

## BSBMGT517 Manage operational plan

This unit describes the skills and knowledge required to develop and monitor implementation of the operational plan to provide efficient and effective workplace practices within the organisation's productivity and profitability plans.

Management at a strategic level requires systems and procedures to be developed and implemented to facilitate the organisation's operational plan. This unit applies to individuals who manage the work of others and operate within the parameters of a broader strategic and/or business plan.

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Develop operational plan	1.1 Research, analyse and document resource requirements and develop an operational plan in consultation with relevant personnel, colleagues and specialist resource managers 1.2 Develop and/or implement consultation processes as an integral part of the operational planning process 1.3 Ensure the operational plan includes key performance indicators to measure organisational performance 1.4 Develop and implement contingency plans for the operational plan 1.5 Ensure the development and presentation of proposals for resource requirements is supported by a variety of information sources and seek specialist advice as required 1.6 Obtain approval for the plan from relevant parties and explain the plan to relevant work teams
2. Plan and manage resource acquisition	2.1 Develop and implement strategies to ensure that employees are recruited and/or inducted within the organisation's human resources management policies, practices and procedures 2.2 Develop and implement strategies to ensure that physical resources and services are acquired in accordance with the organisation's policies, practices and procedures 2.3 Recognise and incorporate requirements for intellectual property rights and responsibilities in recruitment and acquisition of resources and services
3. Monitor and review operational performance	3.1 Develop, monitor and review performance systems and processes to assess progress in achieving profit and productivity plans and targets 3.2 Analyse and interpret budget and actual financial information to monitor and review profit and productivity performance 3.3 Identify areas of under-performance, recommend solutions and take prompt action to rectify the situation 3.4 Plan and implement systems to ensure that mentoring and coaching are provided to support individuals and teams to effectively, economically and safely use resources 3.5 Negotiate recommendations for variations to operational plans and gain approval from designated persons/groups 3.6 Develop and implement systems to ensure that procedures and records associated with documenting performance are managed in accordance with organisational requirements

## **OPERATIONAL PLANS**

**An Operational Plan is a detailed plan used to provide a clear picture of how a team, section or department will contribute to the achievement of the organisation's strategic goals.**

While goals, objectives and targets focus on results, plans focus on activity – what people need to do to achieve the goals, objectives and targets. The operational plans middle and first-line managers develop are shorter term than the strategic and business plans they support, generally looking ahead one week to one year. As plans become more short term, their precision increases:

- What is to be done? (Objectives and targets)
- Why is it to be done? (strategic goal)
- When is it to be done? (today, tomorrow, next week).
- Where is it to be done? (at the workplace, in the stockroom)
- How is it to be done? (steps to be taken)
- Who will do it? (list people by name).

Work schedules, holiday rosters, department training plans, and health and safety improvement plans are some typical operational plans line managers and team leaders work with. Managers work with two other types of plans. The first is specific operational plans such as project plans that are needed or once-only activities or special occurrences. These can be very complex and preparing them can be a highly-specialised task. You can use computer programs, techniques such as PERT (program evaluation review technique) and other types of network diagrams and flow charts to schedule the specific steps, highlight critical tasks and task paths, and monitor progress.

*Cole, Kris "Management: theory and practice"*

The strategic goals of an organisation are outlined in the Strategic or Business Plan, which highlights the organisation's intended direction.

### **Strategic plans identify:**

- The organisation's strengths and weaknesses
- The organisation's position in the marketplace
- Potential growth areas
- Areas of vulnerability

The Operational Plan should align with the organisation's overall objectives as detailed in the Strategic Plan. This alignment can be achieved by ensuring that the team, section or department purpose aligns with the objectives of the Strategic Plan. In turn, the Operating Plan of the team, section or department should align with the purpose.

### **Operational plans are used to identify:**

- The goals of the team, section or department
- How the goals will be achieved
- What resources are required to meet the goals

Although there are no strict rules as to the format of an Operational Plan they normally contain the following

information:

- Specific goals
- Actions required to achieve goals
- Human resources required
- Physical resources required
- Budget required
- An indication of how long goals will take to achieve

### **Contingency Planning**

Contingency planning involves creating an alternative plan in the event of circumstances changing. Setting an Operational Plan involves making a best estimate as to what will happen. However, circumstances may change resulting in the original plan becoming unsuitable. Therefore, it is important that you have an alternative strategy to deal with changes.

