

H.D. JAIN COLLEGE, ARA, BHOJPUR

(BBA COURSE)

PAPER: - MANAGEMENT CONCEPT

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Advantages of Planning

1. All efforts are directed towards desired objectives or results. Unproductive work and waste of resources can be minimized.
2. Planning enables a company to remain competitive with other rivals in the industry.
3. Through careful planning, crisis can be anticipated and mistakes or delays avoided.
4. Planning can point out the need for future change and the enterprise can manage the change effectively.
5. Planning enables the systematic and thorough investigation of alternative methods or alternative solutions to a problem. Thus we can select the best alternative to solve any business problem.
6. Planning maximizes the utilization of available resources and ensures optimum productivity and profits. Planning provides the ground work for laying down control standards.
7. Planning enables management to relate the whole enterprise to its complex environment profitably.

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Disadvantages of Planning

1. Environmental factors are uncontrollable and unpredictable to a large extent. Therefore, planning cannot give perfect insurance against uncertainty.
2. Planning is many times very costly.
3. Tendency towards inflexibility to change is another limitation of planning.
4. Planning delays action.
5. Planning encourages a false sense of security against risk or uncertainty.