Importance of Planning in Management Developing Organization

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Abstract—In the dynamic environment demand of continual development is opportunity and a string of survival. Development of every organization is a cyclical or a periodical process. Every period of development is involved with future creation actions of organization and planning. This article shoes relationship of planning action with management and development of organization. According to empirical quantitative research which was made with Lithuanian top managers of business organization there are shown that top managers of Lithuanian business organization do not relate directly planning with management and development of organization. Still they do not deny significance of planning and importance of decisions made during planning for the management and development of organization.

Index Terms—planning, management, development, self-development, mind activity.

I. INTRODUCTION

In the dynamic environment demand of continual development is opportunity and a string of survival. Development of every organization is a cyclical or a step process. Every step of development is involved with future creation actions of organization [1]. According to M. Rac planning is one of twelve future creation actions [2]. Purpose of planning is to schedule tasks that impossible makes possible. P. Drucker maintains that plan of action must become the core of manager's time planning [3]. Once Napoleon was told that there is no battle which goes according to plan. But the same Napoleon planed every battle till minimum details. The manager without plan becomes victim of circumstances.

On the other hand every manager understands significance of planning in the management and development of an organization. The process of planning is connected with the process of manager's mind activity. Continual changes in the environment are the preclusion to use manager's mind activity purposefully and to orientate it into planning. Some thinks that planning is not advisable because the plan has to be reconsidered and has to be changed what has been planned before. This is why the problem of this article is how planning is connected with management and development of an organization.

The purpose is to determine relation of planning action with management and development of organization empirically according to theoretical reasoning.

Methods: the analysis of scientific literature and questionnaire interview. The analysis of quantitative research data employed the following statistic methods: descriptive statistics (rates, average means and dispersion), correlative analysis (Spearman correlations), and factorial analysis.

Quantitative research was made with Lithuanian top managers of business organizations. According to accredited sample size calculator research sample size was counted [4]. The quantitative research must be made at least with 96 respondents. During research there were gathered 113 filled questionnaires.

II. THEORETICAL MEANING OF DEVELOPMENT

Various scientists talk differently about development and self-development. The roots of self-development process concept could be found in the works of Greek philosophers Plato and Aristotle. At present, the ideas about self-development could be found in a number of books by different authors. In 1958 R. Lippitt and B. Westley, while emphasizing the manager's functions and responsibilities, presented a seven-step organization change model [5]. In 1960 W. Rostow formulated a five-level development concept [5]. In 1969 W. French, in 1982 W. Bruke and later in 1998 S. Ramanarayan, T. V. Rao and K. Singh associated organization development with planning theory [5].

In 1978 J. Quinn defined evolutionary self-development of organizations [5]. Almost at the same time in 1979 L. Greiner described self-development through crisis [9]. Similarly but in different ages J. Miller, P. Friesen (in 1984) and G. Minzberg (in 2001) wrote about organization self-development in quantum or revolutionary leaps [5]. Therefore D. Hurst (in 1995) analysed organization development through constant decline and renewal processes [5]. Kindly differently in 1969 R. Beckhard and in 1990, W. L. French and C. H. Bell spoke about development as a step process when the organization is developed only at certain moments [5]. On the other hand, in 1972 N. Margulies and in 1975 R. Selfrige [5] and in 1993 P. Drucker [3] saw organization development as a permanent, continuous organization activity covering

managing processes of various internal and external factors. In 2006 K.Wilber relates development with inner world of person, organization or country [6]. A step process of sociocultural organization development was presented by G. P. Schedrovickij [7], J. Kvedaravicius [8], J. Gharajedaghi [9].

On the other hand, organization development is oriented towards future perspectives [5]. In this article development is related with managers' ability to perceive themselves and their contemplation and to be able to apply it managing and developing organization.

Self-development of the organization is connected with mind activity. The most recent research of D. G. Myers [10] and R. Winston [11] show that brain can create new cells and according to D. Goleman [12] intellect can be developed. Consequently, the opportunities for the individual's development are unlimited and the discussion about development of mind activity in management with the aim of business organization development is purposeful.

III. THEORETICAL MEANING OF PLANNING

Various scientists discuss about planning in organizations' strategic management. Planning is described as one of organizations' management functions and actually the core function of organization management. This scientific view could be described as West World view. But there is little bit different understanding of planning.

By making researches A. O. Oparanma, D. I. Hamilton and S. A. Jaja concluded that the application of planning as a strategy is the only way to manage the turbulent and competitive environment of business [13]. They recommended turbulent environment of any business managed through planning, strategic management formulations and implementation. Thus there could be agreed with M. B. Baridam that strategic plan making is the first managerial job when the environment of business becomes uncontrollable [14].

