

Q-8

Ans-8 Economic planning is often regarded as technique of managing an economy. When the structure of an economy becomes complex and subject to rapid change and transformation some sort of advance thinking becomes necessary to resolve that complexity and to prepare the economy for those changes. Such preparation is called planning.

The objectives of planning are many varied. These aims are not the same for all countries, not are they same for the same country at all times. Planning involve setting objectives and deciding in advance the appropriate course of action to achieve these courses so we can also define planning as setting up objectives.

## Planning process.

### \* Setting up the objectives :-

In planning function manager begins with setting up of objects because all the policies, procedure and methods are framed for achieving objective only.

### \* Developing premises :-

Premises refers to making assumption regarding future. Premises are based on which plans are made.

### \* Implement the plan :-

The managers prepare or draft the main and supportive plans on paper but there is no use of these plans unless and until these are put in action.

### \* Selecting an alternative :-

The best alternative is selected but as such there is no mathematical formula to select the best alternative.