The level and degree of contingency planning you carry out will depend on the impact of your plan on the business and the degree to which the environment might change.

Example:

One contingency plan that is often created for a Contact Centre is for unplanned absences. This type of contingency plan will provide a strategy for how unplanned absences will be covered. The plan will indicate whether casuals will be used, overtime will be used or if team members not on the roster will be called in.

### **Other Plans**

The Team Performance Plan, which identifies the desired performance of the team and the method for achieving this level of performance must be aligned with the Operational Plan.

By aligning the two plans improvements in the team's performance can be directed to ensuring that the team develops the skills necessary to achieve the goals identified in the Operational Plan

[https://www.dlsweb.rmit.edu.au/toolbox/leadership/toolbox/op/op\\_c03.html](https://www.dlsweb.rmit.edu.au/toolbox/leadership/toolbox/op/op_c03.html)

**Operational planning** is the process of planning strategic goals and objectives to tactical goals and objectives. It describes milestones, conditions for success and explains how, or what portion of, a strategic plan will be put into operation during a given operational period, in the case of commercial application, a fiscal year or another given budgetary term. An operational plan is the basis for, and justification of an annual operating budget request. Therefore, a five-year strategic plan would typically require five operational plans funded by five operating budgets.

Operational plans should establish the activities and budgets for each part of the organization for the next 1 – 3 years. They link the strategic plan with the activities the organization will deliver and the resources required to deliver them.

An operational plan draws directly from agency and program strategic plans to describe agency and program missions and goals, program objectives, and program activities. Like a strategic plan, an operational plan addresses four questions:



performance and the use of resources.

The following can affect performance:

- Environmental changes
- Resource usage

#### *Environmental Changes*

As your environment changes you may need to alter your Operational Plan. Both external and internal influences may be the cause of change. For example, an increase in customer calls (an external change) may affect your plan. A budget cut (internal change) may also affect your plan.

When changes occur you may need to alter your plan to deal effectively with the change.

#### *Resource Usage*

How resources are used may affect your team's performance. For example, call operators may spend too long on each call (human resource usage) or team members may be using more stationary items than is necessary to achieve satisfactory levels of performance (physical resource usage).

When to alter your plans or when to improve the use of resources you need to monitor your results against the performance indicators set in your original plan.

The following steps are involved in the monitoring process:

- Compare actual performance against planned performance
- Document the differences between actual and planned performance
- Identify the reasons for any differences
- Implement action strategies to adapt performance or alter the Operational Plan

Operational Plans should be monitored and adapted on an ongoing basis. The Operational Plan should be a working document that can be used to provide direction and which can be used to evaluate performance at regular intervals.

It is important to ensure that you keep a note of the changes as they occur in your Operational Plan. This information can then be used to help you improve your planning process.

The SAMIE model is a simple tool which can be used to monitor and evaluate your operational performance.

SAMIE stands for:

- Select
- Analyse
- Measure
- Improve
- Evaluate

### When should monitoring occur?

There are three distinct times when monitoring can occur:

- Before an event
- During an event
- After an event

#### *Before an event*

The best time to deal with a problem or to take advantage of an opportunity is before it happens. By monitoring performance on an ongoing basis it is easier to identify potential problems or opportunities before they occur.

#### *During an event*

As events unfold it is possible to identify that problems are arising. In some instances corrective action can take place to prevent the problem escalating.

#### *After an event*

Most monitoring occurs after an event has occurred. Even though problems may not have been avoided or opportunities have been lost it is important that monitoring after the event occurs as analysis can provide valuable information for future plans.

### Who should be monitored?

The monitoring processes you establish can be used to monitor the use of:

- Employee's time
- Physical resources

### Improving resource image

The monitoring process should highlight whether resources are being used efficiently.

If resources are not being used efficiently you should:

- Investigate the causes
- Rectify the situation

If you are directly responsible for the resource usage then you should rectify the situation promptly. If however, you cannot control the situation you should document your findings and suggestions for improvements and present these to your manager.