

THE ROLE OF PLANNING IN THE PROCESS OF PROJECT IMPLEMENTATION

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***Abstract:** Investment projects are special projects and related to the implementation of investments in fixed assets. Successful management of investment projects includes several important facts, among which stands out the planning and monitoring of the plan. Planning is the initial phase of management. Planning defines the objectives of the project and develops methods and strategies for reaching goals. Also, the planning process can reduce the uncertainty in project implementation, such as project managers anticipate changes related to the project, discuss their impact on the project and develop appropriate responses. The purpose of this study is to: emphasize the role planning in the process of realization of the project and that project planning, to establish order and keeping plans of defined project activities.*

***Keywords:** investment projects, management, planning, plan.*

1. INTRODUCTION

The project is a temporary organization whose mission is to achieve the specific goals of the company, while respecting the limitations related to the time of realization, costs and planned performance of the corresponding venture. Planning is the ability to perceive future consequences of current decisions. This is the essential phase of each management process, which also represents, first of all, the choice of objectives and the determination of their achievement. Project implementation planning is the initial phase of project management, which allows for the further development and achievement of project management objectives, which leads to realization of the project in the foreseen time and with the estimated costs [1-6].

Planning is a process of defining the objectives of project implementation and activities in order to achieve these goals, which is primarily necessary in long-term and complex projects since every serious human action must be planned in order to be able to be effectively monitored and implemented. The planning of the project is carried out from the global stages to the individual activities that lead to the completion of the project. For each activity in the project it is necessary to predict the time of realization, and on that basis, the time for completion of certain parts of the entire project [7-12].

Planning is a process that takes place in cycles. The planning cycle begins with the prediction of development trends, continues with the undertaking of appropriate actions, and ends with the monitoring of the effects of the actions taken. Therefore, planning implies permanent monitoring of the results of the actions taken. Planning is a formalized system that must be in direct relation with other formalized systems such as accounting system, quality control system, information systems, and employee reward systems. It is very important that the planning system provides continuity [13-21].

2. THE CONCEPT AND THE IMPACT OF PLANNING IN THE MANAGEMENT PROJECT

As already mentioned in the introduction of this paper, planning is not only a primary phase but also an essential phase because it covers most aspects of management. It is important to note that planning includes 4 important activities[1]:

1. Defining goals
2. Description of the current situation
3. Identifying incentives and constraints
4. Determination of shares.

1. Defining goals. Goals are an inevitable part of planning. It is necessary to define the goals more precisely and accurately in order to avoid wasting resources until a proper selection of priorities leads to the correct and effective use

of resources. If goals are not properly selected, then other planning decisions can not be properly defined, with the objective of achieving goals in an adequate way.

2. Description of the current situation. Determining the situation is the basis of the comparison, because in order to know where and to what to strive, it is primarily necessary to determine where it is currently located. The comparison takes place first in time, in relation to competitors and to other investment options. Determining or defining a condition is to identify the differences between the present and the future state or goals. Only in this way the resources and methods can be efficiently used because it is possible to identify differences. The analysis of the situation is the basis for defining decisions and undertaking appropriate actions.

3. Identifying incentives and constraints. Incentives are factors which should be used for the planning process, and constraints are factors that must either be avoided or adapted as best as possible. Identifying incentives and constraints in the future is a very risky research job. The essence of planning is to identify future problems and opportunities. Troubleshooting is always associated with certain difficulties. According to [2], there are three difficulties that managers face in the process of problem identification: (1) misunderstanding, (2) incorrect assessment, and (3) wrong self-determination. It can be concluded that problem solving maintains a certain level of functioning of the project, and better use of opportunities leads to progress in its realization.

4. Determination of actions. In the planning process, the last activity represents a selection of the best possible directions of action, periodic evaluation of the efficiency, sustainability and importance of the project in the context of the set goals, as well as the selection of the best alternative. The evaluation of the project estimates the degree to which the goals and tasks have met. So, within this activity, it is necessary to allocate time, people and resources in a way that best ensures the realization of different goals. Accurately defined activities represent a successful guide to everyday decisions. Figure 1 shows the basic planning activities.

