



DARBHANGA COLLEGE OF ENGINEERING
DARBHANGA

PRINCIPLES OF MANAGEMENT AND INDUSTRIAL RELATIONS (SEM–VIII:EE)

Lecture 3

MANPOWER PLANNING

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What is Planning?

-Is a logical and systematic approach of formulating the objectives, programs, policies, procedures, budgets, rules and regulations, and other types of plans.

- Considered the most basic of all managerial functions. Without this, other functions of a manager cannot be tackled efficiently and effectively.

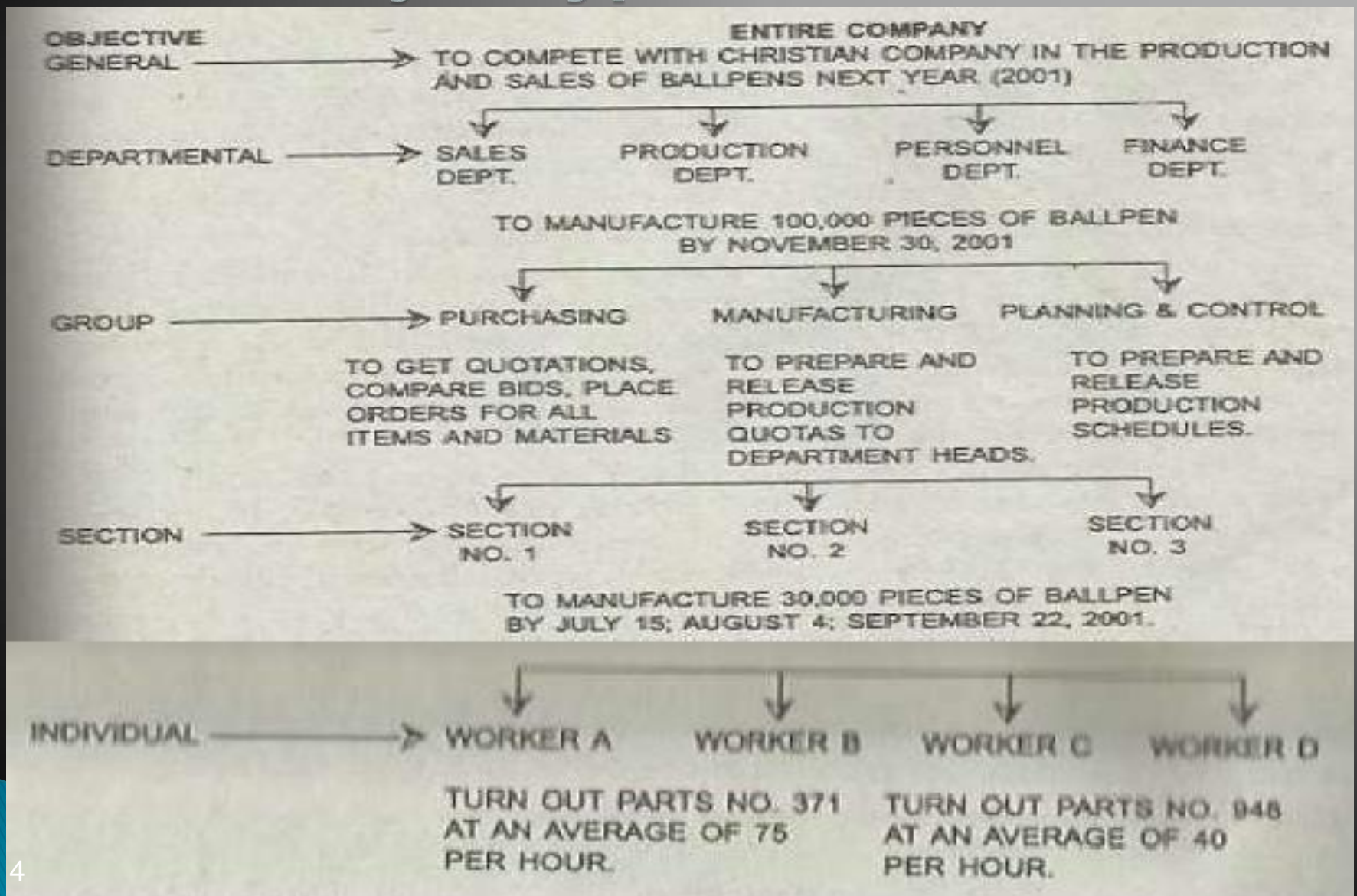
-- Managers organizes, staffs, directs, and controls in order to guarantee the attainment of objectives and the other types of plans made.

