

EFFECTIVE PLANNING IN THE ENTERPRISE

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Abstract: *Aim of this article is to offer a proposal for effective planning in enterprise, based on a comprehensive analysis of scientific literature. This work enabled authors to describe the planning process of business activities. The article thus offers a tool that can be used by company managers in their efforts to manage business projects and activities. The article also deals with the specifics of planning in management as well as of planning a business project in a company. Use of effective planning is meant to help minimize occurrence of conflicts and to support problem-free course of the business activities, particularly from the project perspective.*

Keywords: *management, planning, project management, project, business, enterprise*

JEL Classification: *M12*

1. INTRODUCTION

In the present day are cooperations seen as an elementary prerequisite for development of a company and for ensuring stable place on the market [13]. Establishing of a company cooperation with suitable partners is a distinct process which involves multiple activities and necessary decisions. It is therefore important to use the methods and techniques of project management for managing this process. Specifically, these would be creation and realization of a business project, ensuring employee motivation towards business tasks, leading the business team and setting the business goals. Otherwise it may happen that the business initiatives in a company fail. [6]

The purpose of the article is to offer, in a comprehensible form, a coherent overview of managing business activities in a company. This includes a methodology of planning company business activities, which is based on a detailed mapping of theoretical and practical knowledge in the area of project management.

In order to address the points in question, as set by this article, it was necessary to use several methods, depending on and fitting to the character of the individual parts of the solution. In order to accumulate necessary data, we used the method of document analysis (for analysis of current as well as historical data about the topic) and the method of observation (used during visits of selected companies).

The following methods were used for approaching and solving the research goals: induction, deduction, synthesis, abstraction and model building.

2. PROPOSAL FOR EFFECTIVE PLANNING IN ENTERPRISE

Planning in the management represents a significant group of activities, using which are set business goals and by which are determined resources and ways for achieving them. Complexity and demanding character of this process increases with size of the company, with the increasing hierarchical level on which it is performed, with the length of the time horizon and the number of involved parties (partners). Planning of business activities in a company requires:

- to anticipate future development of external and internal environment and the changes that occur in them (development of customers, change in segments, new communication tools, development of customers' demands, development of factors that influence customers' purchasing decisions...),
- to take into consideration interests of the various involved parties who take part on the business activities (employees, top management, suppliers, banks, partners, surroundings); interests of individuals, groups and society,
- to consider economic as well social conditions and their criteria,
- to arrange in hierarchy goals and tasks of business activities, which create conditions for internal harmony of relationships and processes and occurrence of synergistic effects; also to identify relationships and processes related to future business and to arrange them in hierarchy,
- to consider limitations of resources, their suitable allocation and efficient use for supporting business activities,
- to choose suitable methods and techniques that enable creation of business ideas and their evaluation and selection, establishment of business and support for its development.

Planning of business activities in a company (see Figure 1) can be also defined as a process of setting goals for the company, their further elaboration, specifying resources and ways for reaching them.

2.1 Setting Business Goals

This step represents a key element of planning in a company. Role and significance of this process is major, because by it we also establish basis for effective management and for achieving successful results in the form of fulfilled business activities. It also gives direction to all efforts placed into managing business activities in a company. Goals define the course of a business process and are one of the prerequisites for its development.

Business goals in general represent future situations that are to be achieved by a certain time-specific moment. All of the future company business activities should be directed towards achieving these goals. Achieving business goals is realized through achieving individual tasks, into which are the goals structured.

Company that decides to manage its business activities needs to understand that its goals indicate where is the company heading in the process of creating the business, and what it seeks to achieve or how it wishes to develop the business. Goals are also the basis for the whole planning process and are the source of motivation for the employees engaged in the business activities. Finally, business goals represent the basis for control and evaluation of the realized business activities.

2.2 Resources for Achieving Goals

The other key step in planning business activities is the organization of resources. Resources are the limiting factor for taking advantage of opportunities in the external environment that are identified while seeking ways for achieving the set goals. The defined business goals can be achieved using the following resources: [4]

- labor (employees, managers, owners...),
- material (material, energy...),
- capacity (technology, machinery, IT equipment...),
- financial (loans, profit, share capital...),
- other (information, time, licenses...).

