

Part 2:

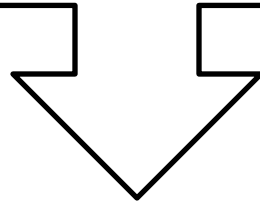
PLANNING AND GOAL SETTING

Planning is Fundamental

- All of the other management functions stem from planning
- How do you plan for an undefined future?

Goals and Plans

A **goal** is a desired future state that the organization attempts to realize



A **plan** is a blueprint for goal achievement and specifies the necessary resource allocations, schedules, tasks, and other actions

PLANNING

Goal Setting in Organizations

- ***Organizational Mission*** – the organization's reason for existence
- ***Strategic goals*** – broad statements describing the organization's future

Goal Setting in Organizations (cont')

- ***Strategic plans*** – define the action steps the company will take
- Goals should be ***aligned***

Operational Planning

- Direct employees and resources
- Guide efficient and effective performance
- Includes planning approaches:
 - Management by Objectives (MBO)
 - Single-Use Plans
 - Standing Plans

Linking Goal Setting to Key Performance Indicator (KPI)

- Goal can be aligned to work performance through KPI.
- Measurement of KPI can be focus on individual goal and department goal.

Criteria for Effective Goal Setting

- Specific
- Measureable
- Attainable
- Realistic
- Timeliness

Single-Use vs Standing Plans

Single-Use Plans

- Achieve one-time goal
- Programs and Projects

Standing Plans

- Ongoing plans
- Policies, rules, procedures

Types of Single-Use

- ***Single-Use Plans***

- Program: building new headquarters, converting paper files to digital
- Project: renovating the office, setting up a new company intranet

Types of Standing Plans

- ***Standing Plans***
 - Policy
 - Rule
 - Procedure

Benefits of Planning

- Goals and plans provide a source of motivation and commitment
- Goals and plans guide resource allocation
- Goals and plans are a guide to action
- Goals and plans set a standard of performance

Planning for a Turbulent Environment

- ***Contingency Planning***
 - Planning for emergencies, setbacks, or unexpected conditions.

Planning for a Turbulent Environment (cont')

- ***Building Scenarios***

- A forecasting technique to look at current trends and visualize future possibilities

- ***Crisis Planning***

- Sudden, devastating, unexpected events

Set Stretch Goals for Excellence

- Stretch goals are highly ambitious
- Clear, compelling, and imaginative
- Require innovation
- Goals must be seen as achievable

- Thank you