Nature of Planning – 4

Major Factors

- 1. Contribution to Purpose and Objectives** – planning is required to facilitate accomplishment of business purpose and objectives. This statement is taken from the nature of organized business.
- 2. Planning as the First Basic Function** – logically performed before the execution of all other managerial functions. All managerial functions must be planned if they are to be effective and efficient.
- 3. Planning as a Function of All Managers** – the character and scope of planning will differ from one authority to another.
- 4. Planning for Efficient Organization** – evaluated by the

Major Types of Plans



Major Types of Plans

Objectives or Goals

- Goal prescribes definite scope and suggests direction to maximize the efforts of a manager. Synonymous to aim, purpose.
- Objectives have to do with the direction in which an individual or organization wants to move. Planning involved determination of desired future events. These results or events are objective and go by the name of targets.

Mission

- It is the purpose or reason for the existence of an organization. Can be defined in terms of an organization's products/service or markets/customers.

Long-Range and Short-Range Objectives

- Long-range generally go beyond the current fiscal or calendar year of the organization. Ex. Increase sales to a specific level within the next four years.
- Short-range should be derived from an in-depth evaluation of the organization's long-range objectives. Ex. Listing of priorities.

Major Types of Plans

Guidelines in Implementing Management by Objectives (MBO)

1. Adapt your objectives directly to organizational goals and strategic plans.
2. Quantify and target the results whenever possible.
3. Test your objectives for challenge and achievability.
4. Adjust the objectives to the availability of resources and realities of organizational life.
5. Establish performance reports and milestones that measure progress toward the objective.
6. Put your objectives in writing and express them in clear, concise, and unambiguous statements.
7. Limit the number of statements of objectives to the most relevant key result areas of your job.
8. Communicate your objectives to your subordinates so as they can formulate their own.
9. Review your statements with others to assure consistency and mutual support.