Planning could be understood as one of twelve future creation actions. Future creation actions are prognostication, floodlighting, projection, programming, planning, scenario making, project implementation, author supervision, expertise, monitoring, organization, management. There might be confusion thinking about floodlighting, projecting, programming and planning. Thus J. Kvedaravicius sufficiently clearly separates these actions [8]. He maintains that future objects or situations are floodlighted or projected, actions are programmed and tasks are planned. According to R. L. Ackoff planning has a function to make impossible to possible [15]. Thus there could be maintained that just usage of pure thinking could help to manager to separate these actions and find out different meaningful results of contemplation. (When author of the article talks about pure thinking she has in mind manager s' interest and understanding of new management knowledge and their intense to use it in organizations' management.) Mind activity is managers' tool which enable to perceive in planning process what

tasks will be required while implementing organization's future created during process of floodlighting and projecting.

According to P. Drucker the plan should become the core of manager's time planning [3]. Once Napoleon was told that there is no battle which goes according to plan. But the same Napoleon planed every battle till minimum details. The manager without plan becomes victim of circumstances. According to M. Rac planning is solution of task or the method of organizing action [2]. The same way maintains M. B. Baridam that planning means to determine the objectives of the organization, examination of the environment and forecasting changes and development of policies, procedures and necessary plans to help achieve the objectives in view of the changing environment [14]. Thus there is important to familiarize with the future of planned tasks. One important notice is that there should be planned only these tomorrow's tasks which could be solved today because there could not be planned things that are not possible to realize.

Accordingly E. de Bono said that managers pretty frequently forget to use mind activity as a tool after they find right decision on their opinion [16]. It is interesting that nobody knows what decision is right and what is wrong. The author of this article agrees with E. de Bono estimation that further contemplation is not the waste of time [16]. Contrarily this further contemplation confirms that the found decision is right. If in contemplation process we found that decision is wrong than it is worth rethink everything again and look for new decision.

A. M. Efendioglu and A. T. Karabulut made researches shown increased importance of strategic planning in local organizations seeking to resemble to foreign organizations [17]. Y. Sarason and F. Tegarden base on knowledge these intentions that planning is related with organizations performance and management results [18].

A. Valackiene suggests planning in crisis as process of discussions and future perspectives [19]. Planning is described as analyses of internal and external aspects with the purpose to see organization's future. According to Turney's research results during planning action there is important communication with the work team [19].

Accordingly there should be mentioned that during planning process there is created message to employees. Thus during planning managers should be able to evaluate all potential tasks and at the same time they have to pick the most important ones. Managers have to be able to describe tasks appropriately to employees. This is the reason why managers should be able to evaluate the newest methods of management theoretically and be able to adjust these theories in practical management and development of an organization. Thus planning is closely related with pure thinking.

IV. RESEARCH METHOD

On the purpose to analyze actions of the floodlighting and projecting in an organization was made quantitative research with top managers of the Lithuanian business organizations. The instrumentation for quantitative

research was formed with the help of the concept operationalization method, referring to M. Seeman methodology [20].

According to accredited sample size calculator the sample size of the research was counted [4]. 6 were accepted as margin of an error. 95 percents were taken as confidence level. The population size of business organizations in Lithuania in 2009 was 64437 [21]. The response distribution was 90 percents according to earlier researches of the authors of this article [5]. The sample size of this research was counted 96 respondents.

Based on the prepared research methodology, quantitative research carried out in the 2nd and 3rd quarters of 2009 support each other with their data. In the process of the quantitative research were collected 113 filled in questionnaires.

Deviation of distribution in regions of Lithuania was zero percent according to percentage of business organizations in these regions. Thus there could be stated that results of empirical research fulfilled situation of Lithuanian business organizations.

For the research questionnaire was made reliability analysis. Cronbach Alpha was 0,647 (when number of questions was 114).

Factorial analyses were made combining statistically and logically combining together propositions about development, planning and separate aspects of mind activity.

V. RESEARCH RESULTS

Analyzing results of research related with preparation and usage of idea realization plan and estimation of idea realization there could be noticed that managers more frequent use plans in the implementation process (75,7% in Fig. 1) than prepare plans for an idea's realization (71,1% in Fig. 1). This situation of research results could be explained according to managers' perception. Some managers think that they are not planning but they are making simple notes in their notebook or in their mind. They do not relate these notes with plan.
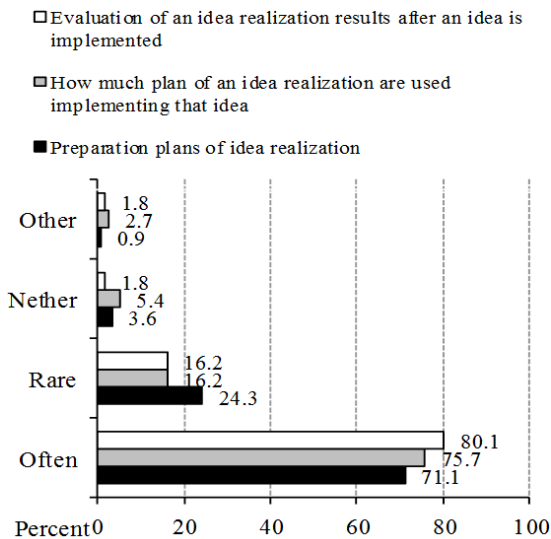
Figure 1.   Creation and implementation of an ideas

