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THE MEANING AND ESSENCE OF THE BUSINESS PLANNING

Volobuieva Vladlena Vitalievna

Student of

Department of Systems Engineering (SysEng)

Faculty of Computer Science

Kharkiv National University Of Radio Electronics

Kharkiv, Ukraine

Khazanovych Nataliia Anatolievna

Student of

Department of Systems Engineering (SysEng)

Faculty of Computer Science

Kharkiv National University Of Radio Electronics

Kharkiv, Ukraine

Scientific lead – Senior Lecturer of the Department of Economics and Management -

Nataliia Ivanovna Tokhtamysh

The variability of macroeconomic factors requires from enterprises detailed forecasting of their strategic and current activities, considering the opportunities and threats of further development and realization of the set goals, the ability to make appropriate management decisions. An important element of strategic planning, in a decisive degree, can be the response of the enterprise to the requirements of the environment and maintain its appropriate behavior in the market, business planning.

In the article, we give a definition of business planning, and we find out its role in the management of enterprises.

Keywords - business plan, strategic management, business system.

I. Introduction

Planning is a complex highly organized form of social influence on socio-economic systems, which are entrepreneurial structures. It means determining on the basis of predictive scientific developments, the goals, needs and development system parameters, which are considered as guidelines for business entities.

Having chosen your business, it is necessary to plan how it should be organized. Each entrepreneur, beginning his activity, should clearly imagine a promising need for financial, material, labor and intellectual resources, sources of their obtaining, as well as be able to clearly assess the economic efficiency of the use of all resources in the process of economic activity. Without a business plan, you can't do business at all, otherwise the possibility of failure will be too high.

The scientific novelty of the article is that the developed theoretical positions, essentially business planning, and its role in the management of enterprises.

II. The essence of the business plan

A business plan is a document that describes all major aspects of the future enterprise, analyzes all the problems it can encounter, and also defines ways to solve these problems. Therefore, a properly compiled business plan ultimately answers the

question: Does it worth investing in the whole thing and whether it will bring revenues that will pay off all expenses?

In a market economy, entrepreneurs can't achieve stable success if they don't clearly and effectively plan their activities, constantly collect and analyze information about target markets, competitors, own prospects and opportunities.

The role of enterprises activities business plan is wide and multifunctional. On the one hand, the business plan can be considered as a tool for strategic planning of the enterprise, which allows to determine the goals and objectives of its operation and to develop an achieve goals measure system.

III. The value of business planning

On the other hand, a business plan is a powerful tool for monitoring the activities of all services and departments of an enterprise, and primarily a tool for controlling income and expenses. It allows the top management of the company to assess and analyze the actual results achieved, identify the causes of possible deviations from the planned indicators and coordinate the activities of the company to achieve all the planned results in full [5, p. 268].

Business plans can be made for:

1. For external use. To present the case in the most beneficial light to people from outside for example investors.
2. For internal use. This business plan can be used as a management tool to show all strength and weakness. [4, p.432].

You can achieve significant benefits if you start with a business plan for internal use. In the process of writing it, you will consider many issues that may never be recorded in the external. However, investors will surely ask such questions in order to "feel" the seriousness of the work.

For example, it may turn out that questions about whether an investor is really needed or whether it is better to concentrate on increasing productivity have not been worked out. When it is clear that they could survive and thrive without giving 30% of the income to the investor. All options and development strategy should be worked out in advance when writing an internal business plan. And if attracting an investor will be justified, then both the investor and the firm will have a solid basis for the transaction. Drawing up an internally oriented business plan in the interests of both parties [3, p. 252].

The mistake in business is to deceive ourselves. A business plan, drawn up only for external use, often adorns reality. Faith in own propaganda may turn out to be factor which destroys.

IV. Business plan structure

The business plan of the company is one of the first generalizing documents of the investment justification. It contains consolidated data about the planned nomenclature and volumes of production, the characteristics of markets and raw material base, the need for production in such resources as: land, energy and labor resources; and it also contains a number of indicators that give a conception of the commercial, budgetary and economic efficiency of the project, and in the first instance investors who are very important for the project.

The business plan serves as an objective assessment of the company's own business and at the same time as a necessary tool for design and investment solutions in accordance with market needs [1, p.228]. It describes the main aspects of a commercial enterprise, analyzes the problems it encounters, and determines the ways of their solution.

So, the business plan is at the same time search, research and design work. It would not be an exaggeration to call a business plan the basis for managing not only a commercial project, but also the enterprise itself. Thanks to the business plan, the management has the opportunity to look at their own enterprise from the outside. The very process of developing a business plan that includes a detailed analysis of economic and organizational issues makes it mobilize. The purpose of a business plan may be to obtain a loan, or to attract investments, to determine the strategic and tactical guidelines of the company, etc.

Conclusion

The economic essence and role of business planning in the economic activity of the enterprise were considered. Theoretical concepts of the need for business planning of the enterprise were generalized . The stages of business planning were identified . It has been found that planning can be considered as an instrument of modern management, through which the enterprise can determine the purpose and tasks of its functioning.

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