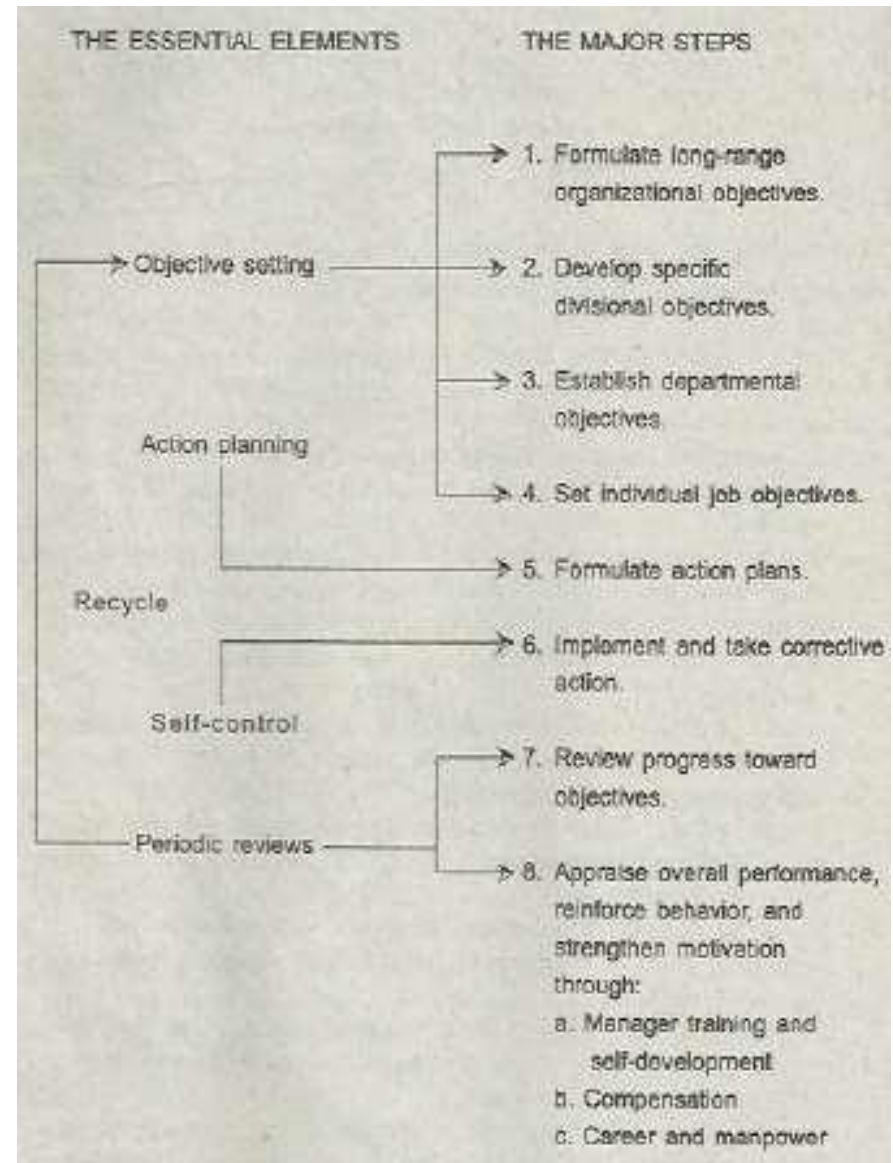
Major Types of Plans

Simplest form of MBO:

1. Individual objectives are jointly set by the subordinate and the superior.

2. Individuals are periodically evaluated and receive feedback concerning their performance.

3. Individuals are evaluated and rewarded by the



Major Types of Plans

Program

- The actual course of action designed to carry out the established objective. Indicated use of different resources in an integrated pattern and establishes a sequence or required actions and time schedules for each in order to achieve stated objectives.

