

# Steps in Planning Process

## 1 Mark Questions

**1. 'To see whether plans are being implemented and activities are being performed according to schedule', is a step of planning process. Identify the step. (HOTS; All India 2013)**

**Ans. Follow-up action** This step is concerned with carefully monitoring whether the plans are being implemented and activities are performed according to schedule or not. The managers need to carefully check that the premises are holding true in the existing conditions.

**2. State first two steps in the process of planning. (Delhi 2009)**

**Ans.** The first two steps in the process of planning are as follows:

- (i) Setting objectives.
- (ii) Developing planning premises.

**3. What is meant by selecting an alternative as a step in the planning process? (All India 2009)**

**Ans.** Selecting an alternative means the best plan has to be adopted and implemented.

## 4/5 Marks Questions

**4. After the following logical steps in the process of planning, explain the steps required to complete the process:**

- (i) Setting objective**
- (ii) Developing premises, and**
- (iii) Identifying alternative courses of action (Compartment 2014)**

**Ans.** The first step in the process of planning is setting objectives. After that development of premises is done. Then various alternatives are identified. After this, the following steps are followed to complete the process of planning:

**(i) Evaluating alternative courses** After making the list of various alternatives along with the assumptions supporting them, the manager starts evaluating each and every alternative and note down the positive and negative aspects of each alternative. After this, the manager starts eliminating the negative aspects and the one with maximum positive aspects is selected as the best alternative.

**(ii) Selecting an alternative** This is the real point of decision-making. The best plan has to be adopted and implemented. The ideal plan, of course, would be the most

feasible, profitable and with least negative consequences. After preparing the main plan, the organisation has to make a number of small plans to support the main plan.

**(iii) Implementing the plan** This is the step where other managerial functions also come into the picture. This step is concerned with putting the plan into action, i.e. doing what is required, e.g.. if there is a plan to increase production then more labour and more machinery will be required. This step would involve organising labour and purchase of machinery.

**(iv) Follow-up action** To see whether plans are being implemented and activities are performed according to schedule, is also a part of the planning process. Monitoring the plans is equally important to ensure that objectives are achieved properly.

**5. A company is manufacturing garments. The manager wants to increase the profits by purchasing new high speed machines or increasing the sale price or using waste material in manufacturing stuffed toys. He decided that using waste material to increase the profit is the best solution for him.**

- **Identify the concept of management involved.**
- **Mention the steps involved in the above process by quoting the lines from the question,**
- **To complete the process of the concept identified. What further steps does the manager have to take? (HOTS; All India 2009; Delhi 2009C)**

**Ans.** (i) The concept of management involved is planning.

(ii) The steps involved are:

- **Setting objectives** Quoted in the line- 'The manager wants to increase the profits'.
- **Developing planning premises** Making certain assumptions about future.
- **Identifying alternative courses of action** By purchasing new high speed machines, or increasing sale price, or using waste material in manufacturing stuffed toys.
- **Evaluating alternatives and selecting an alternative** Using waste material in manufacturing stuffed toys.

(iv) Further steps required to complete the process are:

- Implementing the plan
- Follow-up action

6. Kanu is appointed as factory manager in a gel pen manufacturing company. He was given a target of producing one lakh gel pens per month. He knew that 'the essence of management is to achieve desired results' but he does not know 'how to ensure that the work goes on according to plans'.

Guide him by explaining the process so that he will be able to achieve the desired results. (All India 2010)

or

Explain the steps involved in the process of planning. (HOTS, Delhi 2009c, 2008 C)

**Ans.** Kanu will be able to achieve the desired results by following steps involved in the process of planning.

Steps involved in the process of planning are as follows:

**(i) Setting objectives** The first and foremost step is setting objective. Every organisation must have certain objectives. Objectives may be set for the entire organisation or for each department or unit within the organisation. Objectives or goals specify what the organisation wants to achieve. It could mean an increase in sales by 20% which could be an objective of the entire organisation.

**(ii) Developing premises** Premises refers to making assumptions regarding future. Premises are the base on which plans are made. It is a kind of forecast, made keeping in view existing plans and any past information about various policies. There should be total agreement on all these assumptions.

**(iii) Identifying alternative courses of action** After the setting up of objectives, the managers make a list of alternatives through which the organisation can achieve its objectives as there can be many ways to achieve the objectives and managers must know all those ways to reach these objectives.

**(iv) Evaluating alternative courses** After making the list of various alternatives along with the assumptions supporting them, the manager starts evaluating each and every alternative and note down the positive and negative aspects of each alternative. After this, the manager starts eliminating the negative aspects and the one with maximum positive aspects is selected as best alternative.

**(v) Selecting an alternative** This is the real point of decision-making. The best plan has to be adopted and implemented. The ideal plan, of course, would be the most feasible, profitable and with least negative consequences. After preparing the main plan, the organisation has to make number of small plans to support the main plan.

**(vi) Implementing the plan** This is the step where other managerial functions also come into the picture. This step is concerned with putting the plan into action, i.e. doing what is required, e.g. if there is a plan to increase production then more labour and more machinery will be required. This step would also involve organising labour and purchase of machinery.

**(vii) Follow-up action** To see whether plans are being implemented and activities are performed according to schedule, is also part of the planning process. Monitoring the plans is equally important to ensure that objectives are achieved properly.