

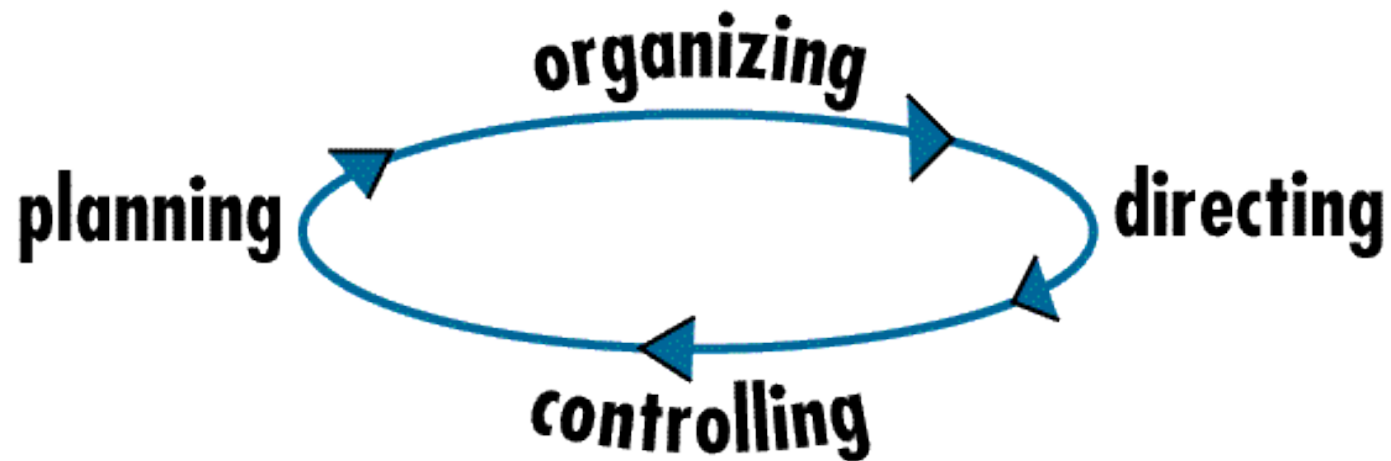
**BAGIAN 4**

**PERENCANAAN  
(*PLANNING*)**

# Managerial Functions

- Managers create and maintain an internal environment, commonly called the organization, so that others can work efficiently in it.
- A manager's job consists of planning, organizing, directing, and controlling the resources of the organization. These resources include people, jobs or positions, technology, facilities and equipment, materials and supplies, information, and money. Managers work in a dynamic environment and must anticipate and adapt to challenges.

# The Functions of Management



# Basic functions of management

- Planning: deciding what needs to happen in the future (today, next week, next month, next year, over the next five years, etc.) and generating plans for action.
- Organizing: making optimum use of the resources required to enable the successful carrying out of plans.
- Leading/Motivating: exhibiting skills in these areas for getting others to play an effective part in achieving plans.
- Controlling: monitoring -- checking progress against plans, which may need modification based on feedback.

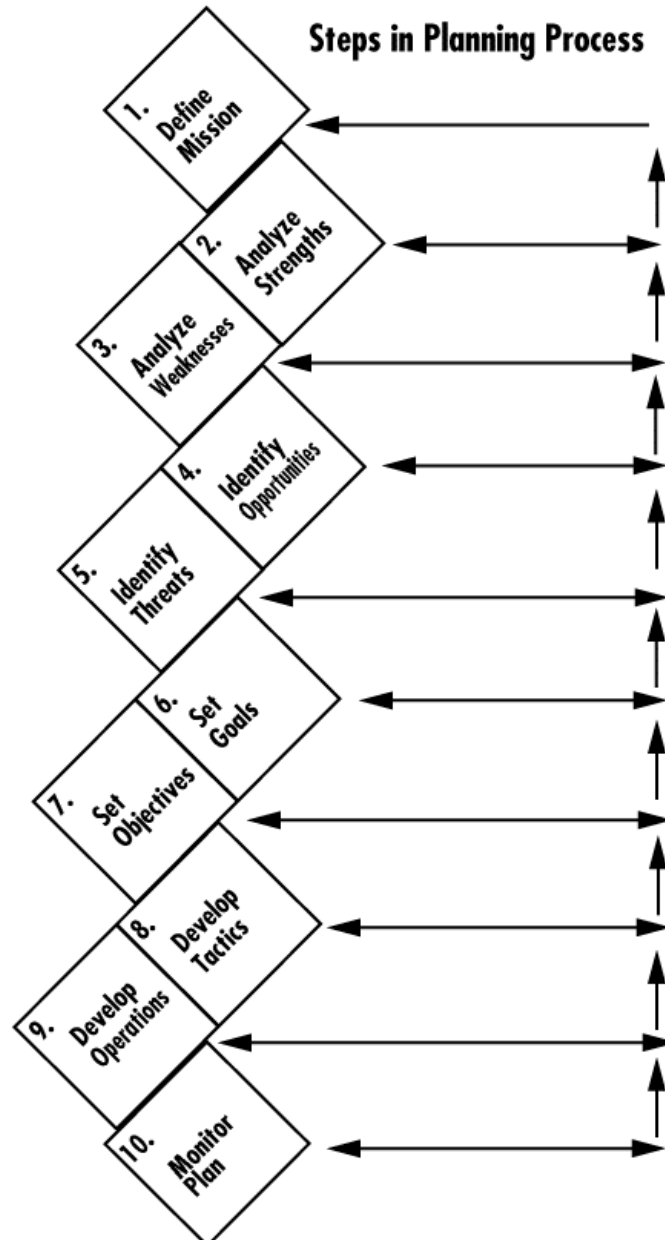
# Planning

- **Planning** is both the organizational process of creating and maintaining a plan; and the psychological process of thinking about the activities required to create a desired future on some scale. As such, it is a fundamental property of intelligent behaviour. This thought process is essential to the creation and refinement of a plan, or integration of it with other plans, that is, it combines forecasting of developments with the preparation of scenarios of how to react to them.