Estimating research propositions of planning related with aspects of mind activity (Fig. 2) there could be noticed that in the process of planning while considering and making decisions managers use pure thinking (0,351**), reflection (0,342**), experience of management (0,304*), awareness of process (0,288**). Planning process is related with managers' rational thinking and intuition. Basically middle strength but statistically significant Spearman correlations shows that planning is related with mind activity (0,440**) and development of an organization (0,356**).
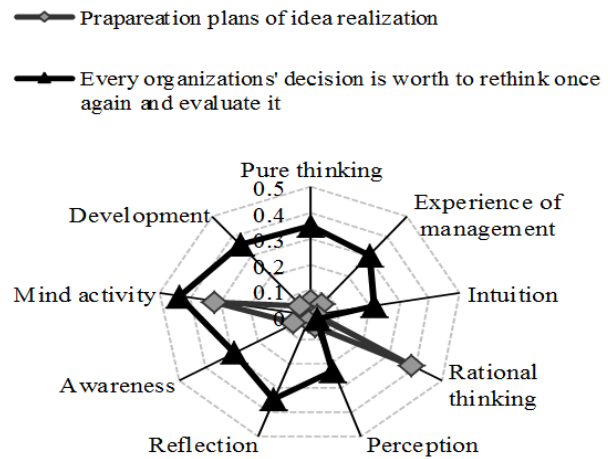
Figure 2.   Planning relation with mind activity, its aspects and organizations' development

TABLE I.   RELATION BETWEEN PLANNING AND DEVELOPMENT

Development \ Planning		Every organizations' decision is worth to rethink once again and evaluate it
Development of an organization rely on confidence and self-confidence of the manager	Spearman	0,232*
	N	99
Development of an organization rely on manager's self-actualize	Spearman	0,295**
	N	94
Development of an organization rely on manager's ability to use real facts	Spearman	0,255*
	N	98
Development of an organization rely on employees' intentions to develop themselves	Spearman	0,309**
	N	101
Organization development rely on managers ability to connect organization's resources with organization's goals	Spearman	0,205*
	N	100
Organization development rely on employees' enterprising action	Spearman	0,206*
	N	101
Manager practicing knowledge of management motivates to self-develop other organization's members	Spearman	0,209*
	N	98
While manager s are using theoretical knowledge in practical management of an organization they motivate to develop other members of an organization	Spearman	0,322**
	N	100
Development of an human resources rely on development of every employees' individual development	Spearman	0,361**
	N	100

There was not identified correlation between research's propositions of development and propositions of planning. The author of this article makes an assumption that the reason of such results might be that managers do not relate planning with development directly. According to the research results managers do not deny significant of planning to development of an organization.

According to Table I while managers consider and make management decisions there are important self confidence of manager (0,232*)[1], ability to self-actualize (0,295*), usage of facts (0,255*) and theoretical knowledge (0,209**) in practical management.

At the same time there are important employees intention to develop themselves (0,309**), their enterprising action (0,206*) and development of every person in the organization (0,361**). According to these data there could be maintained that managers consciously or unconsciously want to involve their employees in management and development of an organization.

This is the reason why managers think that their development could make influence over employees' development. Thus development of every person in an organization might influence over development of all organization.

According to these relations of planning with mind activity and development of an organization there could be noticed that managers perceive significance of planning and unconsciously use separate aspects of mind activity while planning in an organization. On the other hand such managers' perception does not mean that planning is made purposely and properly and that results of planning experience are used creating the future of an organization.

VI. CONCLUSION

According to research results there was identified weak but statistically significant correlation between planning and management and development of an organization thus there could be made presumption that top managers perceive the meaningfulness of planning process.

Particularly investigated aspects of managers' mind activity while planning in organizations management enable to determine that in the action of planning top managers use their pure and rational thinking, reflection, experience of management and awareness. Development of planning action could be made by extracting managers' perception and intuition during planning process.

According to research results there could be stated that top managers of Lithuanian business organization do not relate directly planning with management and development of organization. Still they do not deny significance of planning and importance of decisions made during planning for the management and development of organization.

Considering the research results there could be suggested that planning are related with management,

development and self-development of an organization. Thus managers should have in their mind that these actions could help survive and expand their business organizations casually and during economic and financial crisis.

Planning is based on manager's ability to use his/ her mind activity. The manager who is developing his/her mind activity could easier influence improvement and development of his/ her employees' individuality. In this case the management of an organization could be improved and developed.

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[1] Note: here and further in text the significance of Spearman's correlation (p) is: * - 0,01 < p < 0,05; ** - p < 0,01.

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Her work experience started in 2010. Her first job was as product development manager at business organization 'Senuku prekybos centras' in Kaunas, Lithuania in 2004 till 2005. She worked administrator in 'Konica Minolta Baltia' in Kaunas, Lithuania in 2005.

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