



# SNS COLLEGE OF TECHNOLOGY

Coimbatore-35  
An Autonomous Institution



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## DEPARTMENT OF BIOMEDICAL ENGINEERING

# 19MEE312 - Principles of Management IV YEAR/ VII SEMESTER

## Unit 2 : PLANNING



# INTRODUCTION TO MANAGEMENT



Planning: Basic types of planning  
Characteristics of a good plan-  
Features - Planning process  
Planning Tools and Techniques  
Obstacles in planning  
MBO, Policy - Policy formulation  
Types of policies  
Forecasting, Process, Importance  
Decision making process



## What is Planning?

- Deciding in advance what to do, how to do it , when to do it and who has to do it.
- Planning is the pre-selection of objectives and outlines the action before starting any business.
- **Planning is decision making in advance.**
- **Choosing the alternatives and making the decision is called planning.**



# Nature of Planning



- **Goal oriented:** Every plan must contribute in some positive way towards the accomplishment of objectives.
- **Primacy of Planning:** Planning is the first of the decision-making functions
- **Efficiency, Economy and Accuracy**
- **Co-ordination**
- **Limiting Factors:** money, manpower etc
- **Flexibility**
- **Planning is an intellectual process:** The quality of planning will vary according to the quality of the mind of the manager.



# Basic types of planning



- **Operational Planning**
- **Strategic Planning**
- **Tactical Planning**
- **Contingency Planning**



# 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.



# 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.



# 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.





# 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.



# Importance of Planning



- Provides direction
- Leads to economical utilization of resources
- Reduces the risks
- Facilitates decision making
- Encourages Innovation & Creativity
- Improves morale
- Facilitates control



Thank You!