# Planning (continued)

- The term is also used to describe the formal procedures used in such an endeavor, such as the creation of documents, diagrams, or meetings to discuss the important issues to be addressed, the objectives to be met, and the strategy to be followed. Beyond this, planning has a different meaning depending on the political or economic context in which it is used.


# Planning Process



# Define the mission

- A **mission** is the purpose of the organization. It is why the organization exists. Thus, planning begins with clearly defining the mission of the organization.
- The **mission statement** is broad, yet clear and concise, summarizing what the organization does. It directs the organization, as well as all of its major functions and operations, to its best opportunities. Then, it leads to supporting tactical and operational plans, which, in turn leads to supporting objectives. A mission statement should be short - no more than a single sentence.



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- A **mission** is a broad definition of a business that differentiates it from all other organizations. It is the justification for the organization's existence. The mission statement is the "touchstone" by which all offerings are judged. In addition to the organization's purpose other key elements of the mission statement should include whom it serves, how, and why.

- For example, many people might think that The Walt Disney Company's mission is to run theme parks. But, Disney's mission is always moving toward an expanded view. Disney provides entertainment. "Disney's overriding objective is to create shareholder value by continuing to be the world's premier entertainment company from a creative, strategic, and financial standpoint."
- Also, many people might think that Revlon's mission is to make cosmetics. Yet, Revlon provides glamour, excitement and innovation. Charles Revson, Revlon's founder understood the importance of mission. He said "In the factory, we make cosmetics; in the store, we sell hope."

# SWOT analysis by assessing strengths and weaknesses and identifying opportunities and threats

- A situation or **SWOT** (Strengths, Weaknesses, Opportunities, Threats) analysis is critical to the creation of any strategic plan
- The SWOT analysis begins with a scan of the external environment. Organizations must examine their situation in order to seek opportunities and monitor threats.
- Analyzing strengths and weaknesses comprises the internal assessment of the organization
- Analyzing opportunities and threats comprises the external assessment of the environment.

- Assess the **strengths** of the organization. What makes the organization distinctive? (How efficient is our manufacturing? How skilled is our workforce? What is our market share? What financing is available? Do we have a superior reputation?)
- Assess the **weaknesses** of the organization. What are the vulnerable areas of the organization that could be exploited? (Are our facilities outdated? Is research and development adequate? Are our technologies obsolete?) What does the competition do well?

- Identify **opportunities**. In which areas is the competition not meeting customer needs? (What are the possible new markets? What is the strength of the economy? Are our rivals weak? What are the emerging technologies? Is there a possibility of growth of existing market?)
- Identify **threats**. In which areas does the competition meet customer needs more effectively? (Are there new competitors? Is there a shortage of resources? Are market tastes changing? What are the new regulations? What substitute products exist?) The best strategy is one that fits the organization's strengths to opportunities in the environment.



# Set goals and objectives

- Strategic goals and objectives are developed to bridge the gap between current capability and the mission.
- Organizations have long-term objectives for such factors as return on investment, earnings per share, or size

# Develop related strategies (tactical and operational)

- Tactical plans are based on the organization's strategic plan.
- operational plans are based on the organization's tactical plans

# Tactical Plans

- Tactical plans have shorter time frames and narrower scopes than strategic plans.
- Tactical planning provides the specific ideas for implementing the strategic plan. It is the process of making detailed decisions about what to do, who will do it, and how to do it.



# Operational Plans

- Operational plans are short-term and deal with the day-to-day work of their team.
- Operational plans support tactical plans.
- Operational plans include policies, procedures, methods, and rules

# Policy

- A **policy** is a general statement designed to guide employees' actions in recurring situations. It establishes broad limits, provides direction, but permits some initiative and discretion on the part of the supervisor. Thus, policies are guidelines

# Procedure

- A **procedure** is a sequence of steps or operations describing how to carry out an activity and usually involves a group. It is more specific than a policy and establishes a customary way of handling a recurring activity. Thus, less discretion on the part of the supervisor is permissible in its application. An example of a procedure is the sequence of steps in routing of parts.

# Method


- A **method** sets up the manner and sequence of accomplishing a recurring, individual task. Almost no discretion is allowed. An example of a method is the steps in cashing a check.

# Rule

- A **rule** is an established guide for conduct. Rules include definite things to do and not to do. There are no exceptions to the rules. An example of a rule is "No Smoking."

# Monitor the plan

- A systematic method of monitoring the environment must be adopted to continuously improve the strategic planning process.
- To develop an environmental monitoring procedure, short-term standards for key variables that will tend to validate the long-range estimates must be established.

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- Although favorable long-range values have been estimated, short-term guidelines are needed to indicate if the plan is unfolding as hoped. Next, criteria must be set up to decide when the strategy must be changed.
  - Feedback is encouraged and incorporated to determine if goals and objectives are feasible. This review is used for the next planning cycle and review