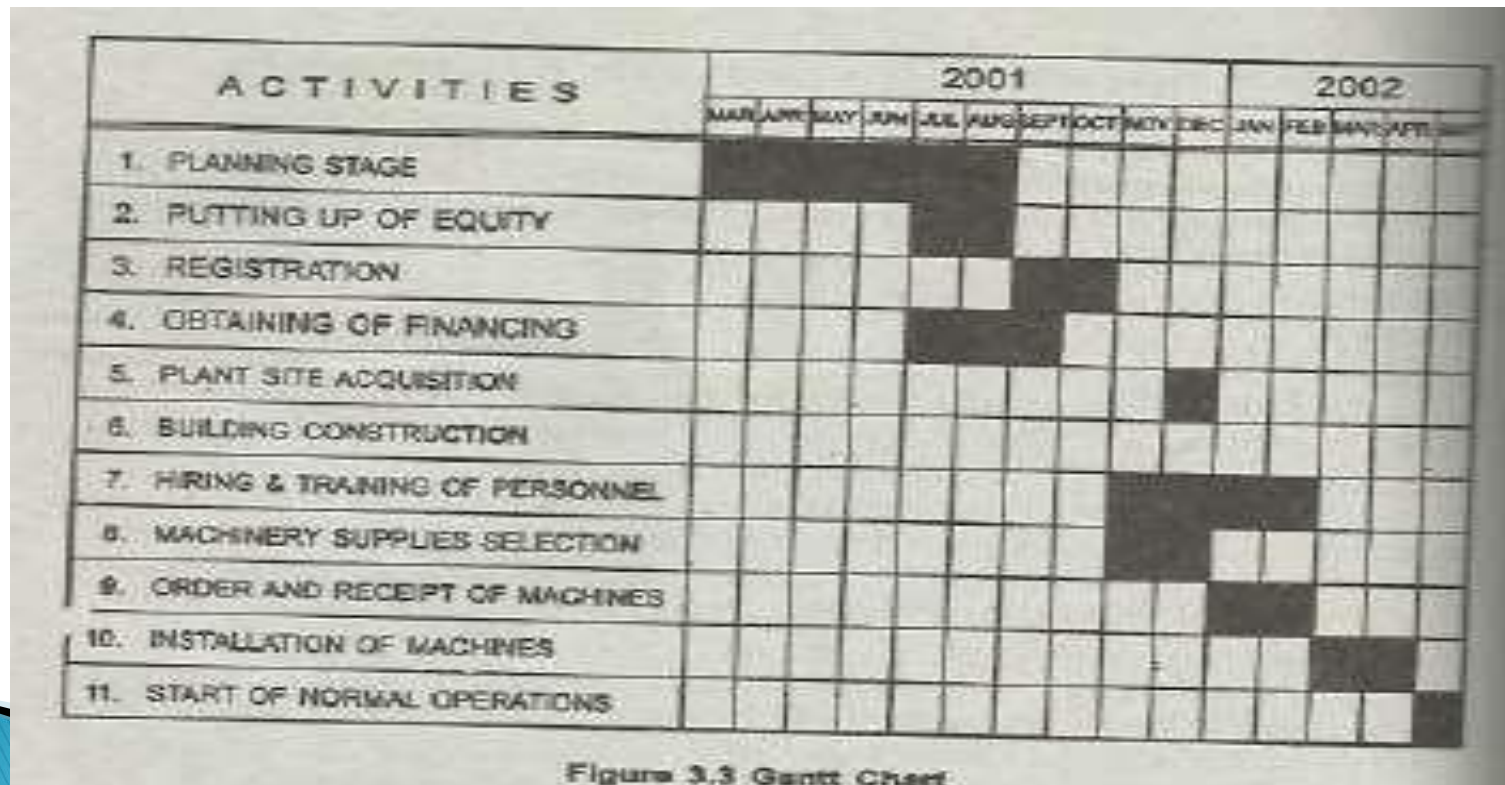


Figure 3.3 Gantt Chart

Major Types of Plans

Policies

-These are basic guidelines for action. They indicate what is permitted and what is not permitted. Policies are broad, general guides for action which constrain or direct objective attainment. Ex. Promotion policy.

Procedures

-Series of related steps expressed in chronological order for a specific purpose. It outlines precisely how a recurring activity must be accomplished.

Rules

-Require specific and definite actions for a given situation. They permit no flexibility and deviation. Do not have to specify sequence.

Budget

-Plan stated in financial terms. Estimate of income and expenditures for a future period.

Philosophy

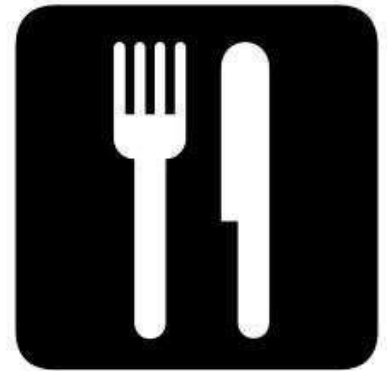
-The values and beliefs an organization holds as the guiding light is the company's philosophy. Usually passed on by the founder of the organization.

Strategy

- Method of shaping a company's future and involves determining the long-run direction of the organization.

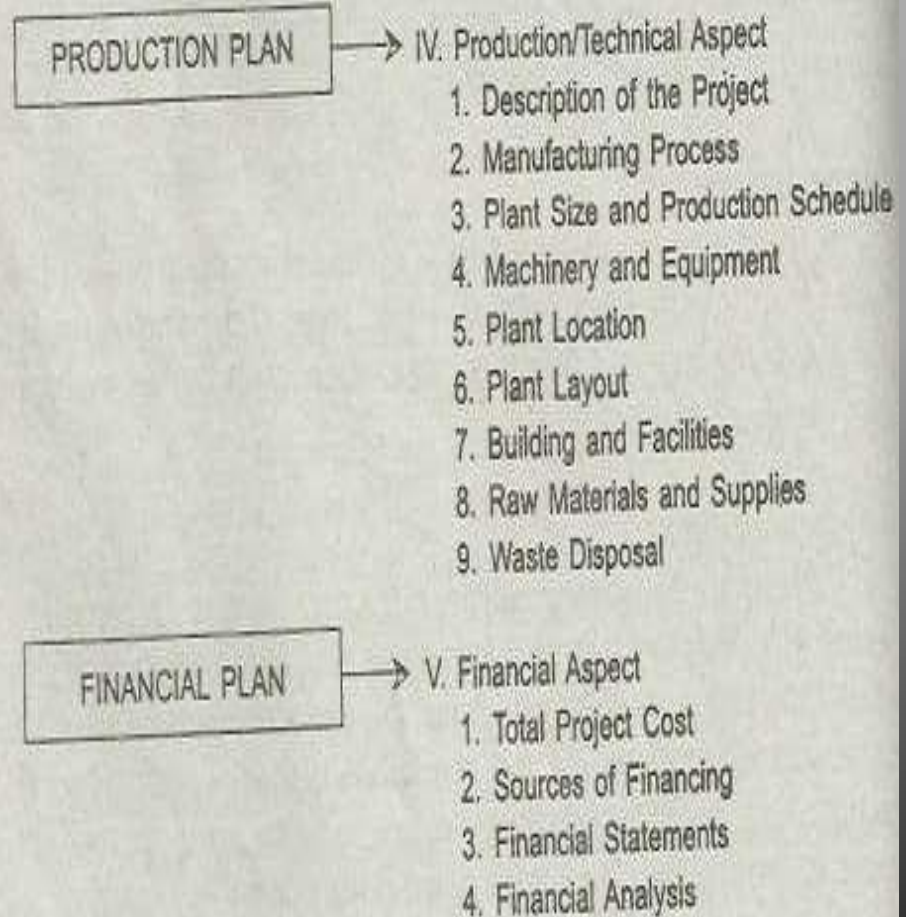
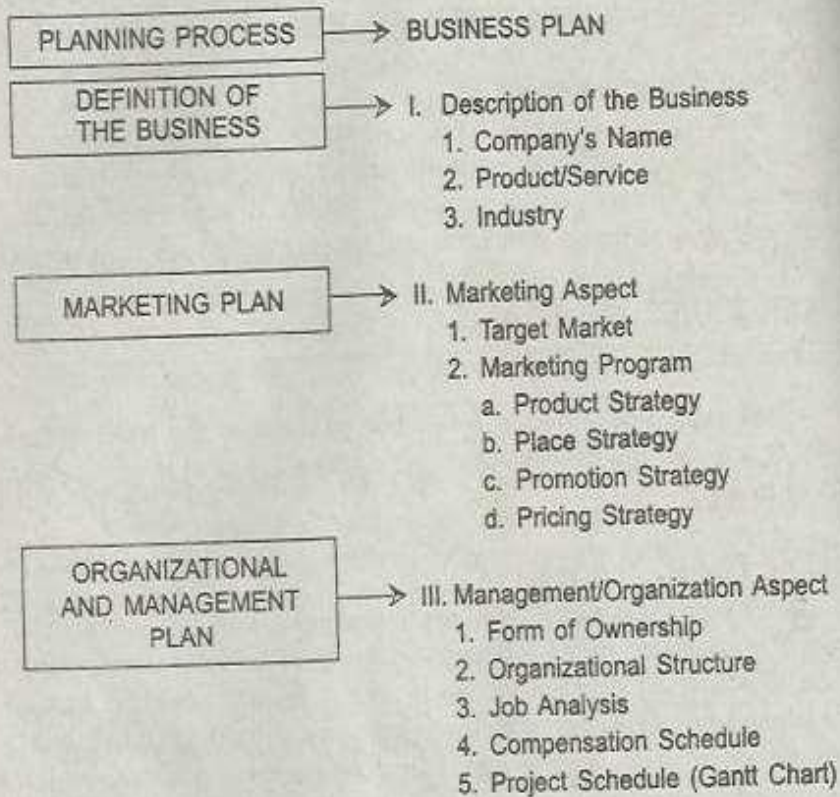
Basic Steps in Business Planning

