> It is the most basic of all management functions. Every manager is required to plan before performing any other function of management. By setting up objectives in advance, planning directs all other managerial functions towards their attainment. (iii) <i>Planning is pervasive:</i> Planning is required at all levels and at all departments of the organisation. It is not the exclusive function of top management. However, the nature and extent of planning may vary. For example, top management undertakes strategic planning and middle and lower management are involved in departmental planning and operational planning respectively. (iv) <i>Planning is continuous:</i> Plans are prepared for a specific period of time. At the end of that period, there is a need for a new plan on the basis of new situations and conditions. Moreover, due to ever changing environment, planning becomes a continuous responsibility of management. (v) <i>Planning is futuristic:</i> Planning aims to look into future, analyse it and predict it to the best advantage of an organisation. Through forecasting, planning seeks to achieve some objectives in future. In short, planning involves thinking about the future for doing actions in present. (vi) <i>Planning involves decision-making:</i> Planning involves proper and careful analysis of various alternatives and selecting the best possible alternative. Thus, decision-making is an integral part of planning as it involves choice from various alternative courses of action. (vii) <i>Planning is a mental exercise:</i> Planning involves determining objectives, forecasting about future, identifying various alternatives and finally, selecting the most appropriate option. All this process requires critical and logical reasoning, creativity, decision-making and ability to analyse the situation through vision and foresightedness. So, planning is an intellectual exercise.
Q3.	<p>"No enterprise can achieve its objectives without systematic planning." Do you agree with this statement? Give any five reasons in support of your answer. {CBSE, Delhi 2003}</p> <p>Ans. No, I do not agree with the given statement. The following points of importance justify the need for planning:</p> <ul style="list-style-type: none"> (i) <i>Planning provides directions:</i> Planning involves deciding the future course of action. By stating the objectives in advance, planning facilitates unity of direction. It reduces aimless activity and makes action more meaningful. In the absence of planning, employees would be working in different directions and the organisation would not be able to achieve its desired goals. (ii) <i>Planning reduces the risks of uncertainty:</i> Business firms have to operate, survive and grow in an uncertain and ever changing environment. Planning helps the management to anticipate the future and prepare for the risks by making necessary provisions. Planning makes an earnest attempt to make uncertain future events certain, to certain extent. (iii) <i>Planning reduces overlapping and wasteful activities:</i> Planning coordinates the efforts of different divisions, departments and individuals. Planning provides clear cut objectives and channelise energy of each member towards meaningful ends. It ensures clarity in thought and helps in avoiding misunderstanding and duplication of efforts. (iv) <i>Planning promotes innovative ideas:</i> Planning induces the management to forecast changes in the business environment and to design plans to turn such changes in their favour. While planning, many new ideas arise and it results into creative, innovative and foresighted attitude among the managers. (v) <i>Planning facilitates decision-making:</i> Decision-making involves searching of various alternative courses of action, evaluating them and selecting the best one. Planning helps the manager to look into the future and make a choice from amongst various alternatives. It provides the required guidelines for sound and effective decision-making. (vi) <i>Planning establishes standards for controlling:</i> Controlling involves comparison of actual performance with the pre-determined standards. Planning provides the standards against which the actual performance is evaluated. In the absence of plans, a manager will have no standards for controlling the actual performance. <div style="text-align: center; margin-top: 10px;"> <div style="display: inline-block; border: 1px solid black; padding: 5px; margin: 0 10px;">Current Status (where we are)</div> <div style="display: inline-block; border: 1px solid black; padding: 5px; margin: 0 10px;">GAP Planning bridges this gap</div> <div style="display: inline-block; border: 1px solid black; padding: 5px; margin: 0 10px;">Future Image (where we want to go)</div> </div>
Q4.	<p>"Though planning is an important tool of management, yet it is not a remedy for all types of problems." Do you agree with this statement? Give any five reasons in support of your answer. {CBSE, All India 2003}</p> <p>Ans. Yes, I agree with the given statement. The following limitations of planning justify it:</p> <ul style="list-style-type: none"> (i) <i>Planning leads to rigidity:</i> Planning tends to bring rigidity in the methods of work as employees are required to strictly follow the pre-determined policies. It restricts their freedom and often new opportunities are ignored or rejected due to such inflexibility.