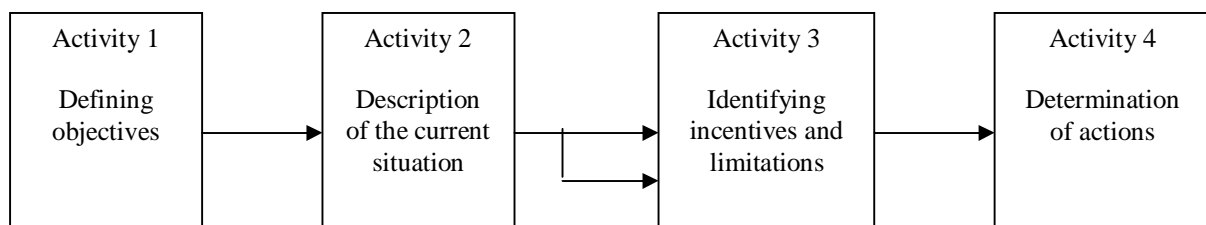


Figure 1: The basic planning activities [1]

There are two types of planning: strategic and operational planning. Figure 2 shows the structure of planning decisions.

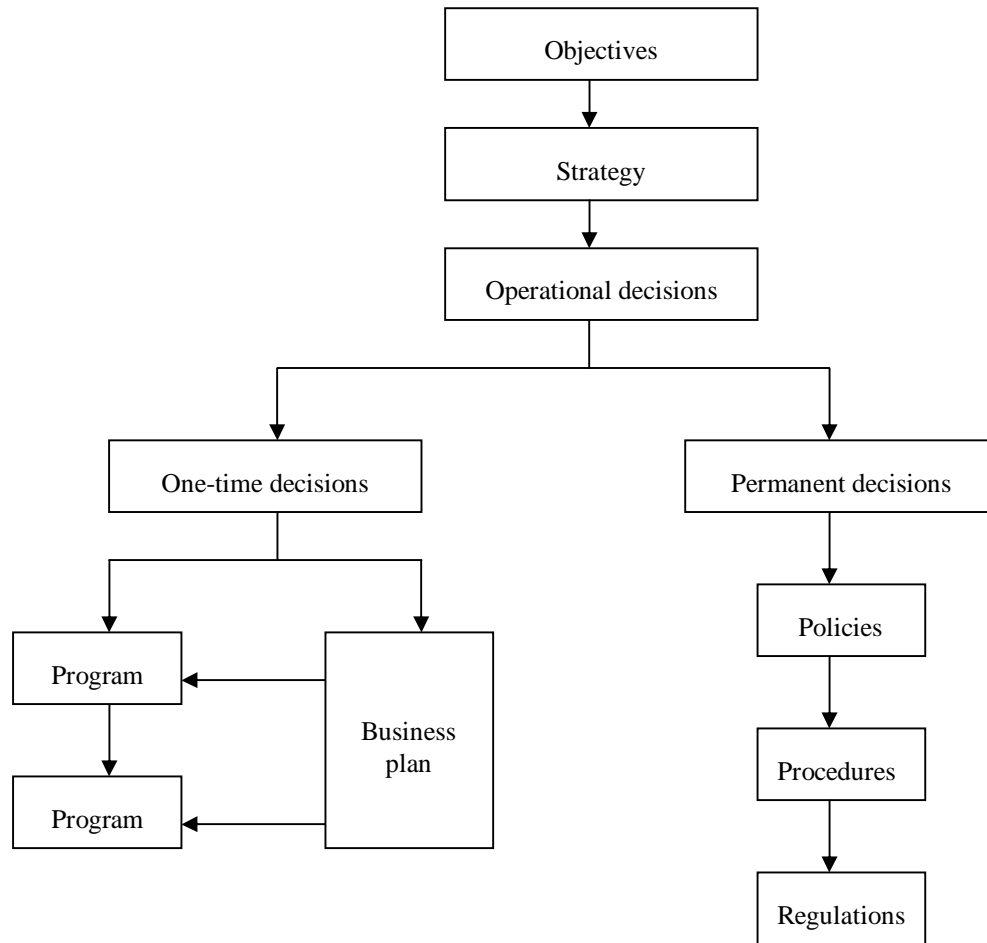


Figure 2: Structure of planning decisions [1]

Strategic planning conditions the accomplishment of the mission as a unique reason for the existence of a company and a vision as an essential way of accomplishing the mission. Operational planning specifies the general goals and ways of achieving them through daily decisions (or job management) [1].