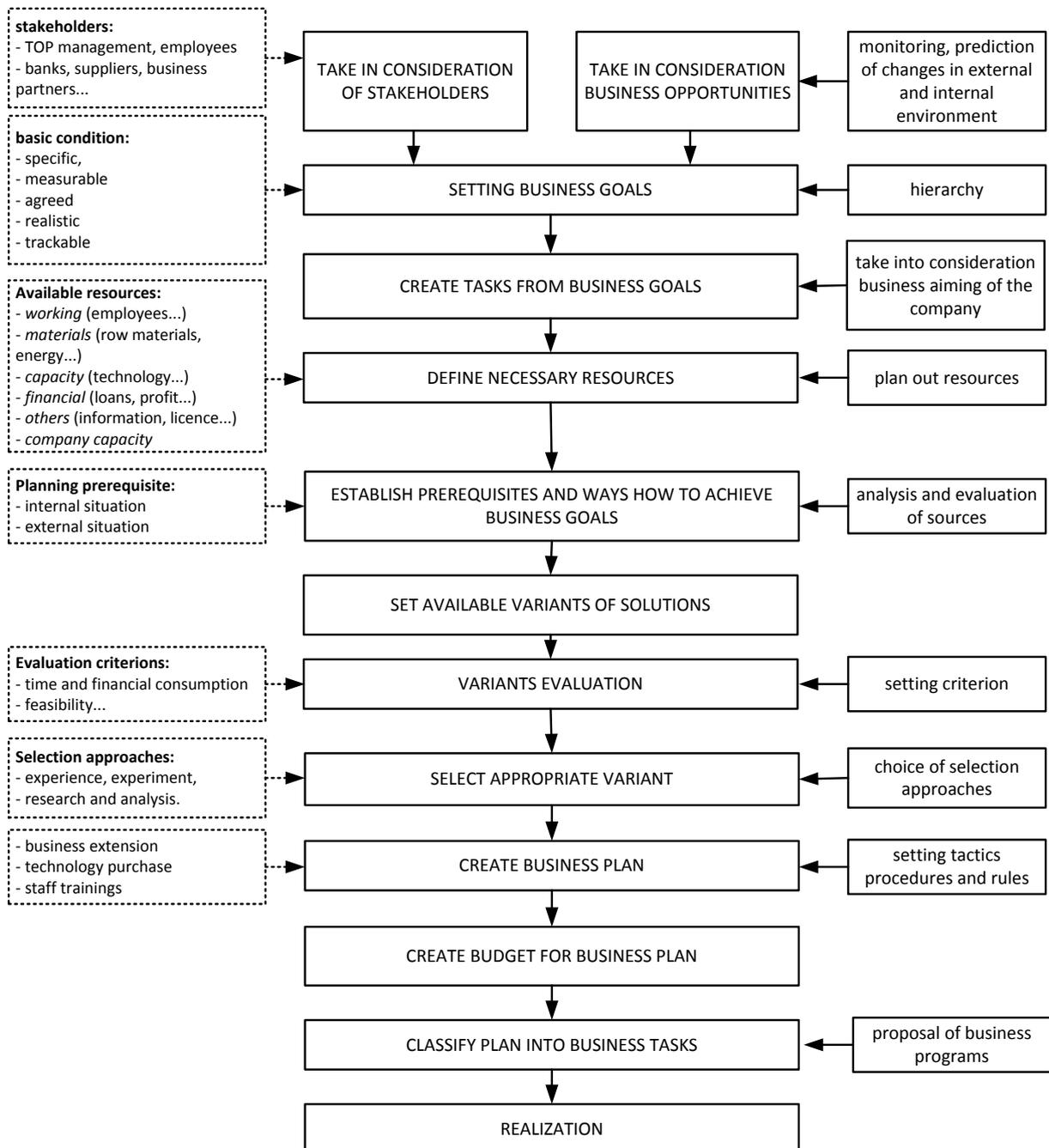


Figure 1 Effective planning in enterprise [6]

In addition to the listed resources we could also add business capacity of the company. It is based on and interconnected with the total of knowledge, resources, experience, managerial capabilities and skills that the company has at its disposal for the purpose of managing business activities.

2.3 Ways for Achieving the Set Goals

It is also highly important to specify the ways by which should be the previously set goals achieved. Typically there are several options – possible solutions. Here we talk about so called variants that may be formed by a combination of various resources in such a way that all of the goals are optimally achieved in their logical interconnectedness.