1. **Define the Business Idea** – writing the description of the idea. The most important and most difficult part of the business plan.
2. **Establish Goals and Objectives** – identification of goals for individuals, group, and for the entire organization. Use of MBO, can be a process for explicitly teaching the objectives of the organization.
3. **Evaluate the Ideas, Goals, and Objectives** – determine whether or not specific idea makes sense, it can work, it can fulfil the series of goals and objectives.
4. **Forecast Cash Needs** – indicates the cash investment, funding or investment requirements.
5. **Identify Sources of Funds** – from personal equity, borrowing from financial institutions
6. **Write a Business Plan** – summary and



Basic Steps in Business Planning

Relationship Between The Planning Process And The Business Plan



Other Types of Plans

Standing Plans – serve as guidelines to managerial action, brings consistency to the operations.

Single-Use Plans – designed for specific purpose or period.

Ex. Budget

Long-Range Plans – these are strategic plans of the organization. It takes time to achieve this goal.

Intermediate Plans – follow once the long-range plans are formulated and made for the its realization.

Short-Range Plans – provide guidelines for day-to-day actions

Marketing Plans – to increase their present market share and develop new products.

Production Plans – producing the desired amount of goods demanded at the market place.

Financial Plans – tells the managers how well they are doing, the need for working capital, need for expansion and

Other Types of Plans

Manpower Plans – determining types of personnel needed in the long and short-range for the organization.

Strategic Plans – determining the major goals of the entire organization and the policies to guide the achievement of these goals.

Tactical Plans – determination of the short term-specific utilization of the resources of the org. in achieving its strategic goals.

Functional Plans – classified by function or use.

Planning Horizon: Short-Range Versus Long-Range

❖ ***Short-Range Plans*** – covers up to one year.

❖ ***Long-Range Plans*** – extends into the future

Operational Versus Strategic Plans

❖ **Strategic Planning** – analogous to top-level long-range planning

❖ **Operational or Tactical Plans** – a short-range planning and concentrate on the formulation of functional plans – done by managers at all levels in the organization.