3. PROJECT AS A RESULT OF THE PROCESS OF PLANNING

The project approach is based on continuous planning and control in order to achieve the defined goals. Planning is subject to time and resources with associated costs. All work related to the project can not be performed by an individual, and for this reason, the jobs are divided into members of the project team. Members of the project team must be familiar with the work of other members of the team so for this reason, we are using the so-called “package structure of the package of jobs”. They are made of elementary jobs; several elementary jobs create a work unit; more work units create phase; several phases represent the project itself. It is important to note that the phases run parallel. In the next phase, planning determines the order of activity. It is necessary to determine the earliest beginnings and the earliest completion of the activity as well as the most recent start and the most recent completion of the activity. The control includes periodic analysis of the execution of the activity, provided that it has sufficient resources to support and complete the implementation of the project.

Each project contains a life cycle that represents a time period from the birth of the idea for the given project to the moment of the actual realization of the project. The basic phases of the life cycle of the project are [3]:

1. Opportunity
2. Feasibility
3. Execution
4. A phase of trial production.

At the opportunity stage, a loss is estimated that would result from not undertaking of the project and evaluating the performance of the project itself. This phase begins with the testing of the basic idea of the project and ends with the decision to continue the analysis of justification of the implementation of this idea.

The feasibility phase includes a technical and technological analysis that includes capacity, specific technologies, locations, machines, and economic analysis that includes the acquisition, sale, labor market, social effects and, finally, financial analysis that consists of securing financing and evaluating financial structures. If it turns out that the project is feasible the project manager is determined.

The execution phase assumes the planning, programming, and control of the project. This phase ends with testing and proving performance. The essence of this phase is to minimize the deviation from the plan of the program. The trial production phase is a time-limited period of project release into exploitation and it compares the actual performance of the project with the performance of the project predictions. How the project goes through life-cycle phases it leads to risk reduction, cost growth and the application of new methods whose reliability grows from phase to phase.

4. PROJECT REALIZATION PROCESS

The process of project implementation implies planning verification. Implementation of the project refers to managing the performance of a job that is previously defined by the project management plan. Most of the time and resources are spent in the process of realization.

The process of project realization and the needs that it imposes are in accordance with a predefined approach to the project management process which implies that after the planning, monitoring and control of the actual implementation of the project are carried out. Monitoring and control of project implementation are carried out strictly in accordance with the process of project planning and with well-defined plans. It is necessary to better organize the monitoring and reporting system in order to control the realization of the project and obtain the necessary information on the actual state of the project realization in terms of the time of execution of certain activities, phases and projects as a whole, then the consumption of certain types of resources and the costs of project realization and the relationship between the activities performed and the costs incurred [4].

The project manager with his project team should have a certain amount of flexibility and creativity in order to overcome certain unpredictable situations that involve each stage of project implementation. For the efficient implementation of the project it is necessary to apply methodologies for project management and information technology. It is necessary to follow a methodology that indicates what needs to be done and in what way. There are several software solutions for project management on the market, so in this way, the members of the project team can link the basic project documents with the other project documentation. Also, organizational culture is an integral part of the project management. Project managers will find it easier to implement projects if they comply with project management procedures. Sometimes, in order to achieve results in a timely manner, managers are forced to violate the rules and procedures in the process of implementing the project. In any case, disregard for certain organizational rules and the positive outcome of solving such situations in the first place requires advanced leadership, communication and negotiation skills of project managers.

5. CONCLUSION

Planning is very important for the successful operation and functioning of the company. It represents the process of selecting goals and how to achieve goals. The outcome of the planning process is the plan.

It can be noted that planning is the main stage in the process of project realization. For the successful realization of the project, it is necessary that all planning activities, such as defining goals, describing the current situation, identifying incentives and limiting and determining actions, are carried out in a precisely defined and precise manner. Proper implementation of these activities leads to a successful implementation of the project.

One of the conditions for successful implementation of the project is a good correlation between team members. Effective human resources management, in time and with the available budget, also leads to the achievement of project success.

In accordance with the previous consideration, it can be concluded that the realization of the project is essential for the success of the project. Irrespective of how much the mentioned methods help in the realization of the project, project managers must bear in mind that good leadership and team work are a key precondition for successful implementation. Nevertheless, what defines the success of each project is its successful realization through the anticipation of crisis situations.

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