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## **THE IMPORTANCE OF PLANNING IN THE MANAGEMENT PROCESS**

Planning is one of the key stages in the management process, ensuring a clear definition of objectives, ways of achieving them and the optimal allocation of resources. In today's market conditions, the processes of planning, motivating and controlling must be effective and efficient in order to ensure competitiveness and achieve organisational goals. This means that all management actions should achieve the set goals with the least amount of resources and produce real, measurable results that contribute to the long-term development and stability of the organisation. It helps to minimise risk, increase the efficiency of resource use and secure a strategic competitive advantage. Planning provides managers in different areas with the opportunity to clearly articulate goals and develop ways to achieve them [4]. It is used to reduce uncertainty by minimising all possible risks, as it involves the development of alternative scenarios. In addition, planning ensures effective coordination between all parts of the organisation, avoiding duplication of effort and rationalising the use of key resources.

The systemic nature of planning is manifested in the fact that all types of plans developed in an organisation should be interrelated and form a single integral structure. Each component of this structure should perform its own function and contribute to the overall efficiency of the management system, ensuring the harmonious functioning of the enterprise as a single organism [1, p.3].

There are four main stages in the planning system:

1. Current planning and budgeting (phase I): observed during stable economic development. It is characterised by short-term plans (up to one year), internal focus and control of deviations from the plan.
2. Extrapolation planning (phase II): spread in the middle of the twentieth century against the background of rapidly developing commodity markets. It is characterised by long-term plans, the use of economic and mathematical models and extrapolation forecasts.
3. Strategic planning (phase III): emerged in the late 1960s under the influence of economic instability, when predicting the future became a difficult task.
4. Strategic management (phase IV): emerged to implement strategic plans, combining strategic management with their implementation within the framework of strategic management.

Let us consider the theory of Peter F. Drucker. He is widely regarded as the godfather of management. His contribution to the formation and development of management as a scientific discipline was unparalleled. In the 1950s, Drucker laid the foundations of management science and systematised it, transforming management from an unpopular and undervalued speciality into one of the key conditions for effective business functioning and development. He created a new paradigm that was in tune with the spirit of the times, emphasising strategic planning, innovation and the efficient use of human resources as key elements of success in a changing economy [3, p.7]. P.

Drucker told that planning did not tell us what to do the following day. It tells us how we should act today to deal with the uncertainties of the future; how we can better prepare ourselves to meet the challenges that will arise.

Taking into account the basics of Drucker's planning concept, we can identify the main elements. Effective management of an organisation requires a broader approach than just focusing on economic goals. Improving the system of goals is essential for any business organisation, as their survival and successful development depend on meeting the diverse needs of social groups.

P.F. Drucker identified the key goals of an organisation, such as: choosing the types of markets to operate in, defining products for the respective markets, planning profit levels, determining the necessary resources and their sources, attitude to innovation and risk, meeting the needs of staff and achieving social recognition. He emphasised the importance of results-based planning, stressing that the main objective of any plan is to achieve specific results, such as cost-effectiveness, competitiveness and innovation. We can conclude that planning should not be a static document, but a dynamic management tool capable of adapting to changing conditions. Human resources play an important role in the management planning process. Drucker emphasises that the development, engagement and motivation of staff are the main factors in achieving organisational goals. According to this research, planning becomes a tool for organising work and managing people. Planning, according to Drucker, should be a continuous and adaptive process that takes into account changes in the external environment, new trends, technologies and market conditions. This ensures the competitiveness of an organisation in the long term [2].

Thus, Peter Drucker's approach to strategic planning emphasises the importance of focusing on future results and long-term development. He emphasises that effective planning should take into account economic efficiency, competitiveness and innovation, as well as the development, engagement and motivation of human resources. Planning should be a continuous and adaptive process that is able to respond to changes in the external environment, ensuring that the organisation remains competitive in the long term.

This approach makes planning a key management tool that allows an organisation to respond quickly to changes and actively shape its future.

### References

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