3. DISCUSSION

When establishing a business, it is not enough only to define the vision and goals as represented by a concrete future business opportunity, but also to adopt the ability of its practical realization. In order for the company to be able to create and realize a successful business, it needs to use project management. Above all, it is necessary to realize that the process of establishing a business is an extensive business project that involves multiple processes. Basic rule for managing a business project is to set:

- Goal of the project
- Content of the project
- Time plan of the project
- Financial budget

Every business project is unique because it is realized only once, is temporary and a group of people is working on it – business team. In order to be able to afterwards

evaluate success rate of the goals or changes, it is necessary to:

1. Clearly defined goals of the business project
2. Comparison of potential benefits of possible variants for solving a business project
3. Establishment of a model of metrics that will enable monitoring and control of the evaluation of project effects
4. Model of metrics interconnected with the whole system for evaluating company performance; evaluation of relationships between the results of measuring
5. Determine responsibility for results of the business project
6. Set time horizon for monitoring and evaluation of reaching business goals using suitable metrics
7. Establishment of a communication channel for sharing results of measuring among all responsible people that influence results of the measuring, including definition of corrective actions

Planning of business projects is shown in Figure 2.

4. CONCLUSION

Planning in management represents a significant group of activities, using which are set goals and by which are determined resources and ways for achieving them. Complexity and demanding character of this process increases with size of the company, with the increasing hierarchical level on which it is performed, with the length of the time horizon and the number of involved parties (partners) [7].

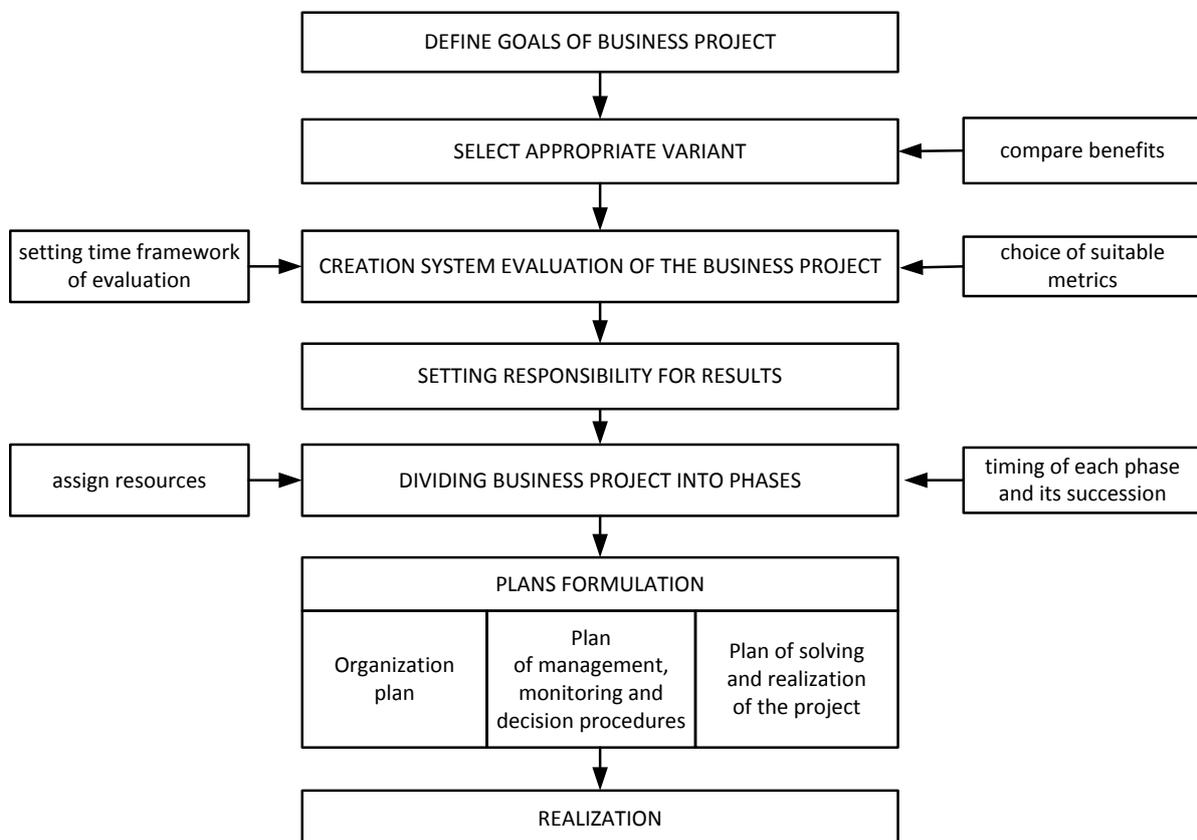


Figure 2 Planning of Business Project in a Company [6]

The presented methodology of planning business activities of a company could be helpful to company managers.

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